PORTFOLIO CONSTRUCTION
Bring All Your Intelligence Together For More Informed Decisions
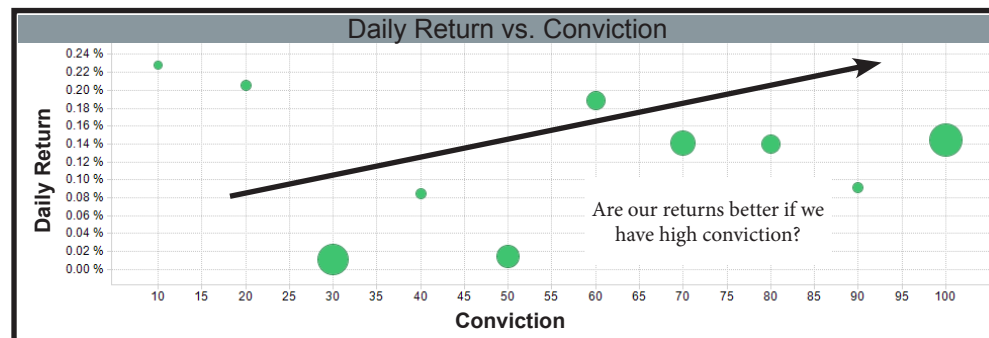
Size	Analyst	TICKER	Optimal Weight	% Equity	In-House Conviction	In-House ROI	Pricing Power	Catalyst	Business Model	Competitive Position	Balance Sheet	EBITDA Margin	MSCI Factor	M | Science
1	Bob	MSFT	14.2%	11.3%	86%	38.5%	2 : 15%	1 : 15%	1 : 10%	1 : 10%	1 : 10%	45.5%	2 : 7.5%	3 : 5%
4	Sue	KMX	8.5%	8.0%	81%	20.5%	1 : 20%	1 : 15%	5 : 0%	4 : 2.5%	1 : 10%	7.5%	3 : 5% **	1 : 10%
9	Pat	FB	4.5%	2.7%	72%	25.5%	2 : 15%	1 : 15%	2 : 7.5%	2 : 7.5%	3 : 5%	53.6%	3 : 5% **	1 : 10%
10	Pat	SLB	4.2%	2.0%	71%	40.5%	1 : 20%	2 : 11.2%	1 : 10%	1 : 10%	4 : 2.5%	20.2%	1 : 10%	3 : 5%
3	Sue	LB	-2.2%	-2.6%	65%	25.5%	5 : 20%	5 : 15%	4 : 7.5%	5 : 10%	1 : 0%	14.3%	3 : 5% **	5 : 10%
5	Kim	SHOP	3.0%	6.0%	64%	15.5%	2 : 15%	3 : 7.5%	2 : 7.5%	2 : 7.5%	3 : 5%	-6.4%	2 : 7.5%	3 : 5%
6	Ed	HD	5.5%	5.0%	64%	60.5%	2 : 15%	2 : 11.2%	3 : 5%	2 : 7.5%	2 : 7.5%	16.9%	1 : 10%	2 : 7.5%
7	Ed	GOOGL	4.0%	4.0%	57%	25.5%	2 : 15%	2 : 11.2%	2 : 7.5%	1 : 10%	4 : 2.5%	30.5%	3 : 5% **	3 : 5% **
11	Sue	CAT	2.5%	1.8%	55%	15.5%	5 : 0%	3 : 7.5%	1 : 10%	2 : 7.5%	1 : 10%	20.7%	5 : 0%	4 : 2.5%
2	Bob	CMG	2.5%	10.5%	55%	15.5%	2 : 15%	4 : 3.8%	2 : 7.5%	2 : 7.5%	1 : 10%	13.7%	5 : 0%	2 : 7.5%
8	Bob	JPM	3.2%	3.4%	50%	20.5%	3 : 10%	3 : 7.5%	3 : 5%	3 : 5%	3 : 5%	-	1 : 10%	1 : 10%
12	Bob	DAL	5.5%	1.7%	49%	55.5%	2 : 15%	4 : 3.8%	1 : 10%	2 : 7.5%	4 : 2.5%	18.3%	4 : 2.5%	2 : 7.5%
3	Sue	WMT	5.0%	8.3%	47%	38.5%	1 : 20%	3 : 7.5%	3 : 5%	4 : 2.5%	5 : 0%	6.5%	5 : 0%	1 : 10%
	29	CVSI-USA	1.4%		47%		3 : 10%	3 : 7.5%	2 : 7.5%	3 : 5%	2 : 7.5%		1 : 10%	2 : 7.5%

* Conviction Override, ** Default Conviction Value

	Long : (23) names				**Short : (7) names**				**Total : (30) names**		
	Wtd Avg	Median	Sum		Wtd Avg	Median	Sum		Wtd Avg	Median	Sum
% of Equity	8.7%	4.0%	123.4%	% of Equity	4.3%	-2.6%	-23.1%	% of Equity	8.0%	3.0%	100.3%
Conviction	51.6%	47.3%	-	Conviction	37.4%	26.1%	-	Conviction	49.3%	46.5%	-

- **Combine all your data in one dashboard (internal, fundamental, research, and alternative data)**
- **Build multiple dashboards (earnings, alt data, sectors). Rank your data to determine relevancy.**
- **EDS calculates an Optimal Position Size based on your inputs. Measure Conviction on Longs vs. Shorts**

QUANTIFY YOUR CONVICTION - TRACK ITS SUCCESS

- **Create any decision variable - easy to set-up and can be automatically adjusted**

- **Analyze your conviction inputs - which ones have consistently outperformed**

CREATE & MONITOR FORECASTS

- **Build & monitor your forecast scenarios - price targets, upside, downside, "in-house" vs. consensus,**

- **EDS Provides recommended position sizes (vs. actual) based on "in-house" constraints & formulas**

Optimize Your Opportunities, Understand Your Risks

Current Estimates

Report Date	Sub-Sector	Ticker	% Equity (HF)	Direction	Last Update	Metric	FY-2019 Street Mean	FY-2019 "In-House" Estimates	% from Street Mean	FY-2019 Q2 "In-House" Estimates	FY-2019 Q2 Street Mean
10/29/2019	Software	MSFT	-	-	8/6/2019	EBIT (Operating profit)	11.59B	12.18B	5 %	-	2.87E
11/11/2019	Auto Retail	KMX	-1.39%	S	9/12/2019	EBIT	1.10B	1.15B	5 %	-	260.59M
11/11/2019	Social	FB	-1.39%	S	9/12/2019	EBITDA	1.11B	1.17B	5 %	-	265.57M
10/17/2019	Oil & Gas	SLB	2.87%	L	9/5/2019	EPS (Non-GAAP)	12.13	12.71	5 %	-	2.99
10/24/2019	Retail	LB	-4.50%	S	9/11/2019	EBITDA	858.60M	899.44M	5 %	-	206.59M
11/7/2019	Internet	SHOP	-	-	8/13/2019	EBITDA	2.58B	2.70B	5 %	-	649.90M
11/11/2019	Home Imp	HD	5.44%	L	9/16/2019	Sales	372.93M	390.27M	5 %	-	91.93M
11/6/2019	Internet	GOOGL	-2.31%	S	8/20/2019	EPS	1.09	1.14	5 %	-	0.26
10/24/2019	Industrial	CAT	2.80%	L	8/13/2019	EPS (Adjusted)	2.55	2.66	4 %	-	0.56
10/22/2019	Fast Casual	CMG	2.85%	L	9/18/2019	EBIT (Adjusted)	7.21B	7.53B	4 %	-	1.85E
10/31/2019	Bank	JPM	-2.43%	S	8/13/2019	EBITDA	646.96M	674.83M	4 %	-	154.95M
10/29/2019	Airlines	DAL	3.15%	L	9/5/2019	EPS (Diluted)	2.32	2.42	4 %	-	0.53
10/22/2019	Retail	WMT	2.85%	L	9/18/2019	EPS (Diluted/adjusted)	32.24	33.60	4 %	-	8.23
10/24/2019			2.91%	L	9/5/2019	EPS (adjusted)	5.34	5.56	4 %	-	1.22

Estimates Over Time

In-House
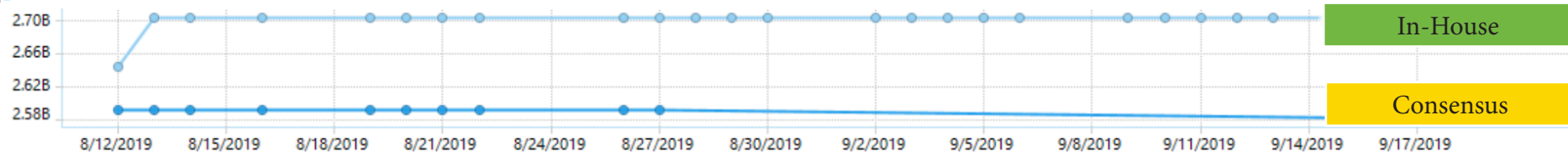
Consensus

- **Compare your projections vs. consensus**
- **Monitor differences over time**

SIZING UP / DOWN INDIVIDUAL POSITIONS

How Has Our Position Size Changed vs. Our Forecasts

Legend: ● Bull ● Bear ● Base ● Street High ● Street Low ● Street Mean

Unmark | Reset

ticker	Price	% Equity ▾	Upside Return	Downside Risk	Upside / Downside	U/D Percentile
MSFT	$49.62	8.30 %	51 %	9 %	5.5x	29 %
FB	$352.01	6.80 %	28 %	29 %	1x	65 %
CAT	$123.89	6.70 %	21 %	23 %	0.9x	3 %
VEEV	$353.80	5.90 %	22 %	8 %	2.6x	45 %
LB	$351.60	5.00 %	25 %	15 %	1.7x	17 %
WMT	$280.34	4.90 %	25 %	23 %	1.1x	15 %
TGT	$137.07	4.70 %	17 %	12 %	1.3x	42 %
ADBE	$152.79	4.50 %	37 %	25 %	1.5x	79 %
DE	$41.29	4.40 %	26 %	22 %	1.2x	26 %
JPM	$121.06	4.20 %	10 %	27 %	0.4x	36 %
BAC	$41.45	4.20 %	13 %	25 %	0.5x	5 %
GPS	$42.45	4.20 %	18 %	34 %	0.5x	28 %
HD	$139.72	4.10 %	18 %	21 %	0.9x	35 %
GOOGL	$66.82	3.90 %	27 %	22 %	1.2x	11 %
BYND	$82.49	3.90 %	19 %	20 %	0.9x	9 %
SLB	$159.85	3.30 %	63 %	12 %	5x	66 %
AMGN	$128.83	3.00 %	9 %	22 %	0.4x	17 %
MELI	$71.72	2.80 %	19 %	11 %	1.7x	37 %
SHOP	$45.49	2.50 %	32 %	32 %	1x	5 %
KMX	$139.23	2.50 %	54 %	21 %	2.6x	8 %
CMG	$121.71	2.20 %	31 %	10 %	3.3x	53 %
CBRL	$80.14	2.10 %	70 %	16 %	4.3x	34 %
DAL	$90.58	2.00 %	21 %	17 %	1.2x	4 %
	$201.30	2.00 %	9 %	11 %	0.9x	46 %

MSFT: Scenario History - Price Targets (Upside, Downside)

How accurate are our forecasts?
How often do we breach our downside risk?

MSFT: Scenario History - Upside Return vs. Downside Return

Big Upside in Q118

How has our % equity changed relative to our ROI?

- **Compare your position sizing vs your return objectives or price targets**
- **Create alerts when the upside opportunity is substantial (even on non-portfolio names)**

Making More Informed Decisions, Based on Your Intelligence

PORTFOLIO: UPSIDE VS. DOWNSIDE PROJECTED PERFORMANCE

SIGNIFICANT UPSIDE IN PORTFOLIO IN Q418

3.55

Median(Y) (Upside / Downside): 2.58

1.61

MORE BALANCED RISK/REWARD
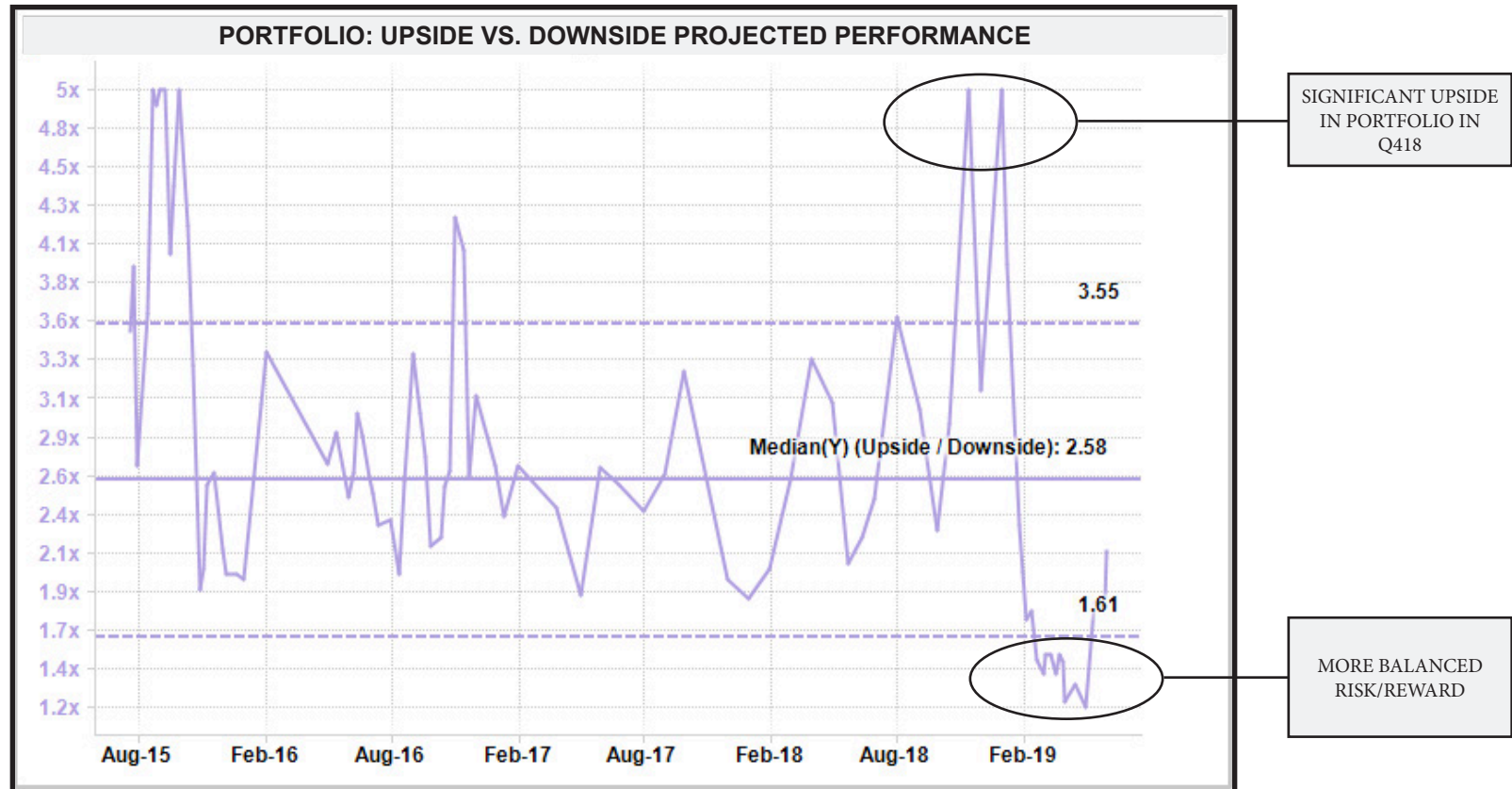
- **Understand the quality of your forecasts & when to take advantage of opportunities**

- **Evaluate investment decisions objectively (sizing up or down your portfolio)**

PORTFOLIO RETURN ANALYSIS

Projected Returns, Across Your Portfolio

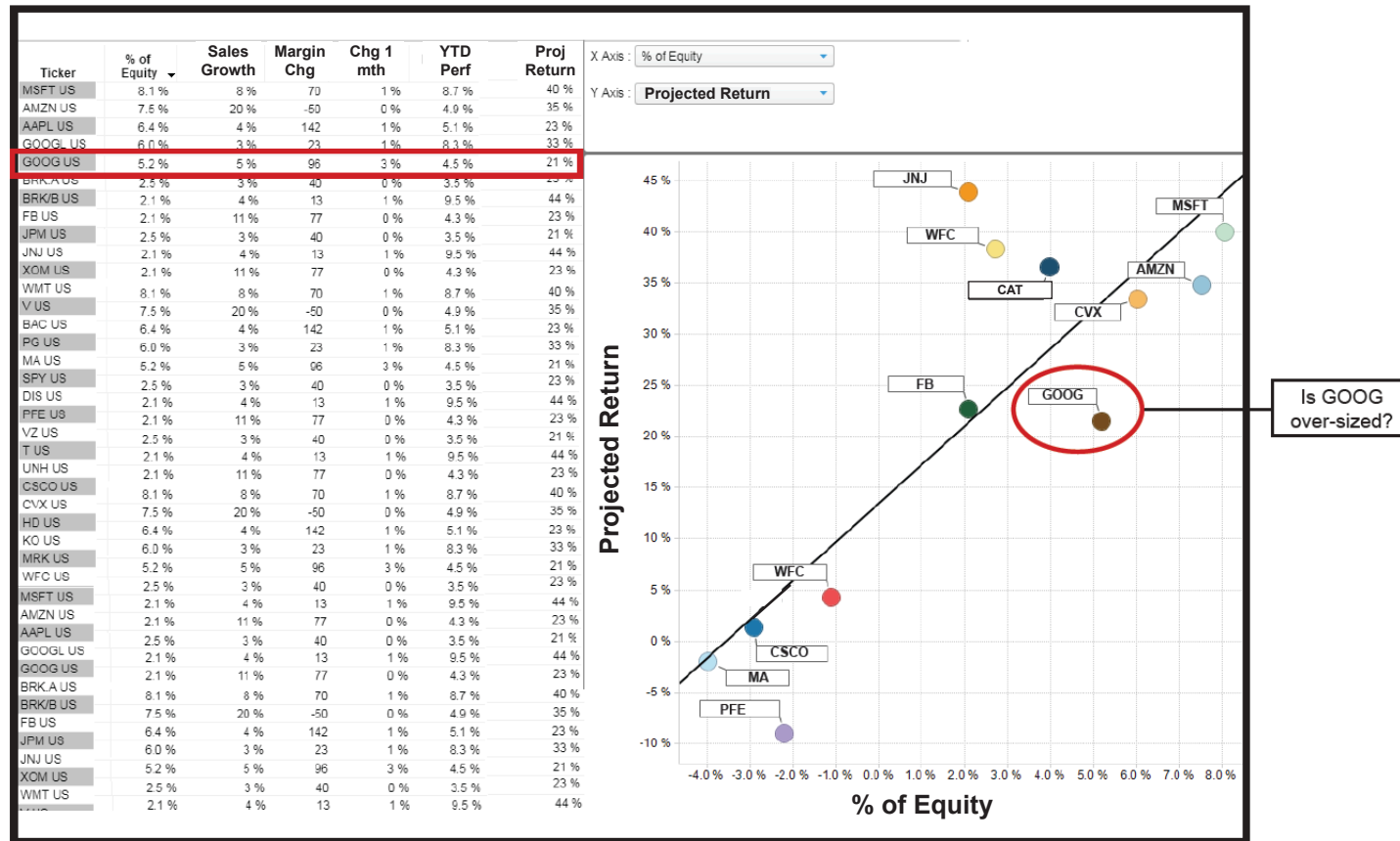| Ticker	% of Equity	Sales Growth	Margin Chg	Chg 1 mth	YTD Perf	Proj Return
MSFT US	8.1 %	8 %	70	1 %	8.7 %	40 %
AMZN US	7.5 %	20 %	-50	0 %	4.9 %	35 %
AAPL US	6.4 %	4 %	142	1 %	5.1 %	23 %
GOOGL US	6.0 %	3 %	23	1 %	8.3 %	33 %
GOOG US	5.2 %	5 %	96	3 %	4.5 %	21 %
BRK.A US	2.5 %	3 %	40	0 %	3.5 %	23 %
BRK/B US	2.1 %	4 %	13	1 %	9.5 %	44 %
FB US	2.1 %	11 %	77	0 %	4.3 %	23 %
JPM US	2.5 %	3 %	40	0 %	3.5 %	21 %
JNJ US	2.1 %	4 %	13	1 %	9.5 %	44 %
XOM US	2.1 %	11 %	77	0 %	4.3 %	23 %
WMT US	8.1 %	8 %	70	1 %	8.7 %	40 %
V US	7.5 %	20 %	-50	0 %	4.9 %	35 %
BAC US	6.4 %	4 %	142	1 %	5.1 %	23 %
PG US	6.0 %	3 %	23	1 %	8.3 %	33 %
MA US	5.2 %	5 %	96	3 %	4.5 %	21 %
SPY US	2.5 %	3 %	40	0 %	3.5 %	23 %
DIS US	2.1 %	4 %	13	1 %	9.5 %	44 %
PFE US	2.1 %	11 %	77	0 %	4.3 %	23 %
VZ US	2.5 %	3 %	40	0 %	3.5 %	21 %
T US	2.1 %	4 %	13	1 %	9.5 %	44 %
UNH US	2.1 %	11 %	77	0 %	4.3 %	23 %
CSCO US	8.1 %	8 %	70	1 %	8.7 %	40 %
CVX US	7.5 %	20 %	-50	0 %	4.9 %	35 %
HD US	6.4 %	4 %	142	1 %	5.1 %	23 %
KO US	6.0 %	3 %	23	1 %	8.3 %	33 %
MRK US	5.2 %	5 %	96	3 %	4.5 %	21 %
WFC US	2.5 %	3 %	40	0 %	3.5 %	23 %
MSFT US	2.1 %	4 %	13	1 %	9.5 %	44 %
AMZN US	2.1 %	11 %	77	0 %	4.3 %	23 %
AAPL US	2.5 %	3 %	40	0 %	3.5 %	21 %
GOOGL US	2.1 %	4 %	13	1 %	9.5 %	44 %
GOOG US	2.1 %	11 %	77	0 %	4.3 %	23 %
BRK.A US	8.1 %	8 %	70	1 %	8.7 %	40 %
BRK/B US	7.5 %	20 %	-50	0 %	4.9 %	35 %
FB US	6.4 %	4 %	142	1 %	5.1 %	23 %
JPM US	6.0 %	3 %	23	1 %	8.3 %	33 %
JNJ US	5.2 %	5 %	96	3 %	4.5 %	21 %
XOM US	2.5 %	3 %	40	0 %	3.5 %	23 %
WMT US	2.1 %	4 %	13	1 %	9.5 %	44 %

- **Optimize position sizing based on returns across the portfolio**
- **Sort positions by any metric (ex. which names have the highest margin expectations)**

ALERTING

Stay On Top of Any Changes

Your Daily Digest Is here

PFSI-USA [All Funds]

- Scenario : (Downside)
  - Price updated from '25 USD' to '25.85 USD'
  - Comment updated from '1x 2019 book value of $25.00' to '1x 2019 book value of $25.85'
  - Target Date updated from '2019-12-29' to '2020-09-30'

- Scenario : (Recession)
  - Price updated from '12.55 USD' to '14 USD'
  - Comment updated from '0.67x P/B based on max multiple discount of -25% PFSI compared to peer index trough multiple 2008/9 on 75% of YE2019 BV (assuming BV falls 25% in a recession) ' to '0.67x P/B based on max multiple discount of -25% PFSI compared to peer index trough multiple 2008/9 on 80% of YE2019 BV (assuming BV falls 20% in a recession) '
  - Target Date updated from '2020-06-10' to '2020-06-30'

- Scenario : (Upside)
  - Price updated from '36.3 USD' to '38.4 USD'
  - Comment updated from '1.25x 2020 BV of $29 (equates to 9x 202 EPS of $4.00)' to '1.25x 2020 BV of $30.70 (equates to 8.2x 2020 EPS of $4.70)'
  - Target Date updated from '2020-09-28' to '2020-09-30'

Regards,
Equity Data Science

- **Configurable alerting keeps you up-to-date on any changes**