# NAIC Stock Prospector

# Data Item Reference Charts

## Data Groups

Data groups are defined to contain items that pertain to that group. These collections make it easier for advanced users to find and use specific items for their reports.

The following groups are available:

1. **Other Items** describe the company and data that are normally not used for screening. These items cannot be assigned weights and are designated with N/A.

2. **Growth Items** deal with anything that has a growth component - revenue, EPS, dividends, etc. For several items the growth is calculated over different length periods. You could use these periods to determine improvement/deterioration of growth by comparing a longer growth period to a shorter growth period.

3. **Value Items** in some form include the current price in their calculation. Typical items are PE, relative value, etc.

4. **Quality Items** measure management's achievements. These include profitability, ROE (return on equity) and their trends, as well as the consistency of growth items ($R^2$).

5. **Safety Items** help determine a company's stability. Items that describe the size of the company, financial liquidity, and volatility fall into this group.

6. **Trend Items** are derived from the most recent data and are compared to older data. This is done for revenue, EPS, and price and the comparison is made to the company's own trend, to companies in the industry, and to all the companies in the database.

7. **Rank Items** are included with the trend group. Rank items compare actual recent achievements with averages for the same industry and the database. These indicate how a company is performing in relation to others.

8. **Projection Items** are based on information that may be included in the Datafiles. Datafiles may include information provided by analysts.

9. **Proxy Items** are computer calculations simulating NAIC methods for items such as upside/downside ratio, buy/sell zones, total return etc. These items should be used carefully as they may <u>not</u> necessarily be appropriate. Normally, these items are derived from a process where the investor imparts an understanding. The computer calculations have no similar capability.

## Data Items

### Alphabetical Sort (All Data Items)

| # | Item Name | Description |
|---|-----------|-------------|
|   |           |             |

| 1 | % From 52W Hi | Compares current price to 52 week high price. Formula: Current Price - 52W Hi Price) / 52W Hi Price (Will always be <= 0). Price being close to the 52 week high suggests a positive trend. This may show the company to be overpriced. |
|---|---|---|
| 2 | % From 52W Low | Compares current price to 52 week low price. Formula: Current Price - 52W Low Price) / 52W Low Price (Will always be <= 0). Price being near the 52 week low suggests a negative trend. |
| 3 | 52W Hi Price | Highest share price reached during the last 52 weeks. |
| 4 | 52W Low Price | Lowest share price during the past 52 weeks. |
| 5 | ACE 1Yr Proj EPS | Analysts' consensus EPS. Analysts' forecast of current year's (fiscal year) EPS. See 'Proj 1 Yr EPS Gr' . |
| 6 | Analyst 5Yr EPS | Analysts' expectations for EPS extrapolated to calculate EPS 5 years in the future. Formula: ACE 1Yr Proj EPS * ( 1 + Proj 5 Yr EPS Gr) ^ 4 . See 'Proj 5 Yr EPS Gr' . |
| 7 | Assets - Millions | Current assets. Indicates company size by measuring its assets. |
| 8 | Avg Debt / Equity | Average debt to equity over the last 5 years. |
| 9 | Avg PE | Formula: (Avg 5Yr High PE + Avg 5Yr low PE) / 2 . Average Price/Earnings ration for the last 5 years. |
| 10 | Avg 5Yr High PE | Average high PE for last 5 years. Calculated from yearly information from OPS data. |
| 11 | Avg 5Yr Low PE | Average low PE for last 5 years. Calculated from yearly information from OPS data. |
| 12 | Avg 5Yr PTI | Average 5-year PTI. Simple average calculated from OPS data. Pre-tax Income on Sales (i.e. profitability). See 'Trend PTI' . |
| 13 | Avg 5Yr ROE | Average 5-year ROE. Simple average calculated from OPS data. Return on Common Equity. See 'Trend ROE' . |
| 14 | Avg Div Yield | Historical average dividend yield. Calculated using the last 5 years' annual data from OPS data. |
| 15 | Beta | Measure of price volatility in relation to the market. Could be misleading for fast-growing companies. |
| 16 | Book Value Gr | Book value per share growth (common equity / number of shares). Growth in book value for the number of years available. Regulated industries (utilities) pay out a fixed amount based on their assets. Book Value is an indication of assets. |
| 17 | Buy Below | Lowest third of the price range based on equal (33/33/33%) divisions between Proxy Hi Pr and Proxy Low Pr . |
| 18 | Captlztion - Millions | Capitalization = Number of shares * current price. Indication of the company size by market valuation. |
| 19 | Cash Flow Gr | Growth in cash flow for number of years of data available. Can be used to confirm EPS growth. In some industries (resources, cable, etc.) cash flow is a better indicator than EPS. |
| 20 | CashFlow / Share | Cash flow per share. As provided by OPS data. |
| 21 | Com Equity R2 10Yr | Common equity consistency over the last 10 years. |
| 22 | Company Name | Company name. |
| 23 | Current Div | Current dividend. |
| 24 | Current EPS | Current earnings per share – Total of last 4 quarters of reported earnings. |
| 25 | Current PE | Current Price/Earnings ratio as available from OPS data. EPS (earnings) is usually for 2 reported quarters plus 2 anticipated quarters. |
| 26 | Current Price | Current share price for the date indicated in 'Date Info' . |

| 27 | Current Ratio | Current ratio. Current assets / current liabilities. Measure of liquidity. Ratios of 2 or higher are generally considered good. |
|----|----|----|
| 28 | Cur Div Yield | Current dividend yield. For those interested in income from their investment. |
| 29 | Currency Name | Defined when importing OPS data. Applicable only for dealing with foreign stocks. |
| 30 | Date Info | Date when OPS data was generated. |
| 31 | Debt / Capital | As 'Debt / Equity' , except using the working capital. |
| 32 | Debt / Equity | Debt to equity ratio. Measure of long term debt for company. For most industries 30% is acceptable. Utilities typically have high ratios. |
| 33 | Debt / Equity Rating | Numerical figure derived from trend of 'Debt / Equity' . The numerical equivalent of 'Debt / Equity' , which varies from 6 to 0, where ++ = 6 and -- = 0. For this rating, 4 or <u>lower</u> is best. |
| 34 | Div Gr | Growth in dividends for the number of years of data available. For those interested in income from investments. |
| 35 | Div Payout | Dividend payout ratio. 5 yr average of ratio for dividends / EPS. An indicator of safety of dividends paid. For most industries look for 60% or less. Exceptions are utilities. |
| 36 | Dividend R2 10Yr | Dividend consistency over the last 10 years. |
| 37 | EPS ACE Flag 1Yr | If True, it indicates that 'ACE 1Yr Proj EPS' was provided from the data provider. If False, it was calculated by Prospector based on internal formula. |
| 38 | EPS ACE Flag 5Yr | If True, it indicates that 'Proj 5 Yr EPS Gr' was provided from the data provider. If False, it was calculated by Prospector based on internal formula. |
| 39 | EPS R2 10yr | EPS consistency. $R^2$ (or R squared) is the coefficient of correlation from the calculation of 'Hist 10Yr EPS Gr' . Varies from 1 to 0 where 1 is the most consistent and desirable. |
| 40 | EPS R2 3yr | EPS consistency over the last 3 years. |
| 41 | EPS R2 5yr | EPS consistency over the last 5 years. |
| 42 | EPS Rank - DB | Compares short term growth to the average short term growth of the database. |
| 43 | EPS Rank - Indus | Compares short term EPS growth to the average short term growth of the industry. |
| 44 | EPS Trend | Difference in % change EPS (last 4 quarters) to weighted growth for the company. |
| 45 | EPS Trend – DB | Compares 'EPS Trend' of the company to the trends of the database. |
| 46 | EPS Trend – Indus | Compares 'EPS Trend' of the company to the trends of the industry. |
| 47 | Exchange | Trading exchange. |
| 48 | Exchange Rate | Defined when importing OPS data. Applicable only for dealing with foreign stocks. |
| 49 | Hist Share Gr | Growth in average share price for the number of years available, based on yearly data. Comparing this to EPS growth, can suggest whether PE is expanding or contracting. This can indicate whether a stock is getting overpriced. |
| 50 | Hist 10Yr EPS Gr | Historical 10-year growth for EPS. Uses a least-squares calculation to determine EPS growth. Long term growth rate. Use 'EPS R2 10yr' to indicate consistency in results. |
| 51 | Hist 10Yr Rev Gr | Historical 10-year growth for revenues – Calculation uses the yearly data and a least-squares calculation to determine past growth. Long term growth rate. Use 'Rev R2 10Yr' to indicate consistency in results. |

| 52 | Hist 1Yr EPS Gr | Historical 1-year EPS growth.  Use with 'Hist 10Yr EPS Gr', 'Hist 5Yr EPS Gr' and 'Hist 3Yr EPS Gr'  to indicate trend of growth (increasing or decreasing). |
|---|---|---|
| 53 | Hist 1Yr Price Gr | Price growth based on Monthly data. |
| 54 | Hist 1Yr Rev Gr | Historical 1-year revenue growth.   Use with Items 'Hist 10Yr Rev Gr' , 'Hist 5Yr Rev Gr' , and 'Hist 3Yr Rev Gr' to indicate trend of growth (increasing or decreasing). |
| 55 | Hist 3Yr EPS Gr | Historical 3-year EPS growth.  Use with 'Hist 10Yr EPS Gr' and 'Hist 5Yr EPS Gr' to indicate trend of growth (increasing or decreasing).  May also be used with 'EPS R2 3Yr' to indicate consistency in results. |
| 56 | Hist 3Yr Price Gr | Price growth based on Monthly data. |
| 57 | Hist 3Yr Rev Gr | Historical 3-year revenue growth. Use with 'Hist 10Yr REV Gr' and 'Hist 5Yr REV Gr' to indicate trend of growth (increasing or decreasing).  May also be used with 'Rev R2 3Yr'  to indicate consistency in results. |
| 58 | Hist 5Yr EPS Gr | Historical 5-year growth for EPS.  As provided in OPS data.  Use with 'Hist 10Yr EPS Gr' to indicate trend of growth (increasing or decreasing).  May also be used with 'EPS R2 5Yr'  to indicate consistency in results. |
| 59 | Hist 5Yr Price Gr | Price growth based on Monthly data. |
| 60 | Hist 5Yr Rev Gr | Historical 5-year revenue growth.  Use with 'Hist 10Yr Rev Gr'  to indicate trend of growth (increasing or decreasing). May also be used with 'Rev R2 5Yr'  to indicate consistency in results. |
| 61 | Implied Gr | Formula: Avg 5Yr ROE * (1 – Div Payout) .   The growth rate of retained earnings.  An indication of future growth can be made from implied growth. |
| 62 | Industry | This is industry name.  To screen by this use [Industry] = and select name from the list provided. |
| 63 | Inside Ownership | Percent ownership by directors and management of the company. |
| 64 | Institutional Holdings | Percent ownership by pension and mutual funds and professional managers. |
| 65 | Int Coverage | Interest coverage.  The ratio of  pre-tax income to interest paid on all debt.  A ratio of 3 or larger is good. |
| 66 | Inventory Turnover | Based on yearly sales and the latest inventory. |
| 67 | Last Full Yr | Last year of data, the fiscal year.  This is the year of the last full year of data. |
| 68 | Last 4Q EPS Gr | Latest 4 quarters EPS growth.  Growth of moving yearly EPS compared to the same period a year earlier.  Current growth rate.  Compare this with the last 1 or 3 year growth to determine consistency. |
| 69 | Last 4Q Rev Gr | Latest 4 quarters revenue growth.  Growth of moving 4 quarter revenues compared to the similar period a year earlier.  Current growth rate.  Compare this with the last 1 or 3 year growth to determine consistency. |
| 70 | Last Quarter Date | Date of the last reported quarter in the OPS data. |
| 71 | No Shares - Millions | Number of shares.  Measure of possible liquidity of company. |
| 72 | Num Yrs of Data | Number of years of sales data available for the company. |
| 73 | Payback | The number of years for yearly accumulated EPS to equal current price.  Generally between 6 and 10 - the lower the better.  However, be suspicious of very low numbers. |
| 74 | PE / Avg ROE | Price of Profitability.  Formula: Current PE / Avg 5Yr ROE .  Values less than 1 indicate good value. |

| 75 | PE / Hist EPS Gr | Current PE divided by Historical EPS growth. As provided in OPS data or is equal to: Current PE / Hist 10Yr EPS Gr - (Peter Lynch's formula). |
|---|---|---|
| 76 | PE / Proj EPS Gr | Similar to 'PE / Hist EPS Gr' but using projected EPS. Commonly referred to as the PEG Ratio. |
| 77 | Price / Book Value | Current price divided by latest reported book value (per share). Review with 'Book Value Gr' . |
| 78 | Price / Cash Flow | Price to cash flow per share. Current price divided by the latest reported cash flow figure. Review with 'Cash Flow Gr' . |
| 79 | Price / Sales | Current price divided by the latest sales per share figure. An indication of value for fast growing companies - not susceptible to accounting methods (EPS) and depreciation (BookVl). |
| 80 | Price App | Compounded (annualized) appreciation from 'Current Price' to the 'Proxy Hi Pr' . |
| 81 | Price in Zone | The % that the 'Current Price' is above the 'Proxy Low Pr' . Zero is at the 'Proxy Low Pr' . 100% is at the 'Proxy Hi Pr' . |
| 82 | Price Last Updated | Typically the date of the last share price update, 'Current Price' , or when OPS data was first generated. |
| 83 | Price Rank - DB | Compares short term changes to the average short term changes of the database. |
| 84 | Price Rank - Indus | Compares short term price changes to the average short term changes of the industry. |
| 85 | Price Trend | Difference in % price change (last 12 months) in comparison to the 5 year change. |
| 86 | Price Trend - DB | Compares 'Price Trend' of the company to the trends of the database. |
| 87 | Price Trend - Indus | Compares 'Price Trend' of the company to the trends of the industry. |
| 88 | Price Variance | Statistical variation of yearly prices over the past 10 years. |
| 89 | Proj EPS Revision | Calculated only during updates from OPS data. This compares previous ACE EPS, 'ACE 1Yr Proj EPS' to the current value and reports any changes. |
| 90 | Proj 1 Yr EPS Gr | Expected EPS growth calculated from 'ACE 1Yr Proj EPS' . |
| 91 | Proj 5 Yr EPS Gr | Analysts' consensus EPS growth expected over the next 5 years. See 'Analyst 5Yr EPS' . |
| 92 | Proxy Hi Pr | Expected high price 5 years in the future. |
| 93 | Proxy Low Pr | Projected low price over the next 5 years based on a statistical assessment of price variation over the previous 5 years. |
| 94 | PTI Rating | Numerical figure derived from 'Trend PTI' . The numerical equivalent of 'Trend PTI' , which varies from 6 to 0, where ++ = 6 and -- = 0. |
| 95 | Q EPS Gr | Growth of quarterly EPS compared to the same period a year earlier. Current growth. Compare this with the last 1 or 3 year growth to determine consistency. |
| 96 | Q Rev Gr | Quarterly revenue growth. Growth of quarterly revenues compared to the same period a year earlier. Current growth rate. Compare this with the last 1 or 3 year growth to determine consistency. |
| 97 | Quick Ratio | Cash / current liabilities. Measure of liquidity which excludes receivables: ratio of 1 or higher is good. Some industries which deal in cash typically have lower ratios. |
| 98 | Rel Value | Relative value. Formula: Current PE / Avg PE . An indication of value based on past PE valuation. |
| 99 | Rev R2 10Yr | Revenue consistency. $R^2$ (or R squared) is the coefficient of correlation from the calculation of 'Hist 10Yr Rev Gr' . Varies from 1 to 0 where 1 is the most consistent and desirable. |

| 100 | Rev R2 3Yr | Revenue consistency over the last 3 years. |
|---|---|---|
| 101 | Rev R2 5Yr | Revenue consistency over the last 5 years. |
| 102 | Rev Rank - DB | Compares short term growth to the average short term growth of the database. |
| 103 | Rev Rank - Indus | Compares short term revenue growth to the average short term growth of the industry. |
| 104 | Rev Trend | Difference in % revenue change of last 4 quarters growth and the weighted growth for the company. |
| 105 | Rev Trend - DB | Compares 'Rev Trend' of the company to the trends of the database. |
| 106 | Rev Trend - Indus | Compares 'Rev Trend' of the company to the trends of the industry. |
| 107 | ROE Rating | Numerical figure derived from 'Trend ROE' . The numerical equivalent of 'Trend ROE' , which varies from 6 to 0, where ++ = 6 and -- = 0. |
| 108 | S&P Rating | Standard & Poor's rating from OPS data. Numerical value for S&P's Quality rating. Varies from 8 to 0, 8 being the best. |
| 109 | Sales | Latest sales figure from OPS data. Indication of the company size by sales (revenue). |
| 110 | Sell Above | Highest third of the price range based on equal (33/33/33%) divisions between Proxy Hi Pr and Proxy Low Pr . |
| 111 | SIC No | Standard Industrial Classification number. A four-digit code: first 2 indicate industry group, second 2 indicate specific industry. As 'Industry' except that it deals with a code. |
| 112 | Symbol | Trading symbol. |
| 113 | Tax Rate | Average 5 year tax rate. Assess government's effect on profits. |
| 114 | Total Return | Compounded (annualized) total return that includes price appreciation and portion contributed from dividends. |
| 115 | Trend Debt / Equity | Trend of debt to equity. Derived by reviewing the last 2 years' figures vs. the 5-year average. Item 2C in the SA+ SSG. Indicators are ++, +, -+, Even, +-, -, --, where + indicates an increase in debt to equity. |
| 116 | Trend PTI | Trend of pre-tax income on sales. Derived by reviewing the last 2 years' PTI figures vs. the 5-year average. Profitability will vary for each industry. Item 2A in the SSG. Best to worst indicators are ++, +, -+, Even, +-, -, --. |
| 117 | Trend ROE | Trend of return on common equity. Derived by reviewing the last 2 years' ROE figures vs. the 5-year average. How well does management use assets (equity)? Item 2B in the SSG. Best to worst indicators are ++, +, -+, Even, +-, -, --. |
| 118 | U/D Ratio | The ratio between the 'Current Price' and the 'Proxy Hi Pr' . |

The following lists detail the various Report Item Groups (IG) in Stock Prospector. The order of items matches the order listed in Stock Prospector. The numbers to the left of the item name match those in the Alphabetical Sort on the previous pages.

## Other Items

| 22 | Company Name | Company name. |
|---|---|---|
| 112 | Symbol | Trading symbol. |

| 47 | Exchange | Trading exchange. |
|---|---|---|
| 62 | Industry | This is industry name. To screen by this use [Industry] = and select name from the list provided. |
| 111 | SIC No | Standard Industrial Classification number. A four-digit code: first 2 indicate industry group, second 2 indicate specific industry. As 'Industry' except that it deals with a code. |
| 30 | Date Info | Date when OPS data was generated. |
| 70 | Last Quarter Date | Date of the last reported quarter in the OPS data. |
| 82 | Price Last Updated | Typically the date of the last share price update, 'Current Price' , or when OPS data was first generated. |
| 26 | Current Price | Current share price for the date indicated in 'Date Info'. |
| 3 | 52W Hi Price | Highest share price reached during the last 52 weeks. |
| 4 | 52W Low Price | Lowest share price during the past 52 weeks. |
| 29 | Currency Name | Defined when importing OPS data. Applicable only for dealing with foreign stocks. |
| 48 | Exchange Rate | Defined when importing OPS data. Applicable only for dealing with foreign stocks. |
| 67 | Last Full Yr | Last year of data, the fiscal year. This is the year of the last full year of data. |
| 72 | Num Yrs of Data | Number of years of sales data available for the company. |
| 24 | Current EPS | Current earnings per share – Total of last 4 quarters of reported earnings. |
| 23 | Current Div | Current dividend. |
| 63 | Inside Ownership | Percent ownership by directors and management of the company. |
| 64 | Institutional Holdings | Percent ownership by pension and mutual funds and professional managers. |

## Growth Items

Growth items are calculated from data using a least squares regression formula based on a logarithmic function. This method is used because it most closely defines the compounded growth typical of growing companies.

The limitation of this calculation occurs for companies that have unusual data, i.e. negative EPS in one or more years. In these situations the growth calculation can provide misleading answers. To ensure a proper growth figure, check the corresponding R2 (see Quality Group items).

Where insufficient data exists to calculate an historical growth figure no data will be calculated. For example, company with only 3 years of data will not have 5 or 10 year growth figures)

| 51 | Hist 10Yr Rev Gr | Historical 10-year growth for revenues – Calculation uses the yearly data and a least-squares calculation to determine past growth. Long term growth rate. Use 'Rev R2 10Yr' to indicate consistency in results. |
|---|---|---|
| 60 | Hist 5Yr Rev Gr | Historical 5-year revenue growth. Use with 'Hist 10Yr Rev Gr' to indicate trend of growth (increasing or decreasing). May also be used with 'Rev R2 5Yr' to indicate consistency in results. |
| 57 | Hist 3Yr Rev Gr | Historical 3-year revenue growth. Use with Items 'Hist 10Yr Rev Gr' , 'Hist 5Yr Rev Gr' , and 'Hist 1Yr Rev Gr' to indicate trend of growth (increasing or decreasing). May also be used with 'Rev R2 3Yr' to |

| | | indicate consistency in results. |
|---|---|---|
| 54 | Hist 1Yr Rev Gr | Historical 1-year revenue growth.   Use with Items 'Hist 10Yr Rev Gr' , 'Hist 5Yr Rev Gr' , and 'Hist 3Yr Rev Gr'  to indicate trend of growth (increasing or decreasing). |
| 69 | Last 4Q Rev Gr | Latest 4 quarters revenue growth.  Growth of moving 4 quarter revenues compared to the similar period a year earlier.  Current growth rate.  Compare this with the last 1 or 3 year growth to determine consistency. |
| 96 | Q Rev Gr | Quarterly revenue growth.  Growth of quarterly revenues compared to the same period a year earlier.  Current growth rate.  Compare this with the last 1 or 3 year growth to determine consistency. |
| 50 | Hist 10Yr EPS Gr | Historical 10-year growth for EPS.  Uses a least-squares calculation to determine EPS growth.  Long term growth rate.  Use 'EPS R2 10yr'  to indicate consistency in results. |
| 58 | Hist 5Yr EPS Gr | Historical 5-year growth for EPS.  As provided in OPS data.  Use with 'Hist 10Yr EPS Gr'  to indicate trend of growth (increasing or decreasing).  May also be used with 'EPS R2 5Yr'  to indicate consistency in results. |
| 55 | Hist 3Yr EPS Gr | Historical 3-year EPS growth.  Use with 'Hist 10Yr EPS Gr'  and 'Hist 5Yr EPS Gr'  to indicate trend of growth (increasing or decreasing).  May also be used with 'EPS R2 3Yr'  to indicate consistency in results. |
| 52 | Hist 1Yr EPS Gr | Historical 1-year EPS growth.  Use with 'Hist 10Yr EPS Gr', 'Hist 5Yr EPS Gr' and 'Hist 3Yr EPS Gr' to indicate trend of growth (increasing or decreasing). |
| 68 | Last 4Q EPS Gr | Latest 4 quarters EPS growth.  Growth of moving yearly EPS compared to the same period a year earlier.  Current growth rate.  Compare this with the last 1 or 3 year growth to determine consistency. |
| 95 | Q EPS Gr | Growth of quarterly EPS compared to the same period a year earlier.  Current growth.  Compare this with the last 1 or 3 year growth to determine consistency. |
| 59 | Hist 5Yr Price Gr | Price growth based on Monthly data. |
| 56 | Hist 3Yr Price Gr | Price growth based on Monthly data. |
| 53 | Hist 1Yr Price Gr | Price growth based on Monthly data. |
| 34 | Div Gr | Growth in dividends for the number of years of data available.  For those interested in income from investments. |
| 16 | Book Value Gr | Book value per share growth (common equity / number of shares).  Growth in book value for the number of years available.  Regulated industries (utilities) pay out a fixed amount based on their assets.  Book Value is an indication of assets. |
| 19 | Cash Flow Gr | Growth in cash flow for number of years of data available.  Can be used to confirm EPS growth.  In some industries (resources, cable, etc.) cash flow is a better indicator than EPS. |
| 61 | Implied Gr | Formula: Avg 5Yr ROE * (1 – Div Payout) .   The growth rate of retained earnings.  An indication of future growth can be made from implied growth. |
| 49 | Hist Share Gr | Growth in average share price for the number of years available, based on yearly data.  Comparing this to EPS growth, can suggest whether PE is expanding or contracting.  This can indicate whether a stock is getting overpriced. |

## Value Items

Value is dictated by the current price of the stock. Stock prices can vary substantially over relatively short periods of time. Stock price affects 29 items in the NAIC Stock Prospector database.

| 11 | Avg 5Yr Low PE | Average low PE for last 5 years. Calculated from yearly information from OPS data. |
|---|---|---|
| 10 | Avg 5Yr High PE | Average high PE for last 5 years. Calculated from yearly information from OPS data. |
| 9 | Avg PE | Formula: (Avg 5Yr High PE + Avg 5Yr low PE) / 2 . Average Price/Earnings ration for the last 5 years. |
| 25 | Current PE | Current Price/Earnings ratio as available from OPS data. EPS (earnings) is usually for 2 reported quarters plus 2 anticipated quarters. |
| 75 | PE / Hist EPS Gr | Current PE divided by Historical EPS growth. As provided in OPS data or is equal to: Current PE / Hist 10Yr EPS Gr - (Peter Lynch's formula). |
| 76 | PE / Proj EPS Gr | Similar to 'PE / Hist EPS Gr' but using projected EPS. Commonly referred to as the PEG Ratio. |
| 98 | Rel Value | Relative value. Formula: Current PE / Avg PE . An indication of value based on past PE valuation. |
| 2 | % From 52W Low | Compares current price to 52 week low price. Formula: Current Price - 52W Low Price) / 52W Low Price (Will always be <= 0). Price being near the 52 week low suggests a negative trend. |
| 1 | % From 52W Hi | Compares current price to 52 week high price. Formula: Current Price - 52W Hi Price) / 52W Hi Price (Will always be <= 0). Price being close to the 52 week high suggests a positive trend. This may show the company to be overpriced. |
| 79 | Price / Sales | Current price divided by the latest sales per share figure. An indication of value for fast growing companies - not susceptible to accounting methods (EPS) and depreciation (BookVl). |
| 78 | Price / Cash Flow | Price to cash flow per share. Current price divided by the latest reported cash flow figure. Review with 'Cash Flow Gr' . |
| 77 | Price / Book Value | Current price divided by latest reported book value (per share). Review with 'Book Value Gr' . |
| 74 | PE / Avg ROE | Price of Profitability. Formula: Current PE / Avg 5Yr ROE . Values less than 1 indicate good value. |
| 20 | CashFlow / Share | Cash flow per share. As provided by OPS data. |
| 28 | Cur Div Yield | Current dividend yield. For those interested in income from their investment. |
| 14 | Avg Div Yield | Historical average dividend yield. Calculated using the last 5 years' annual data from OPS data. |
| 113 | Tax Rate | Average 5 year tax rate. Assess government's effect on profits. |
| 73 | Payback | The number of years for yearly accumulated EPS to equal current price. Generally between 6 and 10 - the lower the better. However, be suspicious of very low numbers. |

## Quality Items

| 99 | Rev R2 10Yr | Revenue consistency. $R^2$ (or R squared) is the coefficient of correlation from the calculation of 'Hist 10Yr Rev Gr' . Varies from 1 to 0 where 1 is the most consistent and desirable. |
|---|---|---|
| 101 | Rev R2 5Yr | Revenue consistency over the last 5 years. |
| 100 | Rev R2 3Yr | Revenue consistency over the last 3 years. |

| 39 | EPS R2 10yr | EPS consistency. $R^2$ (or R squared) is the coefficient of correlation from the calculation of 'Hist 10Yr EPS Gr'. Varies from 1 to 0 where 1 is the most consistent and desirable. |
|---|---|---|
| 41 | EPS R2 5yr | EPS consistency over the last 5 years. |
| 40 | EPS R2 3yr | EPS consistency over the last 3 years. |
| 36 | Dividend R2 10Yr | Dividend consistency over the last 10 years. |
| 21 | Com Equity R2 10Yr | Common equity consistency over the last 10 years. |
| 13 | Avg 5Yr ROE | Average 5-year ROE. Simple average calculated from OPS data. Return on Common Equity. See 'Trend ROE'. |
| 12 | Avg 5Yr PTI | Average 5-year PTI. Simple average calculated from OPS data. Pre-tax Income on Sales (i.e. profitability). See 'Trend PTI'. |
| 117 | Trend ROE | Trend of return on common equity. Derived by reviewing the last 2 years' ROE figures vs. the 5-year average. How well does management use assets (equity)? Item 2B in the SSG. Best to worst indicators are ++, +, -+, Even, +-, -, --. |
| 116 | Trend PTI | Trend of pre-tax income on sales. Derived by reviewing the last 2 years' PTI figures vs. the 5-year average. Profitability will vary for each industry. Item 2A in the SSG. Best to worst indicators are ++, +, -+, Even, +-, -, --. |
| 107 | ROE Rating | Numerical figure derived from 'Trend ROE'. The numerical equivalent of 'Trend ROE', which varies from 6 to 0, where ++ = 6 and -- = 0. |
| 94 | PTI Rating | Numerical figure derived from 'Trend PTI'. The numerical equivalent of 'Trend PTI', which varies from 6 to 0, where ++ = 6 and -- = 0. |
| 66 | Inventory Turnover | Based on yearly sales and the latest inventory. |

## Safety Items

| 109 | Sales | Latest sales figure from OPS data. Indication of the company size by sales (revenue). |
|---|---|---|
| 7 | Assets - Millions | Current assets. Indicates company size by measuring its assets. |
| 18 | Captlztion - Millions | Capitalization = Number of shares * current price. Indication of the company size by market valuation. |
| 71 | No Shares - Millions | Number of shares. Measure of possible liquidity of company. |
| 108 | S&P Rating | Standard & Poor's rating from OPS data. Numerical value for S&P's Quality rating. Varies from 8 to 0, 8 being the best. |
| 35 | Div Payout | Dividend payout ratio. 5 yr average of ratio for dividends / EPS. An indicator of safety of dividends paid. For most industries look for 60% or less. Exceptions are utilities. |
| 32 | Debt / Equity | Debt to equity ratio. Measure of long term debt for company. For most industries 30% is acceptable. Utilities typically have high ratios. |
| 8 | Avg Debt / Equity | Average debt to equity over the last 5 years. |
| 31 | Debt / Capital | As 'Debt / Equity', except using the working capital. |
| 33 | Debt / Equity Rating | Numerical figure derived from trend of 'Debt / Equity'. The numerical equivalent of 'Debt / Equity', which varies from 6 to 0, where ++ = 6 and -- = 0. For this rating, 4 or <u>lower</u> is best. |

| 115 | Trend Debt / Equity | Trend of debt to equity. Derived by reviewing the last 2 years' figures vs. the 5-year average. Item 2C in the SA+ SSG. Indicators are ++, +, -+, Even, +-, -, --, where + indicates an increase in debt to equity. |
|-----|---------------------|--------------------------------------------------------------------------|
| 15 | Beta | Measure of price volatility in relation to the market. Could be misleading for fast-growing companies. |
| 65 | Int Coverage | Interest coverage. The ratio of pre-tax income to interest paid on all debt. A ratio of 3 or larger is good. |
| 27 | Current Ratio | Current ratio. Current assets / current liabilities. Measure of liquidity. Ratios of 2 or higher are generally considered good. |
| 97 | Quick Ratio | Cash / current liabilities. Measure of liquidity which excludes receivables: ratio of 1 or higher is good. Some industries which deal in cash typically have lower ratios. |
| 88 | Price Variance | Statistical variation of yearly prices over the past 10 years. |

## Projection Items

Projection items are flagged to help the user determine the source of the data. Potentially, if the earnings growth is based on calculations, the figures could be misleading. Review both the appropriate growth and R2 items when using projected items.

| 90 | Proj 1 Yr EPS Gr | Expected EPS growth calculated from 'ACE 1Yr Proj EPS'. |
|----|------------------|---------------------------------------------------------|
| 91 | Proj 5 Yr EPS Gr | Analysts' consensus EPS growth expected over the next 5 years. See 'Analyst 5Yr EPS'. |
| 5 | ACE 1Yr Proj EPS | Analysts' consensus EPS. Analysts' forecast of current year's (fiscal year) EPS. See 'Proj 1 Yr EPS Gr'. |
| 6 | Analyst 5Yr EPS | Analysts' expectations for EPS extrapolated to calculate EPS 5 years in the future. Formula: ACE 1Yr Proj EPS * ( 1 + Proj 5 Yr EPS Gr) ^ 4 . See 'Proj 5 Yr EPS Gr'. |
| 89 | Proj EPS Revision | Calculated only during updates from OPS data. This compares previous ACE EPS, 'ACE 1Yr Proj EPS' to the current value and reports any changes. |
| 37 | EPS ACE Flag 1Yr | If True, it indicates that 'ACE 1Yr Proj EPS' was provided from the data provider. If False, it was calculated by Prospector based on internal formula. |
| 38 | EPS ACE Flag 5Yr | If True, it indicates that 'Proj 5 Yr EPS Gr' was provided from the data provider. If False, it was calculated by Prospector based on internal formula. |

## Proxy for judgment Items

The user is cautioned that proxy items are calculated from formulas and that they are not to be construed as substitutes for appropriate judgment based on knowledge of the company. Normally, judgment is applied based on personal interpretation of data that validates proxy items. No such validation is made or implied within Prospector.

| 92 | Proxy Hi Pr | Expected high price 5 years in the future. |
|----|-------------|--------------------------------------------|
| 93 | Proxy Low Pr | Projected low price over the next 5 years based on a statistical assessment of price variation over the previous 5 years. |
| 17 | Buy Below | Lowest third of the price range based on equal (33/33/33%) divisions between Proxy Hi Pr and Proxy Low Pr. |

| 110 | Sell Above | Highest third of the price range based on equal (33/33/33%) divisions between Proxy Hi Pr and Proxy Low Pr . |
|---|---|---|
| 81 | Price in Zone | The % that the 'Current Price' is above the 'Proxy Low Pr' . Zero is at the 'Proxy Low Pr' . 100% is at the 'Proxy Hi Pr' . |
| 80 | Price App | Compounded (annualized) appreciation from 'Current Price' to the 'Proxy Hi Pr' . |
| 118 | U/D Ratio | The ratio between the 'Current Price' and the 'Proxy Hi Pr'. |
| 114 | Total Return | Compounded (annualized) total return that includes price appreciation and portion contributed from dividends. |

## Trend and Rank Items

As with Growth Group items, Rank Items use growth calculation. As a result you are cautioned to assess Trends along with the corresponding R2 items in the Quality Group.

| 104 | Rev Trend | Difference in % revenue change of last 4 quarters growth and the weighted growth for the company. |
|---|---|---|
| 106 | Rev Trend - Indus | Compares 'Rev Trend' of the company to the trends of the industry. |
| 105 | Rev Trend - DB | Compares 'Rev Trend' of the company to the trends of the database. |
| 103 | Rev Rank - Indus | Compares short term revenue growth to the average short term growth of the industry. |
| 102 | Rev Rank - DB | Compares short term growth to the average short term growth of the database. |
| 44 | EPS Trend | Difference in % change EPS (last 4 quarters) to weighted growth for the company. |
| 46 | EPS Trend – Indus | Compares 'EPS Trend' of the company to the trends of the industry. |
| 45 | EPS Trend – DB | Compares 'EPS Trend' of the company to the trends of the database. |
| 43 | EPS Rank - Indus | Compares short term EPS growth to the average short term growth of the industry. |
| 42 | EPS Rank - DB | Compares short term growth to the average short term growth of the database. |
| 85 | Price Trend | Difference in % price change (last 12 months) in comparison to the 5 year change. |
| 87 | Price Trend - Indus | Compares 'Price Trend' of the company to the trends of the industry. |
| 86 | Price Trend - DB | Compares 'Price Trend' of the company to the trends of the database. |
| 84 | Price Rank - Indus | Compares short term price changes to the average short term changes of the industry. |
| 83 | Price Rank - DB | Compares short term changes to the average short term changes of the database. |