

# ***Portfolio Revision Pitch***

***RoboRev***

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***12/02/2024***

# Overview

Overview

Share Buybacks Strategy

Fundamental Companies

Conclusion

## Share Buybacks Strategy

The SIFWay Surfers team presented this strategy to target financially strong companies that have recently engaged in buybacks by investing \$75,000 from the school fund into 7 companies on 3/4/2024. We are recommending to **keep and rebalance** this strategy for its strong backtest results. However, due to updated ESG requirements, we propose rebalancing through the school fund, selling off the previous stocks from the ESG fund but keeping the ESGV investment in place.

### Current companies:

- MCHP
- KLAC
- TXN
- AMAT
- WAT
- MSCI
- LRCX

W/O ESGV	W/ ESGV
\$70,857.64	\$255,542.64
-7.53%	3.52%

### Milner Fundamental Companies

TWLO	HOLD
YORW	HOLD
VRTX	HOLD
WMT	HOLD
NVDA	HOLD
ADBE	HOLD
AMAT	HOLD

### ESG Fundamental Company

PDCO	HOLD
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# Share Buybacks Current Holdings Performance

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Ticker	Price on 8/19/24	#	Current Price	Total Cost	Value today	% Gain	\$ Gain	Weight of Holding	Beta	Sector	Strategy
ESGV	\$99.16	1718	\$107.50	\$170,356.88	\$184,685.00	8.41%	\$14,328.12	12.01%	1.06	ETF	Share BuyBack
MCHP	\$82.03	122	\$68.17	\$10,007.66	\$8,316.74	-16.90%	-\$1,690.92	0.54%	1.54	Technology	Share BuyBack
KLAC	\$820.45	15	\$647.03	\$12,306.75	\$9,705.45	-21.14%	-\$2,601.30	0.63%	1.29	Technology	Share BuyBack
TXN	\$200.66	62	\$201.03	\$12,440.92	\$12,463.86	0.18%	\$22.94	0.81%	0.99	Technology	Share BuyBack
AMAT	\$210.94	50	\$174.71	\$10,547.00	\$8,735.50	-17.18%	-\$1,811.50	0.57%	1.56	Technology	Share BuyBack
WAT	\$340.26	31	\$384.72	\$10,548.06	\$11,926.32	13.07%	\$1,378.26	0.78%	0.97	Healthcare	Share BuyBack
MSCI	\$560.53	19	\$609.63	\$10,650.07	\$11,582.97	8.76%	\$932.90	0.75%	1.11	Financials	Share BuyBack
LRCX	\$88.13	110	\$73.88	\$9,694.30	\$8,126.80	-16.17%	-\$1,567.50	0.53%	1.42	Technology	Share BuyBack



# Share Buyback Implementation Date

## ESG Fund Holdings

ESG Portfolio					
<i>Holdings</i>					
Ticker	# of Shares	Purchase Price	Purchase Date	Current Price	Gross Return %
ESGV	1800	91.72	3/4/2024	89.13	(2.82%)
MCHP	122	87.88	3/4/2024	86.19	(1.92%)
KLAC	15	726.10	3/4/2024	648.21	(10.73%)
TXN	62	171.69	3/4/2024	165.47	(3.62%)
AMAT	50	212.78	3/4/2024	193.24	(9.18%)
WAT	31	348.50	3/4/2024	313.3	(10.10%)
MSCI	19	564.12	3/4/2024	446	(20.94%)
LRCX	11	993.54	3/4/2024	887.42	(10.68%)
PDCO	277	26.94	3/14/2024	25.97	(3.60%)



# Share Buybacks Strategy Screener

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Security Universe	1689075
Trading Status: Active	547479
Security Attributes: Show Primary Security of company only	81989
Country/Territory of Domicile: North America; United States	17618
Analytic Criteria	17618
Price 1 Day ago > 2	10548 LCL
Current Market Cap > 800 Million	3503 LCL
T12M Total Value of Shares Repurchased has data	2017 LCL
Top 2 Sequential Decile Rank - Higher is Better(T12M Total Value of Shares Repurchased)	404 LCL
LF Modified Working Capital has data	347 LCL
Bottom 1 Sequential Quintile Rank - Higher is Better(LF Modified Working Capital Turnover)	60
LF Return on Invested Capital has data	60
Top 1 Sequential Quintile Rank - Higher is Better(LF Return on Invested Capital)	12
Top 3 Sequential Quintile Rank - Higher is Better(LF Operating Margin)	8





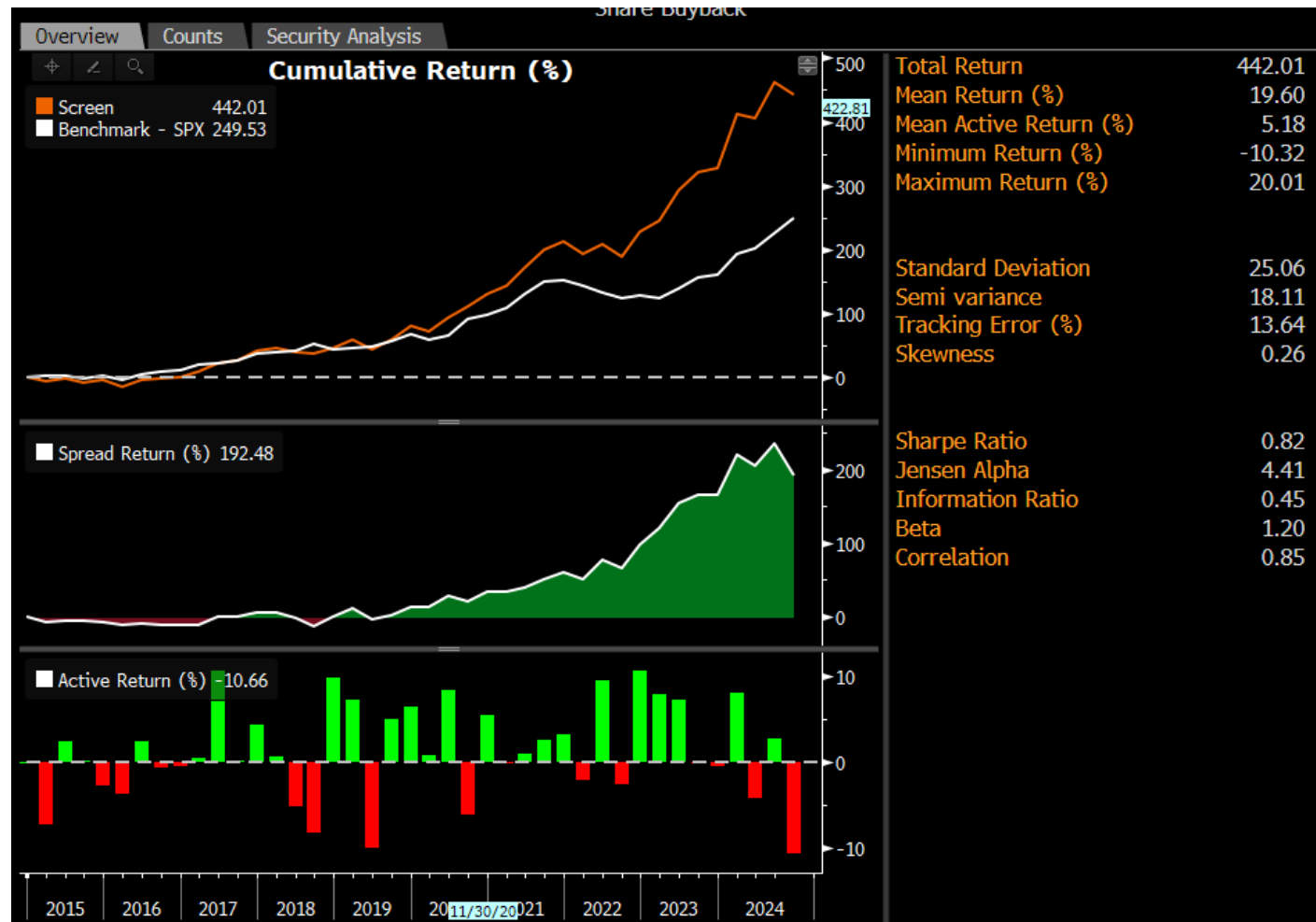
# Share Buybacks Backtest

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# Share Buybacks ESG

Overview

Share Buybacks Strategy

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HALO US Equity		Methodology		ESG Controversies News		ESG Analy	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »				Third-Party Scores   RV ESG »			
	Score	Trend	Vs Peers	MSCI Rating			
ESG Score	2.83	-0.94	Leading	Sustainalytics			--
Environmental	1.25	-3.20	Above Median	Risk Score			--
Social	1.26	-0.67	Above Median	Risk Category			--
Governance	7.23	-0.33	Leading	Controversy Level			--
				S&P Global ESG Rank			90.00

AMAT US Equity		Methodology		ESG Controversies News		ESG Analysis	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »				Third-Party Scores   RV ESG »			
	Score	Trend	Vs Peers	MSCI Rating			
ESG Score	6.72	+0.55	Leading	Sustainalytics			AAA
Environmental	6.86	+0.08	Leading	Risk Score			11.56
Social	5.71	+2.16	Leading	Risk Category			Low
Governance	7.59	-0.84	Leading	Controversy Level			2.00
				S&P Global ESG Rank			85.00

ANET US Equity		Methodology		ESG Controversies News		ESG Analy	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »				Third-Party Scores   RV ESG »			
	Score	Trend	Vs Peers	MSCI Rating			
ESG Score	3.48	+0.37	Leading	Sustainalytics			AA
Environmental	3.00	+0.00	Leading	Risk Score			13.71
Social	2.55	+0.56	Leading	Risk Category			Low
Governance	5.88	+0.38	Above Median	Controversy Level			1.00
				S&P Global ESG Rank			75.00

ITW US Equity		Methodology		ESG Controversies News		ESG Analy	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »				Third-Party Scores   RV ESG »			
	Score	Trend	Vs Peers	MSCI Rating			
ESG Score				Sustainalytics			A
Environmental				Risk Score			22.62
Social				Risk Category			Medium
Governance				Controversy Level			2.00
				S&P Global ESG Rank			78.00



# Share Buybacks ESG cont.

KLAC US Equity		Methodology		ESG Controversies News		ESG Analy	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »						Third-Party Scores   RV ESG »	
	Score	Trend	Vs Peers				
ESG Score	5.86	+0.91	Leading	MSCI Rating	A		
Environmental	7.03	+1.03	Leading	Sustainalytics Risk Score	16.18		
Social	3.58	+1.24	Above Median	Risk Category	Low		
Governance	6.92	+0.21	Leading	Controversy Level	0.00		
				S&P Global ESG Rank	94.00		
LRCX US Equity		Methodology		ESG Controversies News		ESG Analy	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »						Third-Party Scores   RV ESG »	
	Score	Trend	Vs Peers				
ESG Score				MSCI Rating	AAA		
Environmental				Sustainalytics Risk Score	12.21		
Social				Risk Category	Low		
Governance				Controversy Level	1.00		
				S&P Global ESG Rank	93.00		
SEIC US Equity		Methodology		ESG Controversies News		ESG Analy	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »						Third-Party Scores   RV ESG »	
	Score	Trend	Vs Peers				
ESG Score				MSCI Rating	BB		
Environmental				Sustainalytics Risk Score	20.54		
Social				Risk Category	Medium		
Governance				Controversy Level	1.00		
				S&P Global ESG Rank	56.00		
WAT US Equity		Methodology		ESG Controversies News		ESG Analy	
Overview	ESG Scores	Climate	Nature	EU Taxonomy	SFDR		
Financial Materiality Scores   ESG SCORE »						Third-Party Scores   RV ESG »	
	Score	Trend	Vs Peers				
ESG Score	4.74	-0.80	Leading	MSCI Rating	AAA		
Environmental	3.00	+0.00	Leading	Sustainalytics Risk Score	12.77		
Social	3.68	-1.28	Leading	Risk Category	Low		
Governance	7.51	-0.13	Leading	Controversy Level	0.00		
				S&P Global ESG Rank	93.00		





# Share Buybacks Strategy New Holdings

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AMAT	APPLIED MATERIALS, INC.
ANET	ARISTA NETWORKS INC.
HALO	HALOZYME THERAPEUTICS, INC.
ITW	ILLINOIS TOOL WORKS INC.
KLAC	KLA CORP
LRCX	LAM RESEARCH CORPORATION
WAT	WATERS CORP

**Invest the existing \$70,857.64 from the ESG fund into the school fund,  
keeping \$184,685.00 in ESGV**



# Share Buybacks Strategy New Holdings

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## Strategy Overview

**Date Pitched:** 11/29/2024

**Date Invested:** N/A

**Current Invested Amount:** \$255,542.64

**Investment Per Companies:** \$10,122

**Weight in portfolio:** 4.61%

**Expected Return:** 19.60%

**Rebalance Date:** Quarterly

**Sell Date:** N/A

## Investment Thesis

Over the last 10 years, the companies with the highest 20% of share buybacks (\$) returned 207% compared to 125% for the total U.S. stock market and 211% for SPY.

Based on research into buybacks and corporate performance paired with buybacks and price efficiency we developed a strategy to explore how changes in price efficiency impact lagged market returns.

What we found was that by targeting companies in the top 20% of share buybacks but with relatively lower net working capital turnover (price efficiency) we can capitalize on the lagged market returns explained in research.



# TWILIO (TWLO)

Overview

Share Buybacks Strategy

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Conclusion

## Business Summary/Overview

Twilio is a cloud communications platform as a service (cPaaS) provider. Its products are used to integrate communication capabilities, such as voice calls, video calls, text messaging or email, into a website or application

Current Price

\$104.54

Current Date

11/29/24

Target Price

\$86.74

Target Date

11/29/25

Industry

Software – Infrastructure

Sector

Technology

Total Return Since Inception Date

(75.26%)

Market Cap

16.035B

1 year return

60.58%

Beta

1.32

Standard Deviation

11.96%

Dividend Yield

N/A

Weight of Total Portfolio

1.07%

Number of Shares

50

52-week Low/High

52.51 / 108.44

Alpha

(0.4764)

## Investment Thesis

### HOLD \$5,227.0 of TWLO

#### PROS

AI beneficiary

Anticipating revenue growth of 7.5-8% in 2024

Up 49% in the last month

#### CONS

Dependent on big accounts

Beta of 1.32, higher volatility



# TWLO 5 Year Performance vs SPX

Published on TradingView.com, Dec 01, 2024 21:30 UTC



Green line indicates estimated entry price and date (using average cost basis of holding)



# YORK WATER CO (YORW)

Overview

EPS Revisions Strategy

Fundamental Companies

Conclusion

## Business Summary/Overview

The York Water Company is the oldest publicly traded water company in the U.S. It provides drinking water and wastewater services through its reservoirs, pipelines, and groundwater systems.

Current Price

\$35.84

Current Date

11/29/24

Target Price

\$46

Target Date

11/29/25

Industry

Utilities – Regulated Water

Sector

Utilities

Total Return Since Inception Date

(14.40%)

Market Cap

515.17 M

1 year return

(4.9%)

Beta

0.64

Standard Deviation

11.68%

Dividend Yield

2.45%

Weight of Total Portfolio

0.48%

Number of Shares

65

52-week Low/High

33.32 / 41.96

Alpha

(0.3681)

## Investment Thesis

### HOLD \$2329.6 of YORW

### PROS

Consistent Dividend Payments Spanning > 208 Years

Has grown EPS by 7.8% per year, over the last 3 years

Just increased dividend by 4%

### CONS

Modest price decline over last 52 weeks

Limited revenue growth due to being a mature company





# YORW 5 Year Performance vs SPX

maddieosborn123 published on TradingView.com, Dec 01, 2024 21:48 UTC



TradingView

Green line indicates estimated entry price and date (using average cost basis of holding)



# Vertex Pharmaceuticals Incorporated (VRTX)

## Overview

## Share Buybacks Strategy

## Fundamental Companies

## Conclusion

### Business Summary/Overview

VRTX is a biotechnology company focused on developing treatments for serious diseases. Its products target conditions like cystic fibrosis, leveraging advanced research to improve patient outcomes. Vertex specializes in creating innovative therapies through a robust pipeline of drug development.

Current Price

\$468.13

Current Date

12/1/24

Target Price

\$518.33

Target Date

12/1/25

Industry

Pharmaceuticals Biotherapeutics

Sector

Healthcare

Total Return Since Inception Date

35.76%

Market Cap

120.557B

1 year return

34.89%

Beta

0.39

Standard Deviation

24.93%

Dividend Yield

N/A

Weight of Total Portfolio

1.67%

Number of Shares

65

52-week Low/High

347.51 / 519.88

Alpha

0.147

## Investment Thesis

### HOLD \$30,428.45 of VRTX

### PROS

Strong Q3 Revenues and Strong Increased Revenue Guidance

Soon to launch 2 new drugs and have 3 drugs in Phase 3 Development

Strong cash position to continue R&D process while already heavily invested in R&D

### CONS

Dependent on key products that make it to launch phase

Regulatory and approval challenges can cause rejection or delay in approval of drugs



# VRTX 5 Year Performance vs SPX



Green line indicates estimated entry price and date (using average cost basis of holding)



# Walmart Inc. (WMT)

## Overview

### Business Summary/Overview

Walmart is a global retail giant with over 10,000 stores and e-commerce platforms, serving 240 million customers weekly. It offers groceries, health items, apparel, home goods, and electronics through supercenters, supermarkets, hypermarkets, and warehouse clubs.

Current Price

\$95.55

Current Date

12/1/24

Target Price

\$100.6

Target Date

12/1/25

Sector

Consumer Staples

Total Return Since Inception Date

427.17%

Market Cap

\$743.5B

1 year return

74.92%

Beta

0.52

Standard Deviation

11.78%

Dividend Yield

0.83%

Weight of Total Portfolio

1.06%

Number of Shares

210

52-week Low/High

49.85 / 92.64

Alpha

.5911

## Share Buybacks Strategy

## Fundamental Companies

## Conclusion

### Investment Thesis

# HOLD \$19,452 of WMT

### PROS

Expanding Market Share

Digital Transformation

Resilient Revenue Growth

### CONS

High Valuation

Economic Sensitivity



# WMT 5 Year Performance vs SPX





# Nvidia (NVDA)

## Overview

## Share Buybacks Strategy

## Fundamental Companies

## Conclusion

### Business Summary/Overview

Nvidia Corporation is a leading technology company specializing in GPUs, AI computing, and software platforms. The company operates through two main segments- Graphics and Compute & Networking.

Current Price

\$138.25

Current Date

12/1/24

Target Price

\$180.4

Target Date

12/1/25

Industry

Semiconductor

Sector

Technology

Total Return Since Inception Date

3092.84%

Market Cap

3.386T

1 year return

189.10%

Beta

1.66

Standard Deviation

24.56%

Dividend Yield

0.04%

Weight of Total Portfolio

5.66%

Number of Shares

630

52-week Low/High

45.01 / 152.89

Alpha

1.14257

## Investment Thesis

### HOLD \$87,097 of NVDA

#### PROS

Leadership in AI and GPU innovation

Strong growth in data center and gaming revenue

Wide economic moat and first-mover advantage

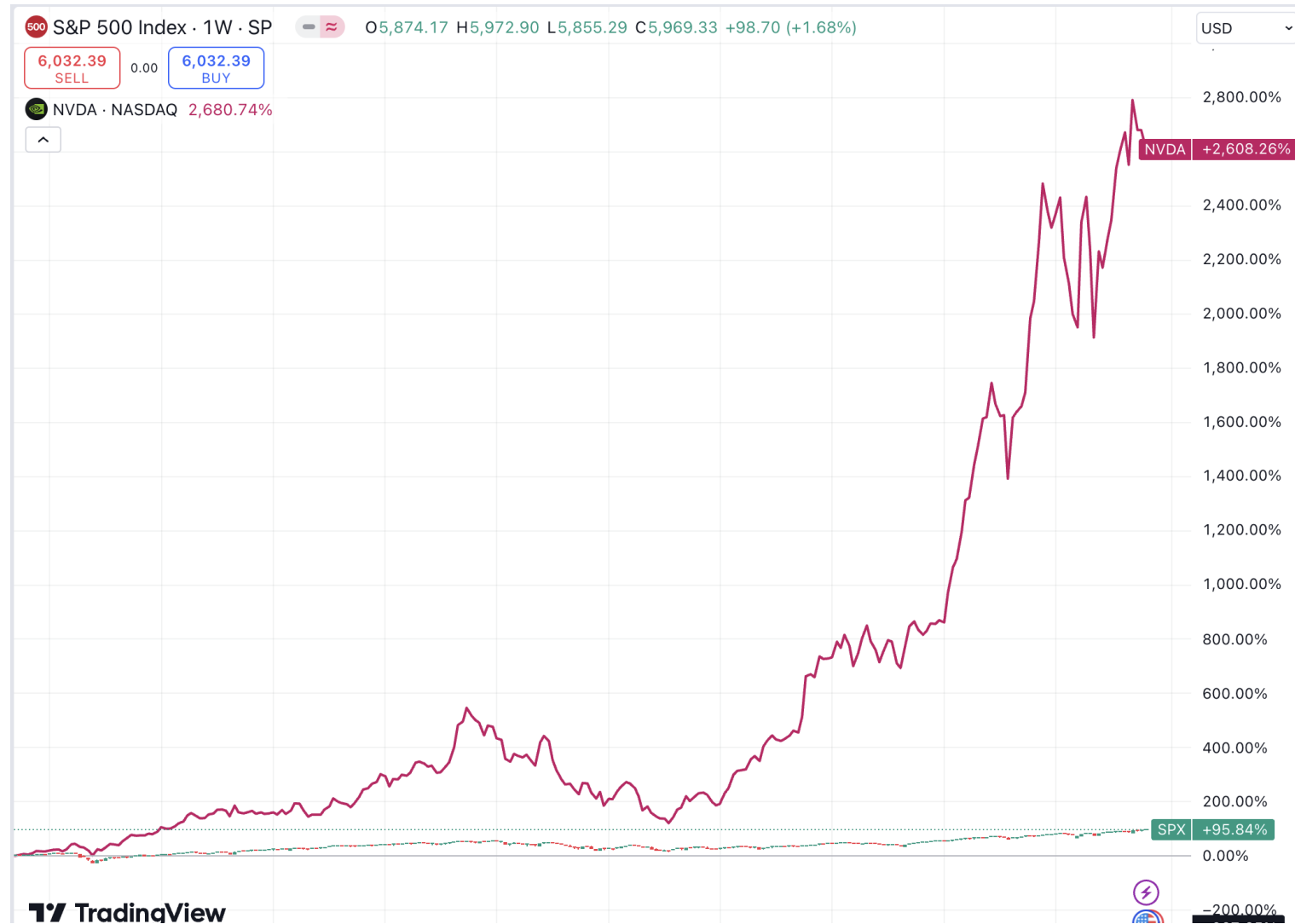
#### CONS

High Valuation & Beta

Dependence on AI Growth



# NVDA 5 Year Performance vs SPX



# Adobe Inc. (ADBE)

## Overview

### Business Summary/Overview

Adobe Inc operates as a diversified software company worldwide. It operates through three segments: Digital Media, Digital Experience, and Publishing and Advertising.

Current Price

\$515.93

Current Date

11/29/24

Target Price

\$624.07

Target Date

11/29/25

Industry

Software - Infrastructure

Sector

Technology

Total Return Since Inception Date

144.22%

Market Cap

226.12 B

1 year return

-14.62%

Beta

1.30

Standard Deviation

11.76%

Dividend Yield

N/A

Weight of Total Portfolio

1.04%

Number of Shares

31

52-week Low/High

433.97 / 638.25

Alpha

.1168

## Share Buybacks Strategy

## Fundamental Companies

## Conclusion

### Investment Thesis

**HOLD \$15,993.83 of ADBE**

### PROS

Estimated EPS Growth of 9.13%

Firefly Video model is expected to revolutionize video editing (First Commercially safe video generator) (10/14)

Potentially undervalued by 32.7% in DCF according to Analysts

### CONS

Investors are nervous to see if ADBE will be able to have strong growth in midst of the AI upcoming

Significant insider selling over the past 3 months (Chair and CEO reduced ownership by 7% on September 25)



# ADBE 5 Year Performance vs SPX



# Applied Materials, Inc. (AMAT)

## Overview

## Share Buybacks Strategy

## Fundamental Companies

## Conclusion

### Business Summary/Overview

Applied Materials, Inc. engages in the provision of manufacturing equipment, services, and software to the semiconductor, display, and related industries. The company operates through three segments: Semiconductor Systems, Applied Global Services, and Display and Adjacent Markets.

### Current Price

\$174.71

### Current Date

11/29/24

### Target Price

\$222.61

### Target Date

11/29/25

### Industry

Semiconductor Equipment & Materials

### Sector

Technology

### Total Return Since Inception Date

63.20%

### Market Cap

141.24 B

### 1 year return

16.97%

### Beta

1.55

### Standard Deviation

11.92%

### Dividend Yield

0.86%

### Weight of Total Portfolio

1.19%

### Number of Shares

55

### 52-week Low/High

144.57 / 255.89

### Alpha

.3221

## Investment Thesis

# HOLD \$9,609.05 of AMAT

### PROS

Increasing YOY sales and NI (2.83% & 5.07%)

Bought back shares worth \$1.44 billion and paid \$329 million in dividends

Beat Zacks Consensus Estimate in trailing four quarters with an average surprise of 7.5% with the exception of Q4 2024

### CONS

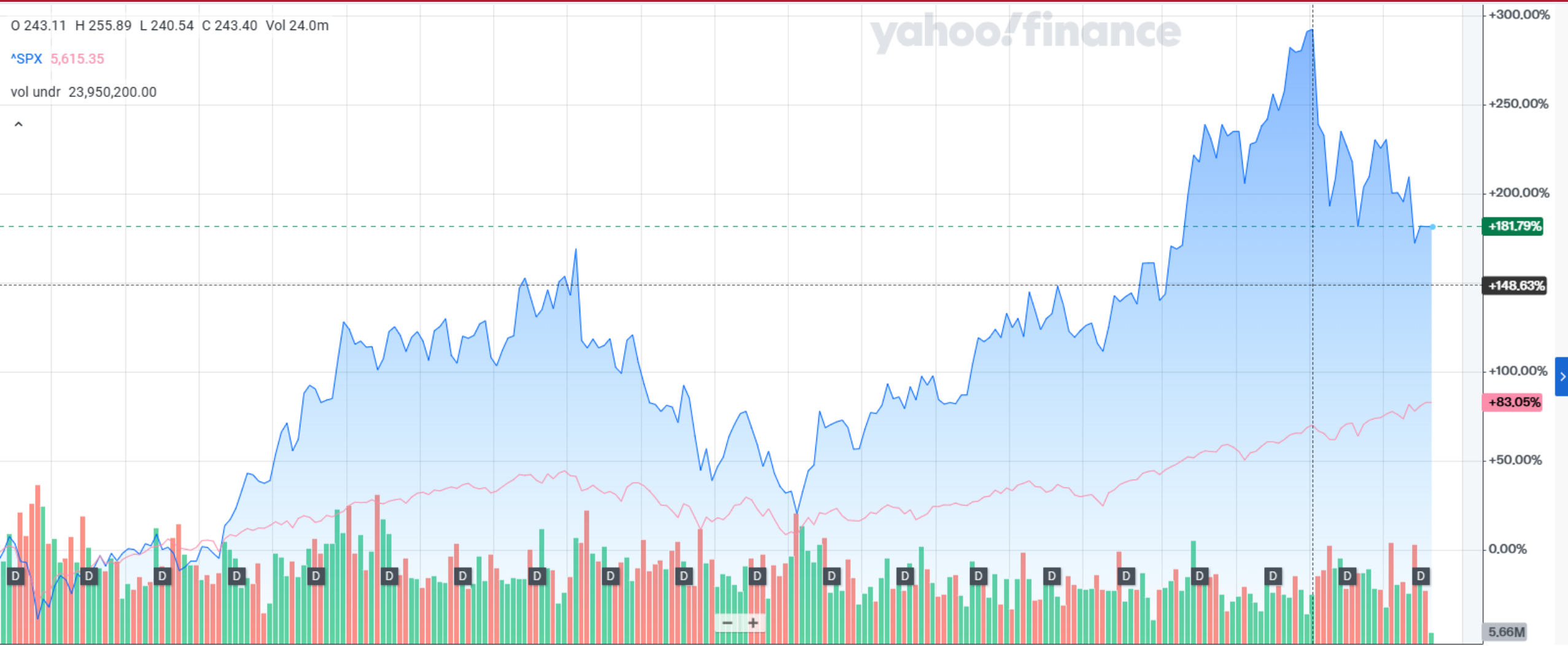
Significant market in China which could be affected by potential 10% increase on tariffs

Revenue guidance for the next quarter slightly missed (1.3% lower than expected)





# AMAT 5 Year Performance vs SPX



# Patterson Companies, Inc. (PDCO)

## Overview

### Business Summary/Overview

Patterson Companies, Inc. (PDCO) is a distributor serving dental and animal health markets. It operates through two segments: Patterson Dental and Patterson Animal Health, providing equipment, services, and supplies to healthcare providers.

Current Price

\$21.00

Current Date

12/1/24

Target Price

\$26.30

Target Date

12/1/25

Industry

Medical Distribution

Sector

Healthcare

Total Return Since Inception Date

-20.44%

Market Cap

1.894 B

1 year return

-31.63%

Beta

1.02

Standard Deviation

10.00%

Dividend Yield

4.85%

Weight of Total Portfolio

0.326%

Number of Shares

277

52-week Low/High

19.45 / 30.68

Alpha

-0.435

## Share Buybacks Strategy

## Fundamental Companies

## Conclusion

### Investment Thesis

**HOLD \$5,952.73 of PDCO**

### PROS

4.85% Dividend Yield

Strong Analyst Pricing Target at \$26.30 and no Analysts recommend selling the stock currently

Strong Guidance on EPS and Confidence in Their Competitive Positioning Moving Forward

### CONS

Missed on Last 3 Earnings

Inconsistent Revenue Growth Due to Competitive Landscape and Cyberattacks



# PDCO 5 Year Performance vs SPX



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- KLAC
- TXN
- AMAT
- WAT
- MSCI
- LRCX

W/O ESGV	W/ ESGV
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### Milner Fundamental Companies

TWLO	HOLD
YORK	HOLD
NVDA	HOLD
WMT	HOLD
NVDA	HOLD
ADBE	HOLD
AMAT	HOLD

### ESG Fundamental Company

PDCO	HOLD
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# Share Buybacks Strategy New Holdings

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ANET	ARISTA NETWORKS INC.
HALO	HALOZYME THERAPEUTICS, INC.
ITW	ILLINOIS TOOL WORKS INC.
KLAC	KLA CORP
LRCX	LAM RESEARCH CORPORATION
WAT	WATERS CORP

**Invest the existing \$70,857.64 from the ESG fund into the school fund,  
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The background of the image is a blurred financial market chart. It features a red semi-transparent overlay. In the center of this overlay, the word "Exhibits" is written in a white, bold, sans-serif font. The background chart includes various elements: a line graph showing price fluctuations, a table of stock prices with columns for "High", "Low", "The P/B", and "Stock", and a callout box that says "Change on day 32.30".

# Exhibits