

# Community Tools in the Online Tools

6/15/2024

**Presented By Carol Theine**

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Puget Sound Chapter, Vice President

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***Community is where we find connection,  
support and shared experiences.***

# Agenda

- SSG Notes
- Share SSG
- Member Sentiment
- Ticker Heat Map (SSGPlus Only)
- Public Portfolio
- First Cuts

## SSG Notes: Three Types

- **My Study Notes:** Personal notes associated with a specific SSG; viewable only by the person who created the note. Your Study Notes are included when you share your study with others.
- **Community Notes:** Notes tied to a specific ticker and may be viewed by any online tools user looking at a study of the same ticker. Any online tools subscriber may create a community note. Community notes should contain information that might be considered relevant or of interest to the entire community of BetterInvesting Online Tools subscribers.
- **Staff Notes:** BetterInvesting Staff members will post notes regarding data adjustments, fiscal year changes, or other major announcements.

# NOTES: Where to Find

The screenshot shows the top navigation bar of the Better Investing CORESSG tool. On the left is a blue sidebar with a home icon and a folder icon. The main header area includes the logo 'BETTER INVESTING CORESSG', a 'Switch Tools' section with radio buttons for 'SSGPlus' and 'CoreSSG' (where 'CoreSSG' is selected), and a menu with 'File', 'Data', 'Print', 'Research', 'Tools', and 'Logout'. Below the header is a row of tool buttons: 'Analyze Growth' (highlighted in green), 'Evaluate Management', 'Forecast Sales/Earnings', 'Assess Risk and Reward', 'Determine 5 Year Potential', 'Audit', 'Sentiment', and 'Notes: 2'. A red arrow points to the 'Notes: 2' button.

The screenshot shows the top navigation bar of the Better Investing SSG PLUS tool. On the left is a blue sidebar with a home icon and a folder icon. The main header area includes the logo 'BETTER INVESTING SSG PLUS', a 'Switch Tools' section with radio buttons for 'SSGPlus' and 'CoreSSG' (where 'SSGPlus' is selected), and a menu with 'File', 'Data', 'Print', 'Research', 'Tools', and 'Logout'. Below the header is a row of tool buttons: 'Analyze Growth and Quality', 'Valuation and Return', 'Quarterly Data', 'Ratios', 'Audit', 'Sentiment', and 'Notes: 2' (highlighted in green). A red arrow points to the 'Notes: 2' button.

# NOTES: Samples

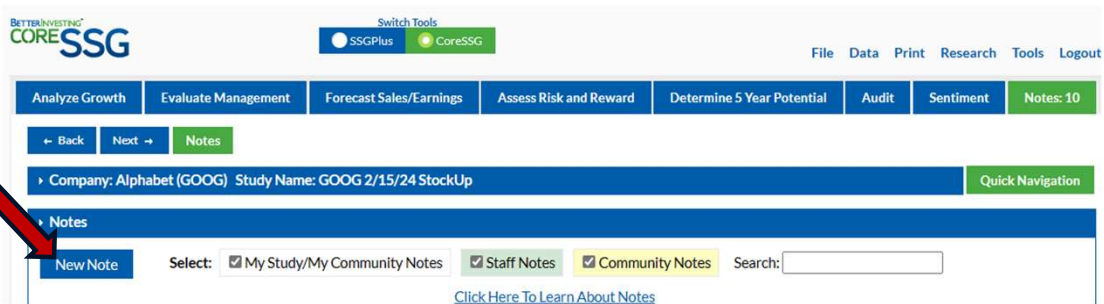
GOOG

Date Created	Subject	Description
12/06/18	2017 Q4 and 2017 Annual Data Adjustments	<p>With the passage of the 2017 US Tax Cuts and Jobs Act, Google incurred an additional tax expense of \$9,857(M\$) primarily due to the one-time transition tax on accumulated foreign subsidiary earnings and deferred tax impacts.</p> <p>Please review the press release from 2/1/2018</p> <p>If you agree that these represent a one-time charge then you may find it reasonable to adjust the data as follows.</p> <p>You can consider these data adjustments for 4Q 2017</p> <p>EPS = \$9.70</p> <p>Tax rate = 14.7%</p> <p>You can consider these data adjustments for 2017 annual data;</p> <p>EPS = \$32.01</p> <p>Net Income = 22,519</p> <p>Tax rate = 17.2%</p>
08/14/22	Update August 2022	<p>Google implemented a 20 for 1 stock split on July 18, 2022.</p> <p>Solid increasing sales year over year</p> <p>Decrease in earnings per share in 2022, ValueLine cites inflationary cost increases.</p>
10/07/22	Alphabet	<p>Just rolled out: Google Pixel Watch, Pixel 7 &amp; Pixel 7 Pro phones. Google will open its first data center in Japan in 2023 in hopes of increasing sales to Asia. Buy Mandiant for \$5.4 Billion in cybersecurity overall. Value Line writes: The stock possesses our highest rank for safety (1), and it is also credited with strong scores for Stock Price Stability (95 out of 100) and Price Growth Persistence (100). The company also rec gives our top grade for Financial Strength (A++)</p>
11/09/22	VL 11 4 22	<p>These high-quality shares offer broad appeal. The stock possesses our highest rank for Safety (1), and it is also credited with strong scores for Stock Price Stability (90 out of 100) and Price Growth Persistence (100). GOOG also receives our top grade for Financial Strength (A++). The equity holds above-average capital appreciation potential for the pull to 2025-2027.</p>

Staff

Community

# Create a Note



BETTER INVESTING  
CORESSG

Switch Tools  
SSGPlus CoreSSG

File Data Print Research Tools Logout

Analyze Growth Evaluate Management Forecast Sales/Earnings Assess Risk and Reward Determine 5 Year Potential Audit Sentiment Notes: 10

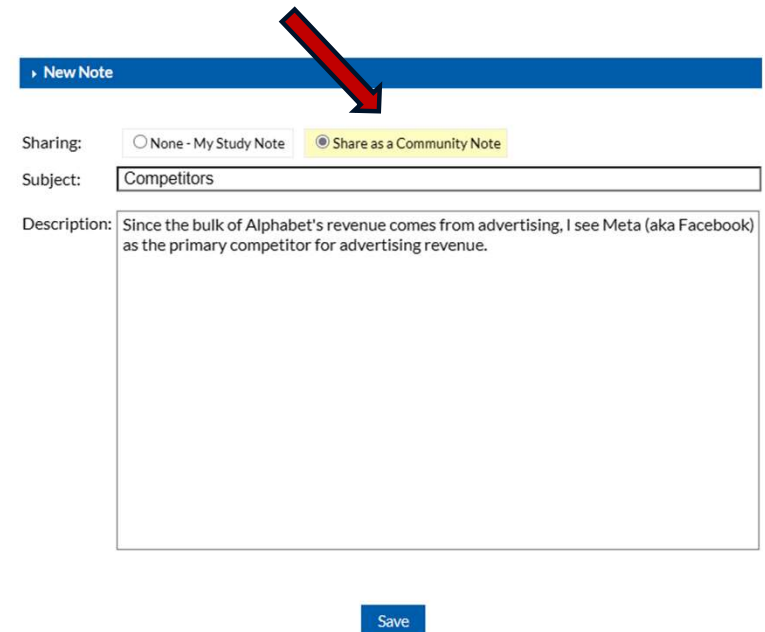
← Back Next → Notes

Company: Alphabet (GOOG) Study Name: GOOG 2/15/24 StockUp Quick Navigation

Notes

New Note Select:  My Study/My Community Notes  Staff Notes  Community Notes Search:

[Click Here To Learn About Notes](#)



New Note

Sharing:  None - My Study Note  Share as a Community Note

Subject:

Description:

Save



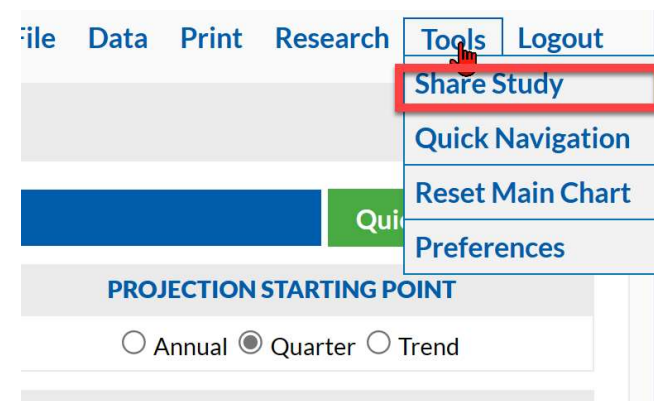
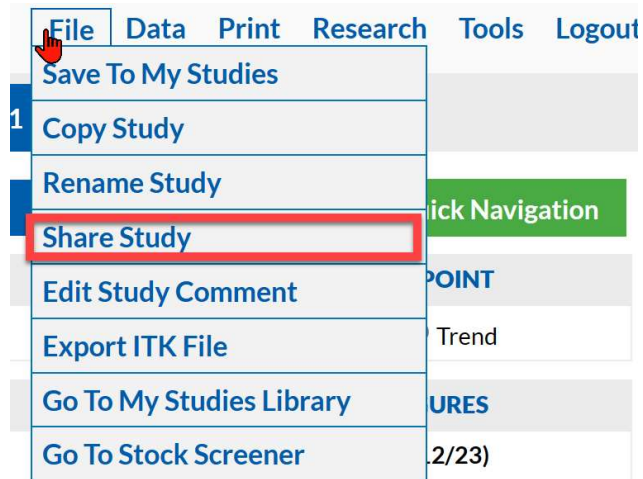
# Notes Functions

The screenshot shows the 'Notes' interface. At the top, there is a 'Notes' header. Below it, a 'New Note' button is on the left. To its right, a 'Select:' section contains three checkboxes: 'My Study/My Community Notes' (checked), 'Staff Notes' (checked), and 'Community Notes' (checked). Further right is a search box labeled 'Search:'. Below the search box is a link that says 'Click Here To Learn About Notes'. At the bottom, there is a 'Notes Listing' section with a table header. The table has three columns: 'Date Created', 'Subject', and 'Description'. The 'Subject' column header is circled in red.

- Filter note type
- Use Search
- Sort by Columns
- Edit note, including the Sharing Options (My note vs. Community)
- Delete the note you created. (Use Flag to alert BI staff of any notes not deemed to following guidelines.)
- Print Notes

# Share SSG

- Send a copy of your completed SSG to fellow BetterInvesting members.
- Found under both “File” and “Tools”



# Select Items to Share

## ▶ Share Study

### Share Study

#### Select Items to Share:

- Copy of Online Study (Recipient must have access to CoreSSG or SSGPlus)
- .ITK Data File (Format for importing into Investor's Toolkit)
- Stock Selection Guide Report (.PDF format)
- Notes (.PDF format)
  - All Notes
  - My Study/My Community Notes
  - Community and Staff Notes
- Study Audit Report

# Select Recipients

Share Study

Share Study

Select Items to Share:

- Copy of Online Study (Recipient must have access to CoreSSG or SSGPlus)
- .ITK Data File (Format for importing into Investor's Toolkit)
- Stock Selection Guide Report (.PDF format)
- Notes (.PDF format)
  - All Notes
  - My Study/My Community Notes
  - Community and Staff Notes
- Study Audit Report

Your Name:

CAROL THEINE

Send me a copy of this message to caroltheine@gmail.com

Select Recipients...

Select Recipients

Contacts Add Club Members...

Sel	Last Name	First Name	Email Address	Action
<input type="checkbox"/>				Add
<input type="checkbox"/>	Artzberger	Suzi	sartz@live.com	Edit
<input type="checkbox"/>	Artzberger	Suzi	sartzb@live.com	Edit
<input type="checkbox"/>	Artzberger	Suzi	sartzb1@aol.com	Edit
<input type="checkbox"/>	Artzberger	Suzi	sartzberger@yahoo.com	Edit
<input type="checkbox"/>	Artzberger	Suzi	suzia@betterinvesting.org	Edit
<input type="checkbox"/>	Baseball	Season	baseball@sample.com	Edit
<input type="checkbox"/>	Canning	Peaches	peaches@gmail.com	Edit
<input type="checkbox"/>	Carnation	Washington	close@sample.com	Edit
<input type="checkbox"/>	A Claus	Santa	santa@northpole.com	Edit
<input type="checkbox"/>	Club #2	Sample	club@sample.com	Edit
<input type="checkbox"/>	Club	Puget Sound	pugetsoundbi@clubs.iclub.com	Edit
<input type="checkbox"/>	Creativity	Reigns	creative@now.com	Edit

Return

# Add a Personal Message & Share

- A personal message is optional
- Last step is “Share Study”

## Share Study

### Share Study

#### Select Items to Share:

- Copy of Online Study (Recipient must have access to CoreSSG or SSGPlus)
- .ITK Data File (Format for importing into Investor's Toolkit)
- Stock Selection Guide Report (.PDF format)
- Notes (.PDF format)
  - All Notes
  - My Study/My Community Notes
  - Community and Staff Notes
- Study Audit Report
- Quarterly Growth Trend Data Report(.PDF format)

Your Name:

- Send me a copy of this message to caroltheine@gmail.com

Select Recipients...

Add a personal message (optional):

A sample of shared SSG with a personal message. Enjoy!

Share Study

# What an Email Looks Like

Attached PDF, with Notes & Audit

Click to add SSG to your Online Tools library.

Personal Message

Shared Stock Selection Guide of GOOG



Carol - a BetterInvesting Member <community@betterinvesting.com>  
To [redacted]@gmail.com

Reply Reply All Forward ...

Sun 4/21/2024 1:54 PM



A BetterInvesting member has shared a study with you for GOOG. Please see attachment(s).

[Click here](#) to create a copy of the shared study and open it in the BetterInvesting Online SSG. The link to create a copy of the shared study will only be available for the next 60 days. After that you'll need to request a new study. Please note that you will need a BetterInvesting membership that includes access to the Online CoreSSG or SSGPlus to open the shared study.

If you would like to join NAIC/BetterInvesting or upgrade your membership options, please explore at <https://www.betterinvesting.org/store/membership>. If you are a member, thank you for your membership. Are you utilizing everything included with your membership? Discover your benefits at: <https://www.betterinvesting.org/features>

A personal message from CAROL THEINE:

A sample of shared SSG with a personal message. Enjoy!



BetterInvesting, 570 Kirts Blvd., Suite 237, Troy, MI 48084

<https://www.betterinvesting.org>

You have received this email because a member of BetterInvesting wanted to share this information with you.

BetterInvesting is committed to protecting and respecting your privacy. Our privacy policy can be reviewed at <https://www.betterinvesting.org/privacy-policy>.

# Member Sentiment

BETTER INVESTING  
**CORE SSG**

Switch Tools  
 SSGPlus  CoreSSG

File Data Print Research Tools Logout

Analyze Growth Evaluate Management Forecast Sales/Earnings Assess Risk and Reward Determine 5 Year Potential Audit **Sentiment** Notes: 10

BETTER INVESTING  
**SSG PLUS**

Switch Tools  
 SSGPlus  CoreSSG

File Data Print Research Tools Logout

Analyze Growth and Quality Valuation and Return Quarterly Data Ratios Audit **Sentiment** Notes: 10

# Member Sentiment Items – Judgements & Results of Judgements

Member Sentiment Judgment Forecast Statistics

[Save Statistics as Note]

Sales (%)

EPS (%)

High P/E

High EPS

High Price

Low P/E

Low EPS

Low Price

Payout (%)

Total Return (%)



# Judgment Items/Results from Member Sentiment in Notes

## Member Sentiment Judgment Forecast Statistics

[\[Save Statistics as Note\]](#)

Sales (%)

EPS (%)

High P/E

High EPS

High Price

Low P/E

Low EPS

Low Price

Payout (%)

Total Return (%)

## Notes Listing

Date Created	Subject	Description
04/21/24	Member Sentiment Judgment Forecast Statistics	Forecast Sales: Median: 10.0 Mean: 9.6 Range: (6.0 - 14.0) Forecast EPS: Median: 12.5 Mean: 12.2 Range: (6.9 - 17.0) Forecast High P/E: Median: 28.0 Mean: 27.2 Range: (23.0 - 30.4) Forecast High EPS: Median: 10.45 Mean: 10.28 Range: (7.91 - 12.72) Forecast High Price: Median: 99.8 Mean: 99.3 Range: (71.1 - 127.6) Forecast High Price: Median: 279.2 Mean: 279.3 Range: (206.1 - 353.7) Forecast Low P/E: Median: 17.2 Mean: 17.5 Range: (14.8 - 22.0) Forecast Low EPS: Median: 5.80 Mean: 5.73 Range: (5.00 - 6.25) Forecast Payout Rate: Median: 0.0 Mean: 0.0 Range: (0.0 - 1.1) Forecast Total Return: Median: 13.5 Mean: 13.4 Range: (6.2 - 20.3)

# Member Sentiment Statistics

MEAN vs MEDIAN ?

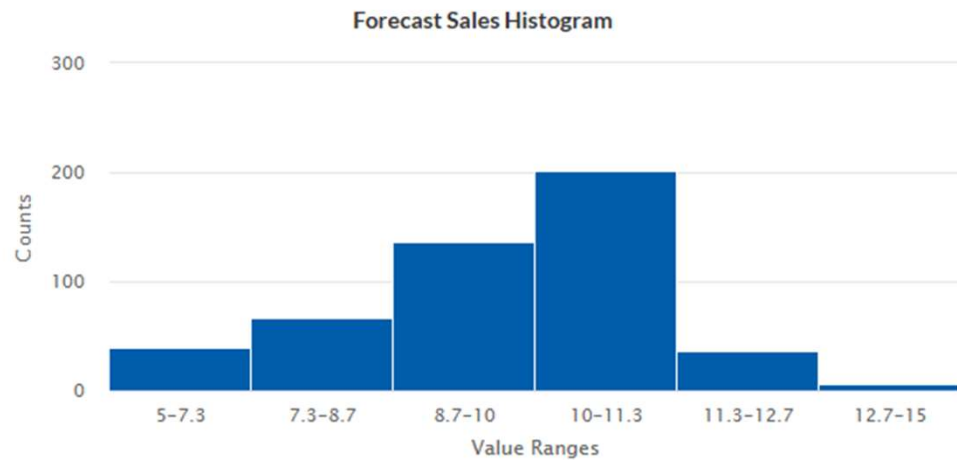
9.6

MEAN

10.0

MEDIAN

RANGE	6.0 - 14.0
STANDARD DEVIATION ?	1.41
OUTLIERS REMOVED	151
TOTAL STUDIES LESS OUTLIERS	486



# Member Sentiment Outliers & Sort Columns

TOTAL STUDIES LESS OUTLIERS 486 Value Ranges

[Include Outliers](#) [? Outlier FAQ](#)

Member Sentiment Judgment Forecasts from Recent Studies (Total Completed Studies = 637 in past 90 days) [Download Studies]

Sel <input type="checkbox"/>	Date ↕	Sales (%) ↕	EPS (%) ↕	High P/E ↕	High EPS ↕	High Price ↕	Low P/E ↕	Low EPS ↕	Low Price ↕	Payout (%) ↕	Total Return (%) ↕
<input checked="" type="checkbox"/>	04/21/24	10	14.4	27.0	11.36	306.7	15.0	5.80	110.0	0	14.5
<input checked="" type="checkbox"/>	04/21/24	6.7	9.3	28.9	9.05	261.5	17.2	5.80	99.8	0	10.9
<input checked="" type="checkbox"/>	04/21/24	11	11.2	28.9	9.86	285.0	15.0	5.80	87.0	0	12.8
<input type="checkbox"/>	04/21/24	11	19.3	26.2	14.02	367.3	17.7	5.80	102.7	0	18.7
<input checked="" type="checkbox"/>	04/21/24	9.8	14.1	27.6	11.22	309.7	17.2	5.80	99.8	0	14.7
<input checked="" type="checkbox"/>	04/20/24	8.8	9	28.9	8.92	257.9	17.2	5.80	71.1	0	10.6
<input checked="" type="checkbox"/>	04/20/24	10.7	13	27.8	10.69	297.2	16.5	5.13	84.6	0	13.8
<input checked="" type="checkbox"/>	04/20/24	8.8	8.8	28.9	8.84	255.5	17.2	5.80	83.5	0	10.4
<input checked="" type="checkbox"/>	04/20/24	7.3	7.7	26.0	8.40	218.4	17.2	5.80	118.0	0	7
<input type="checkbox"/>	04/20/24	12	12	28.9	10.22	295.4	23.6	5.38	111.2	0	13.7
<input type="checkbox"/>	04/20/24	13	17.5	26.5	12.99	344.2	17.0	5.80	98.6	0	17.2
<input type="checkbox"/>	04/20/24	15.2	14.4	28.0	11.36	318.1	17.2	5.80	99.8	0	15.4
<input checked="" type="checkbox"/>	04/20/24	8	13	28.9	10.69	308.9	17.2	5.80	99.8	0	14.7
<input type="checkbox"/>	04/20/24	9.5	12.5	25.0	10.45	261.3	16.9	4.72	124.6	0	10.9
<input checked="" type="checkbox"/>	04/20/24	8.7	7.4	28.9	8.29	239.6	18.8	5.38	110.0	0	9

# Ticker Heat Map – SSGPlus only

BETTER INVESTING
**SSG PLUS**
Logout [E](#)

Stock Ideas - Search for a Company

Search Criteria

9 Yr Sales Growth (%):

9 Yr Earnings Growth (%):

5 Yr EPS R-squared:

Size: Small Medium Large

Sector:

Dividend Yield (%):

Pre-Tax Profit Trend: Up Even Down

Return on Equity Trend: Up Even Down

Morningstar Growth Grade:

Morningstar Profit. Grade:

Morningstar Financial Health:

PE / Historical EPS Growth:

Traded Exchange:

Search
Reset Criteria

Predefined Screens

Quality ?

Value ?

Quality + Dividend Yield ?

Small Company ?

Roster of Quality ?

A-List Stocks ?

Looking for more in-depth screening? Check out [MyStockProspector.com](http://MyStockProspector.com)

Ticker Heat Map

A resource of stock ideas based on the top 100 studies created by members in the last 90 days.

Filtered List

Show Filtered Companies ?

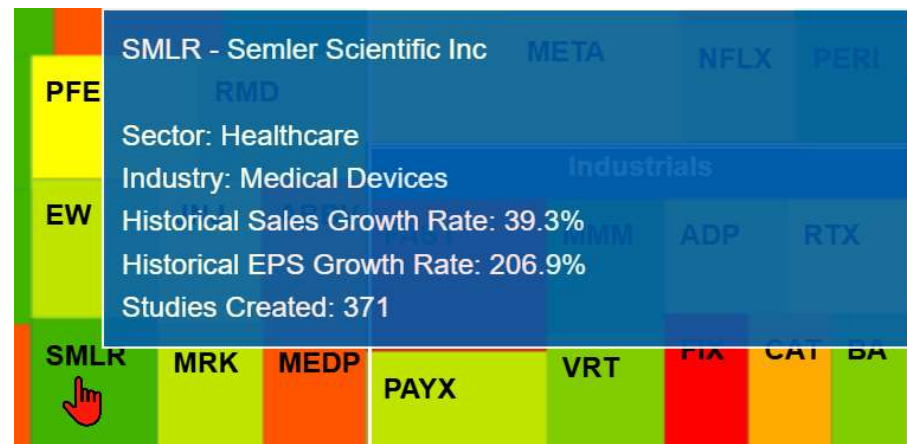
Clear Filtered List

Results



# Ticker Heat Map – Hover vs. Click

- Hover (move mouse to box but don't click)



- Click on the ticker to create a study. (Opens in a new browser tab)

# Public Portfolio

**BETTER INVESTING SSG PLUS** Logout

New Study New Portfolio Import TK6 File(s)

Portfolios

Show 100 entries Search all columns:

Actions	Name	Date Created	Description	Account Name	Study Count	Public
	Sample Club	5/27/2014 11:38:07 AM	When to Sell Class		17	False
	Industry Study			PSCModel	5	False
	PS Model Club				13	False
	Technology Sector				16	False

Showing 1 to 20 of 20 entries

Studies for Portfolio "PS Model Club"

Show All entries Show / hide columns

Actions	Company
	Visa
	Ensign Group
	Visa
	UnitedHealth Group
	Generac Hldgs

**Edit Portfolio**

Name: PS Model Club

Account Name: PSCModel

Description: Puget Sound Model Club

Public

Portfolio:

Url: <https://ssg.betterinvesting.org/manage/UserControls/Reports/PortfolioReports.aspx?portfolio=1587>

**Add Existing Study or \$CASH (optional)**

Ticker	Name	Date	Shares
	--	--	

Save Cancel

Price Date	Judgment Date
2:09:49 PM	2/16/2024 12:00:00 AM
1:50:44 PM	2/16/2024 12:00:00 AM
8:24:38 PM	3/15/2024 12:00:00 AM
7:50:15 PM	2/16/2024 12:00:00 AM
2:37:40 PM	3/17/2023 12:00:00 AM

# Public Portfolio – 3 Portfolio Reports

## Report Options

Summary **PERT** Diversification



Show All entries

Export as CSV

		<input checked="" type="radio"/> Total Return <input type="radio"/> Proj Avg Return		Portfolio Total Value		\$12,554.23		Portfolio dollar-weighted average		US/DS: 2.5		% Total Return: 11.7	
Ticker	Company	Price Date	Price	Shares	Total Value	% of Portfolio	Current PE	Buy Below	Sell Above	US/DS	% Tot Ret	Rec	
AL	Air Lease	4/19/2024	49.03	24.4	1,195.81	9.5	9.5	46.90	78.90	2.5	14.6	Hold	
AAPL	Apple	4/19/2024	164.93	15.8	2,598.06	20.7	25.7	92.30	142.00	0.0	1.9	Sell	
CTSH	Cognizant Tech Solns	4/19/2024	67.44	18.7	1,258.66	10.0	16.1	76.90	104.70	11.5	12.0	Buy	
CVS	CVS Health	4/19/2024	69.75	12.7	884.84	7.0	10.8	116.20	180.70	Invalid	26.3	Buy	
ENSG	Ensign Group	4/19/2024	118.26	0.0	0.00	0.0	32.4	97.40	148.30	1.2	8.3	Hold	
FFIV	F5	4/19/2024	177.37	9.8	1,734.80	13.8	23.1	145.30	235.80	1.3	9.6	Hold	
FAST	Fastenal	4/19/2024	67.55	34.1	2,300.67	18.3	33.4	48.40	68.30	0.4	5.0	Hold	
GNRC	Generac Hldgs	4/19/2024	135.15	0.0	0.00	0.0	41.1	95.20	135.50	0.3	2.9	Hold	
LKQ	LKQ	4/19/2024	49.12	49.4	2,428.73	19.3	14.0	50.80	110.00	3.2	23.2	Buy	
MD	Pediatric Medical Gr	4/19/2024	9.03	16.9	152.65	1.2	NMF	-8.20	-2.70	Invalid	--	Sell	
UNH	UnitedHealth Group	4/19/2024	501.13	0.0	0.00	0.0	30.6	348.00	520.30	0.4	5.1	Hold	
V	Visa	4/19/2024	269.78	0.0	0.00	0.0	31.0	255.50	366.80	2.2	10.1	Hold	
V	Visa	4/19/2024	269.78	0.0	0.00	0.0	31.0	329.70	537.20	8.5	19.5	Buy	

Showing 1 to 13 of 13 entries

First Previous 1 Next Last

The information presented is for informational purposes only. Securities of companies referenced are not to be considered as recommendations for purchase or sale. Always do your own research.



# Other BetterInvesting/ICLUBcentral Community “Tools”

- First Cuts on BetterInvesting Website under “Find Great Stocks”
- Investment Clubs:
  - myICLUB.com from ICLUBcentral – link SSGs, online voting, club calendar, file storage
  - Investment Club Forum
  - Club Connect
- Social Media
  - <https://www.facebook.com/betterinvesting>
  - <https://www.instagram.com/betterinvesting>
  - <https://www.linkedin.com/company/betterinvesting>

# First Cuts

Home ▶

Q Tools

Welcome, CAROL THEINE

My Account

**B** BETTERINVESTING™

HOME

WELCOME TO BETTERINVESTING

LEARNING CENTER ▾

**FIND GREAT STOCKS** ▾

ONLINE TOOLS ▾

INVESTMENT CLUBS ▾

OUR COMMUNITY ▾

**Online Tools**

Learn about our online stock selection tools.

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MEMBER BENEFITS

INVESTMENT CLUBS

GET STARTED

USING THE ONLINE TOOLS

STOCK SCREENING

STOCK IDEAS

**FIRST CUT STOCK REPORTS**

Don't have access? Free, limited trial version

SCG

CR

?

## First Cut Stock Reports

First Cut Stock Reports are created by BetterInvesting members on good quality companies. These stock reports consist of a completed Stock Selection Guide (SSG) showing the judgments made by the author, and a written report sharing why each judgment was made. Use these reports to find potential investments and to compare your SSG with others from our community of investors.

The First Cut Stock Report template (DOCX) is an easy-to-use form providing a simple format to capture your rationale and thoughts about your completed SSG. Complete instructions to submit a First Cut Stock Report are included in the template.



[DOWNLOAD FIRST CUT STOCK REPORT TEMPLATE](#)

**How to Submit a Study –  
Contribute to the  
BetterInvesting Community**

Choose 'VIEW' to see all First Cut reports for a company.

Company Name	Ticker	Sector	Size	Studies	Latest Study	
Nvidia	NVDA	Technology	Large	2	3/26/2024	<a href="#">VIEW</a>
Kinsale Capital Group	KNSL	Financial Services	Medium	5	3/22/2024	<a href="#">VIEW</a>

[Home](#) > [Members](#) > [Find Great Stocks](#) > [First Cut Stock Reports](#) > [Alphabet](#)

## Alphabet

Ticker: GOOGL

Company Size: Large

Sector: Communication Services

Industry: Internet Content & Information

Alphabet is a holding company. Internet media giant Google is a wholly owned subsidiary. Google generates 99% of Alphabet revenue, of which more than 85% is from online ads. Google's other revenue is from sales of apps and content on Google Play and YouTube, as well as cloud service fees and other licensing revenue. Sales of hardware such as Chromebooks, the Pixel smartphone, and smart home products, which include Nest and Google Home, also contribute to other revenue. Alphabet's moonshot investments are in its other bets segment, where it bets on technology to enhance health (Verily), faster internet access to homes (Google Fiber), self-driving cars (Waymo), and more. Alphabet's operating margin has been 25%-30%, with Google at 30% and other bets operating at a loss.



[Stock report by Mark Klein on 1/17/2023 \(PDF\)](#)



[Stock report by Mike Higgins on 10/5/2022 \(PDF\)](#)



[Stock report by Kevyn Robinson on 9/9/2022 \(PDF\)](#)



[Stock report by Kathleen Richards and Tim Bruck on 8/20/2022 \(PDF\)](#)



[Stock report by Tim Bruck, Louise Gregory, Kathleen Richards on 12/2/2021 \(PDF\)](#)



[Stock report by Ann Cuneaz on 6/23/2021 \(PDF\)](#)



[Stock report by Pamela Birch on 7/11/2016 \(PDF\)](#)



[Company Home Page](#)



[Company Research](#)



[Online SSG](#)





### First Cut Stock Study Report

<b>Company Name:</b>	Alphabet, Inc.	<b>Ticker:</b>	GOOG
<b>Date of Study:</b>	1/17/2023	<b>Price:</b>	\$ 92.80
<b>Your Name:</b>	Mark Klein		
<b>Email address:</b>	drklein01@gmail.com		
<b>City:</b>	Lake Worth	<b>State:</b>	FL
<b>Chapter Name (if applicable):</b>	South Florida		

**Discuss why you consider this to be a high quality, growth company that should be investigated further. Please include comments on historical sales and EPS growth, pre-tax profit margin, return on equity, and debt.**

This mega-sized (revenue > \$50B) company has grown sales and EPS at an annualized rate of 19.2% and 13.2% per year for the last decade. Revenue is up and straight, while earnings from 2013 did not show growth until 2018 and beyond. Excluding 2021, an upside outlier, PTPM has averaged 25.2% for the last five years and has been steady over the last 10. This trails peer (stated as META, TCEHY, and SPOT) and industry averages.

Over the last five years, ROE has averaged 18.4% and leads peer and industry averages. Debt-to-capital, under 11% for the last decade, averages 6.6% over the previous five years. This is lower than peer and industry averages. Should anyone be concerned, Interest Coverage is a ridiculous 205.6.

**Briefly describe how the company makes money:**

From Morningstar (M\*): "Alphabet is a holding company. Internet media giant Google is a wholly owned subsidiary. Google generates 99% of Alphabet's revenue, more than 85% from online ads. Google's other revenue is from sales of apps and content on Google Play and YouTube, cloud service fees and other licensing revenue. Sales of hardware such as Chromebooks, the Pixel smartphone, and smart home products, which include Nest and Google Home, also contribute to other revenue. Alphabet's moonshot investments are in its other bets segment, where it bets on technology to enhance health (Verily), faster internet access to homes (Google Fiber), self-driving cars (Waymo), and more."

**Projected growth rate for sales: 7%**

**Why did you select this rate? Discuss from where future growth will come.**

CNN Business projects growth of 10% and 9% per year for '22 and '21-'23, respectively (based on 43 analysts). Yahoo Finance (YF) projects 10% and

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8% YOY growth for '22 and '23, respectively (31). Zacks projects 10.3% and 7.1% YOY growth for '22 and '23, respectively (9). CFRA projects growth of 8.7% and 9.5% per year for '21-'23 and '21-'24, respectively. Value Line projects 14% annualized growth from '21-'26. Morningstar offers a 2-year ACE estimate of 6.8% per year.

**Projected growth rate for earnings per share: 6%**

**Why did you select this rate?**

CNN Business reports ACE of a 15.9% contraction and 3.9% contraction per year for 2022 and '21-'23, respectively (based on 43 analysts). MarketWatch projects a 2.3% contraction per year and 3.7% growth per year for '21-'23 and '21-'24, respectively (48). Nasdaq.com projects 11.8% and 17.6% growth per year for '22-'24 and '22-'25, respectively (12, 8, and 3 analysts for '22, '24, and '25, respectively). YF projects a 16% contraction for 2022, 10.4% growth for 2023, and 8.9% annualized growth for the next five years (35). Zacks projects a 16.6% contraction for 2022, 8.1% growth for 2023, and 11.3% annualized growth for the next five years (12). Value Line projects 12.7% growth per year from '21-'26. M\* has long-term ACE at 13% annualized. CFRA provides a 3-year EPS growth projection of 5% per year.

**Projected High P/E: 27**

**Why did you select this value?**

High P/E has ranged from 29.2 (2018) to 59.9 (2017) since 2014, with a 5-year average of 28.9, excluding the 2017 upside outlier. The trend is down, however.

**Projected Low P/E: 14**

**Why did you select this value?**

Low P/E has ranged from 15.1 (2021) to 42.9 (2017). Excluding 2017, an upside outlier, the 5-year average is 18.8. The trend is down.

**Projected Low Price: \$70.6**

**Why did you select this value?**

I am sticking with the default. This is roughly 23% below the previous close.

**At the current price, the stock is a (check one):**

Buy or  Hold or  Sell

**At the current price, the upside-downside ratio is: 4 to 1**

**Compound Annual Return – Using Forecast High P/E: 14.4%**

**Your final recommendation (check one):**

Buy or  Hold or  Sell

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**Explain:**

PAR, which uses the forecast average P/E, clocks in at 8.3%. I'd like to see this be higher, but my interpretation also depends on the margin of safety built into my inputs.

To check this, let's look at BI Member Sentiment. 851 studies over the past 90 days indicate projected sales, EPS, and High P/E averages of 11.9%, 13.1%, and 26.9, respectively. My revenue and EPS growth estimates are significantly lower, and my High P/E is about the same (27). Interestingly, there is no Low P/E average. As I scan through the data, I see roughly 12 "crazy" entries in this field: 102, NMF, < 2 (10 times), < 3, and < 4. I wonder if something here (particularly the NMF) explains why an average High P/E does not show up. The average low price among these studies is 217 due to some 4-digit values. GOOG stock split last July, three months before the 90-day window. It seems a bit curious to me why any recent studies would include the pre-split stock price.

Regardless of the questionable data, I believe I have built an acceptable margin of safety into this SSG. My growth estimates are both significantly lower than BI and lower than all long-term analyst estimates except CFRA (EPS at 5%). Furthermore, Value Line projects an average P/E of 25 in '26 compared to my 20.5.

Therefore, although the PAR is lower than I might like, I feel confident in Alphabet's chances of beating these estimates and realizing stock appreciation based on the forecast High P/E. That would be outstanding for a company of this size.

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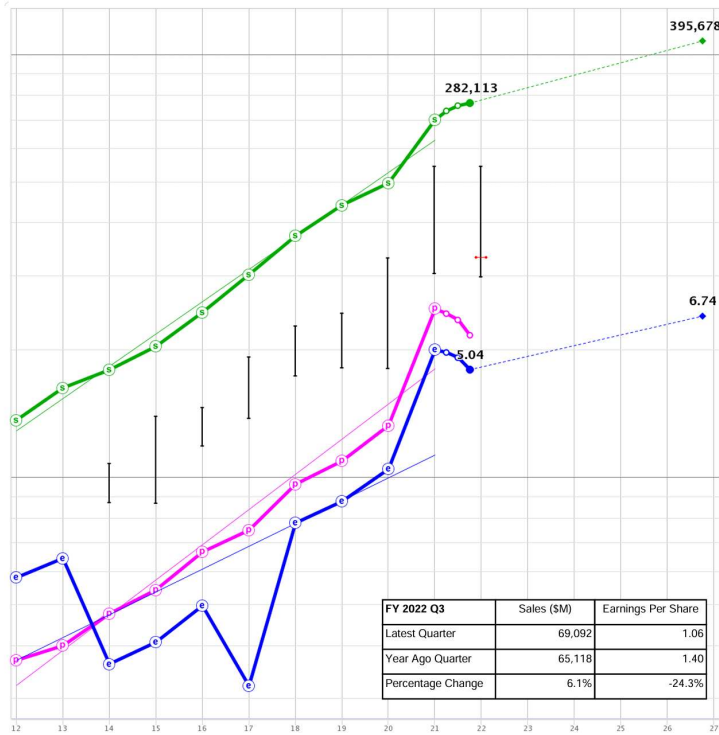


**Stock Selection Guide**

Company	Alphabet		Date	01/16/23	
Prepared by	KLEIN		Data taken from	BI Stock Data	
Where traded	NAS	Industry	Internet Content & Information		
Capitalization -- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	13,097.0	59.1	22.6		
Debt (\$M)	28,922.0	% to Tot Cap	10.2	% Pot Dil	0.6

Symbol: GOOG

**1 VISUAL ANALYSIS of Sales, Earnings, and Price**



- (1) Historical Sales Growth 19.2%
- (2) Estimated Future Sales Growth 7.0%
- (3) Historical Earnings Per Share Growth 13.2%
- (4) Estimated Future Earnings Per Share Growth 6.0%

**2 EVALUATING Management**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Last 5 Year Avg.
% Pre-tax Profit on Sales	26.7%	24.2%	26.1%	26.2%	26.8%	24.5%	25.5%	24.5%	26.3%	25.2%	25.2%
% Earned on Equity			14.0%	13.5%	14.4%	8.0%	17.9%	17.4%	18.6%	30.4%	18.4%
% Debt To Capital	7.2%	5.7%	4.8%	4.2%	2.8%	2.5%	2.2%	7.3%	10.7%	10.1%	6.6%

**3 PRICE-EARNINGS HISTORY as an indicator of the future**

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 92.80 (01/16/23) 52-WEEK HIGH 152.10 52-WEEK LOW 83.45

Year	A	B	C	D	E	F	G	H
	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2017	53.9	38.6	0.90	59.7	42.9	0.00	0.0	0.0
2018	63.7	48.5	2.19	29.2	22.2	0.00	0.0	0.0
2019	68.3	50.7	2.46	27.8	20.6	0.00	0.0	0.0
2020	92.4	50.7	2.93	31.5	17.3	0.00	0.0	0.0
2021	151.9	85.0	5.61	27.1	15.1	0.00	0.0	0.0
AVERAGE			54.7	26.9	10.0		0.0	
CURRENT/TM				30.2	16.6		0.0	
AVERAGE PRICE EARNINGS RATIO: 23.8				CURRENT PRICE EARNINGS RATIO: 18.4				

**4 EVALUATING RISK and REWARD over the next 5 years**

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

**A HIGH PRICE - NEXT 5 YEARS**  
 Avg. High P/E 27.0 X Estimate High Earnings/Share 6.74 = Forecasted High Price \$ 182.0

**B LOW PRICE - NEXT 5 YEARS**  
 (a) Avg. Low P/E 14.0 X Estimate Low Earnings/Share 5.04 = Forecasted Low Price \$ 70.6  
 (b) Avg. Low Price of Last 5 Years 54.7  
 (c) Recent Market Low Price 50.7  
 (d) Price Dividend Will Support  $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.00}{0.00\%} = 0.0$   
 Selected Forecasted Low Price \$ 70.6

**C ZONING** using 25%-50%-25%  
 Forecasted High Price 182.0 Minus Forecasted Low Price 70.6 = 111.4 Range. 25% of Range 27.8  
 Buy Zone 70.6 to 98.4  
 Hold Zone 98.4 to 154.1  
 Sell Zone 154.1 to 182.0  
 Present Market Price of 92.80 is in the **BUY** Zone

**D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)**  
 $\frac{\text{High Price } 182.0 \text{ Minus Present Price } 92.80}{\text{Present Price } 92.80 \text{ Minus Low Price } 70.6} = \frac{89.16}{22.20} = 4.0$  To 1

**E PRICE TARGET** (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)  
 $\frac{\text{High Price } 182.0}{\text{Closing Price } 92.80} = 1.9608 \times 100 = 196.08 - 100 = 96.1$  % Appreciation

**5 5-YEAR POTENTIAL**

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

**A**  $\frac{\text{Indicated Annual Dividend } 0.00}{\text{Closing Price } 92.80} = 0.0000 = 0.0\%$  Current Yield

**B AVERAGE YIELD - USING FORECAST HIGH P/E**  $\frac{\text{Avg. \% Payout } 0.0\%}{\text{Forecast High PE } 27.00} = 0.0\%$  **AVERAGE YIELD - USING FORECAST AVERAGE P/E**  $\frac{\text{Avg. \% Payout } 0.0\%}{\text{Forecast Average PE } 20.50} = 0.0\%$

**C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E**  $\text{Annualized Appreciation } 14.4\%$  **COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E**  $\text{Annualized Appreciation } 8.3\%$   
 $\text{Average Yield } 0.0\%$   $\text{Average Yield } 0.0\%$   
 $\text{Annualized Rate of Return } 14.4\%$   $\text{Annualized Rate of Return } 8.3\%$

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in the BetterInvesting  
Community**

# Question and Comments

Community Tools  
in the Online Tools

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