Eight is Enough Update

Recently, a subscriber asked me for performance information on trading the top 8 stocks in the *Forensic Accounting Stock Tracker (FAST)* model.

Ask…and most of the time…you shall receive.

I do not post this regularly, as it's more complex than pressing a button.

I hope to resolve that in the coming months so that I can regularly post performance beyond the equity curve, which I show regularly.

Monthly, for example.

The information provides the real-time equity curve compared with the S&P 500 as usual.

However, the annual returns from April 2010 are also listed.

That's when I started my company, providing consulting services to investment managers and others with *FAST* data.

The 2024 performance is through Thursday's close.

My programmer went on a trip in the woods in Canada without Internet access, so he sent me the data a day earlier than usual.

Hopefully, he makes it out!

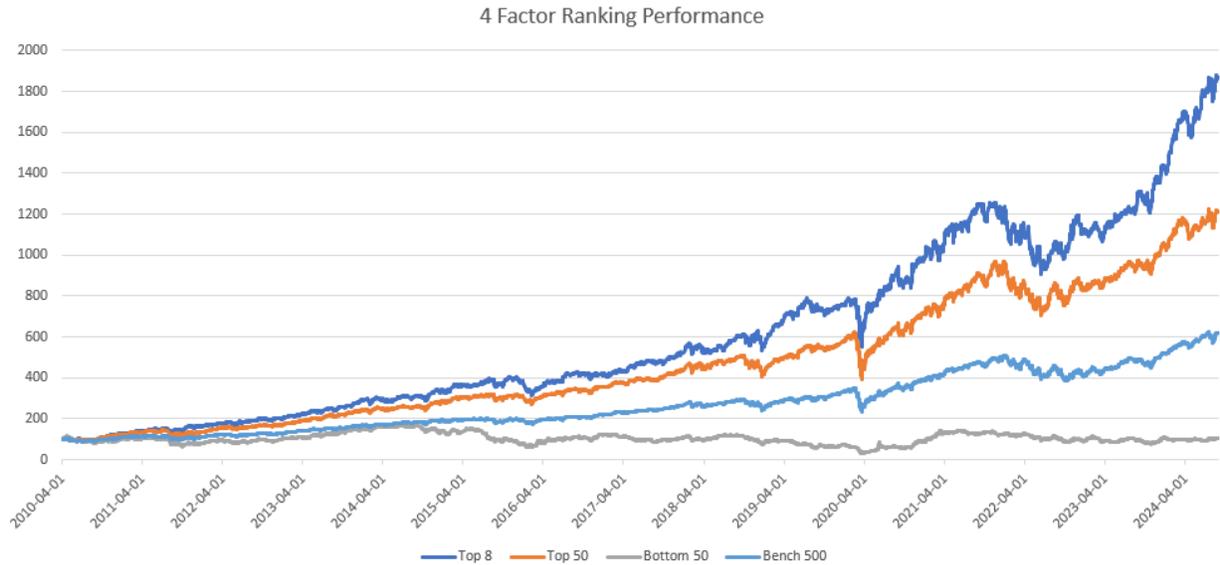Lots of bears up there!

Then there's 2024 performance by month.

Three-year returns are also included.

Lastly, a table with risk metrics is also presented.

Phew!

Here you go:

Equity Curve:

4 Factor Ranking Performance

—Top 8   —Top 50   —Bottom 50   —Bench 500

Annual Returns:

Performance by Calendar Year

Return (%)	2010*	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024**
Model	25.45	28.51	23.14	45.19	15.33	10.96	8.96	26.51	10.26	32.55	33.28	23.12	-7.65	25.72	30.32
Benchmark	8.40	1.89	15.99	32.31	13.46	1.23	12.00	21.71	-4.57	31.22	18.33	28.73	-18.18	26.18	18.22
Excess	17.05	26.61	7.15	12.88	1.86	9.73	-3.04	4.80	14.83	1.32	14.95	-5.61	10.53	-0.46	12.10

Returns by Month in 2024:

Monthly Performance Last 12 Months

Return (%)	2023/09	2023/10	2023/11	2023/12	2024/01	2024/02	2024/03	2024/04	2024/05	2024/06	2024/07	2024/08
Model	-2.82	-0.91	7.14	4.86	7.05	7.77	3.54	-7.28	6.05	6.02	4.37	0.28
Benchmark	-4.74	-2.17	9.13	4.57	1.59	5.22	3.27	-4.03	5.06	3.53	1.21	1.37
Excess	1.92	1.26	-1.99	0.29	5.46	2.55	0.26	-3.25	1.00	2.49	3.16	-1.09

Three-Year Returns and Returns Since Inception:

Trailing 3 Year	Model	S&P 500 (SPY:USA)
Total Return (%)	47.98	29.05
Annualized Return (%)	13.96	8.87
Max Drawdown (%)	-27.28	-24.50
Monthly Samples	35	35
Standard Deviation (%)	19.15	18.09
Sharpe Ratio	0.62	0.35
Sortino Ratio	0.86	0.47
Correlation with Benchmark	0.78	-
R-Squared	0.62	-
Beta	0.83	-
Alpha (%) (annualized)	6.82	-

Since Inception 04/01/10	Model	S&P 500 (SPY:USA)
Total Return (%)	1,744.71	517.88
Annualized Return (%)	22.40	13.46
Max Drawdown (%)	-30.94	-33.72
Monthly Samples	171	171
Standard Deviation (%)	16.41	14.72
Sharpe Ratio	1.26	0.86
Sortino Ratio	1.79	1.14
Correlation with Benchmark	0.82	-
R-Squared	0.67	-
Beta	0.92	-
Alpha (%) (annualized)	9.54	-

FAST crushes the S&P 500 since I started (modest pat on the back).

A 22.4% annualized return vastly outpaces hedge funds, public funds, private equity, and individual investors.

In addition, all risk metrics are better than a buy and hold approach as illustrated on the right hand side of the last table.

That's the Holy Grail of investing.

Most importantly, if you hold the bottom stocks (grey line on the equity curve above), it's dead money.

Many people hold onto dead money.

When I started my company, I charged *a lot* of money for this data.

My first client paid me $80,000 a year.

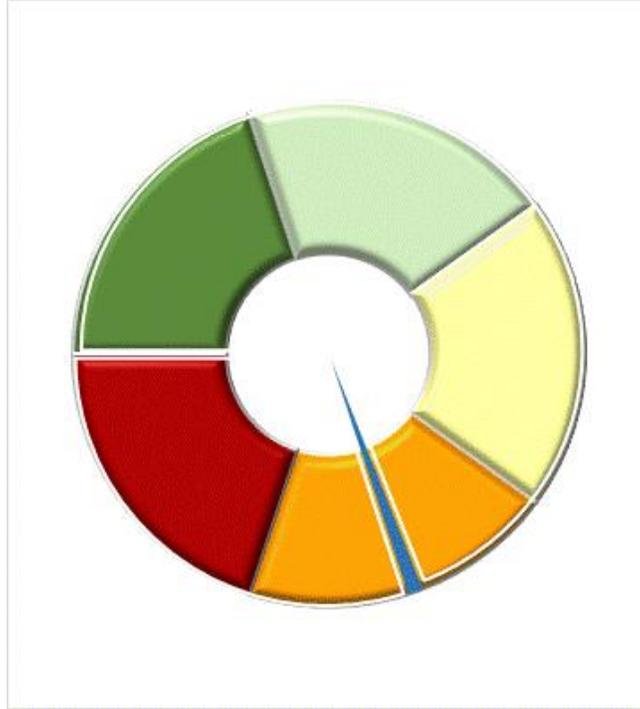My second client paid me over $300,000 in the first year alone.

I sincerely hope that the model benefits you and your investments!

OK…enjoy your Labor Day holiday.

Please do not spend

 time thinking about the markets.

The markets will still be there long after the hot dogs and beer have been consumed and digested!

50X Fortunes

This month, the model remains in "risk off" mode.

Due to timing, the equity markets were quite oversold early in August when the model was last updated and switched to "risk off" mode.

A rally is typical from such oversold levels. Then usually there's a test of the recent low after 2-7 days of an oversold rally. This is based off over 100 years of data.

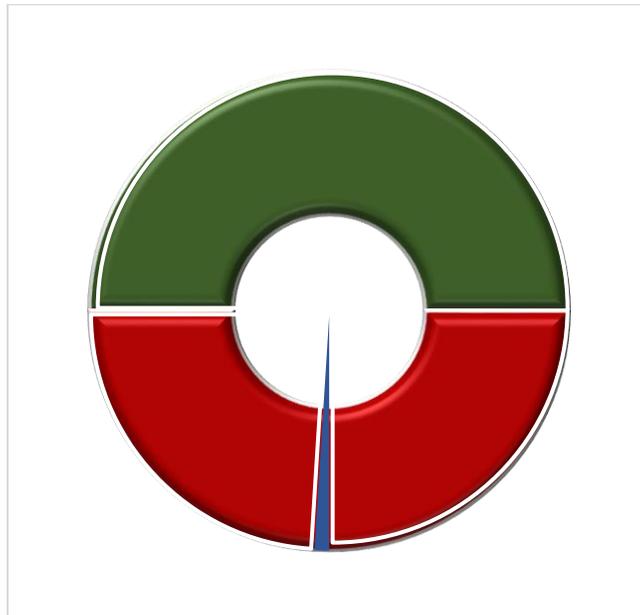This time, that did not happen. The market rallied. Then it rallied some more.

Possibly that dip was temporary, and this was simply a losing trade the past month for the model. No one knows until after the fact.

If we get a retest of the lows, or lower, then the trade should turn into the black.

Own 100% UBT.

Year-to-date, the strategy is up 10.98% for 2024 compared with 10.10% for the global benchmark.

Since its inception, the strategy has gained 24.70% compared with 27.44% for the global benchmark.
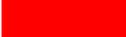
Simple Retirement System

There is one trade this month

The Market Trend remains in "risk on" mode but switches from SPY to IWM.

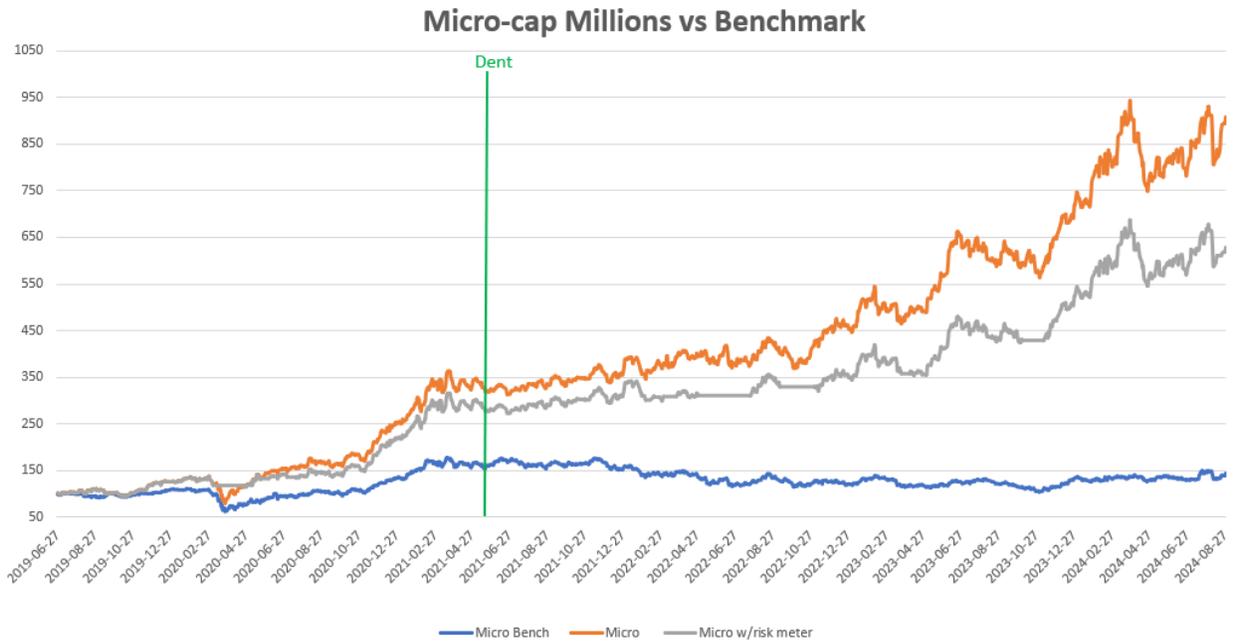The other three components remain "risk off" mode and hold TLT.

Own 75% TLT and 25% IWM

Component	Position	Position Size	Risk ON or OFF	
Market Trend	IWM	25.0%	RISK ON	🟩
Sentiment	TLT	25.0%	RISK OFF	🟥
Volatility	TLT	25.0%	RISK OFF	🟥
Credit Risk	TLT	25.0%	RISK OFF	🟥

In 2024, the *Simple Retirement System* is up 5.73% for the year compared with 19.30% for the S&P 500 and 10.1% for the global 60/40 benchmark.

Since its inception, the *Simple Retirement System* has been up 32.4%, compared with an 23.16% gain for the S&P 500 and a 6.98% gain for the global benchmark.
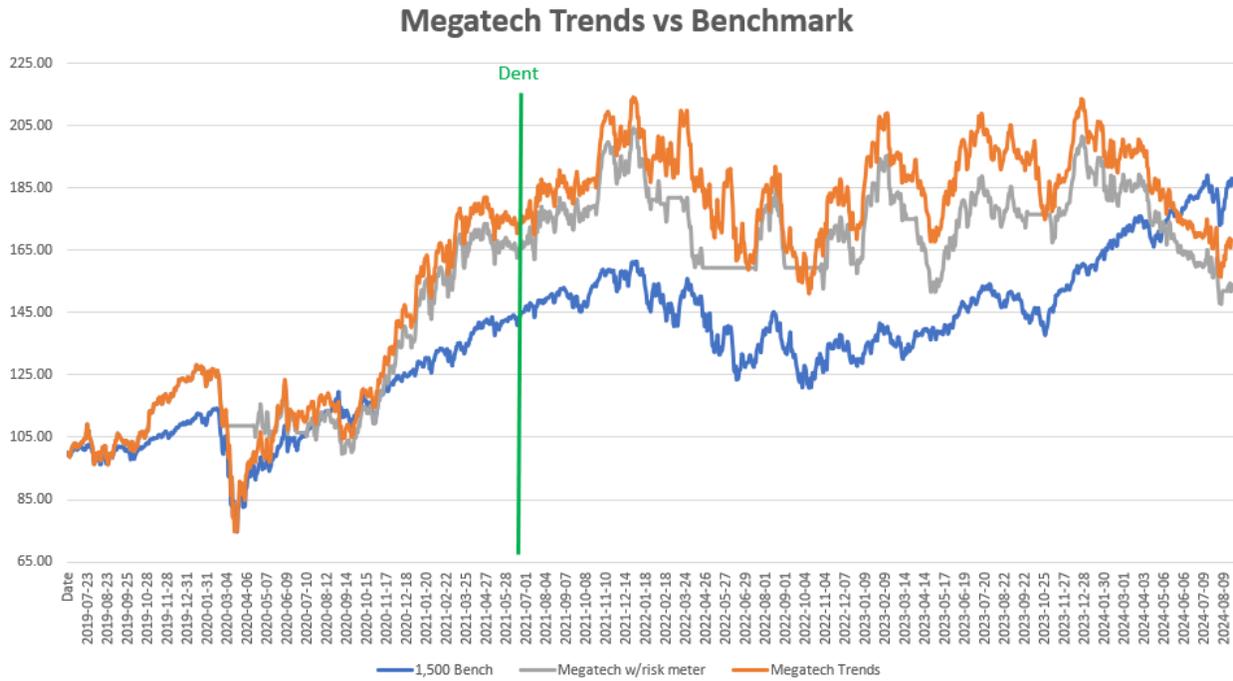
Micro-Cap Millions

Micro-cap Millions vs Benchmark

Micro Bench — Micro — Micro w/risk meter

There are no trades this week. Here is the current portfolio:

Ticker	Name	Return	Days Held	Sector
ALOT	AstroNova, Inc.	-11.28%	129	Technology
BWAY	Brainsway Ltd.	34.75%	164	Healthcare
DDI	DoubleDown Interactive Co., Ltd.	11.08%	191	Technology
DSP	Viant Technology, Inc.	113.86%	304	Technology
ELMD	Electromed, Inc.	17.03%	191	Healthcare
KMDA	Kamada Ltd.	0.35%	38	Healthcare
MPTI	M-tron Industries, Inc.	28.55%	108	Technology
MTLS	Materialise NV	-12.01%	24	Technology
RDVT	Red Violet, Inc.	44.38%	108	Technology
WYY	WidePoint Corp.	34.20%	101	Technology

Mega-Tech Trends

Megatech Trends vs Benchmark

Legend: 1,500 Bench — Megatech w/risk meter — Megatech Trends
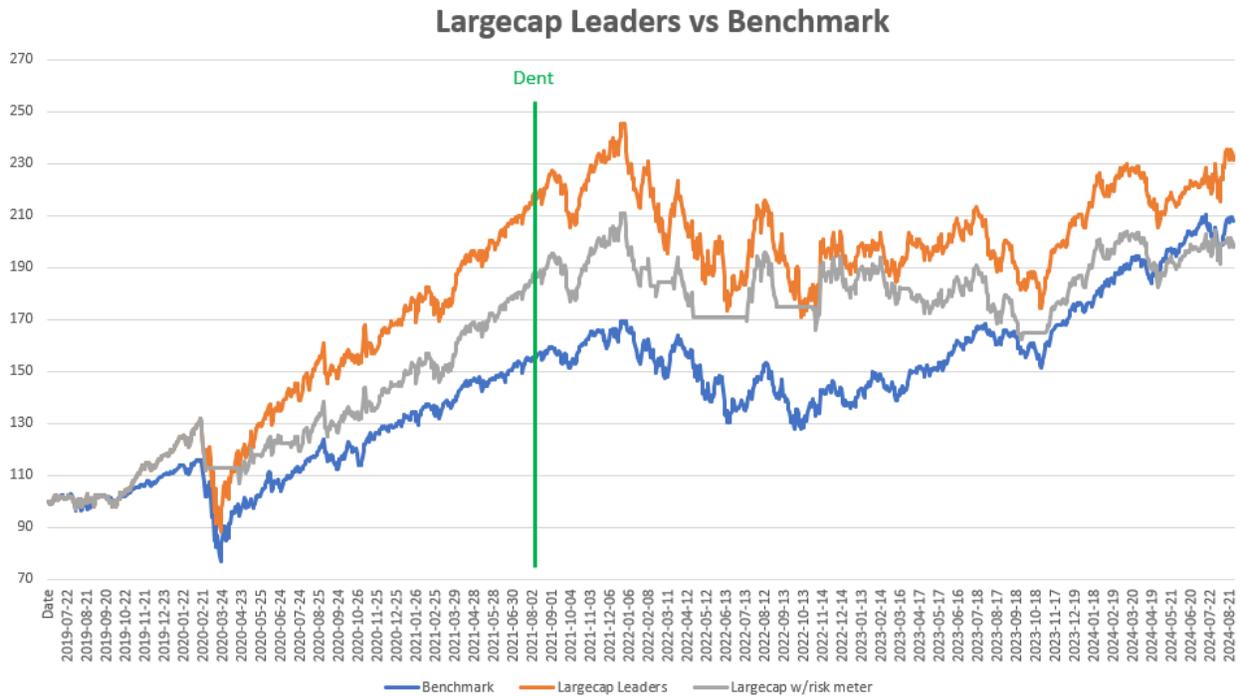
There is one trade this week.

Buy Commvault Systems, Inc. (Nasdaq: CVLT)

Sell NetApp, Inc. (Nasdaq: NTAP)

Here is the current portfolio.

Ticker	Name	Return	Days Held	Sector
CVLT	Commvault Systems, Inc.	0.00%	NEW	Technology
FFIV	F5, Inc.	17.50%	52	Technology
GDDY	GoDaddy, Inc.	14.28%	52	Technology
JAZZ	Jazz Pharmaceuticals Plc	3.81%	17	Healthcare
JNJ	Johnson & Johnson	0.23%	24	Healthcare
META	Meta Platforms, Inc.	5.92%	24	Technology
NXPI	NXP Semiconductors NV	-8.15%	52	Technology
QCOM	QUALCOMM, Inc.	-15.18%	52	Technology
QRVO	Qorvo, Inc.	2.42%	10	Technology
RMBS	Rambus, Inc.	-21.66%	52	Technology

Large Cap Leaders

There is one trade this week.

Buy Keysight Technologies, Inc. (NYSE: KEYS)

Sell NetApp, Inc. (Nasdaq: NTAP)

Here is the current portfolio.

Ticker	Name	Return	Days Held	Sector
AVGO	Broadcom Inc.	5.07%	34	Technology
BMY	Bristol Myers Squibb Co.	0.73%	10	Healthcare
FFIV	F5, Inc.	12.22%	220	Technology
GDDY	GoDaddy, Inc.	14.57%	52	Technology
JNJ	Johnson & Johnson	0.27%	24	Healthcare
KEYS	Keysight Technologies, Inc.	0.00%	NEW	Technology
META	Meta Platforms, Inc.	-2.09%	52	Technology
NXPI	NXP Semiconductors NV	-7.69%	52	Technology
QCOM	QUALCOMM, Inc.	-14.45%	52	Technology
QRVO	Qorvo, Inc.	5.56%	24	Technology

The Forensic Accounting Stock Tracker™ (FAST)

Below are the top and bottom 50 stocks in the FAST Model for **September 2024**. The Model is updated monthly.

How to Use FAST™

There are several ways to use FAST™ in your investing process.

Among them:

• Individual stock selection—FAST™ can help you analyze stocks and narrow your investment opportunities to the highest-earnings-quality equities.

• Options Trades—FAST™ is built around identifying companies with the highest opportunities or risks of generating earnings results that exceed or fall short of investor expectations. Stocks tend to have more volatility around earnings releases. Using options on high/low-ranked FAST stocks may improve returns or hedging opportunities by betting on stocks that may exceed or fall short of analysts' and investors' expectations.

• Building an Entire Portfolio – While FAST™ ranks stocks in order of earnings quality, there may ultimately be little difference between the #1 and #22 ranked stocks, for example. Buying an entire basket of the top 25 or 50 stocks may provide a diversified portfolio with similar underlying characteristics: strong earnings quality, reasonable valuations, and expectations that could lead to upward revisions in the coming quarters.

The bottom 50 stocks are ranked by their actual rank (1447-1496) instead of 1-50 because the 50th stock was the lowest-ranked stock in the Model, but some subscribers needed clarification with the 1-50 rank.

==FAST™
Forensic Accounting Stock Tracker
"CSI For Your Stock Portfolio"

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Rank	Rank Change	Ticker	Stock Name	Overall Rank	Buybacks	Earnings Quality	Momentum	Sentiment
Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9
1	0	GOOGL	Alphabet, Inc.	A+	B	A+	A	A
2	2	FI	Fiserv, Inc.	A+	A-	A+	B	A
3	3	BRC	Brady Corp.	A+	B	A-	A-	A+
4	88	ATGE	Adtalem Global Education, Inc.	A+	A	C+	A+	A
5	7	AMAT	Applied Materials, Inc.	A+	B-	A	A-	A+
6	-1	EPAC	Enerpac Tool Group Corp.	A+	B	B	A	A+
7	31	TJX	The TJX Cos., Inc.	A+	B-	A	A	A
8	42	AWI	Armstrong World Industries, Inc.	A+	B-	A-	A	A
9	-6	LOPE	Grand Canyon Education, Inc.	A+	B	B	A	A+
10	61	NTAP	NetApp, Inc.	A+	B	A-	A	B
11	147	ITT	ITT, Inc.	A+	C	A+	A+	A-
12	-2	ROST	Ross Stores, Inc.	A+	B-	A	B	A
13	23	ORLY	O'Reilly Automotive, Inc.	A+	B+	A	B+	B
14	-12	ADBE	Adobe, Inc.	A+	B	A+	B	A
15	104	SXI	Standex International Corp.	A+	B-	A	A	A-
16	-7	AAPL	Apple, Inc.	A+	B	A+	B	A
17	41	SANM	Sanmina Corp.	A+	A	A	B-	B+
18	135	GFF	Griffon Corp.	A+	A	B+	A+	C
19	112	CW	Curtiss-Wright Corp.	A+	C-	A	A	A+
20	170	RS	Reliance, Inc.	A+	A	A+	B+	C+
21	-13	EME	EMCOR Group, Inc.	A+	C+	A	A	A-
22	5	CTAS	Cintas Corp.	A+	C+	A+	A	A-
23	28	BGC	BGC Group, Inc.	A+	A-	C	A	A+
24	33	LMT	Lockheed Martin Corp.	A+	A-	A	B-	A-
25	111	SHW	The Sherwin-Williams Co.	A+	B-	A+	B+	B+
26	0	SPGI	S&P Global, Inc.	A+	B-	A+	B	A
27	3	TT	Trane Technologies plc	A+	C+	B	A	A
28	39	ETN	Eaton Corp. Plc	A+	C	A-	A-	A+
29	-9	LIN	Linde Plc	A+	B-	A	B+	B+
30	-13	V	Visa, Inc.	A+	B	A	B-	A
31	130	HWM	Howmet Aerospace, Inc.	A+	C	A	A+	B
32	68	FFIV	F5, Inc.	A+	B+	A	B-	A-
33	6	INTU	Intuit, Inc.	A+	C+	A-	A-	A
34	-18	CSL	Carlisle Cos., Inc.	A+	A	C+	B	A+
35	-6	MA	Mastercard, Inc.	A+	B-	A-	B	A+
36	51	NYT	The New York Times Co.	A+	C-	A	A	A-
37	160	EHC	Encompass Health Corp.	A+	D+	A	A	A
38	-4	CLH	Clean Harbors, Inc.	A+	C-	A	A	A-
39	-15	SNPS	Synopsys, Inc.	A+	D+	A	A	A+
40	-26	CDNS	Cadence Design Systems, Inc.	A+	C	A	B	A+
41	275	ACIW	ACI Worldwide, Inc.	A+	B	A+	B	B
42	19	DD	DuPont de Nemours, Inc.	A+	A	C+	B	A+
43	10	IR	Ingersoll Rand, Inc.	A+	C	A	A-	B+
44	257	VRRM	Verra Mobility Corp.	A+	B-	B	A+	B
45	20	MCO	Moody's Corp.	A+	C+	A	A-	B+
46	9	MCK	McKesson Corp.	A+	B+	C+	A	B+
47	-4	IT	Gartner, Inc.	A+	B	A+	A-	B-
48	167	MAS	Masco Corp.	A+	B	B	B	A-
49	-9	CVLT	Commvault Systems, Inc.	A+	B	B-	A	B+
50	139	BWXT	BWX Technologies, Inc.	A+	C-	A-	A-	A

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"CSI For Your Stock Portfolio"

Rank	Rank Change	Ticker	Stock Name	Overall Rank	Buybacks	Earnings Quality	Momentum	Sentiment
Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9
1451	-15	VFC	VF Corp.	F	D+	D	F	D-
1452	-18	MERC	Mercer International, Inc.	F	D	D-	D-	D-
1453	43	RILY	B. Riley Financial, Inc.	F	F	F	B-	F
1454	-22	PRVA	Privia Health Group, Inc.	F	D-	D+	D-	D-
1455	-196	NGVT	Ingevity Corp.	F	D-	D	F	D-
1456	-39	KSS	Kohl's Corp.	F	D	D-	D	F
1457	-19	HZO	MarineMax, Inc.	F	D-	D-	D-	D-
1458	30	NBR	Nabors Industries Ltd.	F	D	F	D	D-
1459	-238	EL	The Estée Lauder Companies, Inc.	F	D-	D	F	D-
1460	26	CMP	Compass Minerals International, Inc.	F	D	D-	D-	D-
1461	-257	TTGT	TechTarget, Inc.	F	D-	D-	D-	D-
1462	-99	EQT	EQT Corp.	F	D	D-	D-	D-
1463	-123	INTC	Intel Corp.	F	D-	D-	C-	D-
1464	-91	EYE	National Vision Holdings, Inc.	F	D+	D-	D-	D-
1465	16	THRY	Thryv Holdings, Inc.	F	D-	D-	D-	D-
1466	-72	CC	The Chemours Co.	F	D	F	D-	F
1467	20	RUN	SunRun, Inc.	F	D-	D	D-	F
1468	-14	XNCR	Xencor, Inc.	F	D-	D+	D-	F
1469	-986	SYNA	Synaptics, Inc.	F	D-	D-	D-	D-
1470	-125	QDEL	QuidelOrtho Corp.	F	D-	D	D-	D-
1471	-22	BXMT	Blackstone Mortgage Trust, Inc.	F	D	F	D-	F
1472	21	MD	Pediatrix Medical Group, Inc.	F	D-	D-	F	D-
1473	5	MPW	Medical Properties Trust, Inc.	F	D	D-	D-	F
1474	-13	AAL	American Airlines Group, Inc.	F	D	D-	F	D-
1475	-17	DDD	3D Systems Corp.	F	D	D-	D-	D-
1476	-74	ABR	Arbor Realty Trust, Inc.	F	D-	F	D+	D-
1477	-6	PARA	Paramount Global	F	D	D-	F	D-
1478	-296	LITE	Lumentum Holdings, Inc.	F	D	D-	D-	F
1479	-19	LESL	Leslie's, Inc.	F	D	D-	D-	D-
1480	3	ARWR	Arrowhead Pharmaceuticals, Inc.	F	F	D-	D-	D-
1481	-249	PENN	PENN Entertainment, Inc.	F	D-	D-	D-	D-
1482	-7	WBD	Warner Bros. Discovery, Inc.	F	D	F	D-	F
1483	-24	NYCB	New York Community Bancorp, Inc.	F	D	F	D-	F
1484	-2	TWO	Two Harbors Investment Corp.	F	F	D-	D	D-
1485	-1	ALTM	Arcadium Lithium Plc	F	D	D-	F	D-
1486	11	VSAT	ViaSat, Inc.	F	D-	D-	D-	D-
1487	-8	BGS	B&G Foods, Inc.	F	F	D-	F	D+
1488	-3	SAFE	Safehold, Inc.	F	F	D-	D-	D-
1489	-159	NVST	Envista Holdings Corp.	F	D-	D-	F	D-
1490	4	JBLU	JetBlue Airways Corp.	F	D-	D-	D-	D-
1491	-1	GDOT	Green Dot Corp.	F	D-	D-	F	D
1492	-3	RGNX	REGENXBIO, Inc.	F	F	D-	D-	D-
1493	-23	LUV	Southwest Airlines Co.	F	D-	D-	D-	D-
1494	1	VIR	Vir Biotechnology, Inc.	F	D-	D-	D-	D-
1495	-18	MRCY	Mercury Systems, Inc.	F	D-	D-	D-	D-
1496	-46	MXL	MaxLinear, Inc.	F	D-	D-	F	D-
1497	-6	ALB	Albemarle Corp.	F	D-	D-	F	F
1498	-18	VTLE	Vital Energy, Inc.	F	F	F	D-	F
1499	-7	CRK	Comstock Resources, Inc.	F	D-	D-	D-	F
1500	-33	WOLF	Wolfspeed, Inc.	F	D-	D-	D-	F