BioMarin Pharma (BMRN)

$119.66 (As of 08/06/20)

Price Target (6-12 Months): **$126.00**

Long Term: 6-12 Months	**Zacks Recommendation:** (Since: 08/07/20) Prior Recommendation: Outperform	**Neutral**
Short Term: 1-3 Months	**Zacks Rank:** (1-5)	**2-Buy**
	Zacks Style Scores:	VGM:D
	Value: D | Growth: D | Momentum: D	

Summary

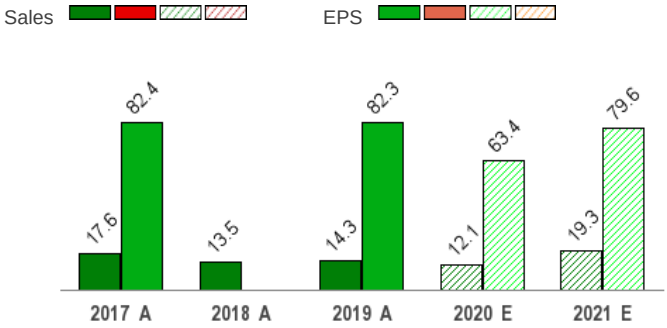
BioMarin beat estimates for Q2 earnings and sales. Sales of its key orphan disease drugs — Vimizim and Kuvan — are being driven by strong demand trends. Its newest product, Palynziq is witnessing strong commercial uptake in the United States. BioMarin's rare disease pipeline is progressing well with growing focus on gene therapy agents. A BLA for Roctavian, a gene therapy for hemophilia A, is under review with a FDA decision expected in August. A BLA for another key candidate vosoritide is expected to be filed this year. Roctavian is anticipated to be transformational, if approved this year. However, any regulatory setbacks related to Roctavian/vosoritide can hurt the stock. Moreover, Kuvan is expected to face generic competition in Q4, which can hurt sales. The stock has outperformed the industry this year so far.

Price, Consensus & Surprise

Data Overview

52 Week High-Low	**$131.95 - $62.88**
20 Day Average Volume (sh)	**1,042,230**
Market Cap	**$21.7 B**
YTD Price Change	**41.5%**
Beta	**1.05**
Dividend / Div Yld	**$0.00 / 0.0%**
Industry	**Medical - Biomedical and Genetics**
Zacks Industry Rank	**Top 48% (121 out of 252)**
Last EPS Surprise	**100.0%**
Last Sales Surprise	**2.7%**
EPS F1 Est- 4 week change	**2.6%**
Expected Report Date	**10/28/2020**
Earnings ESP	**-31.3%**
P/E TTM	**73.4**
P/E F1	**78.7**
PEG F1	**1.5**
P/S TTM	**11.8**

Sales and EPS Growth Rates (Y/Y %)



Sales Estimates (millions of $)

	Q1	Q2	Q3	Q4	Annual*
2021	521 E	523 E	547 E	574 E	2,279 E
2020	502 A	429 A	466 E	516 E	1,910 E
2019	401 A	388 A	461 A	454 A	1,704 A

EPS Estimates

	Q1	Q2	Q3	Q4	Annual*
2021	$0.52 E	$0.52 E	$0.56 E	$0.64 E	$2.73 E
2020	$0.63 A	$0.32 A	$0.29 E	$0.38 E	$1.52 E
2019	$0.14 A	$0.09 A	$0.43 A	$0.25 A	$0.93 A

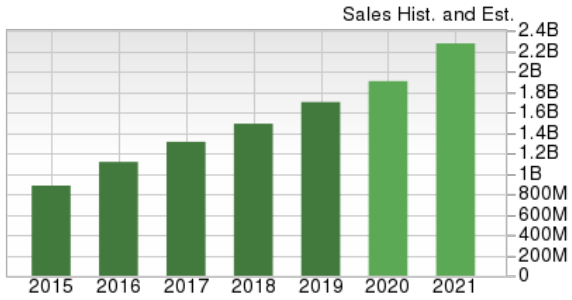
*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 08/06/2020. The reports text is as of 08/07/2020.

Overview

San Rafael, CA-based BioMarin Pharmaceutical Inc. focuses on the development and commercialization of treatments for serious life threatening medical conditions, mostly for children. The company's portfolio comprises six marketed products namely, Aldurazyme (mucopolysaccharidosis type I (MPS I)), Naglazyme (MPS VI), Kuvan (phenylketonuria (PKU) – a rare genetic enzyme deficiency disorder), Vimizim (MPS IVA or Morquio syndrome type A), Brineura (CLN2– a form of Batten disease) and Palynziq (PKU). BioMarin has a collaboration agreement with Sanofi's subsidiary Genzyme for Aldurazyme. Genzyme is BioMarin's sole customer for Aldurazyme and is responsible for marketing and selling Aldurazyme to third parties.

Its two late-stage investigational products, Roctavian/valoctocogene roxaparvovec/valrox (hemophilia A) and vosoritide (achondroplasia) are expected to be launched in 2020/2021.



BioMarin's regulatory applications for Roctavian/valoctocogene roxaparvovec (valrox), a gene therapy for severe hemophilia A, are under review in the United States (PDUFA Date: Aug 21) and Europe. Regulatory application for vosoritide, which has been developed for treating achondroplasia, the most common form of dwarfism, has been filed in Europe and will be filed in the United States in the third quarter of 2020. Another important pipeline candidate is gene therapy candidate, BMN 307 for which clinical studies are expected to begin later in 2020.

In Jan 2015, BioMarin acquired a Dutch biotech company Prosensa, in an all-cash transaction valued at $751.5 million, to boost its rare disease pipeline. Moreover, the company acquired all global rights to Kuvan, excluding Japan, and Palynziq (pegvaliase) from Merck Serono in Jan 2016, for cash payments of $374.5 million plus certain milestone payments.

BioMarin generated total sales of $1.7 billion in 2019, up 14%.

Reasons To Buy:

BioMarin's key drugs, Vimizim and Kuvan, enjoy strong demand trends. It has an impressive rare disease pipeline with a growing focus towards gene therapy agents.

- **Share Price Outperforming Industry:** BioMarin's share price movement shows that the stock has outperformed the industry this year so far. The stock has risen 41.5% during this period, outperforming 5.4% increase for the industry.

- **Key Products Continue to Drive Growth:** Vimizim is doing well, surpassing the company's expectations. Vimizim's sales rose 17% in 2018 and 13% in 2019. Other products like Kuvan are also performing well. Kuvan's North American sales continue to be propelled by growth in new patients and high levels of adherence. Internationally, uptake has been solid and the acquisition of the drug's global rights has opened a stream of orders directly from the majority of the top markets to the company. Kuvan's sales rose 7% in 2019.

  Brineura was approved for the treatment of children with CLN2 disease – a form of Batten disease – both in the United States and the EU in 2017. Brineura sales were $72 million in 2019 and are expected to be much higher, in the range of $85-$115 million, in 2020.

  Meanwhile, Palynziq (pegvaliase) injection, developed to reduce blood phenylalanine (Phe) levels in PKU patients, gained FDA approval in May 2018 and was launched in July 2018. In the EU, a marketing application was approved in May 2019. Palynziq is witnessing strong commercial uptake in the United States. BioMarin believes the injection has peak commercial opportunity of roughly $1 billion as it demonstrated dramatic Phe reductions in PKU patients in pivotal studies. BioMarin is optimistic that Palynziq will be the approved treatment of choice for adults, complementing Kuvan, which is a popular treatment choice for children. Palynziq sales were $87 million in 2019 and are expected to be much higher, in the range of $160-$190 million, in 2020.

- **Two Key Candidates on Track for Approval:** BioMarin's regulatory applications for Roctavian/valrox, a gene therapy for severe hemophilia A, are under review in the United States (PDUFA Date: Aug 21) and Europe with potential approval and launch in the United States in the second half of 2020. BioMarin conducted two separate phase III studies — GENEr8–1 (6e13 vg/kg dose) and GENEr8–2 (4e13 vg/kg dose) — on Roctavian for the treatment of patients without the pre-existing AAV5 antibodies. The interim phase III data from the GENEr8-1 study and updated three-year data from a long-term phase I/II study on valrox formed the basis of the regulatory submissions. Valrox is anticipated to be transformational, if approved, as it has the potential to dramatically change the treatment paradigm. Four-year data from an ongoing phase I/II study demonstrated that all participants who received a single administration of Roctavian remained off exogenous factor VIII prophylactic therapy and demonstrated a greater than 90% reduction in bleeding episodes four years after treatment.

  Another important candidate in its pipeline is vosoritide, which has been developed to treat achondroplasia, the most common form of dwarfism for which no drug is approved yet. The company filed a regulatory application for vosoritide in the EU in July and expects to file the same in the United States in the third quarter. The regulatory applications are based on final data from a phase III study, evaluating the efficacy and safety of vosoritide in children (aged 5-14), long-term safety and efficacy data from the ongoing phase II and phase III extension studies and extensive natural history data.

  Also, an investigator-initiated study on vosoritide for a second indication — genetic short stature (GSS) — has begun, as part of a research collaboration with Children's National Hospital.

- **Promising Gene Therapy Pipeline:** A third PKU treatment option in BioMarin's PKU franchise is its gene therapy candidate, BMN 307. Phase I/II study on BMN 307 is expected to begin dosing late in the third quarter of 2020.

  Another gene therapy candidate in BioMarin's pipeline is BMN 331 for the treatment of hereditary angioedema (HAE) for which IND enabling activities have begun.

  Successful development and commercialization of these candidates will help drive long-term growth at BioMarin.

- **Deals to Boost Portfolio and Strengthen Pipeline:** In January 2016, BioMarin acquired all global rights to Kuvan and pegvaliase (now marketed as Palynziq) from Merck Serono. Previously, the company had exclusive rights to Kuvan in the U.S. and Canada and to pegvaliase in the U.S. and Japan. With this transaction, BioMarin has gained exclusive worldwide rights to Kuvan and pegvaliase with the exception of Kuvan in Japan. The acquisition of PKU rights in these markets represents significant opportunity for BioMarin to establish commercial leadership for the treatment of PKU, first with Kuvan, and then with pegvaliase.

- **Favorable Debt Profile:** As of Jun 30, 2020, BioMarin had $1.4 billion in total debt (long-term debt plus current debt) on its balance sheet. Cash and cash equivalents totaled approximately $1.38 billion. Its cash position is sound and the company is capable of paying the debt in case of insolvency.

Reasons To Sell:

- **Pipeline Setbacks:** While we believe that BioMarin has an impressive pipeline, delayed approvals or development setbacks would have a negative impact on the stock. In 2016, BioMarin discontinued clinical and regulatory development of Kyndrisa for the treatment of Duchenne muscular dystrophy (DMD) amenable to exon 51 skipping. The decision followed the company's discussions with the European Medicines Agency's Committee for Medicinal Products for Human Use, which hinted at the issuance of a negative opinion. The FDA had also issued a complete response letter in January 2016 for Kyndrisa stating that the standard of substantial evidence of Kyndrisa effectiveness was not met.

  BioMarin has also discontinued the development of the three follow-on products of Kyndrisa – BMN 044, BMN 045, and BMN 053 – that were being evaluated in phase II studies for specific forms of DMD. BioMarin terminated internal development of the reveglucosidase alfa program (for the treatment of patients with late-onset Pompe disease). Also, BioMarin halted further development of BMN-195 for a type of muscle disease following disappointing results from an early-stage study.

> Generic challenges for Kuvan are concerning. Additional setbacks on the development/regulatory front could pull down the stock significantly.

- **Kuvan Faces Generic Threat:** BioMarin is facing generic threat for Kuvan, one of its most promising drugs, which has been performing well since its launch. Per settlements with Dr Reddy's and Par Pharmaceuticals, Kuvan generics are expected to enter the U.S. market beginning October 2020.

- **Prosensa Acquisition Failed to Deliver:** The Jan 2015 acquisition of Prosensa worth a million dollars was assumed to be a strategic move. The acquisition added a late-stage DMD candidate Kyndrisa, which was considered to be a synergistic fit for BioMarin's rare disease pipeline. However, BioMarin failed to clear regulatory hurdles related to Kyndrisa and ultimately decided to drop development of the candidate. DMD, a devastating and debilitating disease, is estimated to affect nearly 1 in every 3,500 boys born across the world. Kyndrisa, had it been developed successfully, would have captured a major share of this orphan disease market.

Last Earnings Report

BioMarin Q2 Earnings Top, Sales Show Coronavirus Impact

Quarter Ending	06/2020
Report Date	Aug 04, 2020
Sales Surprise	2.74%
EPS Surprise	100.00%
Quarterly EPS	0.32
Annual EPS (TTM)	1.63

BioMarin's adjusted earnings of 32 cents per share beat the Zacks Consensus Estimate of 16 cents. Earnings were significantly better than the year-ago earnings of 10 cents per share due to higher revenues and lower R&D expense.

Total revenues were $429.5 million in the reported quarter, up 11.5% from the year-ago period, driven by higher product revenues. Sales beat the Zacks Consensus Estimate of $418 million.

As expected, in the quarter, the company experienced significant impact due to disruptions of day-to-day operations of clinics and hospitals due to COVID-19. The pandemic caused demand interruptions such as missed patient infusions and disruption in new patient starts for some of its products.

Quarterly Details

Product revenues (including Aldurazyme) were $419.0 million in the quarter, reflecting a 10.5% increase year over year. Product revenues from BioMarin's marketed brands (excluding Aldurazyme) grew 4% year over year to $386.8 million. Royalty and other revenues were $10.5 million in the quarter, higher than $8.7 million a year ago.

Kuvan revenues rose 8% to $122.6 million driven by U.S. price increase.

Palynziq injection sales grossed $40.7 million in the quarter compared with $34.6 million in the previous quarter, driven by new patients initiating therapy as well as the growing number of U.S. patients who have now achieved maintenance dosing. The majority of Palynziq sales came from the United States from patients who started Palynziq therapy before COVID-19 environment set in. However, COVID-19 had a material impact on new patient starts for Palynziq, especially in the months of March and April, with some improvement in May and June. In Europe, patient starts in Germany were slow due to COVID-19.

Naglazyme sales declined 18% to $81.0 million. Vimizim contributed $116.7 million to total revenues, down 5% year over year. Sales of both Naglazyme and Vimizim were hurt by unfavorable timing of orders. Naglazyme and Vimzim revenues vary on a quarterly basis, primarily due to the timing of central government orders from some countries, mainly Brazil. Meanwhile, missed patient infusions due to COVID-19 also hurt sales of the drugs in the second quarter.

Brineura generated sales of $25.8 million in the quarter, compared with $24.0 million in the previous quarter.

Product revenues from Aldurazyme totaled $32.3 million, up 457% year over year due to higher sales volume to Sanofi's subsidiary, Genzyme. Genzyme is BioMarin's sole customer for Aldurazyme and is responsible for marketing and selling Aldurazyme to third parties.

R&D expenses declined 17.3% year over year to $135.2 million due to lower costs for development of Roctavian. Marketing expenses associated with Palynziq commercial efforts and launch preparations for Roctavian resulted in a 9% increase in SG&A expenses to $146.1 million.

As of Jun 30, 2020, BioMarin had $1.7 billion in cash, cash equivalents and investments, compared with $1.15 billion at the end of Mar 31, 2020.

2020 Guidance

BioMarin anticipates the COVID-19 pandemic will hurt its near-term revenues as many of its products are administered via infusions in a clinic or hospital setting

BioMarin maintained its financial guidance for the year on the assumption that the demand patterns will return to normal levels in late 2020.

Total revenues are expected in the range of $1.85-$1.95 billion.

Vimizim sales are expected in the range of $530-$570 million. Kuvan sales guidance was maintained in the range of $430-$480 million. Naglazyme sales are predicted in the band of $360-$400 million. Brineura sales are expected within $85-$115 million. Palynziq sales are forecast in the $160-$190 million range.

The guidance for costs was maintained. R&D costs are expected to be within $675-$725 million. SG&A expenses are anticipated in the range of $780-$830 million.

The company still expects adjusted net income in the range of $260-$310 million, the midpoint of which indicates growth of more than 70%.

Pipeline Update

BioMarin's regulatory applications for Roctavian (valoctocogene roxaparvovec/valrox), a gene therapy for severe hemophilia A, are under review in the United States (PDUFA Date: Aug 21) and Europe with potential approval and launch in the United States in the second half of 2020. Per the company, if the BLA is approved, Roctavian will be the first gene therapy in the United States to be approved to treat any type of hemophilia. Meanwhile, in Europe, the marketing application remains under accelerated assessment. However, as communicated on the first-quarter conference call, the review process in EU has been extended by at least three months due to the COVID-19 related delays. There is also a possibility that the review of the MAA will reverse to a standard review procedure from accelerated assessment Therefore, an opinion from the CHMP is expected in late 2020/early 2021.

Another important candidate in its pipeline is vosoritide, which has been developed to treat achondroplasia, the most common form of dwarfism. The company filed a regulatory application for vosoritide in the EU in July and expects to file the same in the United States in the third quarter.

Recent News

MAA Filed in Europe for Vosoritide – July 23

BioMarin announced that it has filed a Marketing Authorization Application (MAA) for vosoritide to the European Medicines Agency (EMA) to treat children with achondroplasia. The EU review process is expected to commence in August. BioMarin expects to file the same in the United States in the third quarter.

The application was based on the final data from a phase III study evaluating the efficacy and safety of vosoritide, long-term safety and efficacy from the ongoing phase II and phase III extension studies and extensive natural history data.

New CFO- June 29

BioMarin announced the promotion of company veteran, Brian R. Mueller to Executive Vice President, Chief Financial Officer. He had been serving as Senior Vice President and acting CFO since February this year. The company also announced the appointment of Andrea L. Acosta to Group Vice President, Chief Accounting Officer.

Additional Valrox Data at WFH – June 17

BioMarin presented additional data on its four-year update of the ongoing phase I/II study on valrox at the World Federation of Hemophilia (WFH). The data showed that all the study participants experienced a greater than 90% reduction in bleeding episodes from a single administration of valrox. In the 6e13 vg/kg dose cohort, a 95% reduction in mean ABR from baseline was observed. Moreover, there was a 96% reduction in mean Factor VIII usage. In the 4e13 vg/kg cohort, the cumulative mean ABR was reduced by 93% while there was a 96% reduction in mean Factor VIII usage.

Valuation

BioMarin's shares are up 41.5% in the year-to-date period 55.6% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 5.4%, while those in the sector are up 0.9% in the year-to-date period. Over the past year, stocks in the Zacks sub-industry are up 17.7%, while those in the sector are up 7.8%.

The S&P 500 Index is up 3.3% in the year-to-date period and 13.5% in the past year.

The stock is currently trading at 12.4X trailing 12-month sales per share, which compares to 3.46X for the Zacks sub-industry, 3.1X for the Zacks sector and 4.16X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 26.04X and as low as 7.46X, with a 5-year median of 12.29X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our $126 price target reflects 13.1X trailing 12-month sales per share.

The table below shows summary valuation data for BMRN

Valuation Multiples - BMRN

		Stock	Sub-Industry	Sector	S&P 500
P/S TTM	Current	12.4	3.46	3.1	4.16
	5-Year High	26.04	4.99	3.99	4.16
	5-Year Low	7.46	2.24	2.29	2.42
	5-Year Median	12.29	3.21	3.19	3.18
P/B TTM	Current	6.68	2.92	4.39	4.54
	5-Year High	9.49	6.01	5.07	4.56
	5-Year Low	3.76	2.06	2.94	2.83
	5-Year Median	5.61	3.87	4.3	3.73

As of 8/6/2020

Industry Analysis **Zacks Industry Rank:** Top 48% (121 out of 252)

Top Peers

Company (Ticker)	Rec	Rank
Ascendis Pharma AS **(ASND)**	Neutral	3
Editas Medicine, Inc. **(EDIT)**	Neutral	4
Senesco Technologies Inc. **(ELOX)**	Neutral	3
Ultragenyx Pharmaceutical Inc. **(RARE)**	Neutral	3
Reata Pharmaceuticals, Inc. **(RETA)**	Neutral	4
REGENXBIO Inc. **(RGNX)**	Neutral	4
Sangamo Therapeutics, Inc. **(SGMO)**	Neutral	4
Amicus Therapeutics, Inc. **(FOLD)**	Underperform	5

Industry Comparison Industry: Medical - Biomedical And Genetics

Industry Peers

	BMRN	X Industry	S&P 500	ASND	ELOX	RETA
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	2	-	-	3	3	4
VGM Score	D	-	-	F	D	F
Market Cap	21.70 B	260.45 M	23.20 B	7.74 B	124.00 M	5.05 B
# of Analysts	9	3	14	6	2	4
Dividend Yield	0.00%	0.00%	1.78%	0.00%	0.00%	0.00%
Value Score	D	-	-	F	D	F
Cash/Price	0.04	0.23	0.07	0.08	0.39	0.13
EV/EBITDA	667.53	-3.83	13.21	-30.49	-1.79	-15.91
PEG Ratio	1.49	1.92	2.94	NA	NA	NA
Price/Book (P/B)	6.68	4.10	3.12	11.61	4.72	22.08
Price/Cash Flow (P/CF)	187.78	16.07	12.27	NA	NA	NA
P/E (F1)	78.72	32.97	21.69	NA	NA	NA
Price/Sales (P/S)	11.75	17.00	2.48	682.78	NA	251.18
Earnings Yield	1.27%	-12.97%	4.39%	-4.42%	-33.98%	-5.89%
Debt/Equity	0.15	0.02	0.77	0.06	0.37	0.68
Cash Flow ($/share)	0.64	-1.07	6.94	-5.62	-1.25	-8.67
Growth Score	D	-	-	F	C	D
Hist. EPS Growth (3-5 yrs)	NA%	17.80%	10.46%	NA	NA	NA
Proj. EPS Growth (F1/F0)	63.68%	13.51%	-6.80%	-23.14%	22.01%	6.32%
Curr. Cash Flow Growth	200.25%	15.03%	5.39%	55.11%	6.63%	268.02%
Hist. Cash Flow Growth (3-5 yrs)	27.84%	7.73%	8.55%	NA	NA	NA
Current Ratio	2.58	5.48	1.33	13.19	4.14	3.25
Debt/Capital	13.06%	3.97%	44.50%	5.31%	26.98%	40.48%
Net Margin	6.62%	-203.26%	10.13%	-2,231.94%	NA	-1,542.06%
Return on Equity	4.40%	-60.82%	14.39%	-36.56%	-129.09%	-322.36%
Sales/Assets	0.40	0.19	0.51	0.01	NA	0.04
Proj. Sales Growth (F1/F0)	12.14%	6.99%	-1.51%	-36.14%	NA	-78.47%
Momentum Score	D	-	-	D	D	B
Daily Price Chg	-0.15%	-0.58%	-0.04%	-1.56%	-6.93%	0.33%
1 Week Price Chg	-2.55%	-2.85%	0.14%	-0.30%	-5.10%	-6.14%
4 Week Price Chg	-5.65%	-0.78%	7.78%	4.60%	13.19%	-2.70%
12 Week Price Chg	30.35%	10.03%	17.48%	5.13%	26.12%	-1.06%
52 Week Price Chg	55.61%	11.70%	0.68%	26.81%	-51.72%	85.22%
20 Day Average Volume	1,042,230	324,933	2,057,775	204,426	127,268	177,109
(F1) EPS Est 1 week change	0.97%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	2.64%	0.00%	1.36%	-0.30%	0.00%	-1.29%
(F1) EPS Est 12 week change	7.99%	0.37%	1.57%	-9.23%	-1.79%	-8.29%
(Q1) EPS Est Mthly Chg	-61.11%	0.00%	0.54%	-0.33%	0.00%	-0.82%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	D
Growth Score	D
Momentum Score	D
VGM Score	D

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

Disclosures

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