

## Gilead Sciences Inc.(GILD)

**\$68.99** (As of 02/10/20)

Price Target (6-12 Months): **\$65.00**

Long Term: 6-12 Months

**Zacks Recommendation:** Underperform

(Since: 02/09/20)

Prior Recommendation: Neutral

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

**5-Strong Sell**

Zacks Style Scores:

VGM:D

Value: C

Growth: D

Momentum: F

### Summary

Gilead's fourth-quarter earnings missed expectations even though sales beat the same. The company has shifted focus to the HIV franchise and newer avenues like CAR-T therapy due to a massive decline in HCV franchise sales. However, competition is stiffening for the HIV franchise from the likes of Glaxo. Moreover, the uptake of Yescarta hasn't been very impressive and the treatment faces stiff competition from Novartis' Kymriah. The recent pipeline setbacks are concerning as well. Nevertheless, shares have outperformed the industry in the past year. The HIV franchise maintains momentum, driven by the strong performance of Biktarvy. Encouraging initial uptake of Descovy for the pre-exposure prophylaxis (PrEP) setting also boosted performance.

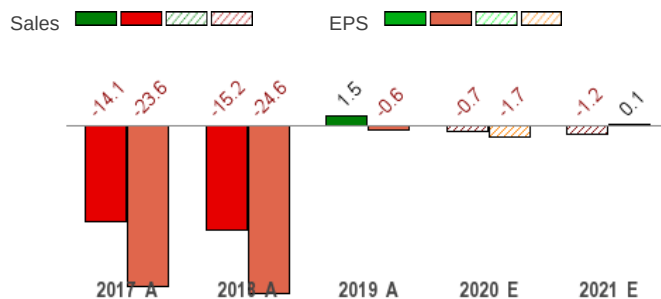
### Price, Consensus & Surprise



### Data Overview

|                            |                                                   |
|----------------------------|---------------------------------------------------|
| 52 Week High-Low           | \$71.19 - \$60.89                                 |
| 20 Day Average Volume (sh) | 14,780,603                                        |
| Market Cap                 | \$87.3 B                                          |
| YTD Price Change           | 6.2%                                              |
| Beta                       | 1.21                                              |
| Dividend / Div Yld         | \$2.72 / 3.7%                                     |
| Industry                   | <a href="#">Medical - Biomedical and Genetics</a> |
| Zacks Industry Rank        | Top 27% (70 out of 255)                           |

### Sales and EPS Growth Rates (Y/Y %)



|                           |            |
|---------------------------|------------|
| Last EPS Surprise         | -22.6%     |
| Last Sales Surprise       | 2.7%       |
| EPS F1 Est- 4 week change | -9.2%      |
| Expected Report Date      | 05/07/2020 |
| Earnings ESP              | 0.0%       |
| P/E TTM                   | 10.4       |
| P/E F1                    | 10.6       |
| PEG F1                    | 0.9        |
| P/S TTM                   | 3.9        |

### Sales Estimates (millions of \$)

|      | Q1      | Q2      | Q3      | Q4      | Annual*  |
|------|---------|---------|---------|---------|----------|
| 2021 | 5,539 E | 5,533 E | 5,585 E | 5,583 E | 22,023 E |
| 2020 | 5,367 E | 5,564 E | 5,665 E | 5,786 E | 22,300 E |
| 2019 | 5,281 A | 5,685 A | 5,604 A | 5,879 A | 22,449 A |

### EPS Estimates

|      | Q1       | Q2       | Q3       | Q4       | Annual*  |
|------|----------|----------|----------|----------|----------|
| 2021 | \$1.60 E | \$1.56 E | \$1.56 E | \$1.44 E | \$6.53 E |
| 2020 | \$1.55 E | \$1.62 E | \$1.65 E | \$1.62 E | \$6.52 E |
| 2019 | \$1.76 A | \$1.82 A | \$1.75 A | \$1.30 A | \$6.63 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 02/10/2020. The reports text is as of 02/11/2020.

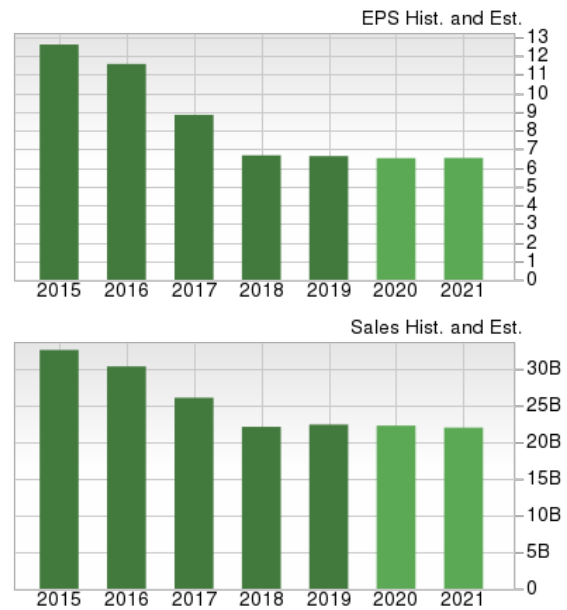
## Overview

Headquartered in Foster City, CA, Gilead Sciences is a biopharmaceutical company, focused on developing drugs for the treatment of human immunodeficiency virus (HIV), liver diseases, hematology/oncology diseases and inflammation/respiratory diseases. Key products include HIV/AIDS therapies like tenofovir alafenamide (TAF)-based products Genvoya, Odefsey, Descovy, Biktarvy and Truvada. Total sales from HIV franchise came in at \$16.4 billion in 2019. The portfolio also includes hepatitis C virus (HCV) drugs like Harvoni and Epclusa, and HBV drug, Vemlidy. For 2019, HCV product sales were \$2.9 billion compared to \$3.7 billion in 2018.

In 2017, the company launched two drugs — Yescarta, the first cell therapy approved for the treatment of adult patients with relapsed or refractory large B-cell lymphoma, and HCV drug, Vosevi. Total Yescarta sales in 2019 came in at \$256 million.

Gilead has a robust late-stage pipeline that bodes well for long-term growth. The company is also working on diversifying and growing its business beyond antivirals into other therapeutic areas. The company has a collaboration agreement with Galapagos for the development and commercialization of the JAK1-selective inhibitor, filgotinib, for inflammatory disease indications, including rheumatoid arthritis (RA). The company acquired Kite Pharma for \$11.9 billion in 2017 to enter the CAR T space. In December 2017, Gilead acquired Cell Design Labs Inc. The company has recently collaborated with Novo Nordisk to develop drugs for the treatment of NASH.

Revenues in 2019 came in at \$22.4 billion, down from \$22.1 billion in 2018.



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## Reasons To Sell:

- ▼ **HCV Franchise under Pressure:** Gilead's HCV franchise continued to witness a slowdown across key markets, including the United States and Europe. The franchise saw a significant plunge in sales in the last couple of years due to new competition and fewer patient starts.
- ▼ **Pipeline Setbacks:** Gilead is no stranger to pipeline setbacks. In fact, the company has been suffering a string of pipeline setbacks since the last few years. In 2016, the company terminated the phase II and IIb studies on simtuzumab for the treatment of idiopathic pulmonary fibrosis, NASH and primary sclerosing cholangitis; phase II and II/III studies on GS-5745 for the treatment of Crohn's Disease and ulcerative colitis; phase II studies on GS-4997 for the treatment of pulmonary arterial hypertension and diabetic kidney disease; and phase II study on eleclazine for the treatment of ventricular tachycardia/ventricular fibrillation, after determining that study data showed insufficient evidence of treatment benefit. Gilead also suffered a setback with the recent failure of a late-stage study on selonsertib in patients with compensated cirrhosis (F4) due to NASH. STELLAR-4, a phase III, randomized, double-blind, placebo-controlled study (n=877), evaluated the safety and efficacy of selonsertib, which is an investigational, once-daily, oral inhibitor of apoptosis signal-regulating kinase 1 (ASK1), in patients with compensated cirrhosis due to NASH. The failure of the STELLAR-4 study comes as a disappointment, given the significant market potential of NASH and increasing competition from the likes of Intercept Pharmaceuticals. Moreover, STELLAR-3 on selonsertib also did not meet the pre-specified week 48 primary endpoint.
- ▼ **Kite Pharma Acquisition:** While the approval of Yescarta is a significant boost for the company, CAR-T therapy is complicated and can sometimes be associated with severe side effects which can limit potential. Moreover, given the high costs of treatment and competition from Kymriah, Yescarta is not expected to contribute significantly as of now.

Weaker-than-expected performance of HCV franchise due to lower sales of Harvoni and Sovaldi is concerning. Pipeline setbacks and stiff competition remain a threat as well.

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## Risks

- **Share Price Performance:** Gilead's stock has outperformed the industry in the past year.
  - **Strong HIV Franchise:** Gilead is a dominant player in the HIV market. The company was the first to bring to market a single-tablet regimen (STR) for the treatment of HIV — Atripla. Additional STRs for HIV in the market include Complera/Eviplera and Stribild, among others. Meanwhile, Gilead is looking to transition the HIV portfolio to drugs with improved long-term safety profiles. The TAF-based products — Genvoya, Odefsey and Descovy — are performing well, with strong adoption in both the United States and Europe. Descovy-based regimens continue to gain share. The HIV franchise received a major boost when the FDA approved its once-daily STR, Biktarvy (bictegravir 50mg/emtricitabine 200mg/tenofovir alafenamide 25mg, BIC/FTC/TAF), for HIV-1 infection. Biktarvy has become the number one prescribed regimen for both treatment-naïve and switch patients. Meanwhile, the FDA approved a label expansion of Descovy (emtricitabine 200 mg and tenofovir alafenamide 25 mg tablets; F/TAF) as a prevention option. The agency approved the treatment for a pre-exposure prophylaxis (PrEP) indication. Descovy for PrEP is indicated to reduce the risk of sexually acquired HIV-1 infection in adults and adolescents weighing at least 35 kg, who are HIV-negative and at-risk for sexually acquired HIV, excluding individuals at-risk from receptive vaginal sex. The initial uptake for the indication has been encouraging. The FDA had earlier also extended the indication for Truvada as PrEP to include at-risk adolescents. Approval of new therapies will further strengthen the franchise.
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## Last Earnings Report

### Gilead Misses on Q4 Earnings But Beat On Revenues

Gilead delivered earnings of \$1.30 per share in the fourth quarter, declining from \$1.44 in the year-ago quarter and missing the Zacks Consensus Estimate of \$1.68.

Total revenues of \$5.88 billion beat the Zacks Consensus Estimate by 2.68% and grew 1.44% year over year.

### HIV Franchise Maintains Momentum

Product sales came in at \$5.8 billion, up 2% year over year.

HCV product sales declined 14.6% to \$630 million, due to lower average net selling price.

HIV product sales increased 12.2% year over year to \$4.6 billion, driven by higher sales volume from the continued uptake of Biktarvy. Sales of Biktarvy were \$1.6 billion, up from \$578 million in the year-ago quarter.

Genvoya generated sales of \$958 million, down from \$1.2 billion in the year-ago quarter. Descovy recorded sales of \$437 million, up from \$411 million in the year-earlier period, while Odefsey sales were \$435 million, down from \$448 million a year ago. CAR-T therapy Yescarta (axicabtagene ciloleucel) generated \$122 million in sales, up from \$81 million a year ago, driven by a higher number of therapies provided to patients and its continued expansion in Europe. Sales also grew from \$118 million in the previous quarter.

Other product sales — chronic hepatitis B (HBV) drugs, cardiovascular, oncology and other categories (Vemlidy, Viread, Letairis, Ranexa, Zydelig and AmBisome) — were \$467 million, which decreased from \$797 million in the year-ago quarter due to declines in Ranexa and Letairis sales after generic entries in 2019.

Adjusted product gross margin was 75.7% compared with 77.9% in the year-ago period. Research & development (R&D) expenses came in at \$1.03 billion, up from \$939 million in the year-ago quarter. Selling, general and administrative (SG&A) expenses increased to \$1.13 billion from \$1.03 billion in the year-ago quarter.

### 2019 Results

Sales came in at \$22.4 billion, up from \$22.1 billion in 2018. Earnings per share came in at \$6.63, down from \$6.67 in 2018.

### 2020 Guidance

Gilead expects sales of \$21.8-\$22.2 billion for 2020. Adjusted product gross margin is anticipated to be 86-87%. Adjusted earnings per share are expected between \$6.05 and \$6.45. Including stock-based compensation expenses, earnings for 2020 are expected to be \$6.13. The Zacks Consensus Estimate for 2020 earnings per share is \$7.06 on sales of \$22.53 billion.

### Dividend and Share Repurchase

During 2019, Gilead generated \$9.1 billion in operating cash flow, paid \$5.6 billion in connection with the global research and development collaboration agreement with Galapagos and equity investments in Galapagos, repaid \$2.8 billion of principal amount of debt, paid out cash dividends of \$3.2 billion and utilized \$1.7 billion on stock repurchases.

### Other Updates

Gilead submitted a New Drug Application under priority review to the FDA for filgotinib for the treatment of adults with moderate-to-severe rheumatoid arthritis (RA).

The European Medicines Agency validated the marketing authorization application and the company submitted a Biologics License Application to the FDA for KTE-X19, an investigational chimeric antigen receptor (CAR) T cell therapy, for the treatment of adult patients with relapsed or refractory mantle cell lymphoma (MCL).

The company also collaborated with Kiniksa Pharmaceuticals, Ltd. to conduct a phase II, multicenter study of mavrilimumab, an investigational, fully-human monoclonal antibody that targets granulocyte macrophage colony stimulating factor receptor alpha, in combination with Yescarta in patients with relapsed or refractory large B-cell lymphoma.

The China National Medical Products Administration approved Vosevi for the treatment of chronic HCV infection in adults without cirrhosis or with compensated cirrhosis, who have failed prior treatment with a direct-acting antiviral therapy.

Quarter Ending **12/2019**

| Report Date      | Feb 04, 2020 |
|------------------|--------------|
| Sales Surprise   | 2.68%        |
| EPS Surprise     | -22.62%      |
| Quarterly EPS    | 1.30         |
| Annual EPS (TTM) | 6.63         |

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## Recent News

### BLA for CAR T Cell Therapy Gets FDA Acceptance – Feb 10

Gilead announced that the FDA accepted Kite's Biologics License Application (BLA) and granted Priority Review designation to investigational chimeric antigen receptor (CAR) T cell therapy, KTE-X19.

The company is seeking approval of KTE-X19 for the treatment of adult patients with relapsed or refractory mantle cell lymphoma (MCL). The FDA has set a target action date of Aug 10, 2020.

### Mantle Cell Lymphoma Drug MAA Gets EMA Validation – Jan 28

Gilead's company, Kite, announced that its Marketing Authorization Application (MAA) for KTE-X19 has been fully validated. It is now under evaluation with the European Medicines Agency (EMA). KTE-X19 is an investigational chimeric antigen receptor (CAR) T cell therapy being developed for the treatment of adult patients with relapsed or refractory mantle cell lymphoma (MCL).

### Licenses Portfolio of HIV Antibodies From The Rockefeller University - Jan 9

Gilead announced that it has licensed The Rockefeller University's portfolio of broadly neutralizing antibodies (bNAbs) against HIV, including the two clinical-stage agents — 3BNC117 and 10-1074.

Under the agreement, Gilead acquired exclusive global licenses to develop and commercialize Rockefeller's full portfolio of HIV bNAbs. Rockefeller will receive an upfront payment and is eligible to receive cumulative milestones as well as royalties on net sales. Additionally, Rockefeller will retain rights to perform non-clinical and early-stage clinical research on the portfolio of HIV antibodies.

### Partners With Eisai for RA Candidate in Japan – Dec 24

Gilead announced that it has entered into an agreement with Eisai Co., Ltd for the distribution and co-promotion of its investigational, oral, selective JAK1 inhibitor, filgotinib, in Japan. The deal is pending approval.

The candidate is being evaluated for the treatment of rheumatoid arthritis (RA).

Per the terms of the deal, Gilead Japan will retain the responsibility of manufacturing and marketing approval of filgotinib, while Eisai will be in charge of product distribution in Japan in RA and other potential future indications. Both the companies will jointly commercialize the drug, if approved.

### Vosevi Approved in China – Dec 20

Gilead announced today that the China National Medical Products Administration (NMPA) has approved Vosevi (sofosbuvir 400mg/velpatasvir 100mg/voxilaprevir 100mg), a once-daily, single-tablet regimen for the treatment of chronic hepatitis C virus (HCV) infection in adults without cirrhosis or with compensated cirrhosis, who have failed prior treatment with a direct-acting antiviral (DAA) therapy.

### Files NDA With FDA for Filgotinib - Dec 19

Gilead announced that it has submitted a new drug application (NDA) to the FDA for JAK inhibitor candidate, filgotinib, for the treatment of adults with moderate-to-severe rheumatoid arthritis (RA). A priority review voucher was submitted with the NDA which should shorten the anticipated time for review.

### Announces Top-Line Results From NASH Study - Dec 16

Gilead announced mixed top-line results from the mid-stage study on combination and monotherapy investigational treatments for advanced fibrosis (F3-F4) due to nonalcoholic steatohepatitis (NASH).

The 48-week, phase II ATLAS randomized, double-blind, placebo-controlled study evaluated the safety and efficacy of monotherapy and dual combination regimens of the nonsteroidal farnesoid X receptor (FXR) agonist cilofexor 30 mg, the acetyl-CoA carboxylase (ACC) inhibitor firsocostat 20 mg and selonsertib 18 mg in patients with advanced fibrosis (F3-F4) due to NASH.

The results showed that the investigational regimens did not lead to a statistically significant increase in the proportion of patients who achieved the primary efficacy endpoint of a ?1-stage improvement in fibrosis without worsening of NASH. Nevertheless, statistically significant improvements in multiple response measures of fibrosis and liver function were observed in patients treated with the combination of firsocostat and cilofexor compared with placebo.

### Teams Up With Kiniksa, Submits BLA for CAR T Therapy – Dec 11

Kite and Kiniksa have entered a clinical collaboration to conduct a phase II, multicenter study on pipeline candidate mavrilimumab in combination with Yescarta.

The combination study will be sponsored by Kite and conducted in patients with relapsed or refractory large B-cell lymphoma.

The objective of the study is to determine the effect of mavrilimumab on the safety of Yescarta.

Concurrently, Kite announced that it has submitted a Biologics License Application (BLA) to the FDA for the investigational CAR T cell therapy, KTE-X19, for the treatment of adult patients with relapsed or refractory mantle cell lymphoma (MCL).

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## Valuation

Gilead's shares are up 6.2% in the year-to-date period and up 2.1% over the trailing 12-month period. Stocks in the Zacks sub-industry and

sector are up 0.6% and 1.2%, respectively in the year-to-date period. Over the past year, the Zacks sub-industry is down 1.1% while the sector is up 4.2%.

The S&P 500 Index is up 3.3% in the year-to-date period and 21.9% in the past year.

The stock is currently trading at 10.58X forward 12-month earnings per share which compares to 162.52X for the Zacks sub-industry, 21.37X for the Zacks sector and 19.27X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 13.65X and as low as 6.28X, with a 5-year median of 9.74X. Our Underperform recommendation indicates that the stock will perform worse than the market. Our \$65 price target reflects 9.99X forward 12-month earnings per share.

The table below shows summary valuation data for GILD.

| Valuation Multiples - GILD |               |       |              |        |         |
|----------------------------|---------------|-------|--------------|--------|---------|
|                            |               | Stock | Sub-Industry | Sector | S&P 500 |
| P/E F12M                   | Current       | 10.58 | 162.52       | 21.37  | 19.27   |
|                            | 5-Year High   | 13.65 | 162.52       | 21.37  | 19.34   |
|                            | 5-Year Low    | 6.28  | 20.37        | 15.83  | 15.18   |
|                            | 5-Year Median | 9.74  | 39.12        | 18.9   | 17.47   |
| P/S F12M                   | Current       | 3.92  | 2.99         | 2.86   | 3.55    |
|                            | 5-Year High   | 6.03  | 2.99         | 3.83   | 3.55    |
|                            | 5-Year Low    | 3.11  | 2.01         | 2.45   | 2.54    |
|                            | 5-Year Median | 4.01  | 2.56         | 2.96   | 3       |
| P/B TTM                    | Current       | 3.85  | 3.92         | 4.62   | 4.32    |
|                            | 5-Year High   | 10.59 | 5.79         | 5.04   | 4.42    |
|                            | 5-Year Low    | 3.4   | 2.43         | 3.44   | 2.85    |
|                            | 5-Year Median | 4.63  | 3.27         | 4.31   | 3.62    |

As of 02/10/2020

## Industry Analysis Zacks Industry Rank: Top 27% (70 out of 255)



## Top Peers

|                                        |            |
|----------------------------------------|------------|
| Bristol-Myers Squibb Company (BMY)     | Outperform |
| Pfizer Inc. (PFE)                      | Outperform |
| AbbVie Inc. (ABBV)                     | Neutral    |
| GlaxoSmithKline plc (GSK)              | Neutral    |
| Johnson & Johnson (JNJ)                | Neutral    |
| Merck & Co., Inc. (MRK)                | Neutral    |
| Novartis AG (NVS)                      | Neutral    |
| United Therapeutics Corporation (UTHR) | Neutral    |

| Industry Comparison Industry: Medical - Biomedical And Genetics |                   |            |           | Industry Peers |                |             |
|-----------------------------------------------------------------|-------------------|------------|-----------|----------------|----------------|-------------|
|                                                                 | GILD Underperform | X Industry | S&P 500   | ABBV Neutral   | BMY Outperform | JNJ Neutral |
| <b>VGM Score</b>                                                | <b>D</b>          | -          | -         | <b>A</b>       | <b>A</b>       | <b>C</b>    |
| Market Cap                                                      | 87.28 B           | 206.50 M   | 24.00 B   | 140.12 B       | 109.02 B       | 399.68 B    |
| # of Analysts                                                   | 12                | 3          | 13        | 2              | 4              | 9           |
| Dividend Yield                                                  | 3.65%             | 0.00%      | 1.78%     | 4.98%          | 2.69%          | 2.50%       |
| <b>Value Score</b>                                              | <b>C</b>          | -          | -         | <b>B</b>       | <b>B</b>       | <b>B</b>    |
| Cash/Price                                                      | 0.30              | 0.22       | 0.04      | 0.08           | 0.30           | 0.04        |
| EV/EBITDA                                                       | 8.19              | -3.59      | 14.07     | 20.06          | 15.27          | 15.76       |
| PEG Ratio                                                       | 0.85              | 1.84       | 2.04      | 2.23           | 1.31           | 2.53        |
| Price/Book (P/B)                                                | 3.85              | 3.89       | 3.28      | NA             | 6.14           | 6.87        |
| Price/Cash Flow (P/CF)                                          | 9.42              | 13.76      | 13.58     | 10.15          | 11.89          | 13.93       |
| P/E (F1)                                                        | 10.58             | 29.59      | 18.86     | 10.04          | 11.02          | 16.81       |
| Price/Sales (P/S)                                               | 3.89              | 14.12      | 2.65      | 4.21           | 4.17           | 4.87        |
| Earnings Yield                                                  | 9.45%             | -15.16%    | 5.30%     | 9.96%          | 9.07%          | 5.95%       |
| Debt/Equity                                                     | 1.02              | 0.02       | 0.71      | -4.03          | 1.37           | 0.46        |
| Cash Flow (\$/share)                                            | 7.33              | -1.08      | 6.89      | 9.34           | 5.63           | 10.90       |
| <b>Growth Score</b>                                             | <b>D</b>          | -          | -         | <b>A</b>       | <b>A</b>       | <b>C</b>    |
| Hist. EPS Growth (3-5 yrs)                                      | -14.87%           | 16.51%     | 10.80%    | 21.82%         | 20.53%         | 9.27%       |
| Proj. EPS Growth (F1/F0)                                        | -1.65%            | 7.19%      | 7.23%     | 5.59%          | 29.48%         | 4.07%       |
| Curr. Cash Flow Growth                                          | -24.62%           | 19.21%     | 9.51%     | 33.63%         | 28.20%         | 13.87%      |
| Hist. Cash Flow Growth (3-5 yrs)                                | 21.29%            | 7.72%      | 8.55%     | 18.69%         | 20.89%         | 7.92%       |
| Current Ratio                                                   | 3.23              | 5.12       | 1.20      | 1.15           | 3.83           | 1.26        |
| Debt/Capital                                                    | 52.58%            | 3.95%      | 42.90%    | NA             | 57.87%         | 31.62%      |
| Net Margin                                                      | 23.99%            | -201.70%   | 11.76%    | 23.69%         | 13.15%         | 22.18%      |
| Return on Equity                                                | 35.49%            | -64.16%    | 16.98%    | -162.37%       | 48.97%         | 39.30%      |
| Sales/Assets                                                    | 0.36              | 0.21       | 0.54      | 0.58           | 0.53           | 0.53        |
| Proj. Sales Growth (F1/F0)                                      | -0.66%            | 17.19%     | 4.15%     | 9.11%          | 60.37%         | 4.68%       |
| <b>Momentum Score</b>                                           | <b>F</b>          | -          | -         | <b>A</b>       | <b>C</b>       | <b>F</b>    |
| Daily Price Chg                                                 | 0.17%             | 0.17%      | -0.64%    | 2.67%          | 1.00%          | -0.02%      |
| 1 Week Price Chg                                                | 8.97%             | 1.53%      | -2.60%    | 13.91%         | 5.24%          | 2.03%       |
| 4 Week Price Chg                                                | 7.28%             | 0.00%      | 0.72%     | 7.04%          | 1.15%          | 4.23%       |
| 12 Week Price Chg                                               | 7.31%             | 14.99%     | 4.69%     | 6.78%          | 16.06%         | 12.63%      |
| 52 Week Price Chg                                               | 2.03%             | -5.88%     | 16.01%    | 18.78%         | 33.55%         | 15.05%      |
| 20 Day Average Volume                                           | 14,780,603        | 189,021    | 1,961,054 | 10,109,726     | 14,066,202     | 6,824,568   |
| (F1) EPS Est 1 week change                                      | -9.26%            | 0.00%      | 0.00%     | 3.43%          | 1.55%          | -0.05%      |
| (F1) EPS Est 4 week change                                      | -9.18%            | 0.00%      | -0.00%    | 2.71%          | 0.79%          | -0.55%      |
| (F1) EPS Est 12 week change                                     | -9.16%            | 0.00%      | -0.16%    | 2.71%          | 13.41%         | -0.97%      |
| (Q1) EPS Est Mthly Chg                                          | -11.79%           | 0.00%      | 0.00%     | NA             | -0.22%         | -5.52%      |



## 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    | C |
| Growth Score   | D |
| Momentum Score | F |
| 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.

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