



2015 Stock Market Outlook

Introduction

Thank you for purchasing the 2015 Market Outlook. It was another fantastic year in the markets with 2014 looking to close at or near new all time highs, but also a year that showed the importance of stock selection and closely following relative strength for shifts in sector ownership. Although Indices are closing at new highs it was quite amazing to see how every few weeks money shifted to a couple of sectors that outperformed, and many Energy, Metal, Solar, Gaming and other industries had terrible years. It is important to get ahead of these sector rotations and be active with your investment allocations. I hope this 2015 outlook can serve as a resourceful guide all year to target best of breed names in these industries when trends are favorable. I do not expect you to follow every piece of advice in this report as every investor has his/her own style of investing, different risk parameters and timeframes, as well as each individuals personal outlooks that may differ with my views. The goal here is to open your eyes to names I favor in 2015 for various reasons, a guide to some key trends and themes in investing, and likely introduce you to some exciting stocks that were not on your watch-list as I have always thrived in discovering under-followed stocks that become superstar performers. The market operates in cycles and we are fairly overbought into the close of 2014, so I also do not expect you to enter all of these names on day one of 2015 and sit and wait, instead, be active and strategic in entries/exits whether taking a fundamental or technical approach, or even better, a combination. Each name mentioned in this report should also be researched further as these are brief views as I am a firm believer that less is more, and you should be able to lay out an investment thesis in a few sentences, but more in depth due diligence always adds value and confidence to the view. Thank you again and I hope you enjoy this year's report, it is the most extensive I have ever done and I added Sector/Industry breakdowns to be able to concisely see what has worked in 2014 and what has not, as momentum is very important in investing, and I am not talking just technical momentum, more fundamental momentum which is reflected by the technicals.

S&P 500 (SPX) Technical View and Analysis

The S&P is closing in on an all-time high to close the year so it is difficult to come up with upside targets and resistance levels considering the market has zero memory at those levels, but as the sentiment and breadth analysis will later show the reward/risk is not that great with the S&P trading near 2,100, but the bull trend is firmly intact. My first note would be the S&P has not closed below its 8 month EMA since 2012, a level currently at 1995.55 which closely aligns with the 125 day moving average that has been a great support for markets on corrections the past 18 months. Taking a step back and looking at the very long term picture, the S&P is completing year 2 out of a massive bull flag consolidation that lasted 12 years, the 800/1,500 channel roughly targeting a measured move to 2,200 which we are closing in on, while the flag pole pattern from the 1974 low would suggest the market can rise to 2,940. One important note is that the 138.2% Fibonacci of the 1974 low to 2007 high is coming into play soon at 2,155 which may prove to be a major market pivot point. The 20 week EMA was very supportive the past two years, especially on a closing basis, other than the recent October sell-off, a level that currently stands at 2,010.

The longer term channel up pattern remains in play aside for the October break that was quickly recaptured, so counted as an aberration. This channel lines up well with some other support levels that will be laid out on the chart below that suggests market upside to 2125-2150 in early 2015, but an eventual correction back to 2,000. If things were to get real ugly I am watching a trend line that connects perfectly off November 2011, June and November 2012, and October 2014 lows. The combination of the levels laid out below along with the key bottoming/topping signals provided in the Sentiment and Breadth section should serve as a great guide for increasing/reducing long exposure throughout the trading year.

2015 Market Levels	Description	2015 Market Levels	Description
2,510	161.8% Fibonacci Extension 1974-2007	1,995	8 Month EMA / 125 Day SMA
2,200	800/1500 Channel Measured Move	1,987	Daily Lower Bollinger Band
2,155	1974-2007 138.2 Fibonacci Extension	1,973	Dec.-2014 Low
2,115	Weekly Upper Bollinger Band	1,955	200 Day SMA
2,075	Breakout Re-Test	1,945	Price by Volume Support Above Air Pocket
2,050	8 Week EMA	1,934	50 Week EMA
2,030	Daily Kijun Support	1,905	Weekly Lower Bollinger Band
2,010	20 Week EMA	1,900	Weekly IchiMoku Cloud Support
2,000	15 Month Channel Support	1,885	Price by Volume Support Below 1945 Break
1,999	Major Price by Volume Support	1,820	Oct.-2014 Low

Weekly Channel and Longer Term Trend View



S&P 500 Yearly Flag Breakout View with Fibonacci Extensions



S&P 2015 Roadmap Scenario

The S&P can continue to rally in early 2015 with the January effect and likely stimulus coming from both the PBOC and ECB, though needs a minor consolidation in the near-term, and can push up to 2,150-2,155 resistance. At that time the Fed should be coming in focus around March and cause some market weakness, a fairly deep correction out of the channel to test the first high price by volume support 1995-2000 before finding support in May and rallying back to 2,115 resistance. At that point in July expect some reactions to a potential mid-year interest rate raise but the selling will be a small dip that sucks in shorts before rallying sharply through October back into the long term channel, then another minor pullback to channel support followed by another strong year-end rally to the 2,340 fundamental target.



Market Sentiment, Macro Picture and Fundamental Analysis

Sentiment/Breadth

Before diving into all of the sentiment and breadth indicators I first want to highlight the key indicators in 2014 that were useful in timing market cycle tops and bottoms, or at least very close:

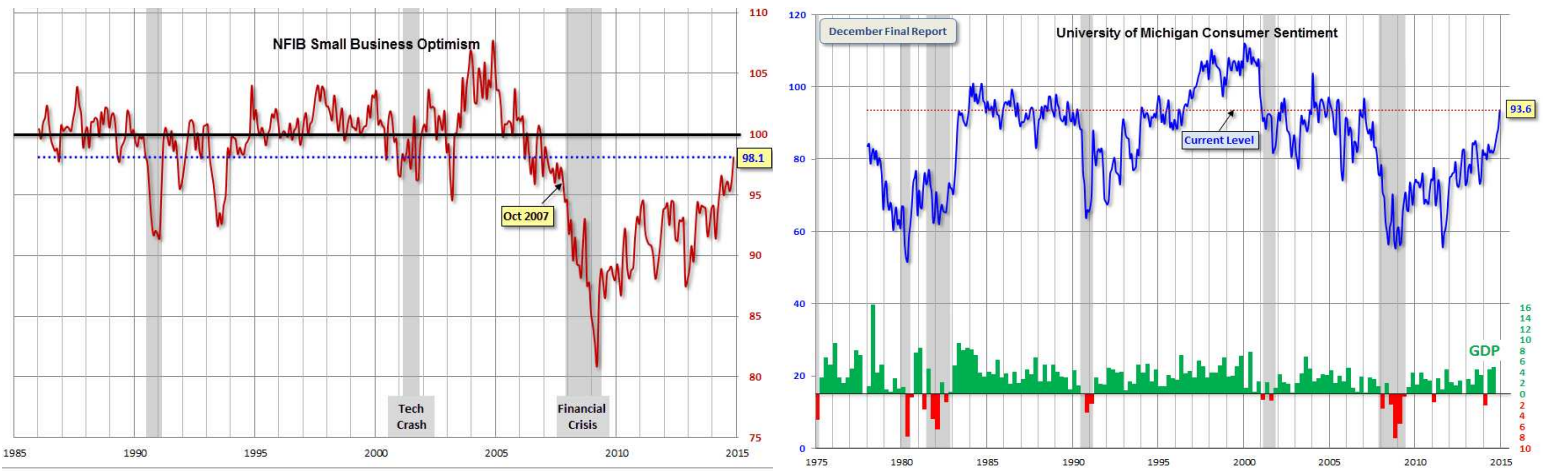
- ☆ NYSE McClellan Oscillator (NYMO) - This indicator remains the best signal for extreme overbought/oversold markets. A reading above 55 is generally where the market get exhausted and begins to top out, a good level to explore bear call spreads in overbought stocks, and can utilize this reading along with others as well as 8 day moving average breaks to move to a short bias. Conversely, reading of -60 or lower tends to begin the bottoming out process while extremes are below -75 when bull put spreads are optimal and one can start putting money back to work on the long side.
- ☆ NYSE Summation Index (NYSI) - One of the best readings in 2014 came from the NYSI crossing over its 5 day EMA, a move above triggers a buyers' market and a move below becomes a sellers' market.
- ☆ NYSE Cumulative TICK - This indicator was very useful for sticking with the trend when utilizing the 20 day EMA for cumulative TICK. It remained above the 20 EMA most of the year other than a bearish cross below in April, September and November, each of which preceded market corrections.
- ☆ The S&P's 125 Day Simple Moving Average (SMA125) - This level acted as correction support in October 2013, February 2014, April 2014, August 2014 and December 2014. The lone break was in October and resulted in a much deeper dive before quickly recapturing the level, so it remains important. The level is currently 1,990.6.
- ☆ VIX Call Volume > 1 Million - When VIX call volume surpassed 1 million in a single day in 2014 it marked the bottom either to the day or within a couple days, a nice gauge of extreme fear. Another useful gauge was VIX Term Structure, when it goes into backwardation we tend to be close to a bottom and looking at VIX:VXV ratios > 1 for major market bottoms.
- ☆ NAAIM Exposure Index - This measures the average exposure to US equity markets by active investors and I have seen how terrible these allocators are at market timing. Readings above 85 are a call for caution to reduce long exposure, while readings below 50 tend to come close to market lows.

Now to look at where the market currently stands as we enter 2015 from a sentiment and breadth standpoint:

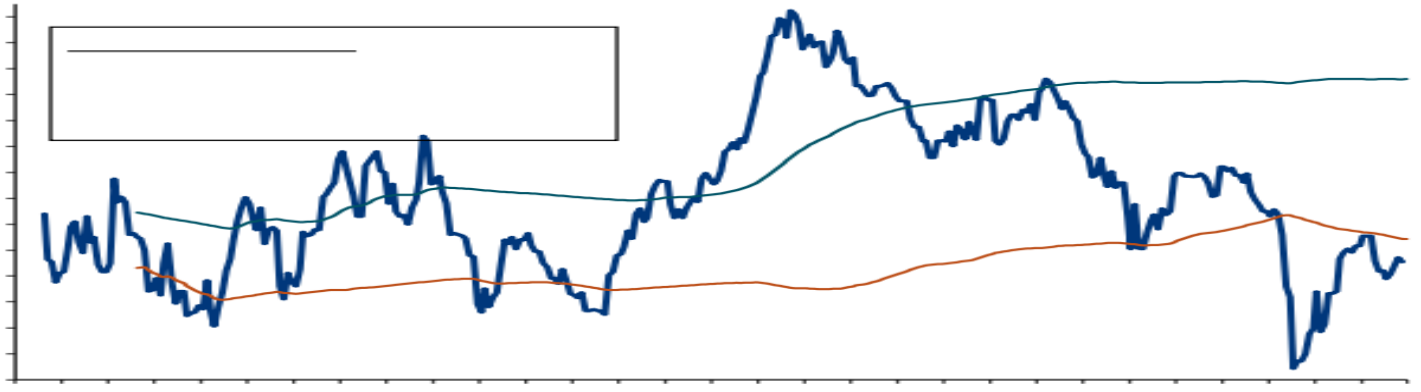
The year 2015 under the Chinese zodiac is the year of the sheep, gentle and calm, which would call for a year of low volatility and modest gains in stocks.

Surveys

The Investors Intelligence Bull/Bear ratio of 3.3 remains historically elevated above the median of 2, but has been that way much of the year. The latest reading showed 52.5% Bulls and 15.8% Bears. AAI Investor Sentiment saw a sharp rise in bullish sentiment the week of 12/24 jumping 12.2% to 50.9% and bearish sentiment down 8% to 18.9%, at extreme levels as 2014 comes to a close. The NAAIM Exposure Index also jumped sharply last week to 90.59, the highest reading since June 4th, and similar readings were seen for 3 weeks in succession in late March and early April that came right before a market correction. This NAAIM reading is a caution signal to reduce long exposure. The University of Michigan Consumer Sentiment Survey came in at an 8 year high in December with a final reading of 93.6, so we enter 2015 with a very strong consumer. Another positive is the NFIB Small Business Optimism that jumped to an 8 year high in November to 98.1, above estimates, but still room for recovery after being above 105 in 2004. Bank of America's sell-side survey shows Wall Street strategists are recommending investors underweight equities, which has historically been a buy signal.



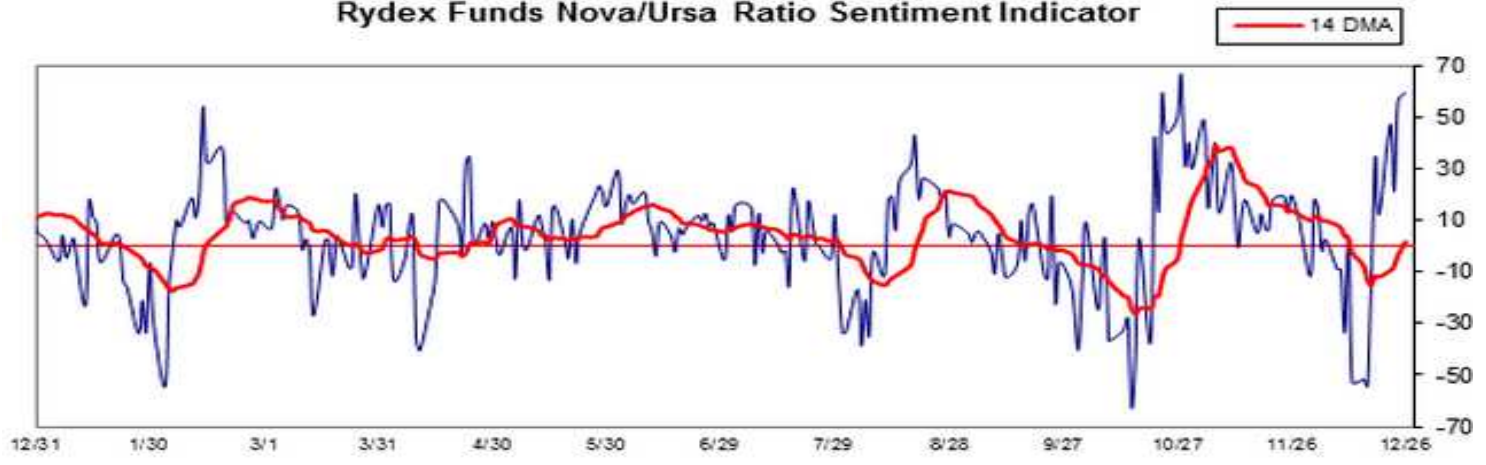
Sell Side Indicator remains in buy territory

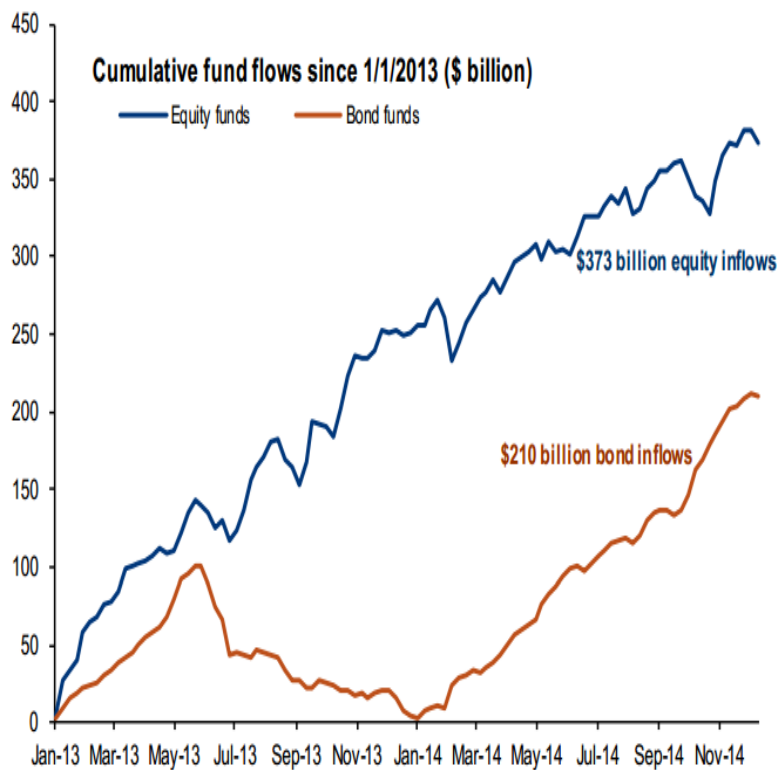
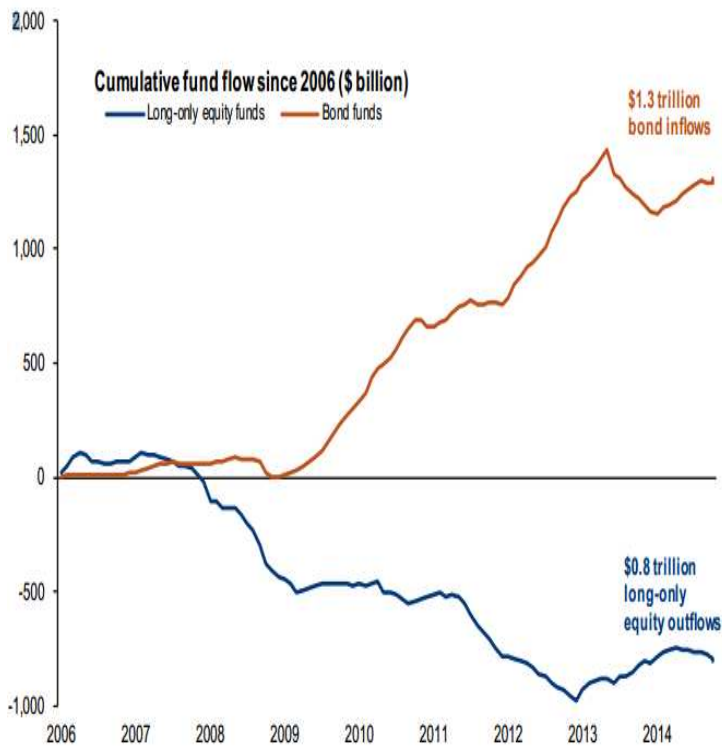


Fund Flows, Short Interest and Insider Trading

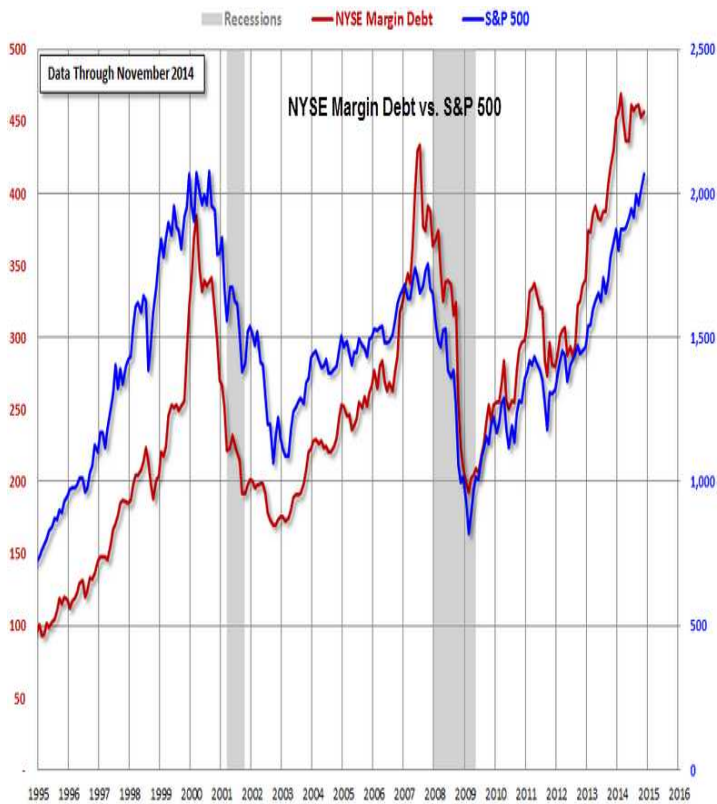
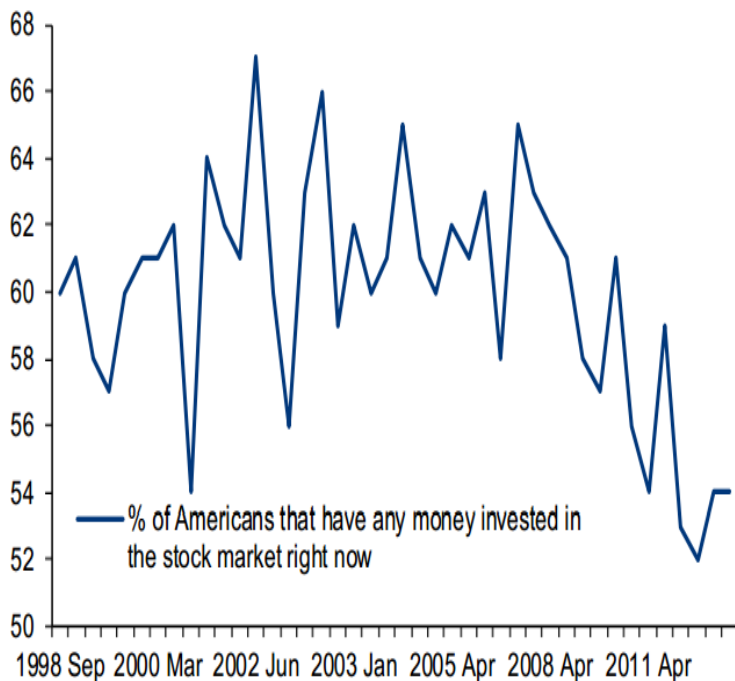
The Rydex Funds Nova/Ursa ratio sentiment indicator is at an extreme into yearend showing a very mature uptrend in need of a pullback. The latest week of fund flows showed \$36.5B of inflows into equity funds, an extreme number that followed a week of \$17.9B of outflows. As of the 12-15 report overall short interest in NASDAQ securities was down modestly from the prior report. According to InsiderScore's report insider selling was rampant in mid-November but buyers have outweighed sellers in net trading value the last few weeks. Since 2006 investors have put \$1.3 trillion into bond funds and taken \$0.8 trillion out of equity funds. In 2013 there were signs of a rotation to equities from bonds, but has stalled out in 2014, but if the "Great Rotation" can pick back up it is supportive of a very strong bull trend in equity markets. Overall stock ownership by Americans is near a 15 year low as this rally has gone without public participation, and the 2009 correction still has many fearful of the stock market. NYSE Margin Debt remains extremely elevated which in the past has been a warning sign for markets, as does the Investor Credit Ratio that is at the lowest balance in 25 years (Credit Cash and Balances - Margin Debt).

Rydex Funds Nova/Ursa Ratio Sentiment Indicator





Stock ownership in US is near a 15 year low



Breadth Readings

NYSE Cumulative A/D is making a new high to close the year, though it lagged price this time around, it has worked off the divergence. NYMO is currently at 36.2, an overbought market, but not yet at an extreme. The NYSE Summation Index recently moved back above its 5 day EMA for a buy signal and will now attempt to resume an uptrend, but is well below the early December high. NYSE Cumulative A/D Volume is near peak levels for 2014, and S&P stocks above the 50 day moving average at 421 is also near peak levels. NYSE Cumulative TICK has lagged in the most recent market rally, a bearish divergence and is well below levels seen in late November. The 21 day ARMS Index at 1.09 is in bearish territory despite the market rally.

Volatility and Options Sentiment

The latest OEX Put/Call ratio came in at 0.33, well below the 1.3 10 day moving average, and is a non-contrarian signal, so smart money is bullish. CBOE Put/Call Ratio closed the recent week at 0.55, fairly below its average reading near 0.65, while Index Put/Call at 0.89 is well below its 20 day moving average of 1.23.

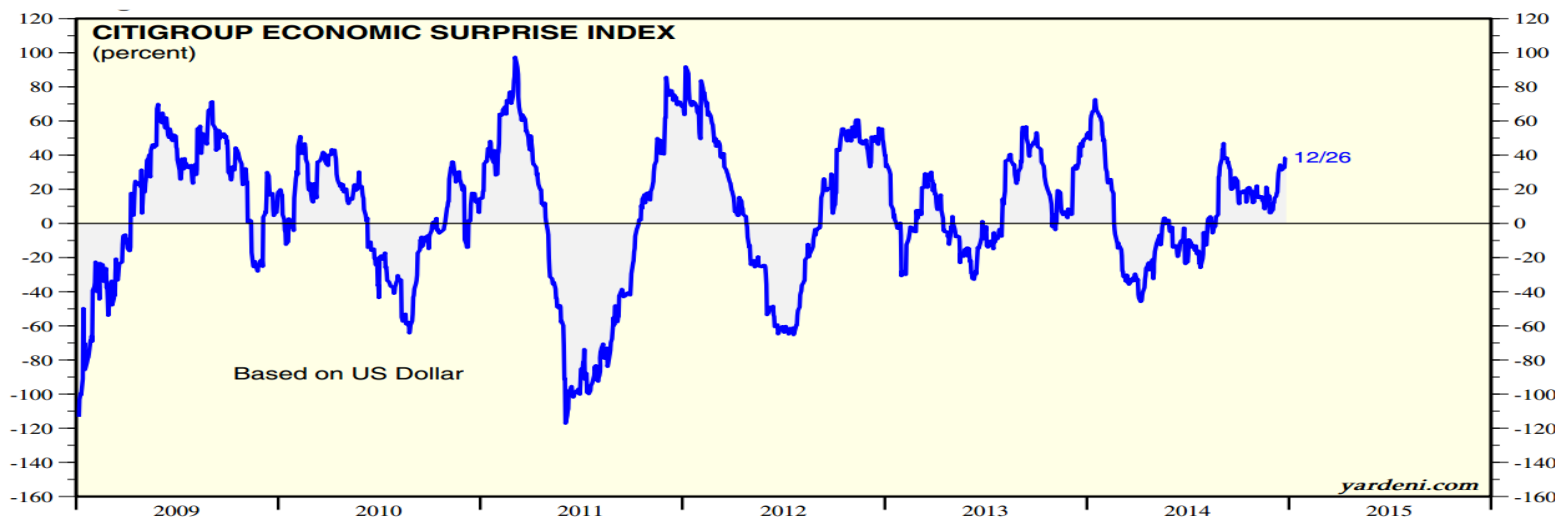
The VIX is currently exhibiting a normal contango structure and 3-month VIX (VXV) is down to 17.1, a divergence from lows closer to 15 in November and early December, so the market is slightly fearful of upcoming weakness. The CBOE Skew Index at 135 is also showing a good amount of fear, puts expensive to calls as traders protect profits. The ISSE Equity-Only at 160 is well above its 10 and 20 day moving averages and just above its 50 day moving average. Another very useful indicator in 2014 was watching the VIX:VXV ratio, moves above 1 tend to signal major market bottoms and tops often in the 0.80 to 0.85 range.

Macro-Economic

As strong as the US economy is entering 2015 there are plenty of concerns globally. The Eurozone is in jeopardy of slipping back into a recession and the Euro enters 2015 at a two year low versus the US Dollar. A January ECB Meeting is widely expected to unleash a stimulus program to boost the Eurozone economies. In November the Eurozone PMI came in at 50.1, near flat, and has been slopping with new orders sinking, overall the economy has taken a step back, and although the UK remains an area of outperformance, German PMI slipped below 50 to the lowest level since December of 2012. Overall the Eurozone PMI hit a 16-month low, and France was a major concern at 47.9, major contraction. It will be important to watch CDS Spreads among the Eurozone countries as a signal of market risk. A slight recovery was seen in December data as lower Oil helped on the input cost side, but weak business growth is worth monitoring, though the ECB stimulus may be able to at least stall the move back to a recession temporarily.

China as seen growth steadily slow throughout the year and PMI data showing a move back to contraction after a brief expansionary period, and the PBOC surprised markets by lowering interest rates on 11-21, but the move was unable to sustain as December factory output fell for the second straight month to a 49.5 level, the first contraction in 7 months, and likely will bring more easing. PBOC's Chief Economist recently downgraded the 2015 growth outlook to 7.1%, and that is likely unreachable without further stimulus. The most recent release of trade data showed Exports rose 4.7% in November versus 8.2% forecast and Imports fell 6.7% versus forecasts for a 3.9% rise, so clearly China weakness is a concern entering 2015.

Emerging Markets have underperformed all year and remain weak into 2015, at the mercy of a strong US Dollar and weak commodity prices. Political risks have also played a major part in Emerging Market weakness in 2014, but the group would likely be boosted by any accommodative monetary policy announcement out of China. Emerging Markets do offer many of the cheapest valuations and if we can see margins stabilize and rise, and ROE's improve, it can be a surprise area of outperformance.

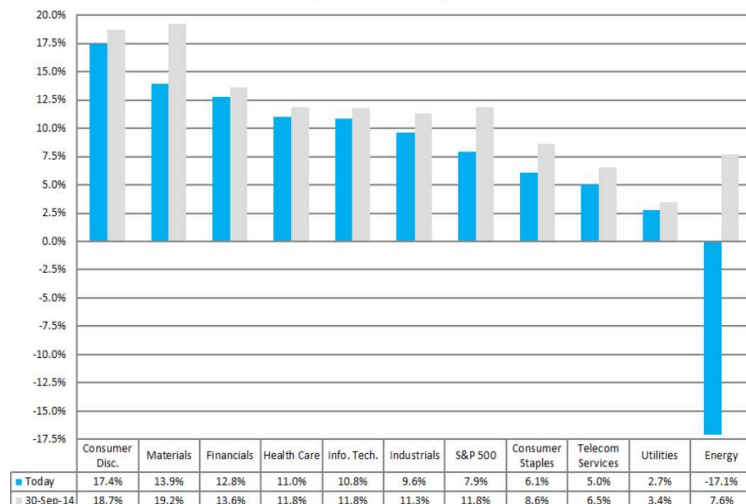


Fundamental

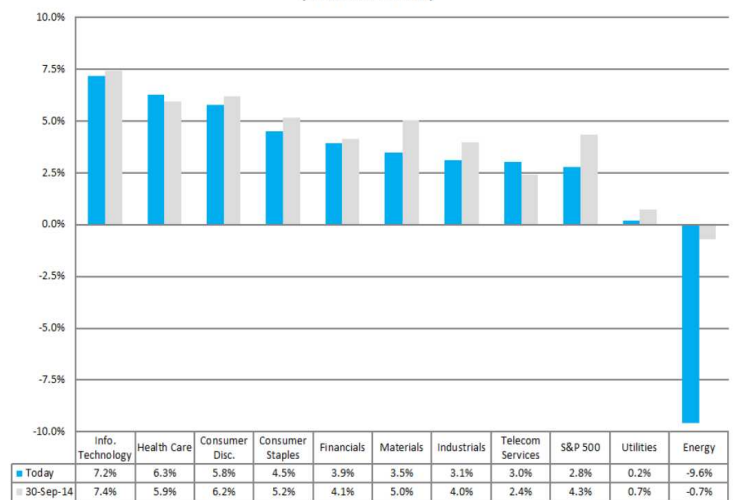
The S&P 500 is set to close 2014 at record highs and up more than 15% on the year, a strong performance, though quite overbought near-term that should allow for better entry to longs at a later date for a better reward/risk. However, the strength in stocks is on solid ground considering the strength seen in the US Economy, Q3 GDP soaring 5%, the fastest rate of growth during this economic recovery, and led by consumer and investment spending. Furthermore, growth in Employment and expected wage growth are economic tailwinds.

Earnings reports in Q3 were very strong across most industries and low revenue growth has been countered by improving operation efficiencies leading to better margins, and more profits. Earnings remain far from peak levels which supports the rally to continue, but we are likely in the late innings of multiple expansion with the interest rate trajectory shifting, so moves higher now will likely decrease in the rate of change. Interest rate tightening cycles is far from a reason to be bearish, however, the S&P average return in these cycles is +16%. The US economy is expected to grow 3.1% which would be accelerating from the 2.2% growth in 2014, though weakness Internationally remains a drag. Earnings growth forecasts for Q1 and Q2 2015 have been cut to 4.5% and 5.7% respectively, mainly due to Energy and Industrial revisions, though profit margins are estimated to continue an upward move. The S&P's current forward P/E ratio in 16.4 using a 12-month EPS estimate of \$127.30, and Consumer Staples at 18.9X the most overvalued sector while Telecom and Financials near 13X the lowest P/E. The S&P's 5 year average forward P/E is 13.6X and nine of ten sectors have a forward 12-month P/E above their 10-year averages, Telecom the lone one below. The chart below shows expected earnings growth with Energy a major drag. All of the US economic factors, corporate behaviors, and credit signals point to a sustainable US expansionary period that can last another 5 years, so the multiple expansion thesis can still hold true through 2015.

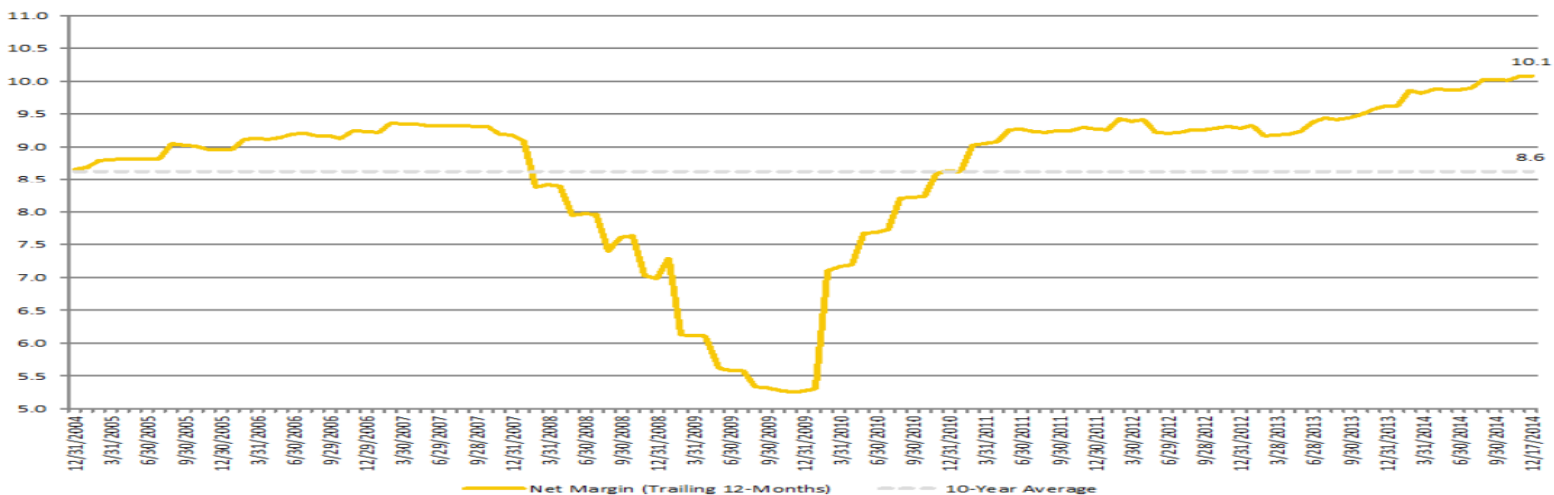
CY 2015: Earnings Growth
(Source: FactSet)



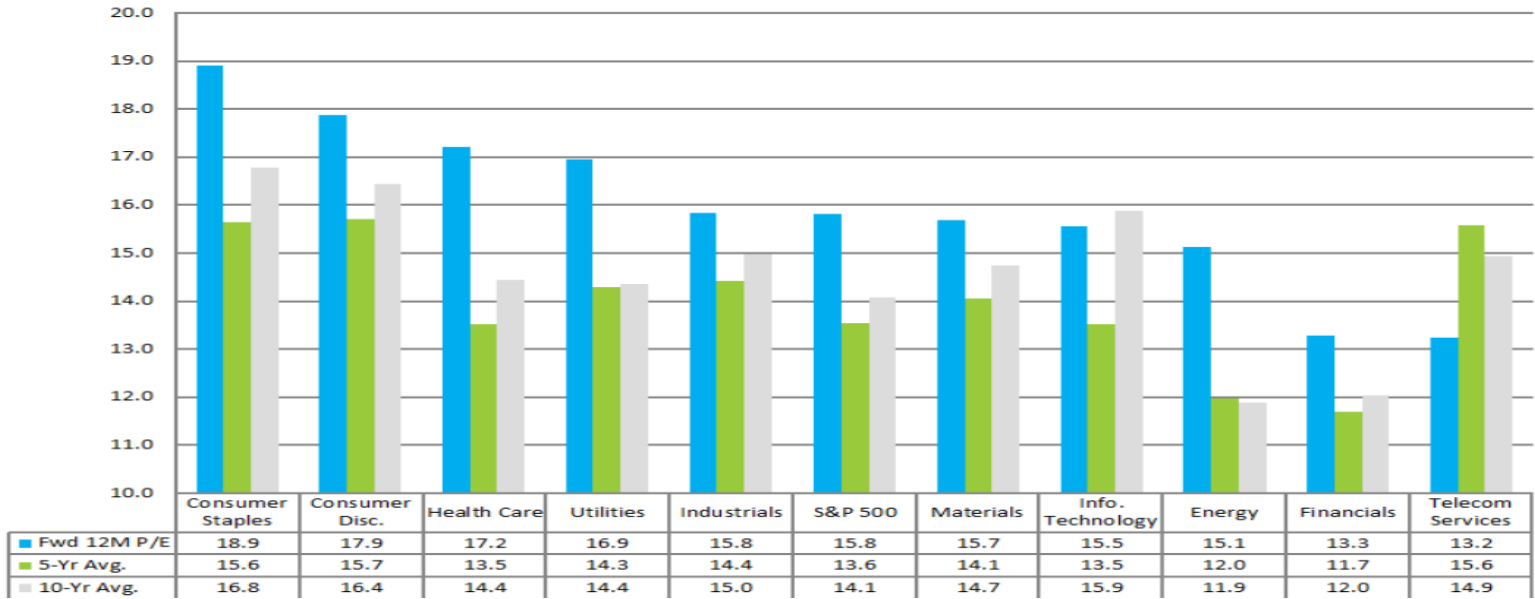
CY 2015: Revenue Growth
(Source: FactSet)



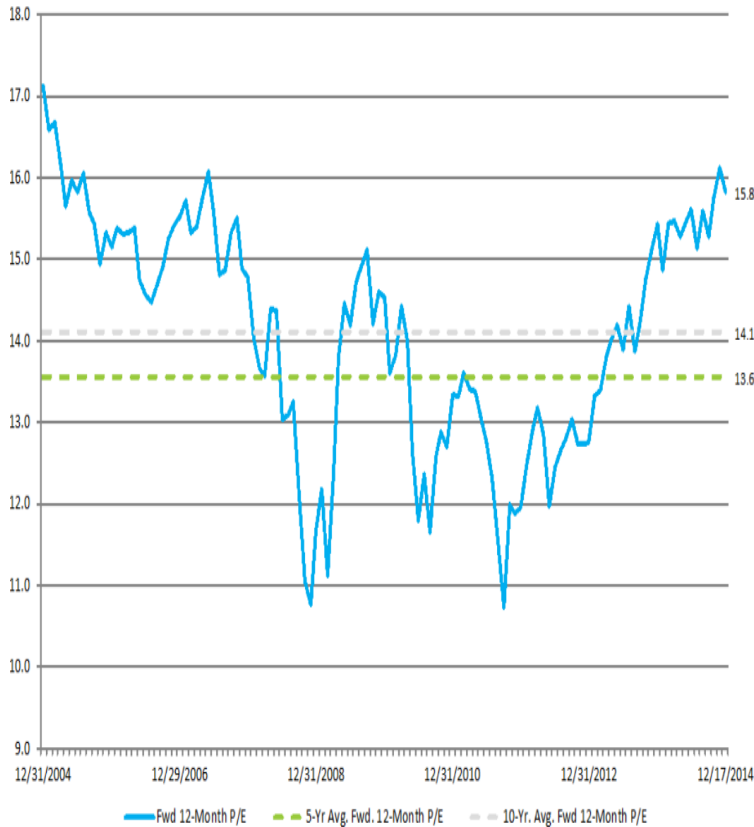
Trailing 12-Month Net Margin: 10 Years
(Source: FactSet)



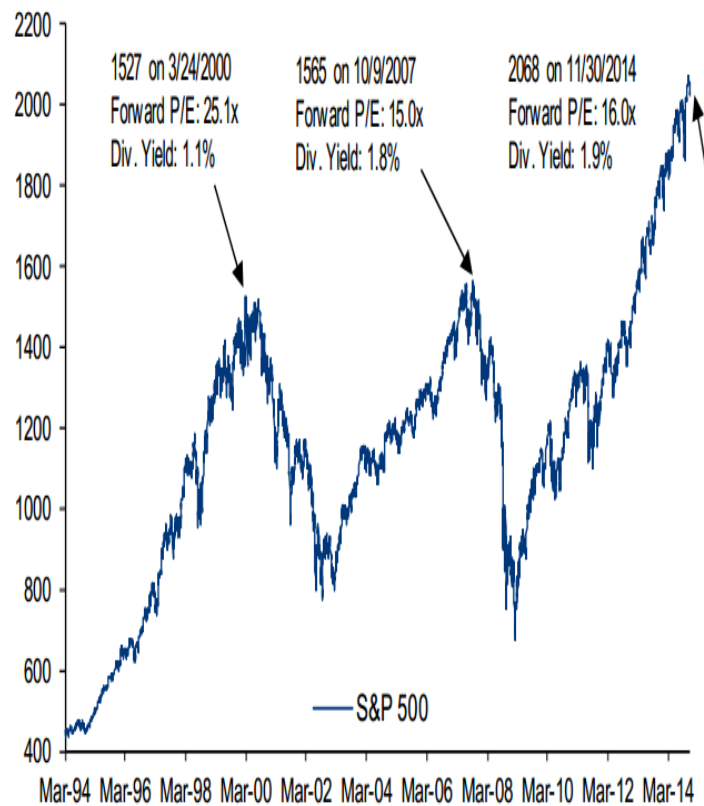
Sector-Level Forward 12-Month P/E Ratios (Source: FactSet)



Forward 12-Month P/E Ratio: 10 Years
(Source: FactSet)



S&P 500 price chart



Companies continue to hold record amounts of cash and taking shareholder friendly actions via buybacks and dividend raises, while the M&A market remains very strong with 2015 seen to continue the trend of a healthy deal environment. The equity risk premium, as estimated by Damodaran, in December was at 5.36%, still a healthy level to suggest the bull market will continue, though continues to decline and worth watching for when this premium shrinks below 4%, but overall the argument that stocks are expensive is a poor one using historical stock valuation metrics because relative analysis is more appropriate, and in that case Bonds remain much more overvalued than stocks.

Non-financial corporate cash near record high



Utilizing the FY15 earnings with appropriate trailing multiples below, assigning a 35% chance of bull case, 50% base, and 15% bear case I get a 2015 year-end S&P 500 value of 2,340 which would be around a +12% year. In the second half of the year FY16 EPS estimates come into focus and if growth is holding up, sets up for the bull case. I would also note that 2015 sets up even better for small caps which have lagged mega caps for 15 years with M&A, margin expansion, and stronger earnings growth are tailwinds.

	EPS	Trailing Multiple	S&P Value
Bull Case	\$131	20X	2,620
Base Case	\$126	18X	2,270
Bear Case	\$121	16X	1,935

Gold Technical View and Analysis

Gold is down on the year after lagging the market but has yet to see the type of capitulation sell-off that Oil saw in Q4. Similar to last year, Gold enters 2015 with severe technical weakness on the verge on a major breakdown, and in this low-to-no inflation environment, the rationale for being long Gold remains weak. Gold is in a clear downtrend though a potential falling wedge forming, and it needs to clear \$1,325 for a wedge breakout which would shift the technical momentum. Gold has complete the measured move of the 1,800/1,500 box top to 1,200 and has been sticking around this level, barely holding the 61.8% Fibonacci Retracement of the 2009 low to 2011 high near 1,150. In an unfavorable environment for commodities Gold looks highly likely to break lower and re-test the major flag breakout in the 975/1000 range before being able to find solid support, and on a break of 1,150 is a short.



Oil Technical View and Analysis

Crude Oil was cut in half since the Summer and has been under heavy selling pressure throughout Q4 as the supply glut coupled with the slowing demand from global growth concerns in China and the Eurozone have sent prices spiraling. On the fundamental side it was fairly easy to see coming with US Shale production ramping and technological improvements allowing Oil to be recovered faster and cheaper. On the chart a multi-year symmetrical triangle was forming and coming to an apex, so a big move was certain, and it broke lower when \$90 support was lost, a pattern that has a measured move target of \$55, the width of the triangle, and that level has already been reached and has been a bit of a magnet of a level into yearend. Furthermore the recent low is a long term trend support off 1999, 2002, and 2009 lows. There is good support in this \$50-\$55 zone and price-action among the E&P stocks is starting to diverge which favors a rebound, but if \$50 level is lost a re-test of the 2009 support at \$40 is in the cards. Oil has a lot of room to bounce and first resistance would not be met until \$65, while \$75-\$80 is major resistance. Overall the worst of the Oil sell-off looks to be over and I would expect it to trade in the \$55-\$80 range throughout 2015, so currently at the lower end the risk/reward is favorable.



Top 15 Long Investment Ideas for 2015 in Large/Mid Cap Stocks (Growth at a Reasonable Price)

Overview: Snapshot of Top 15 with Entry Levels for 1/2 and Full Positions as Well as a Target and Stop.

Ticker	Company	Mkt. Cap (\$B)	FY15 P/E	P/S	EPS Growth '14	EPS Growth '15	ROE	1/2 Entry	Full Pos.	Target	Stop
FB	Facebook	225.2	42.27	20.1	92.00%	13.08%	15.30%	\$78.0	\$75.0	\$105.0	\$70.0
ABBV	AbbVie	105.5	15.55	5.38	-23.10%	28.92%	77.90%	\$62.5	\$58.0	\$85.0	\$52.0
HON	Honeywell	79.8	16.69	1.97	33.30%	10.23%	23.20%	\$98.0	\$95.0	\$135.0	\$87.0
MET	MetLife	62.3	9.2	0.86	172.00%	3.97%	8.30%	\$53.5	\$51.5	\$67.5	\$48.0
JCI	Johnson Controls	32.4	11.69	0.76	35.90%	14.55%	10.50%	\$47.5	\$45.0	\$65.0	\$42.0
ILMN	Illumina	26.4	58.91	15.23	-20.40%	19.60%	20.60%	\$185.0	\$170.0	\$245.0	\$150.0
BRCM	Broadcom	25.7	13.06	3.08	-41.60%	13.00%	5.00%	\$41.0	\$38.5	\$60.0	\$36.0
UAL	United Continental	23.96	8.3	0.62	170.20%	54.43%	38.90%	\$62.5	\$57.5	\$85.0	\$52.5
RCL	Royal Caribbean	18.4	17.53	2.26	44.60%	35.40%	7.50%	\$78.0	\$75.0	\$100.0	\$67.0
GWW	W.W. Grainger	17.52	19.04	1.78	16.90%	9.89%	30.60%	\$255.0	\$247.5	\$325.0	\$220.0
RL	Ralph Lauren	16.17	18.79	2.13	5.40%	14.55%	18.70%	\$180.0	\$175.0	\$230.0	\$162.5
MHK	Mohawk Industries	11.27	16.62	1.45	40.40%	14.80%	10.60%	\$150.0	\$145.0	\$200.0	\$135.0
ALSN	Allison Transmission	6.02	21.08	2.91	-68.10%	25.98%	16.10%	\$33.0	\$31.0	\$42.0	\$28.5
CSL	Carlisle Co.	5.83	19.13	2.31	37.00%	17.44%	14.10%	\$85.0	\$80.0	\$110.0	\$72.5
IDTI	Integrated Device	2.95	22.13	5.83	60.00%	12.96%	5.90%	\$18.0	\$17.0	\$25.0	\$15.0

Facebook (FB) has a \$225B market cap and shares are +47% in 2014, outperforming the overall market and coming off multiple strong earnings reports. FB continues to trade at a premium valuation of 42.3X Earnings and 18.1X EV/Revenues, but is a standout growth stock that is building out an infrastructure that can tap into multiple large markets to support earnings growth for many years ahead, similar to Google in its earlier years. FB in Q3 reported 864 million daily active users and is also a Company on the front lines of growth in mobile. ARPU continues to growth while costs of revenue have declined year over year. Margins took a dip in Q3 and is one thing to watch the trend, as margin recovery can support a much higher valuation, but if margins continue to slip it would be a red flag. FB is in a monetization ramp period that supports multiple expansion, or at least a premium multiple to peers. FB will continue to be a leading Internet stock performer for at least another 3 years and has also made some smart strategic acquisitions, and investors are excited for continued innovation as it taps into multiple secular trends online and mobile. Incredibly, FB is only 54% institutionally owned, rising 2.93% in Q3, plenty of room for incremental buyers.

Honeywell (HON) is a \$79.8B diversified global Industrial with shares +13.8% YTD, and though not as exciting as Tech companies, it is a solid core hold at attractive valuation, a strong yield, and optionality potential. HON trades 16.7X Earnings, 1.97X Sales, 4.2X Book and 33.4X FCF with a 2% dividend yield, and after 33.3% EPS growth in 2013 is targeting 10%+ growth looking forward. HON remains positioned in businesses with multi-year tailwinds and has strong backlog momentum, and its 23% exposure to high growth regions geographically is also a positive. In Aerospace HON is a leader and is seeing strong margin expansion, while automatic and control is seeing 4-5% organic growth and boosted by new product introductions. HON also has its Performance Materials and Tech unit that does have some Oil price exposure, though minimal. The wildcard upside in HON is that it operates it clear business segments and could attract an activist that will look to break it up with the potential for a unit sale for spin-off to unlock shareholder value, just a theory for now, but it would make a lot of sense. HON is also at the right part of the cycle to utilize its under-leveraged balance sheet and will be a capital allocation story in 2015. HON is 81% institutionally owned, rising slightly in Q3, and not yet attracting any notable gurus.

AbbVie (ABBV) is a \$105.5B Pharma Company that has seen shares rise more than 25% YTD, but remains a great combination of value, yield and growth. ABBV recently sent shockwaves through the Biotech industry when it signed an exclusivity deal with Express Scripts for its new Hepatitis-C drug that undercut leader Gilead's price. ABBV is currently trading 15.55X Earnings, 5.38X Sales and 49X FCF with a 2.96% dividend yield and 25%+ EPS growth in 2014. ABBV is closely tied to HUMIRA, a drug that is seeing usage in multiple indications and posting double-digit growth, while ABBV also is advancing a strong pipeline with 12

programs in Phase 3 development or under regulatory review. ABBV is also returning cash to shareholders with a recent \$5B buyback and raising its dividend 17%. ABBV is one of the most exciting large cap names in Healthcare with a strong operational history, and is deserved of multiple expansion with current valuation at a discount to many of its peers. ABBV is 77.5% institutionally owned, rising 8.74% in Q3, and a large holding for multiple guru investors that took new stakes.

MetLife (MET) is the lone Financial to make the top 15 although I think financials will perform very well in 2015, and MET shares just +4.44% YTD. MET has a \$62.3B market cap and is extremely cheap at 9.2X Earnings, 0.86X Sales, 4.65X FCF and 0.87X Book with a 2.55% dividend yield and positive EPS growth. MET has seen numerous large longer term bullish options positions build in open interest and is a top play on the eventual rising interest rate trajectory. MET is in a period of expense cutting that is leading to stronger operating earnings and ROE, currently ahead of plans. In Q3 MET blew away Analyst estimates, so its efforts are starting to payoff and also remains friendly in capital returns to shareholders. MET is 72.39% institutionally owned, down 1.77% in Q3, but I expect it to be a lead performer in Financials in 2015 as a rising rate play that will allow it to move back above book value which is currently \$62.90/Share.

Johnson Controls (JCI) is a \$32.38B Industrial with shares -3.66% YTD, but attractive heading into 2015 at 11.7X Earnings, 0.76X Sales, 2.85X Book and yielding 2.14% after spending much of 2014 becoming a more lean, efficient Company. JCI grew EPS 35.9% in 2014 and looking to 12-15% forward growth, impressive for a large cap Industrial in a low growth global environment. JCI spent 2014 as a transition year improving its portfolio and plans for more efficient operations and driving better growth, and I expect 2015 to be a year of multiple expansion as it delivers on those objectives. JCI hits on quite a few strong industry trends as well with Building Efficiency, Automotive, and Power Solutions and is seeing margin improvement in all three businesses. JCI is also focusing on China as its growth region and is overweighting investments in China. JCI is 77.6% institutionally owned, up 1.89% in Q3.

Illumina (ILMN) is a \$26.44B leader in genetic analysis, an industry with a lot of positive growth trends. ILMN is a high valuation name at 58.9X Earnings and 15.2X Sales, but really is the only pure play Thermo Fisher bought Life Technologies for \$13.6B, and though ILMN has a large market cap, it would not surprise me to see ILMN eventually acquired in a mega deal. ILMN posted 24% revenue growth year/year in 2013 with Americas accounting for 55% of sales and just 12% in Asia. ILMN is a clear technological leader in this up and coming industry and sees a \$20B revenue opportunity, currently posting yearly revenue of just \$1.74B. ILMN is not just all about the future either, it continues to deliver results well ahead of expectations, and next generation sequencing is sure to see strong uptake in research and diagnostic markets. ILMN is 94.5% institutionally owned, so the one concern here is where will the incremental buyers come from, but it is notable that it is the #1 holding for Viking Global.

Broadcom (BRCM) is my favorite large cap Semi heading into 2015 after years of relative underperformance, it is now positioned to take a leadership position. BRCM has a \$25.68B market cap and trades 13X Earnings, 3.1X Sales, 2.97X Book and 22.57X FCF with a 1.11% yield and strong cash position. BRCM is another name where EPS growth is set to reaccelerate and lead to multiple expansion. BRCM is capitalizing on growth trends in new set-top boxes, Ultra HD, broadband, data centers and Internet of Things. BRCM recently raised its dividend and announced a \$1B buyback, shareholder friendly. BRCM has repositioned its portfolio in 2014 to focus on better product mix to driver better margins and earnings growth, so 2015 sets up to be a great year. BRCM is 81.2% institutionally owned, rising 1.35% in Q3.

United Continental (UAL) is a top pick in an airlines industry that I believe will be a top performing group in 2015, and UAL shares +71% in 2014. The \$23.96B airliner trades 8.3X Earnings, 0.62X Sales and 6.2X Book and a strong cash position though it is very leveraged. UAL turned profitable in a big way in 2013 and is growing EPS another 50%+ in 2014, synergies starting to payoff and airlines in a strong earnings cycle with lower fuels costs, operational efficiencies, and ancillary revenue opportunities. UAL is making progress in achieving \$2B in annual cost savings by 2017 and is also improving its balance sheet. UAL is expanding in growth markets like Latin America and has the most room for PRASM improvement among the airlines, and once it delivers on its objectives will be revalued in line with peers, so the airliner I feel has the greatest upside potential. UAL is 96.6% institutionally owned, down 3.63% in Q3, and is a large holding for Appaloosa and OZ Mgmt.

Royal Caribbean (RCL) has an \$18.34B market cap and shares are +75% YTD, but everything points to 2015 as being another strong year. RCL trades 17.5X Earnings, 2.26X Sales, 2.03X Book and 29X FCF with a 1.46% dividend yield. RCL is most impressive on the growth front with EPS growth targeting 25%+ for 3-5 years forward and new potential opportunities with US/Cuba relations may increase that outlook. RCL faces some headwinds with US Dollar strength, but tailwinds with fuel costs sharply declining net of hedges. RCL has been posting improved net revenue yields but still below its 2008 peak levels, so further room for improvement. Despite the run in RCL in 2014 it remains a top growth for value play in travel/consumer and has room to

further increase operational efficiencies to drive a higher multiple. RCL is only 54.4% institutionally owned, rising 2.73% in Q3, leaving room for much more institutional buying.

Grainger (GWW) is a \$17.5B MRO supplier with shares just +2.35% YTD. GWW trades 19X Earnings, 1.78X Sales and 5.17X Book with a 1.68% yield and double digit EPS growth. GWW is of added interest due to its technical set-up as well as it nears a move out of a two year sideways base in a strong uptrend. GWW just posted 8% sales growth year/year in November and derives 88% of sales from the US and Canada. The North American MRO market is \$145B and GWW only accounts for 6% of that fragmented market, room for market share gains. GWW is also winning the ecommerce push in this space accounting for 37% of its sales in 2014, up from just 21% in 2008. GWW is a leading growth player with strong end-markets, room for operational margin increases, and in a resilient industry during cyclical downturns. GWW is 71.8% institutionally owned.

Ralph Lauren (RL) has a \$16.17B market cap in apparel and at +5.55% YTD has lagged many peers, but the future looks bright as EPS growth reaccelerates. RL trades 18.8X Earnings, 2.1X Sales, 4X Book and 35.5X FCF with a 0.98% dividend yield. RL has seen margins come under pressure as it invests in ecommerce and marketing efforts, but growth is set to pick-up on more store openings. RL was in a transitional year in 2014 as it shifts a bit down from luxury. The upside in RL relies on this being an inflection point for margins because it will be seeing stronger revenue growth drivers in 2015, so expense control is the focal point to realize stronger earnings power. RL is only 65.9% institutionally owned, up 1.87% in Q3. It was a tough call between RL and PVH for a turnaround play in 2015 in apparel, while UA remains the top growth play.

Mohawk Industries (MHK) is an \$11.27B flooring play on new construction and remodeling that has seen shares rise just 3.8% in 2014. MHK trades 16.6X Earnings, 1.45X Sales, and 2.46X Book and grew EPS 40% in 2013 with 15-20% forward EPS growth projected. MHK has an expanding International presence and has been growing via acquisitions. MHK has 80% exposure to residential and 20% to commercial with North America accounting for 70% of sales. MHK is a leading play on the trends in US housing and is also seeing operating margin expansion. MHK is 81.6% institutionally owned, up 2.15% in Q3 and a new holding for smart funds like Lone Pine Capital, OZ mgmt., and Glenview, while Viking Global remains its largest holder and added in Q3.

Carlisle Companies (CSL) is a \$5.86B construction materials Company with shares +16.38% YTD. CSL trades 19.1X Earnings, 2.3X Sales, and 2.72X Book with a 1.09% yield and grew EPS 37% in 2013, and targeting 15%+ forward growth, an under-appreciated growth story in an industry lacking a lot of growth names. In its latest quarter CSL posted sales growth across all segments and increasing margins. CSL is a diversified name with business segments in Brakes/Friction, Roofing, Aerospace, and Food Service. CSL was operating more businesses but sold five non-core businesses that were lower margin to focus on its core, and looking at it there is room for more restructuring. The decline in Oil prices in Q4 should help CSL for lower input costs and trends it all of its business segments are positive heading into 2015. A recovery in construction has showed signs of life, and if it can kick into full gear in 2015 CSL stands to be a top performer as one that has performed well even in tougher environments. CSL is 84.55% institutionally owned, up 1.33% in Q3.

Allison Transmission (ALSN) edged out Cummins (CMI) and PACCAR (PCAR) as my top play for the strength seen in global truck demand with recent figures released. ALSN has a \$6B market cap and trades 21.08X Earnings, 2.91X Sales, and 15.5X FCF with a 1.77% dividend yield. ALSN grew EPS 25%+ in 2014 and coming off a few strong quarters, and growth continues to outpace peers. ALSN is the World's largest maker of automatic transmissions for medium and heavy duty trucks with a 61% global market share. ALSN operating margins are at 5+ year highs and is increasing its presence in emerging markets. The recovery in housing and a pick-up in construction activity will drive demand for more trucks and the North American core market continues to recover off cyclical lows. ALSN has strong FCF generation and with expanding opportunities Internationally should continue to deliver outsized growth. ALSN is 94.9% institutionally owned, rising 1.42% in Q3, and ValueAct is a 10%+ owner.

Integrated Device Tech (IDTI) is the smallest market cap name (\$2.95B) to make the list this year and shares have climbed 95% YTD. IDTI currently trades 22.1X Earnings, 5.83X Sales, 3.99X Book and 27.35X FCF and entering a period of accelerating EPS growth. IDTI has 58% exposure to Communications, 29% to Computing and 13% to Consumer. IDTI develops low-power, high performance mixed-signal semiconductor solutions and is a key component in a lot of next generation products being developed in 4G, datacenters, and power management for mobile devices. IDTI is 89.63% institutionally owned, rising 1.13% in Q3 and is the 9th largest holding for Starboard Value. IDTI is positioned in all the right places for Tech trends and at this market cap also makes for a prospective takeover target with its strong balance sheet and cash holding.

35 More Top Longs That Missed the Top 15 Cut

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
BABA	Alibaba Group Holding Limited	263.36B	35.01	29.16	179.30%	37.42%	46.00%	39.30%	12.84%
DIS	The Walt Disney Company	160.11B	17.43	3.28	26.00%	16.14%	16.70%	23.70%	25.16%
ACT	Actavis plc	67.38B	15.36	5.72	-793.40%	22.10%	-6.60%	-0.20%	51.31%
MCK	McKesson Corporation	48.65B	16.59	0.30	3.40%	16.74%	15.20%	1.70%	30.64%
BK	The Bank of New York Mellon Corporation	46.48B	15.58	14.18	-14.30%	10.60%	7.50%	-	20.41%
ADM	Archer-Daniels-Midland Company	34.19B	14.81	0.40	92.40%	17.23%	9.50%	3.30%	24.94%
DISH	Dish Network Corp.	33.52B	41.17	2.31	24.80%	10.94%	105.70%	12.00%	25.40%
AET	Aetna Inc.	31.51B	12.52	0.56	10.80%	7.02%	15.00%	7.10%	32.18%
GLW	Corning Inc.	29.76B	14.86	3.21	22.90%	6.33%	10.60%	18.20%	32.84%
CMI	Cummins Inc.	26.64B	13.34	1.42	-8.80%	20.18%	21.60%	10.50%	5.47%
CCI	Crown Castle International Corp.	26.39B	58.86	7.50	-59.40%	37.74%	2.50%	29.10%	10.36%
WDC	Western Digital Corporation	26.26B	12.76	1.72	67.80%	7.95%	17.60%	12.30%	36.43%
AMP	Ameriprise Financial, Inc.	25.05B	14.12	2.06	39.50%	14.62%	17.90%	24.30%	20.31%
DVN	Devon Energy Corporation	24.63B	13.27	1.52	89.40%	-14.07%	11.90%	23.50%	-1.28%
CERN	Cerner Corporation	22.23B	33.27	6.79	0.00%	18.68%	13.40%	19.60%	16.79%
SNDK	SanDisk Corp.	22.21B	15.30	3.35	155.30%	13.07%	16.30%	26.60%	44.47%
CMG	Chipotle Mexican Grill, Inc.	20.86B	38.57	5.37	19.70%	24.20%	23.60%	16.90%	26.28%
ORLY	O'Reilly Automotive Inc.	19.67B	23.33	2.78	26.90%	14.59%	36.40%	17.30%	50.69%
AA	Alcoa Inc.	18.59B	15.08	0.80	154.50%	24.82%	-21.00%	7.20%	49.62%
SWKS	Skyworks Solutions Inc.	14.17B	14.55	6.18	64.10%	13.34%	19.40%	58.60%	162.06%
EW	Edwards Lifesciences Corp.	13.99B	32.43	6.24	38.70%	19.08%	45.50%	20.60%	98.83%
LRCX	Lam Research Corporation	12.90B	14.89	2.72	448.50%	15.64%	14.20%	15.60%	50.10%
BCR	CR Bard Inc.	12.67B	18.31	3.90	36.20%	10.41%	42.50%	47.20%	27.02%
AKAM	Akamai Technologies, Inc.	11.45B	23.26	6.15	43.80%	14.39%	11.60%	25.60%	36.37%
MNK	Mallinckrodt public limited company	11.38B	12.53	4.48	-591.00%	19.32%	-14.30%	7.30%	87.22%
EXPE	Expedia Inc.	11.26B	19.02	2.03	-22.70%	14.54%	21.60%	10.10%	28.83%
PANW	Palo Alto Networks, Inc.	10.15B	86.00	15.32	-609.30%	98.51%	-65.50%	-16.70%	119.23%
N	NetSuite Inc.	8.55B	237.63	16.66	-90.00%	44.75%	-43.70%	-15.30%	8.18%
WAB	Westinghouse Air Brake Technologies Corporation	8.51B	21.24	2.93	15.80%	15.14%	18.70%	17.30%	19.27%
MDVN	Medivation, Inc.	7.70B	28.84	14.47	-1.80%	28.88%	83.40%	27.50%	55.48%
Q	Quintiles Transnational Holdings Inc.	7.60B	19.91	1.40	17.20%	12.46%	-57.20%	10.40%	28.36%
ETFC	E*TRADE Financial Corporation	7.07B	21.91	3.80	174.40%	2.01%	6.10%	33.40%	24.49%
CDW	CDW Corporation	6.16B	13.62	0.52	18.30%	13.29%	31.60%	5.60%	54.03%
HII	Huntington Ingalls Industries, Inc.	5.55B	13.82	0.80	78.00%	6.13%	23.90%	9.70%	28.80%
MIK	The Michaels Companies, Inc.	4.98B	14.28	1.06	22.40%	17.82%	-7.70%	13.00%	43.13%

Top 10 Short Investment Ideas for 2015

With Each Short I Provide a "Better Option" of a Similar Market Cap Stock in a Related Industry for those Interested in a Pairs Trades

Ticker	Company	Mkt. Cap (\$B)	FY15 P/E	P/B	EPS Growth '14	EPS Growth '15	ROE	1/2 Entry	Full Pos.	Target	Stop
XLNX	Xilinx Inc.	11.6	16.66	4.25	22.30%	6.12%	23.30%	\$45.5	\$48.0	\$35.0	\$52.0
ENDP	Endo Pharma	11.1	15.66	4.42	21.20%	8.25%	-65.70%	\$72.0	\$75.0	\$52.5	\$80.0
FLR	Fluor Corp	9.46	12.73	2.68	49.80%	13.51%	12.60%	\$62.5	\$66.5	\$42.5	\$70.0
WDAY	Workday	8.73		13.84	37.70%	39.40%	-21.20%	\$85.0	\$91.0	\$72.0	\$98.0
ADT	ADT Corp	6.15	16.68	1.98	-11.70%	1.68%	9.60%	\$36.0	\$38.0	\$20.0	\$43.0
GNRC	Generac	3.27	13.86	7.27	85.90%	8.65%	45.50%	\$48.0	\$50.5	\$32.5	\$55.0
VMI	Valmont	3.15	14.11	2.47	18.30%	5.68%	13.20%	\$130.0	\$137.0	\$95.0	\$145.0
CAKE	Cheesecake Factory	2.45	20.37	4.63	18.00%	15.89%	20.80%	\$49.5	\$53.0	\$35.0	\$55.0
LL	Lumber Liquidators	1.74	21.76	5.56	64.90%	21.55%	21.50%	\$65.0	\$70.0	\$40.0	\$77.0
DK	Delek US	1.65	11.43	1.54	-57.10%	-26.32%	15.80%	\$28.0	\$30.0	\$17.0	\$33.0

Xilinx (XLNX) is an \$11.6B Semiconductor Co. with shares -2.5% in 2014, and has seen EPS growth fall from 22.3% down to below 8%, a period of multiple contraction, and at 16.7X Earnings, 4.8X Sales and 28.4X FCF shares remain near the high end of its historical valuation. It has been clear in recent earnings reports that Altera (ALTR) has taken a leadership position in PLDs and XLNX is seeing sales and EPS growth deceleration and lacks the relationship with Intel that Altera enjoys. XLNX is not currently heavily shorted, just 7.57M shares, 2.9% of its float, up from 4.68M shares in July. XLNX saw disappointing revenues at both wire line and wireless last quarter as units fell double digits sequentially, though strength in aerospace and defense offset communications weakness. The wireless infrastructure ramp that many have been calling for simply has not come and remains uncertain amidst macro weakness overseas, so XLNX does not look attractive at these levels and a more appropriate multiple of 14X targets a move back to \$35.

Better Option: **Skyworks (SWKS)** is a \$13.99B Semi in the hottest markets trading just 14.37X Earnings and 26.8X FCF with ~15% EPS growth looking forward, and coming off multiple beat and raise quarters.

Endo Pharmaceutical (ENDP) is an \$11.1B generic drug maker trading 15.65X Earnings, 4.43X Sales and 4.42X Book without a dividend yield and a very leveraged balance sheet. ENDP is only set for 8% EPS growth in 2015 and is trading at a peak Price/Sales rate for its 5 year average. ENDP recently announced the acquisition of AUXL that make it an unlikely target itself, though long speculated. ENDP has clearly caught the sights of shorts with 18M shares short, 11.9% of the float, up from 6.5M shares in September. It is difficult to justify ENDP trading at this level with the benefits from the AUXL deal likely still at least a year away. ENDP also operates with negative ROA, ROE, and ROI. ENDP does have some notable guru holders like Glenview and Hoptite Capital, but a lack of organic growth can send this stock back to 12X earnings around \$50-\$55. The main risk is that ENDP becomes a serial acquirer and makes more accretive acquisitions that investors would likely cheer.

Better Option: **Mylan (MYL)** is a \$21.18B generic Drugmaker trading 13.6X Earnings, 2.84X Sales, and 21.4X FCF and is projecting EPS growth accelerating to around 15%. MYL is coming off a beat and raise quarter, its deal for Abbot's unit remains on track, and is a likely buyout target for PFE or ABBV.

Fluor (FLR) is a \$9.46B engineering and construction Co. that trades 12.73X Earnings, 0.42X Sales and 2.68X Book with a 1.39% dividend yield. Although FLR looks cheap on valuation, 2014 may turn out to be a peak earnings year, and I have major concerns about its exposure to the Energy industry where projects are being cut. FLR generates 60% of revenues from the Oil & Gas Industry, and though it has \$42.3B in backlog, 2015 is likely a year of tempering investor expectations. In an environment of a strong US Dollar, weak commodities, and declining CAPEX in Oil & Gas, FLR is going to struggle. FLR only has 3.32M shares short, 2.1% of its float. FLR institutional ownership fell 2.79% in Q3 and is not a large holding for any notable gurus.

Better Option: **Dycom (DY)** is a small cap at \$1.13B market cap and trades 17.74X Earnings, 0.63X Sales, and 2.22X Book with EPS growth set to accelerate to 20%. DY is nearly completely focused on the Telecom industry making it a much better name to be exposed to in construction and engineering.

Workday (WDAY) is an \$8.73B enterprise software Co. that trades 12.4X Sales and 20.15X EV/Revenues. WDAY shares are only +2% in 2014, underperforming peers, a concern for a high valuation growth stock. WDAY has also seen plenty of insider selling and has 7.56M shares short, 7.4% of its float, though down from 11M shares in July. WDAY is a Company losing money that is a top short especially during risk-off environments when Tech bubble fears arise. WDAY recently guided FY16 growth at no more than 40% when the Street was looking for 47%, a first red flag. WDAY is only 56.4% institutionally owned, up 2.36% in Q3, and is Lone Pine Capital's 33rd largest position. Many sell-side Analysts defended WDAY as providing a conservative outlook, but if WDAY cannot deliver on growth metrics, it has a long way to fall.

Better Option: **Tableau Software (DATA)** is a preferred peer with a \$6.15B market cap and already profitable, and at 14.6X EV/Revenues, a discount to WDAY. DATA is better positioned in the hot analytics software theme for big data. DATA shares are also +28.75% this year with a healthier technical trend. DATA is also coming off another beat and raise quarter.

ADT Corp (ADT) is a \$6.17B home security Co. that trades 16.74X Earnings, 1.8X Sales and 1.99X Book with a 2.26% dividend yield. ADT's earnings dropped 11.7% in 2014 and has an outlook for < 7% growth. ADT is an industry leader with a 25% market share in residential, but seeing all of the automation, cloud, and new technology trends to home security it is likely to be surpassed by a very fragmented market. ADT faces rising customer acquisition costs and customer addition growth is slowing. ADT's Q4 results beat estimates but I expect customer attrition to pick-up next year as a bunch of new home security technologies are set to released. ADT has 34.6M shares short, 19.9% of its float. ADT is Shapiro Capitals largest position, an activist.

Better Option: There are really not any direct comparables but keep an eye on new companies coming public in home security and home automation. SimpliSafe is a current leader in do it yourself home security.

Generac (GNRC) is a \$3.25B maker of power generation equipment and after a couple of years of explosive growth is now just projecting 8-10% EPS growth. GNRC trades 13.8X Earnings, 2.27X Sales and 15.7X FCF and has a very leveraged balance sheet. GNRC sells great products, but the issue is the available market, as the products last 15+ years after install and there is a very small replacement cycle especially in residential which accounts for 51% of sales. In Q3 GNRC missed estimates sharply as power outages were well below average. The Winter this year has been very mild so far and if that continues I would expect that to weigh on GNRC results as well. GNRC has 16.3M shares short, near a 2 year high, and is 24.3% of its float. GNRC is facing lower project spending in Telecom and Oil & Gas that will also weigh on growth, and International acquisitions were poorly times.

Better Option: **Briggs & Stratton (BGG)** is a more diversified power company with a \$924.65M market cap trading 13.88X Earnings, 0.5X Sales and 1.45X Book with a 2.45% yield and 20% EPS growth this year. BGG is also highly shorted with 22.3% of its float, but beat estimates last quarter and sees an improvement in margins, and enters a strong seasonal period in Spring as a leading maker of gasoline engines for outdoor power equipment.

Valmont (VMI) is a \$3.16B producer of fabricated metal products that trades 14.15X Earnings, 0.99X Sales, 2.5X Book and 30.2X FCF with a 1.17% dividend yield. VMI grew EPS 18.3% in 2013 but slowed to just 5.5% growth this year. VMI is an infrastructure play that also has exposure to Utility and Irrigation industries. In October VMI missed earnings expectations in a big way and reduced its outlook. VMI is likely to continue to see issues with economic weakness in Europe and mining weakness in Australia. VMI has 5.47M shares short, 23.9% of its float. Like many of the picks for shorts, VMI has a lot of headwinds for its business in 2015, is seeing slowing growth, and has a history of poor execution.

Better Option: **Mueller Industries (MLI)** is a \$1.92B maker of metal products but with more exposure to plumbing, refrigeration, auto, and aerospace, stronger end-markets. MLI trades 14X Earnings, 0.83X Sales, and 2.45X Book and grew EPS 166% in 2013 and 23% growth projected for 2014, and also has a very strong balance sheet.

The Cheesecake Factory (CAKE) is a \$2.45B casual dining restaurant trading at 20.4X Earnings, 1.25X Sales, 4.64X Book and 42.8X FCF with a 1.33% dividend yield. CAKE grew EPS 18% in 2013 and 15% projected for 2014, slowing to 10-15% the next few years. CAKE trades at a premium valuation yet is only forecasting 1-2% comp sales growth in FY15, and recently cut its FY15 guidance for EPS. The only concern here is that price action remains strong with bad news which is surprising. CAKE has 5.38M shares short, 12.3% of its float. With the move to more healthy living it is a surprise CAKE is still trading at this valuation and the Company has not been posting very strong numbers, so it is due to move back to a more normalized 15X earnings around \$35.

Better Option: Although much of the casual dining sector looks overvalued, **Brinker (EAT)** remains a favorite at 16.7X Earnings, 1.27X Sales and 27X FCF with double digit EPS growth. Same store sales growth at Chili's continues to outperform peers, though exposure to oil producing states is a minor concern. EAT should return to 20% EPS growth in 2016 in a moderating food cost environment.

Lumber Liquidators (LL) is a \$1.73B hardwood flooring retailer trading 21.6X Earnings, 1.67X Sales and 5.5X Book. LL grew EPS 65% in 2013 and that has quickly slowed, and in recent quarters LL has been missing estimates and lowering guidance. LL has weak margins and has executed poorly with inventory control. LL has 5.43M shares short, 20.7% of its float, up from 3.68M shares in July.

Better Option: **Home Depot (HD)** remains the best of breed name in home improvement and at 19.8X Earnings is relative expensive versus historical averages, but continues to post excellent quarters with strong same store sales growth. HD is a powerhouse in retail, and far preferred over LL due to better management.

Delek (DK) is a short pick because I feel Refiners could be in for a rough 2015 but Oil well below the sweet spot for crack spreads, and DK is a smaller leveraged name that should feel the hit. DK trades 11.39X Earnings and 1.54X Book with a 2.21% yield. Refiners are facing margin concerns into 2015 that is sure to weigh on the earnings outlook and send valuations back to trough levels. DK is tied to inland crude differentials in the Midland Basin where spreads are contracting and going to cause earnings deterioration. DK has 2.7M shares short, just 5.6% of its float and institutional ownership in DK fell 2.81% in Q3.

Better Option: **Phillips 66 (PSX)** is the better play, the \$39.9B Co. is more diversified in businesses and trades 10.3X Earnings and 1.85X Book with a healthy 2.77% yield.

Other Names Favor as Shorts: InvenSense (INNV), Time (TIME), Kohl's (KSS), Scripps (SNI), 3D Systems (DDD), Garmin (GRMN), Kate Spade (KATE), Varian (VAR), Mattel (MAT), Cabela's (CAB), Hyatt (H), Dillard's (DDS), Norfolk Southern (NSC), ADTRAN (ADTN), Thermon (THR), NOW Inc (DNO), Discovery (DISCA), GameStop (GME), Diamond Offshore (DO), VMware (VMW), 3M (MMM), Premier (PINC), Whole Foods (WFM)

Top 10 Small Cap Momentum Growth Buys for 2015

Ticker	Company	Mkt. Cap (\$B)	FY15 P/E	P/S	EPS Growth '14	EPS Growth '15	Sales Q/Q	ROE	Op. Margin	1/2 Entry	Full Pos.	Target	Stop
XPO	XPO Logistics	2.77	210.3	1.56	-51.70%	125.00%	241.50%	-11.00%	-3.10%	\$40.50	\$38	\$50	\$35.50
CUDA	Barracuda Networks	1.96	118.09	7.69	33.30%	27.60%	18.90%	-189.5%	-0.20%	\$36.50	\$33	\$47.50	\$30
ZEN	Zendesk,	1.78		16.11	30.90%	19.20%	76.60%	-152.4%	-49.30%	\$23	\$21.50	\$36	\$20
ENV	Envestnet	1.73	45.17	5.3	900.00%	42.27%	26.80%	7.10%	5.80%	\$50	\$47	\$65	\$42.50
TASR	TASER International	1.37	55.36	8.67	25.90%	23.04%	25.90%	20.60%	21.60%	\$24	\$21	\$35	\$18
OMCL	Omniceil	1.18	23.46	2.78	42.60%	15.69%	19.70%	9.30%	11.10%	\$33	\$31	\$40	\$27.50
VDSI	VASCO Data	1.08	30.66	5.95	-33.30%	22.53%	34.20%	13.50%	16.10%	\$27	\$23	\$40	\$21
ANGO	AngioDynamic	0.67	23.37	1.88	550.00%	16.96%	4.40%	0.70%	7.50%	\$18	\$17	\$26	\$16
INGN	Inogen, Inc.	0.56	71.96	5.43	103.40%	40.27%	48.50%	7.90%	9.30%	\$28	\$25.50	\$40	\$22
NLS	Nautilus Inc.	0.46	22.83	1.8	350.00%	19.19%	27.60%	17.70%	10.10%	\$14	\$13	\$18	\$12

XPO Logistics (XPO) is a \$2.77B transportation and logistics Co. operating in three segments. XPO is set to turn profitable in 2014 and entering a period of accelerating EPS growth, and trades 1.56X Sales and 1.86X Book with a lot of cash. XPO also has 18% of its float short at 10.93M shares. In September three institutions invested \$700M of equity into XPO, backing its plans for acquisitions for growth. XPO benefits from strength in trucking and secular trends like e-commerce growth, lean production, automated logistics and outsourcing of logistics. XPO has been active with acquisitions and the recent New Breed purchase should drive more growth in 2015. XPO is 88.73% institutionally owned, rising more than 8% in Q3, and Soros Fund a large holder.

Barracuda Networks (CUDA) is a \$1.96B provider of cloud-connected solutions in security and storage markets, a very hot trend in Tech and CUDA ending 2014 with strong momentum. CUDA trades 7.7X Sales and 6.9X EV/Revenues with a strong balance sheet. CUDA is posting 15%+ CAGR in subscriber rates and renewal rates are nearly 100%. CUDA is positioned in strong growth markets like storage, network security and content security that will translate over to earnings and operates at 80% margins. CUDA is an up and coming player that has moved into new markets and with a \$19B security and \$12B backup market opportunity, plenty of growth ahead. CUDA is only 25.44% institutionally owned, rising 0.94% in Q3.

Zendesk (ZEN) is a \$1.79B SaaS name focusing on customer service that trades 16.1X Sales and 14.55X EV/Revenues, but has been posting very strong growth numbers throughout 2014. ZEN is positioning itself as the new standard in customer service and its products are gaining major traction. ZEN is competing with big players like CRM and ORCL, and may become a nice acquisition target if it continues to steal market share. ZEN has so many growth drivers and operates in a recurring subscription revenue model while expanding its strong customer base. In the last 3 years ZEN has a 112% CAGR with 59% of sales coming from the US. ZEN is only 55.4% institutionally owned, up 1.5% in Q3, so plenty of incremental buyers left in this hyper growth name.

Investnet (ENV) is a \$1.73B provider of wealth management software that trades 45.2X Earnings, 5.3X Sales, 41X FCF and 4.8X EV/Revenues. ENV saw EPS jump 900% in 2013 and 42% growth for FY14 with 25% forward growth projected. ENV is a web-based platform supporting over 36,000 advisors and \$667B in assets with 32% CAGR on accounts and 36% on revenues. ENV is a pure play on the growing independent advice space with visible recurring revenue streams. ENV remains in the early innings of industry penetration which makes it a multi-year growth stock worth owning. ENV is 91.83% institutionally owned, rising 2.3% in Q3.

Taser International (TASR) is a \$1.37B developer of electrical weapons and recently has moved into the hot space of body work cameras, capitalizing on a major trend. TASR trades 55.4X Earnings, 8.67X Sales and 47X FCF, rich, but growing EPS 25-30% annually and entering a new phase of growth as it announces new orders nearly on a daily basis. TASR has no debt and entering a multi-billion dollar Law Enforcement IT industry, also an untapped market Internationally. TASR's valuation is extended, but one it can grow into as a market leader in a strong growth industry. TASR is 69% institutionally owned, rising 1.77% in Q3.

Omniceil (OMCL) is a \$1.18B provider of automated solutions for medication and supply management in healthcare, and the only returning small cap pick from 2014, +30% YTD, but still see ample growth opportunity. OMCL shares trade 23.45X Earnings, 2.78X Sales, 3.15X Book and 49.7X FCF and EPS jumped 42.6% in 2013, 15.5% in 2014, and expected to continue to grow at 15%+ looking forward. OMCL is such a great niche play in a growing market that I am surprised it has not been acquired. OMCL currently serves 34% of hospital beds and its automated and analytic solutions are a strong trend in healthcare and only a 35% penetration rate leaves room for long term opportunity to grow. OMCL is 89% institutionally owned.

VASCO Data Security (VDSI) is a name I have been invested in for a long time and even after rising 250% in 2014, still ample opportunity for upside. The \$1.08B leader in server authentication trades 30.66X Earnings, 5.95X Sales and 33.7X FCF and has been posting impressive quarters throughout 2014, another name that would be a perfect niche acquisition for a larger Tech Co. and would come at a hefty premium. More than half the top 100 global banks rely on VDSI and it has growth markets in mobile and cloud that are largely untapped. Security breaches made a lot of news in 2014 and continues to be a major investment theme into 2015 as companies seek protection of sensitive data. VDSI has several large projects kicking in as 2015 approaches and is in the midst of a major refresh cycle. VDSI is only 50.8% institutionally owned, up 1% in Q3, room for a lot more institutional buyers.

Angio-Dynamics (ANGO) is a \$670M maker of medical, surgical and diagnostic devices in cardiovascular diseases and caught my eye in 2014 after posting a few impressive quarters. ANGO trades 23.37X Earnings, 1.88X Sales and 1.24X Book and turned profitable in 2014 after two years of not being profitable, and targeting 15%+ EPS growth. ANGO is recognized as a leader in innovative image guides minimally invasive surgeries and did 80% of sales in the US last year. ANGO has a disruptive VTE technology that is meeting a largely unmet market. ANGO is also a leader in laser vein treatment. ANGO is an exciting small cap play in medical devices with ample growth opportunities moving forward and recent comments on margin expansion can boost the

multiple on the stock. ANGO is 67.9% institutionally owned, rising 2.82% in Q3 as Deerfield Mgmt. and Partners Group took new large stakes.

Inogen (INGN) is a recent discovery of mine at \$25 and shares now up nearly 100% on the year but a Company that is a real exciting growth name that is not very well known. The \$560.4M provider on oxygen concentrators trades 72X Earnings, 5.43X Sales, 4.83X Book and 47.9X FCF and turned profitable in 2013 and grew EPS another 40% in 2014 with 20%+ forward growth projected. INGN is a play on the aging baby boomer theme and is a market leader in a large, growing market. INGN delivered a CAGR of 47.8% from 2009 to 2013 and patient numbers grew 39.6% in 2014 from 2013 while also posting a strong rise in margins. The one risk in INGN is that it has 25% sales exposure to Medicare, but all expectations are for those contracts to be renewed in 2015. INGN is 60% institutionally owned, rising 7.37% in Q3.

Nautilus (NLS) is a \$461.8M maker of consumer fitness products, a play on the healthy living trend. NLS trades 22.8X Earnings, 1.8X Sales, 4.6X Book and 32.5X FCF. NLS grew EPS 350% in 2013 and currently in a 15-20% EPS growth mode. NLS has been posting excellent results throughout 2014 and is positioned as a brand leader across fitness markets with Bowflex, Nautilus, Universal, and Schwinn. The fitness market is large and NLS is only a 2% market share holder, but new products, specifically innovative technology in products, can start a multi-year growth cycle. New products are set to fuel top line growth, margin improvements and cash flow. NLS is 69.8% institutionally owned, rising 1.08% in Q3.

Top 10 Small Cap Value for Growth Buys for 2015

Ticker	Company	Mkt. Cap (\$B)	FY15 P/E	P/S	EPS Growth '14	EPS Growth '15	Sales Q/Q	ROE	Op. Margin	1/2 Entry	Full Pos.	Target	Stop
HTLD	Heartland Express	2.4	23.68	2.83	16.90%	17.43%	66.20%	21.90%	10.40%	\$26	\$25	\$35	\$22
HNI	HNI Corp.	2.25	20.42	1.07	29.90%	25.66%	8.70%	17.60%	6.00%	\$48	\$46	\$60	\$41
TNET	TriNet Group, Inc.	2.19	22.5	1.06	-50.00%	24.27%	24.10%	-5.70%	4.30%	\$31	\$29.50	\$40	\$27.50
HAWK	Blackhawk Network	2.07	21.39	1.58	9.70%	44.88%	30.60%	21.30%	5.50%	\$37	\$35	\$50	\$32
SMCI	Super Micro	1.65	17.75	1.03	141.70%	8.18%	43.50%	16.50%	6.20%	\$32	\$28	\$45	\$24
LXFT	Luxoft Holding	1.27	14.79	2.97	28.20%	22.93%	34.00%	37.70%	14.90%	\$38	\$36	\$55	\$33
SYRG	Synergy Resources	1.03	18.51	9.9	131.30%	47.38%	146.90%	11.00%	41.70%	\$12.50	\$11	\$19	\$9
LDL	Lydall	0.56	16.91	1.09	15.20%	41.85%	36.90%	9.70%	6.20%	\$31	\$28.50	\$40	\$25
XCRA	Xcerra Corp	0.5	10.7	1.17	108.00%	48.70%	287.80%	6.10%	4.70%	\$8.75	\$8	\$15	\$7
CSCD	Cascade Microtech	0.24	19.63	1.76	111.90%	25.08%	18.80%	14.40%	10.20%	\$14	\$13.50	\$20.50	\$12.25

Heartland Express (HTLD) is a \$2.41B short-to-medium-haul truckload carrier that transports appliances, auto parts, consumer products and retail goods in the US and Canada. HTLD shares trade 23.7X Earnings, 2.83X Sales, and 5.28X Book with a small 0.29% dividend yield. HTLD has grown EPS in the 15-20% range the last two years and targeting 12-15% EPS growth forward. Despite challenges in the trucking industry for availability of qualified drivers, the industry is strong into yearend on the advantages of lower fuel costs. Last quarter HTLD noted that load turn downs was the highest it has seen since before the recession, so economic strength in the US is also a positive tailwind. Institutional ownership in HTLD rose 2.76% in Q3 and it is only 53% institutionally owned. Notable gurus Fisher Asset Mgmt. and First Pacific Advisors are large holders. A snapshot of the truckers below shows HTLD is a high margin player, and deserves the premium valuation. Old Dominion (ODFL) is a great mid-cap in this industry to own as well.

Ticker	Company	EPS Current Quarter Estimate Trends	EV / EBITDA	Price / Book	Price / Ear...	Price / Sales	Operating Margin	Return on Equity	Return on Assets	Sales 1-Year Chg (%)	EPS 1-Year Chg (%)	EPS Next-Year Chg (Est.%)
ODFL	Old Dominion Freight Lns		12.7	4.7	27.7	2.6	15.1%	17.1%	11.2%	16.7%	22.9%	18.9%
JBHT	JB Hunt Transport		12.2	8.6	28.3	1.7	10.0%	30.7%	11.3%	10.7%	8.0%	16.4%
KNX	Knight Transportation		11.8	4.4	31.0	2.7	13.7%	14.4%	10.0%	7.6%	30.7%	16.1%
HTLD	Heartland Express		10.6	5.3	30.4	2.8	14.6%	17.3%	10.5%	59.2%	10.4%	17.2%
SAIA	Sala		10.3	3.9	29.9	1.1	6.4%	13.3%	6.8%	10.5%	11.7%	38.8%
ARCB	ArcBest		7.5	2.2	28.6	0.5	2.4%	7.6%	3.7%	11.9%	-	53.8%
WERN	Werner Enterprises		7.0	2.8	25.8	1.1	6.8%	11.0%	6.1%	4.1%	-1.6%	19.5%
CNW	Con-way		6.2	2.2	22.7	0.5	4.5%	9.8%	3.7%	4.4%	22.7%	20.8%

HNI Corp (HNI) is a \$2.26B maker of office furniture and hearth products, an industry seeing a lot of earnings strength in recent quarters. HNI trades 20.4X Earnings, 1.07X Sales and 5.17X Book with a 1.97% dividend yield. HNI posted 29.9% EPS growth in 2013, set for another 25% in 2014, and looking for 15-20% 3-5 year CAGR. HNI derives 80% of revenues from office furniture which as strong trends with more small and medium businesses in better positions with the economic and wage growth. Small business confidence remains near the 15 year average but rising and service sector employment is increasing. HNI's heart products account for the other 20% of revenues and are a play on both new construction and remodeling. HNI recently announced a \$200M buyback and also has a strong dividend yield. HNI is 66.27% institutionally owned, down 0.44% in Q3. HNI is a strong growth play and operates better than peers, though as the peer snapshot below shows, Steelcase (SCS) is another quality small cap growth name in this industry.

Ticker	Company	EPS Current Quarter Estimate Trends	▲ EV / EBITDA	Price / Book	Price / Ear...	Price / Sales	Operating Margin	Return on Equity	Return on Assets	Sales 1-Year Chg (%)	EPS 1-Year Chg (%)	EPS Next-Year Chg (Est.%)	Foreign Sales (%)
SCS	Steelcase		9.1	3.3	22.9	0.7	5.9%	14.5%	5.8%	4.9%	175.9%	35.3%	32%
HNI	HNI		13.3	5.1	30.1	1.1	5.7%	17.6%	6.4%	3.5%	32.2%	25.8%	-
KNL	Knoll		15.2	4.3	28.7	1.0	5.7%	14.8%	4.2%	12.8%	-12.7%	24.3%	13%
MLHR	Herman Miller		97.7	4.5	-	0.9	-1.4%	-4.9%	-1.6%	5.6%	-	21.1%	25%

TriNet Group (TNET) is a \$2.19B provider of human resource services to small and medium-sized businesses, a small player in an industry dominated by ADP and PAYX. TNET trades 22.5X Earnings, 1.06X Sales and 18.9X FCF with a 20-25% EPS growth outlook, an exciting new play that is in a hot industry with improving employment, small business confidence and the likelihood of rising interest rates. TNET posted a beat and raise in Q3 and is in a position to continue to steal market share from the larger players. TNET is 75.3% institutionally owned and that rose 1.42% in Q3. TNET needs to show operational improvements, but trades cheap versus peers on valuation metrics considering its outsized sustainable growth rate.

Ticker	Company	EPS Current Quarter Estimate Trends	▲ EV / EBITDA	Price / Book	Price / Ear...	Price / Sales	Operating Margin	Return on Equity	Return on Assets	Sales 1-Year Chg (%)	EPS 1-Year Chg (%)	EPS Next-Year Chg (Est.%)	Foreign Sales (%)
NSP	Insperty		11.4	3.5	35.1	0.4	1.8%	9.8%	3.2%	3.9%	-30.5%	19.1%	2%
TNET	Trinet Group		14.7	-	-	1.1	4.2%	-23.1%	0.8%	-	-	23.9%	-
PAYX	Paychex		14.8	9.4	26.6	6.6	38.5%	35.5%	10.4%	10.1%	10.7%	8.7%	-
ADP	Automatic Data		15.1	7.1	26.7	3.3	18.1%	25.4%	4.9%	3.8%	4.5%	13.0%	19%

Blackhawk Network (HAWK) is a \$2.07B provider of prepaid products and payment services. HAWK shares trade 21.4X Earnings, 1.58X Sales and 30.78X FCF. HAWK EPS rose 9.7% in 2013 and accelerated to 45% growth in 2015, and a 20-25% forward EPS growth outlook. HAWK has the broadest gift card selection in the industry and should see a Holiday boost. Between Incentive/Reward Cards, Prepaid Telecom, Gift Cards, and Reloadable Cards HAWK has a very large addressable market. HAWK is also seeing major growth in International markets. HAWK should be able to announce a number of new strategic partnerships in 2015 that will also be a boost to revenues. HAWK is only 26.82% institutionally owned, down 0.9% in Q3.

Super Micro Computer (SMCI) is a \$1.65B provider of high performance server solutions for cloud computing, enterprise IT, big data, and data centers. SMCI is a name I have discussed for a long time with shares already more than doubling since initial discovery, but it continues to post fantastic growth numbers and would make an excellent acquisition target as a player in all of the strong secular trend markets. SMCI trades 17.75X Earnings, 1.03X Sales, 3.28X Book and has a strong balance sheet. In 2014 SMCI grew EPS 140% and has a 15-20% growth outlook for the next 3-5 years. SMCI continues to see strong growth in Storage, Twin, GPU, MicroCloud and Switch and operating margins have risen the last 5 quarters. SMCI should also see a ramp from the Intel Grantley server cycle the next 12-18 months. SMCI is 67.4% institutionally owned.

Luxoft Holding (LXFT) is a \$1.27B enterprise software Co. trading 14.79X Earnings, 2.97X Sales and 7.78X Book with 20% EPS growth. LXFT cam public in June of 2013 and shares have risen more than 100%. LXFT does 44.9% of sales in North America and 39.9% in Western Europe, so the emerging market exposure is a modest concern into early 2015. LXFT reported Q2 results in November and crushed estimates with a 28% rise in revenues. LXFT is only 19.78% institutionally owned and that rose slightly in Q3.

Synergy Resources (SYRG) is a \$1.03B Oil & Gas Company that has avoided the broader sell-off in the group in Q4, an operator in Colorado, Wyoming, Kansas and Nebraska. SYRG trades 18.5X Earnings, 3.59X Book and operates with very little leverage. SYRG is focused on the Wattenberg Area and will be completing 35 new horizontal well drillings by March 2015. SYRG is a top production growth play and potential for major reserves upside without having all of the debt that many of these names have, and the reason they have come under pressure. SYRG is 68.73% institutionally owned.

Lydall (LDL) is a \$555.3M maker of specialty engineered products in various industries. LDL trades 16.9X Earnings, 1.09X Sales, 2.53X Book and 15X FCF. LDL grew EPS 15.2% in 2013, 40% projected for 2014, and 15% forward growth outlook. LDL is also seeing rising operating margins due to new product development and better product mix. LDL generates around 52% of revenues from the automotive industry while filtration/insulation also makes it a player in life sciences markets. LDL is a global leader of industrial air filtration bags as well. LDL is 89.3% institutionally owned and that rose 2.26% in Q3.

Xcerra Corp (XCRA) is a \$498M maker of test equipment in the Semiconductor market. XCRA trades 10.7X Earnings, 1.17X Sales, 1.76X Book and 29.1X FCF and just 3.39X cash value. XCRA turned profitable in 2014 and is projecting 15%+ forward EPS growth, a Company that earned \$1.22 back in 2011. XCRA will see new opportunities as adoption of new products ramp and it is positioned in top growth markets. Semiconductor Test Solutions account for 85% of sales and is an area where the options market has positioned for upside in peers. XCRA institutional ownership rose 14.67% in Q3, a small growth player in a strong industry that can take market share and potentially be an acquisition target.

Cascade Microtech (CSCD) is a \$237.2M maker of wafer probing, thermal and reliability solutions in testing of Semiconductor devices. CSCD shares trade 19.6X Earnings, 1.76X Sales, 2.3X Book and 19.77X FCF, undervalued for a Company that grew EPS 111.9% in 2013, 25% in 2014 and targeting 20% forward EPS growth. Consumer trends in wireless devices, computing devices and green power devices are fueling growth opportunities for CSCD's products. CSCD is 54.94% institutionally owned, up 3.89% in the latest quarter.

Top International Stocks to Own In Each Sector for 2015

Ticker	Company	Mkt Cap (\$B)	FY15 P/E	PEG	P/B	EPS Growth	ROE	Operating Margin	1/2 Entry	Full Pos.	Target	Stop
IOSP	Innospec	1.04	13X	1.08	2.28	10-15%	19.6%	10.5%	\$42	\$40	\$52.50	\$35
TVPT	Travelport Worldwide	2.15	19.35X	1.71	-	30%	-8.2%	8.4%	\$16.50	\$15	\$25	\$13.75
ESGR	Enstar Group	2.94	11.36X	1.09	1.33	20%	12.3%	42.4%	\$145	\$135	\$200	\$120
ICLR	ICON PLC	3.2	16X	1.31	3.22	15-20%	15.1%	11.6%	\$50	\$47.50	\$60	\$45
CSTE	Caesar-Stone	2.11	21.4X	1.39	6.99	20-25%	23.2%	20.3%	\$60	\$55	\$77	\$50
CMPR	Cimpress N.V.	2.47	16.75X	1.91	11.58	20%	27.4%	7.6%	\$70	\$65	\$90	\$60
CRTO	Criteo SA	2.44	35.8X	2.3	6.13	45%+	8.1%	4.5%	\$40	\$38	\$55	\$35
EOC	Empresa National	12.36	15.8X	-	2.71	20.5%	12.9%	38.5%	\$43.50	\$41	\$55	\$38

Basic Materials: **Innospec (IOSP)** - United Kingdom - A \$1.04B specialty chemicals Company trading 13X Earnings, 1.14X Sales, 2.28X Book and 21.1X FCF with a 1.31% dividend yield and very healthy balance sheet. IOSP is a steady 10-15% EPS grower and diversified business segments with Fuel Specialties, Performance Chemicals, and Oilfield Specialties. In Q3 IOSP reported 18% revenue growth and 38% EBITDA growth and IOSP has been active with strategic acquisitions. Institutional ownership in IOSP rose 1.92% in Q3.

Consumer Goods: **Travelport Worldwide (TVPT)** - United Kingdom - A \$2.15B travel commerce Company trading 19.35X Earnings, 1.01X Sales and yielding 1.69%. TVPT is the third largest player in the global distribution systems (GDS) market, and will need to improve margins versus peers to please investors and also is in the process of reducing debt. TVPT is growing key metrics and is a unique play on the travel industry. On 11-4 UBS started shares Buy with a \$17 target, though notes profit declines for 2015 due to contract transition headwinds, but has earnings leverage. TVPT was bought into by 55 funds in Q3 including Silver Point Capital and Soros Fund.

Financials: **Enstar Group (ESGR)** - Bermuda - The \$2.94B manager of run-off in insurance and reinsurance trades 11.36X Earnings, 3.96X Sales, 1.33X Book and 5.88X FCF. ESGR is growing EPS at 22%+, impressive in this industry. ESGR has steadily been growing its book value per share since 2006 and been actively acquiring assets. ESGR had a transformative period in 2013 and 2014 with 4 key acquisitions. ESGR is not well known and lacks much coverage, but is a quality value for growth play in Financials.

Healthcare: **ICON Public (ICLR)** - Ireland - The \$3.2B provider of development services to the healthcare industry trades 16X Earnings, 2.27X Sales, 3.22X Book and 31.2X FCF. ICLR saw EPS surge 79.3% in 2013 and now targeting 15-20% EPS growth. ICLR has grown gross margins every one of the last 5 quarters. In Q3 backlog jumped 19% after more strong business wins, though there are some concerns over customer concentration noted by Barclays in an October downgrade though raised its target to \$58. ICLR would make an excellent acquisition target if tax inversion deals were to come back into play.

Industrial: **Caesar-Stone Sdot-Yam (CSTE)** - Israel - The \$2.11B maker of quartz surfaces for countertops and other applications trades 21.4X Earnings, 5.24X Sales and 7X Book. CSTE grew EPS 48.8% in 2013 and targeting 20-25% forward EPS growth. CSTE generates 55% of sales from North America and Quartz only has a 8% sales penetration rate, but is the fastest growing surface and has a significant opportunity for growth in the US, a play off the strong housing remodel cycle. CSTE also has been steadily growing margins. CSTE continues to beat earnings expectations and raise its outlook, a top growth name that deserves a significant premium valuation to peers. Institutional ownership in CSTE rose 2.4% in Q3.

Consumer Services: **Cimpress (CMPR)** - Netherlands - The \$2.47B supplier of marketing products to micro businesses worldwide trades 16.75X Earnings, 1.86X Sales and 20.86X FCF. CMPR grew EPS 50.6% in 2014 and targeting 20% forward EPS growth. CMPR recently announced the repurchase of 6.4M shares, and was formerly known as Vista-Print. CMPR is investing in a mass customization platform to transform the industry. In Q3 CMPR grew revenues 21% y/y and EPS rose 87%. CMPR should be a strong beneficiary of small business growth.

Technology: **Criteo SA (CRTO)** - France - The \$2.44B Internet display advertising Co. trades 35.8X Earnings, 3.08X Sales and 6.13X Book. CRTO is growing EPS 45%+ and coming off a very strong Q3 with 70.9% revenue growth and 71.4% EBITDA growth. CRTO has often been discussed as a potential takeover target for Publicis. CRTO is growing rapidly in a hot areas as it scales data to better personalize interactions with Internet shoppers. On 8-6 Jefferies raised its target on CRTO to \$55. Institutional ownership in CRTO rose 7.25% in Q3, but only at 35.87% ownership overall, so a name that can see a lot of incremental buying.

Utility: **Empresa Nacional Electric (EOC)** - Chile - The \$12.36B South American electricity Co. trades 15.8X Earnings, 3.5X Sales and 2.7X Book with a 4.25% dividend yield and strong EPS growth rarely seen with Utility stocks. EOC uses Hydro for the majority of its electricity generation, then Oil & Gas, and some Coal as well. Latin American electricity demand is growing steadily across the region and new projects are expected to boost its installed capacity by 22%. EOC is a rare combination of value, growth and yield in a growing market for a low growth industry.

Diversified Portfolio of 15 High Yield Stocks to Own for 2015

Ticker	Company	Sector	Mkt. Cap (\$B)	FY15 P/E	P/B	Dividend Yield	EPS Growth	ROA	1/2 Entry	Full Pos.	Target
PFE	Pfizer	Healthcare	198.1	14.1X	2.55X	3.56%	-1%	18.7%	\$30.50	\$29	\$35.50
UN	Unilever	Consumer Goods	122	17.95X	6.54X	3.64%	7.6%	20.9%	\$39	\$36	\$45
SNY	Sanofi	Healthcare	121.45	14.1X	1.88X	4.17%	1.88%	4.2%	\$45	\$42	\$60
OXY	Occidental Petro	Basic Materials	64.3	22.7X	1.48X	3.47%	-39.5%	10.1%	\$80	\$72.50	\$95
ABB	ABB Ltd.	Industrials	49.77	15.2X	2.88X	3.57%	19.6%	5.1%	\$21.50	\$20	\$29.50
LYB	LyondellBasell	Basic Materials	41.15	9.28X	4.25X	3.41%	4.57%	16.9%	\$78	\$70	\$105
TRI	Thomson Reuters	Consumer Services	32.54	18.4X	2.14X	3.24%	17.2%	1.3%	\$39.50	\$38	\$45
POT	Potash Corp	Basic Materials	29.65	16.97X	3.38X	3.92%	16.3%	7.7%	\$35	\$33	\$42.50
CA	CA Tech	Tech	13.94	12.5X	2.4X	3.19%	2.5%	6.9%	\$30	\$28.50	\$38
COH	Coach	Consumer Goods	10.25	18.2X	4.2X	3.19%	2.5%	18.9%	\$35.50	\$33	\$42.50
CINF	Cincinnati Financial	Financial	8.56	19.5X	1.34X	3.36%	3.07%	2.7%	\$51	\$49.50	\$60
TX	Ternium	Basic Materials	3.55	6.1X	0.65X	4.24%	5.6%	4.9%	\$17.50	\$15	\$24
CLNY	Colony Financial	Financial	2.68	13.4X	1.04X	6.06%	17.8%	3.6%	\$24	\$23	\$30
WGL	WGL Holdings	Utility	2.64	18.4X	2.19X	3.31%	6.06%	2.3%	\$50.50	\$47	\$57.50
LXK	Lexmark	Tech	2.58	10.73X	1.92X	3.44%	-5%	6%	\$41.50	\$39	\$48

Top 5 High Beta Stocks for 2015

Ticker	Company	Industry	▼ Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS next 5Y	Sales past 5Y	Sales Q/Q	Gross M	Perf YTD
NOW	ServiceNow, Inc.	Information Technology Services	10.32B	353.15	16.92	24.41	156.80	-5.90%	322.20%	49.23%	85.60%	60.60%	63.30%	24.21%
ACHC	Acadia Healthcare Company, Inc.	Specialized Health Services	3.75B	30.54	4.17	4.18	-	62.30%	34.01%	28.30%	86.60%	59.40%	-	32.22%
WAGE	WageWorks, Inc.	Management Services	2.28B	56.59	9.33	8.52	41.92	87.90%	20.38%	15.00%	16.20%	26.90%	62.80%	8.53%
TRUE	TrueCar, Inc.	Internet Service Providers	1.83B	193.25	9.55	8.31	-	66.70%	300.00%	-	-	51.50%	91.30%	130.52%
AMBA	Ambarella, Inc.	Semiconductor Equipment & Materials	1.56B	26.04	8.04	7.35	33.91	41.70%	9.68%	28.20%	30.50%	42.80%	63.70%	51.46%

Service-Now (NOW) makes this list for the second consecutive year as my favorite play in the strong cloud/SaaS secular trends. NOW has a \$10.3B market cap and is posting impressive growth quarter after quarter, an early stage Tech growth Company that will grow into its valuation as it addresses an estimated \$45B market opportunity. NOW continues to gain traction in large customer accounts and is seeing average revenue per customer rise quarter after quarter. NOW did \$678M in sales for FY14 and expects \$950M in FY15, and by 2020 estimates calling for \$4B, so a lot of growth remaining. As cloud adoption continues to grow NOW is positioned as a leader to capitalize on this trend. RBC and Goldman each recently reiterated Buy ratings with \$80 targets on NOW, and expect price targets to rise as NOW keeps beating Analyst estimates. On the chart NOW shares are ready to emerge to new highs out of a large range that projects a move to \$90 by the end of 2015, solid 28.5% upside, and much more over the long term.

Acadian Healthcare (ACHC) is a \$3.75B operator of inpatient psychiatric facilities, treatment centers, group homes and substance abuse facilities. ACHC shares trade 30.54X Earnings, 4.17X Sales, and 4.18X Book, premium valuation, but EPS expected to grow 25-30% yearly. ACHC is the leading pure play on US Behavioral Healthcare Services which has seen a lot of media attention and is in a multi-year growth cycle. In October ACHC acquired CRC for \$1.175B. Deutsche Bank upgraded shares to Buy with a \$72 target after the deal announcement convinced ACHC will continue to operate as a high growth Company. In Q3 ACHC posted better than expected results and guidance, 59.4% Y/Y revenue growth. On the chart ACHC shares had a significant breakout at the \$52.50 level and now in the early stages of another sharp leg higher with an \$85 measured move target, 36% higher from current levels.

Wage-Works (WAGE) is a \$2.28B provider of consumer benefit program to employees such as flexible spending plans, and rising wages and employment is a tailwind for shares. WAGE shares trade 56.6X Earnings, 7.1X EV/Revenues and 41.9X FCF. WAGE has a large market opportunity with only 30% of employers offering commuter benefits, and HSA accounts continue to grow sharply, a 46.6% CAGR 2010-2012. In Q3 WAGE beat estimates and generated 26.9% revenue growth year/year and an August deal for CONEXIS is expected to be accretive. On 12-19 Needham reiterated a Buy rating with a \$65 target. Institutional ownership in WAGE rose 5.7% in Q3. WAGE shares recently broke out of a large weekly bull flag that project a move to \$75-\$80, well above its late 2013 high.

True-Car (TRUE) is a \$1.83B Internet-based technology and services Company that is changing the way people buy both used and new cars. TRUE trades 9.55X Sales, 8.3X Book and 7.86X EV/Revenues. In Q3 TRUE posted 51% year/year revenue growth and also posted strong revenue per franchise dealer growth. On 11-20 RBC upgraded TRUE to Outperform with a \$23 target. Institutional ownership in TRUE rose 4.37% in Q3 with 37 new fund positions. TRUE is an early stage growth Co. in a strong market with the opportunity to truly be a disrupter. On the chart TRUE shares are setting up for a run above \$24 resistance which would target a move to \$32.50, a quality return.

Ambarella (AMBA) is a \$1.56B semiconductor for HD video and has been posting very strong earnings throughout 2014. AMBA trades 26X Earnings, 8X Sales, and 33.9X FCF. AMBA has also caught the eyes of short sellers with 26.2% of its float short at 7.43M shares, but with valuation not absurd and its chips in the hot spot of so many new products set to be released, they seem way too early on this growth story. AMBA is on the forefront of the wearable technology trend, participating in the strong automotive cycle, and a player in security where new technology solutions are taking over. On 12-5 Pac-Crest raised its target on AMBA to \$70. AMBA is well positioned to capitalize on major Tech trends and at this market cap would also make a very attractive takeover target for a larger Semi. Institutional ownership in AMBA rose 9.36% in Q3 and it is only 50.76% institutionally owned at this point, so plenty of incremental buyers left.

8 Contrarian Stock Picks for 2015

(High Short Float with Strong Business Trends & Growth at a Reasonable Price)

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	Sales Q/Q	Gross M	Perf YTD
RMD	ResMed Inc.	7.84B	19.55	4.97	4.77	50.11	13.80%	12.03%	6.30%	63.30%	22.02%
JBLU	JetBlue Airways Corporation	4.49B	12.60	0.78	1.87	118.03	30.00%	78.10%	6.00%	51.40%	79.98%
RH	Restoration Hardware Holdings, Inc.	3.82B	32.20	2.17	5.97	-	212.50%	27.24%	22.50%	36.90%	43.24%
SKX	Skechers USA Inc.	2.93B	16.09	1.30	2.72	24.59	468.40%	28.65%	30.70%	44.90%	70.48%
INSY	INSYS Therapeutics, Inc.	1.59B	27.23	8.10	10.82	60.50	181.00%	48.00%	99.70%	88.80%	75.67%
FLT	Fleetmatics Group PLC	1.45B	30.05	6.66	6.11	159.34	64.00%	34.10%	30.50%	75.20%	-11.19%
USNA	USANA Health Sciences Inc.	1.27B	15.26	1.70	6.66	14.66	24.90%	15.02%	10.50%	81.70%	36.58%
AMAG	AMAG Pharmaceuticals, Inc.	975.72M	8.62	10.51	4.93	-	43.60%	2942.10%	18.10%	87.20%	81.92%

ResMed (RMD) is a \$7.9B maker of medical devices for respiratory disorders, focused on sleep-disordered breathing. RMD shares trade 19.74X Earnings, 5X Sales and 4.8X Book with a 1.97% yield. RMD has been growing earnings steadily and still targeting 12% EPS growth. RMD is a high margin Company with 62.4% gross margins and generates 54% of revenues from the Americas and 35% from Europe, just 11% from Asia with room for growth. RMD is targeting emerging markets like China, India and Brazil and plans on new business in monitoring heart failure and COPD. RMD is a highly shorted stock with 30.44M shares short, 22.1% of its float. The reason for the elevated short interest is allegations of accounting fraud, but there have been very little details. RMD is only 50.39% owned by institutions, but showing technical strength into yearend making a new all-time high, a short-squeeze candidate as earnings continue to come in strong. RMD shares are extended currently with optimal entry closer to \$53 while expecting a move to \$60 to \$65.

Jet Blue (JBLU) is a \$4.5B regional airliner trading just 12.6X Earnings, 0.78X Sales, and 1.88X Book. JBLU grew EPS 30% in 2013 and projecting 78% growth in FY15 and 35%+ 3-5 years forward, a powerful earnings cycle. JBLU is in a top industry into 2015 and will benefit from lower fuel costs. JBLU has 44.3M shares short, 18.2% of the float, though down from 54M shares in July and shorts appear to be starting to cover. On 12-15 Deutsche Bank reiterated a Buy with a \$21 target while Imperial Capital on 12-10 put on a \$22 Street high target. JBLU is seeing investor optimism with an expanded route network, increased ancillary revenue, and aircraft upgrades. On the chart JBLU shares are flagging just below a new high and in a strong uptrend. JBLU is a name to target 50% upside to \$22.50, though optimal entry is likely closer to \$13 where shares can re-test a former breakout.

Restoration Hardware (RH) is a \$3.8B high-end home furnishings retailer that trades 32X Earnings, 2.16X Sales and 5.94X Book. RH is targeting 25-30% forward EPS growth and is a top growth play in retail, posting 20%+ comps in its latest quarter. RH has 10.87M shares short, 33.5% of its float, and at a new high. On 12-11 Deutsche Bank raised its target on RH to \$100 and Nomura up to \$110. RH also posted better than expected margins last quarter and is targeting 30-35% square footage growth in 2015. Institutional ownership in RH rose 13% in Q3 and it is the 12th largest holding for Tiger Consumer Mgmt. RH shares recently broke out to new highs and this leg of the move should target a run to \$120, and a move back to \$90 trend support would be optimal entry. The shorts in RH look misplaced, a major growth opportunity, strong technicals, valuation not exorbitant, and strong institutional ownership trends.

Skechers (SKX) is a \$2.89B footwear Company that has reinvented itself in 2014 with shares +65%. SKX trades 15.85X Earnings, 1.28X Sales, 2.68X Book and 24.2X FCF and targeting 20% forward EPS growth. SKX has 6.79M shares short, 16.6% of its float, and that is up from 1.7M shares in September to a 2 year high. On 10-30 SKX was started Overweight with a \$73 target at Morgan Stanley. SKX is coming off another strong quarter in Q3 easily beating Street estimates and posted 30% revenue growth, a stand-out among retail in general, and in the strong footwear industry. Institutions own 72% of SKX shares, down 4.5% in Q3. On the chart SKX recently put in a lower high at \$62, so some weakness showing up in technicals, but a powerful longer term trend. The 8 month EMA has been supportive, so a close below \$52 would be an easy exit signal, while upside valuation can be realized at \$70.

INSYS Therapeutics (INSY) is a \$1.49B commercial stage specialty pharmaceutical Company and markets Subsyst for pain treatment in cancer patients and Dronabinol Oral Solution for treatment of chemotherapy-induced nausea and vomiting. INSY trades just 25.6X Earnings, 7.6X Sales and 57X FCF after jumping EPS to a major profit in 2013, and set to grow 25%+ forward. INSY has 6.77M shares short, 65.4% of its float due to a short-seller attack, though relatively flat the last few months. Piper recently named INSY a top small cap play for 2015 with a \$64 target. INSY trades cheap and has plenty of pipeline upside potential. Institutional ownership in INSY jumped 12% in Q3 and Tiger Global and Point72 are notable large holders. INSY shares recently started to breakout and targeting a move back to 2013 highs and likely well beyond. INSY shares are buyable at \$40 and below with at least \$60 for a target, a strong 50% upside.

Fleetmatics (FLTX) is a \$1.47B Ireland based SaaS provider for fleet management solutions. FLTX trades 30.44X Earnings, 6.75X Sales, and 6.2X Book. FLTX grew EPS 64% in 2013 and projects 30%+ EPS growth in 2015 and 25% forward, an impressive growth play as a niche software name that could attract takeover interest. FLTX is hitting an underpenetrated market and generating 40% revenue growth consistently. FLTX has 8.4M shares short, up from 6.5M shares in July and at a 2 year high, 22.5% of its float. On 12-5 Barclays raised its target for FLTX to \$47 with an Overweight rating. FLTX is coming off another beat and raise quarter and strength was driven by SMB deals and adoption of WORK. FLTX continues to eye International expansion as another growth driver. On the chart FLTX shares are regaining momentum after a downtrend from mid-2013 to mid-2014, eyeing a return to \$50+ highs, and the recent break above \$37.50 does target a move to \$50. FLTX near \$37 is a great buy with \$33.50 a stop, and upside target of \$50, while the most meaningful upside may come in the event of a takeover.

USANA Health Sciences (USNA) is a \$1.27B maker of nutritional and personal care products that trades 15.2X Earnings, 1.69X Sales and 14.6X FCF. USNA grew EPS 24.9% in 2013 and 15% growth seen for FY14. USNA has 1.86M shares short which is 40.9% of its float, though short interest has been trending lower since 2013. On 10-30 Canaccord raised its target on USNA to \$100 noting challenging growth in the US but strength in Asia. USNA is an attractive growth name with a strong cash holding and no debt. USNA shares recently caught fire after clearing \$80, a consolidation pattern that gives an upside target of \$125. USNA can be bought with confidence near \$100 and look for a 25% upside move.

AMAG Pharmaceuticals (AMAG) is a \$959M specialty Pharma Co. most known for its Feraheme, a replacement therapy for iron deficiency anemia in adults with chronic kidney disease. In September AMAG announced an acquisition of Lumara which diversified its revenue stream and is a big move into women's health. AMAG is trading 8.5X FY15 EPS estimates after not being profitable through 2013, and trades 4.85X Book. AMAG has 5.96M shares short, 42.8% of its float, and near a 2 year high. On 9-30 Jefferies raised AMAG to Buy with a \$40 target. Institutional ownership in AMAG rose more than 6% in Q3 and saw a lot of new funds buy into the stock after its acquisition made it much more attractive. AMAG shares have been on a strong run but under heavy accumulation so a name to expect the dips to be shallow, so \$40 optimal entry, and at 12X FY15 earnings this stock can easily trade north of \$60.

12 Hidden Gems for 2015 (Value and Growth Trading < 100K Shares/Day)

Neenah Paper (NP) is a \$958M producer of specialty paper products that trades 16X Earnings, 1.08X Sales and 3.27X Book with a 1.87% dividend yield. NP grew EPS 24.9% in 2013 and targeting 10%+ growth the next few years as well. NP's revenues are fairly evenly split between Technical Products and Fine Paper. The fine paper division focuses on Cosmetics, Alcohol, high-end retail, and electronics, the latter showing the best growth due to trends such as wearable's. NP shares traded in a narrow channel up pattern through 2014 and currently are consolidating above its 20 week EMA with a set-up for a run to new highs at \$65. NP beat Q3 EPS estimates by more than 10% as sales rose 8% and filtration remains a strong business segment. NP is also integrating a June acquisition of Crane Technical Materials for \$72M and recently raised its dividend 11%.

Park-Ohio Holdings (PKOH) is a \$759M Industrial that operates in three segments: Supply Technologies, Assemble Components, and Engineered Products. PKOH trades 11.7X Earnings, 0.58X Sales, and 22.2X FCF with a 0.82% yield. PKOH grew EPS 17% in 2013 and 21% expected growth for 2014, while 3-5 year CAGR at 10-15%. PKOH serves automotive, aerospace, and construction/agricultural equipment industries for the most part. In Q3 PHOK grew EPS 23.7% Y/Y and Revenues 13.5%. PKOH has limited Analyst coverage but was given a \$68 target at FBR back in April. PKOH is only 56% institutionally owned, up 1.98% in Q3. On the chart into yearend PKOH shares are nearing a triple top breakout out of a 15+ point range that should start a new uptrend move to \$75.

Shenandoah Telecom (SHEN) is a \$758M diversified telecom Co. focused in Virginia, Maryland, West Virginia and Pennsylvania. SHEN shares trade 20.3X Earnings, 2.35X Sales, 2.91X Book and 46X FCF with a 1.49% yield. SHEN grew EPS 78.3% in 2013 and posted double digit EPS growth in 2014. As larger telecom Co's fight for subscriber gains SHEN also could make for an attractive takeover target. SHEN owns 154 towers and controls 3,918 routes miles of fiber and with network upgrades complete is entering a period of reduced CapEx. SHEN was initiated at Outperform on 10-3 with a \$32 target. SHEN shares only have 38.5% institutional ownership, and rose slightly in Q3. In Q3 SHEN posted significant growth in wireless customers that helped a 19.1% net income rise. On the chart SHEN shares are starting to move out of a monthly bull flag that targets a move to \$37.

Cavco Industries (CVCO) is a \$703.65M maker of manufactured and modular homes in 44 states. CVCO trades 26.5X Earnings, 1.28X Sales, 2.3X Book and 22.85X FCF with very strong growth numbers, posting 173.2% EPS growth in 2014 and 25-30% CAGR seen ahead. CVCO has seen revenues quintuple since 2009 and market share grow to 12% from 2.3%. Industry dynamics set up well for manufactured housing with the impending wage growth. On 3-11 CSI Securities started CVCO at Outperform with a \$105 target. CVCO shares have spent 2014 consolidating in a \$67.5/\$85 range, and the strong longer term uptrend can proceed above \$85 for a move to \$100+.

Ingles Markets (IMKTA) is a \$688.2M supermarket operator in the southeast US. IMKTA shares trade 12.58X Earnings, 0.18X Sales, 1.97X Book and 21.8X FCF with a 1.94% yield. IMKTA grew EPS 164% in 2014 and still expecting 10%+ forward growth. IMKTA is only 40.83% institutionally owned. In Q4 comp sales rose 0.9% and IMKTA should stand to benefit from lower commodity prices. IMKTA shares have rallied in December on strong volume to 10 year highs, out of a pattern at \$28 that measures to a target of \$42.

Farmer Brothers (FARM) is a \$500M maker of coffee, tea, and culinary products in the US. FARM shares trade 21.5X Earnings, 0.93X Sales, 4.1X Book and 30.5X FCF. FARM turned profitable in 2014 with a big jump in EPS and set for 20%+ forward growth. FARM shares are nearing a new all-time high, trading at levels last seen in 2004 and moving out of a flag recently with a projected \$35 target. B. Riley started FARM at Buy with a \$31 target in September. FARM is only 36.2% institutionally owned, and rose 2.69% in Q3.

Liberty Tax (TAX) is a \$422M tax preparation Company that trades 16.9X Earnings, 2.64X Sales and 6.46X Book. TAX grew EPS 11.9% in 2015 and projects 20% EPS growth for 2015. The recent strength in employment growth will be a tailwind for more tax returns. TAX has gained market share every year for 15 years and there is no sign of DIY returns cutting into its market share. In June Barrington raised its target on TAX to \$37. TAX is only 26.14% institutionally owned, up 0.84% in Q3. On the chart TAX shares recently put in a reversal candle on the weekly chart at critical trend support, and will next look to clear \$39.50 resistance for a run to new highs.

P.A.M. Transportation Services (PTSI) is a \$388.5M transportation and logistics Company with shares +130% YTD. PTSI trades 20.7X Earnings, 0.96X Sales, 3.06X Book and 32.4X FCF. PTSI grew EPS 172% in 2013 and projects 40% EPS growth in 2014. In October Wunderlich raised its target on PTSI to \$47. In Q3 PTSI posted very strong results in its automotive division. PTSI is 32.57% institutionally owned, up 2.27% in Q3. On the chart PTSI is in a steady trend of higher highs and higher lows, and the 20 day MA has been supportive on dips.

Trecora Resources (TREC) is a \$364M specialty petrochemicals Co. that was formerly Arabian American Development Co. TREC trades 16.5X Earnings, 1.29X Sales, 3.08X Book and 26.4X FCF. TREC grew EPS 88.1% in 2013 and projects 22% growth in 2014. TREC has 35% ownership of Al Masna Al Kobra Zinc/Copper mine as well. TREC is a beneficiary of the huge growth in Natural Gas Liquids (NGL) with production set to double by 2020. TREC is a margin leader and only has 4% of a fragmented market with the opportunity to capture more. In July B. Riley started TREC at Buy with a \$17 target. In Q3 TREC posted 24.6% revenue growth and improved profit margins. TREC is 30.44% institutionally owned and rose sharply in Q3. On the chart TREC shares recently touched 10 year highs on excellent volume and the \$13.50 level was the key breakout in a pattern that targets a move to \$20, nice upside for this small cap.

CRA International (CRAI) is a \$300M provider of economic, financial and management consulting services in the US and Internationally. CRAI trades 21.1X Earnings 0.98X Sales, 1.36X Book and 6.8X FCF. CRAI EPS jumped sharply in 2013 and targeting 10-12% forward EPS growth. CRAI is seeing strength in Litigation & Regulatory business as well as Antitrust & Competition Economic, and all trends point to that strength continuing in 2015. CRAI is 84.3% institutionally owned, and ownership was down 2.2% in Q3. On the chart CRAI shares are setting up for a major move out of a weekly base that targets a return to \$45 for shares, nearly 50% upside from current levels.

BioSpecifics (BSTC) is a \$256.8M biopharmaceutical that develops injectable collagenase and has a license agreement with Auxilium Pharma (AUXL). BSTC trades 16.6X Earnings, 9.85X Book and 45.85X FCF. BSTC posted 76.7% EPS growth in 2013 and projects 250% EPS growth in 2014. XIAPEX is a minimally invasive option for conditions and diseases caused by collagen accumulation and BSTC has positive results in 12 indications. In Q1 2015 BSTC will receive a decision on approval by EMA for Peyronie's Disease, and Phase 2b top-line data expected for indication in Frozen Shoulder. On 11-11 MKM Partners raised its target on BSTC to \$46. BSTC is 34.37% institutionally owned, and that rose 3.65% in Q3. On the chart BSTC shares have formed a nice bull flag consolidation in November/December, setting up for a leg up to \$45-\$50.

Rocky Mountain Chocolate Factory (RMCF) is an \$81.5M confectionary franchiser that trades 14.5X Earnings, 2X Sales, 3.89X Book and 19.87X FCF with a healthy 3.34% dividend yield. RNCF grew EPS 183.3% in 2014 and looking for double digit EPS growth in 2015 as well. RMCF is 33.4% institutionally owned, up 1% in Q3. On the chart RMCF looks great closing 2014 with a move out of consolidation that targets a measured move to just below \$20. RMCF is undervalued with strong growth, a strong chart, and a great dividend yield for a microcap stock.

2015 Investment Themes

Housing Remodel Growth: The housing market has underwent a multi-year recovery but the strongest of trends have been specifically in the remodeling space as growth in home values and strength in consumer spending is allowing for upgrades in a seller's market. The actual homebuilders measured by the ITB are only +2.38% YTD, which is why it is better to focus on the remodel exposed names. The NAHB's Remodeling Index is hitting the strongest levels since 2004 and future market indicators reaching 15 year highs. The Residential Remodeling Index has posted 10 straight quarters of year/year growth and this strength can clearly be seen in the individual stocks reporting earnings in 2014. In December the Housing Price Index rose to an 18 month high which further supports the position that 2015 will be strong for remodeling. Fitch's latest report predicts home improvement spending to rise 6% in both 2014 and 2015, reaching a \$325.5B market in 2014. Of the 25 stocks listed below I like a lot of the names with HD still the best of breed retailer in the group, while SWK, MHK, GWW, CSTE and SNA are all quality stocks posting strong numbers. WHR was a top long for 2014 and has performed well, and recent data on big ticket item spending continues to favor its outlook, and it remains extremely cheap on valuation for growth. The richest valuation name in the group is also one of the most interesting as a small cap growth play, DOOR, a small \$1.79B niche Co. that is an exciting growth stock to own.

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
HD	The Home Depot, Inc.	136.47B	19.82	1.67	25.30%	16.37%	51.70%	12.30%	28.49%
LOW	Lowe's Companies Inc.	65.68B	20.68	1.19	26.60%	22.42%	22.40%	8.30%	38.57%
SHW	The Sherwin-Williams Company	25.40B	24.20	2.31	23.10%	24.04%	54.20%	11.70%	45.69%
GWW	W.W. Grainger, Inc.	17.52B	19.04	1.78	16.90%	9.89%	30.60%	14.00%	2.35%
SWK	Stanley Black & Decker, Inc.	15.25B	15.78	1.35	17.20%	11.05%	9.70%	10.20%	23.46%
WHR	Whirlpool Corp.	14.88B	13.39	0.79	102.40%	25.66%	14.70%	7.50%	24.15%
FAST	Fastenal Company	14.19B	25.06	3.92	6.30%	15.06%	25.90%	20.80%	3.01%
BBBY	Bed Bath & Beyond Inc.	13.99B	13.79	1.20	5.00%	8.68%	26.30%	13.50%	-5.98%
MHK	Mohawk Industries Inc.	11.27B	16.62	1.45	40.40%	14.80%	10.60%	10.50%	3.80%
MAS	Masco Corporation	8.97B	19.82	1.06	587.50%	29.59%	106.30%	9.10%	12.17%
SNA	Snap-on Incorporated	8.08B	18.24	2.51	14.00%	9.60%	18.10%	22.50%	28.97%
VAL	The Valspar Corporation	7.28B	16.86	1.61	25.30%	14.28%	32.90%	13.30%	24.92%
FBHS	Fortune Brands Home & Security, Inc.	7.04B	19.11	1.69	88.70%	26.34%	8.60%	10.60%	-1.24%
WSM	Williams-Sonoma Inc.	6.94B	20.80	1.50	11.00%	13.19%	24.70%	10.60%	31.96%
LEG	Leggett & Platt, Incorporated	5.84B	20.26	1.53	-21.80%	15.00%	6.40%	8.40%	41.85%
OC	Owens Corning	4.14B	15.20	0.78	-9.10%	37.16%	7.10%	8.30%	-12.32%
RH	Restoration Hardware Holdings, Inc.	3.84B	32.39	2.19	212.50%	27.24%	12.80%	8.50%	44.09%
AWI	Armstrong World Industries, Inc.	2.74B	21.03	1.00	-29.00%	13.47%	11.10%	5.60%	-13.26%
CSTE	CaesarStone Sdot-Yam Ltd.	2.11B	21.42	5.25	48.80%	20.37%	23.20%	20.30%	22.17%
DOOR	Masonite International Corporation	1.79B	42.28	0.99	58.40%	332.80%	-3.70%	1.70%	0.07%
LL	Lumber Liquidators Holdings, Inc.	1.73B	21.62	1.67	64.90%	21.55%	21.50%	10.60%	-37.89%
BECN	Beacon Roofing Supply, Inc.	1.40B	16.23	0.60	-26.50%	25.52%	6.90%	4.30%	-29.87%
TREX	Trex Co. Inc.	1.36B	26.02	3.56	-10.70%	30.63%	58.60%	16.60%	6.61%
NTK	Nortek Inc.	1.32B	23.26	0.54	-188.50%	211.40%	-82.30%	5.70%	9.65%
AAON	AAON Inc.	1.22B	23.10	3.54	38.80%	20.50%	23.90%	18.30%	6.06%

Mobile Payments: Mobile payments is by no way a new theme but heading into 2015 it is one that is set to gain further traction after the recent release of Apple Pay, which will compete with eBay's PayPal that is set to be spun-off in 2015, and Google's Wallet. Mobile based payments in the US are expected to reach \$142B in volume by 2019, a major increase from current levels around \$50B. As the Smartphone market has ramped in recent years, technological advances are putting mobile payments at an inflection point for multiple years of hyper growth. Mobile payments are gaining traction with large retailers and there is ample opportunity to expand to small business and local players. This theme will benefit multiple companies, not just the providers of the mobile payments, the credit card Companies and payment processors are also set to benefit. Near-field communication chip companies like NXP Semi (NXPI) will see a surge in demand for its technology with all new devices likely to provide the ability to pay via NFC. Gemalto is a NFC chip play listed in France worthy of a closer look while Square can prove to be a hot IPO in 2015. NXPI led performance of the group of 13 stocks below, and I expect it to continue to be a top performer among the Semiconductors, while VeriFone (PAY) is an interesting play after seeing more than 5,000 Jan. 2017 \$50 calls bought recently, a large bullish trade seeing a strong long term outlook. MA trades at a premium to the other credit card players, but is also the best positioned for growth in this area, so it remains a favorite. VNTV is a nice value for growth play in payment processing that also is nearing a key long term technical breakout into yearend. The mobile payment growth theme also leads right into the next theme, cyber protection, to keep this information secure that will attract wider adoption.

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
AAPL	Apple Inc.	656.92B	13.10	3.59	13.60%	10.18%	32.80%	28.70%	42.71%
GOOG	Google Inc.	358.70B	17.85	5.28	-	13.70%	-	-	-5.32%
V	Visa Inc.	166.09B	22.18	13.08	13.60%	15.89%	25.00%	64.20%	21.09%
MA	MasterCard Incorporated	101.19B	24.31	11.02	16.90%	17.13%	51.30%	54.50%	5.66%
AXP	American Express Company	97.34B	15.54	2.74	25.40%	8.87%	28.50%	23.80%	4.82%
EBAY	eBay Inc.	70.94B	17.42	4.05	9.50%	10.97%	-0.60%	19.80%	4.06%
NXPI	NXP Semiconductors NV	19.32B	14.04	3.58	389.40%	15.90%	49.40%	18.20%	67.10%
FISV	Fiserv, Inc.	17.72B	19.22	3.54	13.50%	12.20%	22.70%	23.70%	23.03%
VNTV	Vantiv, Inc.	6.56B	16.08	2.73	85.10%	15.67%	12.50%	14.20%	6.29%
TSS	Total System Services, Inc.	6.38B	15.51	2.66	-0.80%	16.00%	18.90%	17.70%	4.41%
GPN	Global Payments Inc.	5.54B	15.56	2.11	22.10%	11.38%	24.60%	16.10%	26.20%
PAY	VeriFone Systems, Inc.	4.26B	16.30	2.28	87.50%	19.32%	-3.50%	0.80%	40.01%
HPY	Heartland Payment Systems, Inc.	2.00B	18.37	0.89	23.30%	27.83%	28.00%	8.10%	11.38%

Cyber-Security and Network Defense: One of the best performing groups of Tech stocks in 2014 remains a hot play for 2015 as spending in this area is on the front of every Tech Company's agenda. After a few news making breaches in 2014 we enter 2015 with more data being exchanged than ever and the need to keep this data secure is higher than ever before. Cyber attacks are growing in number and sophistication, resulting in a constant need for upgrades in technological defenses. It is also an area that is ripe for M&A with a lot of smaller companies operating with strong growth prospects while larger players with a lot of cash are looking to enter these growth markets. Gartner recently projected spending in data protection to growth 8.1% in 2015 to \$76.9B, accelerating from 2014. Another research firm expects the IT Security market to grow to \$155.74B in 2019 from \$95.6B in 2014. The shift to cloud is creating a lot more security concerns, and demand for greater protection. A recent launch of the ISE Cybersecurity ETF (HACK) is a diversified way to play this broader trend. VDSI, a leader in authentication, remains a top small cap growth name to own, while PANW was the top performer in network security and its fundamental and technical trends remain elite. FTNT has impressed me this year each quarter with its results and continues to be a top play in network security, while a lot of small players like QLYS, PFPT, IMPV, and CUDA are posting impressive growth numbers. VRNS is a new addition to this list and catching some technical momentum into 2015, and SWI was a strong comeback play in 2014 that has a lot of momentum into yearend.

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
SYMC	Symantec Corporation	18.34B	13.09	2.75	20.80%	6.67%	16.80%	22.40%	15.77%
CHKP	Check Point Software Technologies Ltd.	15.35B	19.77	10.69	10.50%	9.98%	18.60%	54.00%	24.71%
PANW	Palo Alto Networks, Inc.	10.15B	86.00	15.32	-609.30%	98.51%	-65.50%	-16.70%	119.23%
FFIV	F5 Networks, Inc.	9.97B	18.64	5.76	16.90%	14.27%	22.10%	28.50%	48.70%
FTNT	Fortinet Inc.	5.14B	52.86	7.11	-35.00%	24.74%	5.00%	8.90%	63.04%
FEYE	FireEye, Inc.	4.87B	-	14.33	18.90%	11.00%	-34.40%	-	-25.75%
SWI	SolarWinds, Inc.	3.89B	25.33	9.56	9.30%	13.46%	14.70%	27.80%	36.06%
SAIC	Science Applications International Corporation	2.33B	15.83	0.60	-39.00%	12.62%	37.90%	6.20%	58.50%
CACI	CACI International Inc.	2.09B	15.81	0.59	-15.30%	4.40%	10.00%	7.30%	19.86%
CUDA	Barracuda Networks, Inc.	1.97B	119.00	7.75	33.30%	27.60%	-189.50%	-0.20%	-4.33%
PFPT	Proofpoint, Inc.	1.89B	-	10.49	-14.50%	28.60%	-83.70%	-26.10%	49.50%
IMPV	Imperva Inc.	1.38B	-	8.88	-225.00%	27.00%	-58.80%	-36.40%	7.77%
QLYS	Qualys, Inc.	1.30B	79.69	10.28	-37.50%	21.09%	4.10%	4.20%	68.28%
CYBR	Cyber-Ark Software Ltd.	1.27B	650.00	18.67	-45.50%	-81.50%	-6.70%	9.70%	38.99%
BLOX	Infoblox Inc.	1.16B	53.47	4.58	-400.00%	62.08%	-14.00%	-12.00%	-37.01%
VDSI	VASCO Data Security International Inc.	1.15B	32.50	6.31	-33.30%	22.53%	13.50%	16.10%	275.03%
AVG	AVG Technologies N.V.	1.08B	10.52	2.81	38.10%	1.75%	228.00%	25.80%	17.66%
RDWR	Radware Ltd.	984.13M	21.00	4.80	-42.60%	24.24%	5.60%	9.40%	23.36%
VRNS	Varonis Systems, Inc.	787.47M	-	8.44	-55.00%	21.30%	-28.00%	-17.10%	-27.16%
KEYW	The KEYW Holding Corporation	381.16M	220.43	1.33	-68.80%	118.50%	-2.70%	-3.00%	-24.55%
GUID	Guidance Software, Inc.	206.36M	112.90	1.90	-937.50%	140.00%	-72.60%	-14.20%	-30.69%

Software as a Service (SaaS) - Big Data and Analytics: Software as a Service (SAAS) is another Tech trend where IT expenditures are growing as it is being used to make companies more efficient and profitable, a transformational trend in Tech. IDC estimates that by 2018, 27.8% of the worldwide enterprise applications market will be SaaS-based with \$50.8B in revenues, which compares to \$22.6B in 2013. SaaS CAGR projections for 2013-2018 are at 17.6% which compares to 3.1% growth in on-premise applications. A trend in 2014 was for traditional software companies to convert more to a subscription based cloud model that resulted in multiple expansion, and those stocks performed very well, notably ADBE, INTU and ADSK. Adoption of SaaS is a trend that will be here for many years and there are sure to be winners and losers as the intense fight for market share among key customers heats up, but software is definitely preferred over hardware, and SaaS is the area to focus on investing. VRNT is a lesser known name that I have liked for a long time as it always delivers excellent earnings results. EIGI performed well in 2014 and is a niche player that I see as a highly likely buyout target. DATA and NOW are my favorite names among the larger players and have technical strength entering 2015 looking for new all-time highs. We are also seeing a lot of new players come to market via IPOs, though tend to want to wait two quarters to see the kind of numbers they deliver before investing. ADBE continues to be a leader and has posted strong subscription growth lately, also a top holding of many guru investors.

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
ORCL	Oracle Corporation	204.86B	14.36	5.28	5.30%	8.13%	23.30%	39.10%	22.30%
CRM	salesforce.com, inc.	38.07B	86.93	7.50	18.80%	33.46%	-9.50%	-4.00%	9.31%
ADBE	Adobe Systems Inc.	37.28B	22.81	8.99	-10.70%	57.78%	3.80%	10.00%	24.82%
INTU	Intuit Inc.	27.01B	25.34	5.93	8.80%	50.46%	29.10%	28.00%	25.24%
NOW	ServiceNow, Inc.	10.34B	353.76	16.95	-5.90%	322.20%	-39.40%	-22.10%	24.42%
WDAY	Workday, Inc.	8.67B	-	12.33	37.70%	39.40%	-21.20%	-30.30%	1.35%
N	NetSuite Inc.	8.55B	237.63	16.66	-90.00%	44.75%	-43.70%	-15.30%	8.18%
SPLK	Splunk, Inc.	7.46B	574.67	18.48	-63.00%	174.36%	-24.40%	-47.30%	-10.46%
DATA	Tableau Software, Inc.	6.15B	380.94	17.52	-32.30%	12.02%	-0.70%	-0.20%	28.77%
ULTI	The Ultimate Software Group, Inc.	4.33B	62.04	8.99	69.20%	21.75%	20.20%	10.60%	-0.27%
INFA	Informatica Corporation	4.23B	22.67	4.15	-6.00%	10.63%	8.80%	16.30%	-6.22%
VRNT	Verint Systems Inc.	3.59B	15.71	3.35	3.10%	9.53%	5.90%	7.20%	37.89%
AZPN	Aspen Technology, Inc.	3.32B	25.51	8.08	95.70%	14.31%	120.80%	36.40%	-12.22%
NICE	NICE Systems Ltd.	3.05B	16.83	3.09	-18.30%	8.61%	6.50%	9.20%	25.84%
JCOM	j2 Global, Inc.	3.02B	17.01	5.30	-12.60%	11.01%	18.30%	32.20%	28.95%
QLIK	Qlik Technologies, Inc.	2.87B	92.09	5.35	-375.00%	69.95%	-15.80%	-1.20%	19.30%
EIGI	Endurance International Group Holdings, Inc.	2.52B	14.37	4.24	-6.90%	29.21%	-70.80%	-5.90%	32.23%
TRAK	Dealertrack Technologies, Inc.	2.49B	25.28	3.35	-72.90%	18.98%	-1.50%	4.00%	-4.41%
CVLT	CommVault Systems, Inc.	2.45B	30.61	4.00	17.30%	14.14%	12.10%	13.40%	-28.36%
DWRE	Demandware, Inc.	2.12B	349.70	14.93	-74.40%	240.82%	-8.90%	-14.90%	-8.92%
CSOD	Cornerstone OnDemand, Inc.	1.96B	-	8.11	-25.40%	56.20%	-121.60%	-18.00%	-31.23%
MSTR	MicroStrategy Inc.	1.85B	33.68	3.10	16.90%	7042.90%	-0.50%	0.30%	31.62%
LOGM	LogMeIn, Inc.	1.21B	38.56	5.85	-328.60%	11.12%	2.40%	8.30%	48.14%

Internet of Things and Wearable Tech: Internet of Things is growing much faster than both Smartphone's and Tablets with 154% CAGR expected in 2013-2017 recently modeled by Morgan Stanley, and broader usage and adoption from enterprise could drive growth to an even higher level. Wearable Tech is a largely untapped market with just about 6% consumer penetration at this point. Sensor Analytics and the previously discussed mobile payments are plays off of this theme as well in smaller subsets. There are also quite a few players in the Fitness Device market like Fitbit and Jawbone that could be coming public in the near future. Every large cap Tech Company is devoting resources to R&D in this growth area, so the companies with a presence are surely to benefit from the ramping growth. In the chip area I like both BRCM and NXPI, while SWIR is the smaller name that has a lot of technical momentum and recently announced a nice acquisition, a great pure play. AMBA is also an excellent growth Company that is delivering fantastic growth. AAPL remains a solid value/yield play though so large it is far from a pure play on the theme. DXCM and PODD are two smaller names in medical devices that are exciting growth names and have great momentum.

No.	Ticker	▼ Market Cap	P/E	Fwd P/E	PEG	P/S	P/B	P/C	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	Sales past 5Y	Price	Change	Volume
1	AAPL	656.92B	17.42	13.10	1.52	3.59	5.96	26.20	16.94	13.60%	10.18%	37.80%	11.49%	33.60%	114.25	2.00%	26,057,702
2	MSFT	396.81B	18.88	15.34	2.88	4.34	4.40	4.47	22.58	1.90%	17.52%	10.20%	6.55%	8.20%	47.94	-0.43%	7,679,394
3	CVS	112.22B	25.29	19.04	1.71	0.83	2.97	92.74	38.39	24.20%	14.37%	10.60%	14.79%	7.80%	98.23	0.35%	1,562,398
4	NKE	82.95B	30.00	23.15	2.38	2.88	7.50	18.12	66.05	11.20%	15.24%	14.50%	12.60%	7.70%	96.91	0.64%	1,097,791
5	MDT	72.92B	25.54	17.01	3.79	4.20	3.74	5.04	28.10	-10.40%	7.64%	10.40%	6.75%	3.10%	73.85	-0.31%	2,820,036
6	BRCM	25.68B	59.42	13.06	5.24	3.08	2.97	7.73	22.57	-41.60%	13.00%	12.20%	11.34%	12.30%	43.24	-0.33%	1,359,197
7	ARMH	21.82B	80.69	32.59	4.24	18.41	9.63	21.38	-	-35.20%	23.47%	16.90%	19.03%	19.00%	46.48	-0.68%	482,952
8	NXPI	19.32B	39.56	14.04	1.79	3.58	30.82	32.53	21.49	389.40%	15.90%	15.60%	22.13%	-1.20%	76.61	-0.18%	643,161
9	UA	14.53B	79.96	56.50	3.25	5.06	11.58	58.22	-	25.00%	27.44%	31.60%	24.58%	26.30%	68.22	0.37%	904,381
10	MCHP	9.21B	25.47	15.93	1.63	4.49	4.17	7.18	32.42	193.50%	9.72%	6.80%	15.60%	16.40%	45.72	-0.25%	321,588
11	MXIM	9.04B	26.20	17.79	3.20	3.69	3.77	6.86	24.51	-18.50%	25.66%	110.20%	8.18%	8.30%	31.64	-1.03%	1,451,304
12	GPRO	8.49B	245.96	53.51	6.52	7.56	23.80	35.70	77.56	155.40%	22.27%	0.00%	37.70%	-	69.53	4.70%	12,812,852
13	FSL	7.75B	169.87	14.43	11.32	1.68	-	10.51	49.65	-97.60%	20.55%	52.40%	15.00%	-4.30%	25.80	1.26%	563,572
14	DXCM	4.21B	-	-	-	18.56	36.14	56.16	737.93	46.80%	94.40%	26.80%	32.50%	74.80%	55.10	0.29%	149,195
15	ATML	3.52B	76.64	16.66	4.60	2.48	3.90	16.00	24.83	-171.40%	32.46%	3.60%	16.67%	-2.40%	8.49	0.71%	1,379,283
16	PODD	2.59B	-	145.87	-	9.11	32.11	17.71	-	23.10%	140.50%	24.70%	27.50%	46.90%	46.42	0.40%	161,534
17	AMBA	1.58B	43.74	26.41	1.55	8.16	7.46	8.46	34.38	41.70%	9.68%	30.90%	28.20%	30.50%	55.68	6.97%	2,403,830
18	SWIR	1.51B	-	43.51	-	2.91	4.23	7.69	75.01	-264.30%	79.67%	-17.70%	-	-4.90%	47.89	1.27%	257,613
19	INVN	1.46B	-	21.63	-	5.17	4.40	11.69	-	-88.10%	66.30%	-12.17%	25.04%	54.20%	16.40	1.11%	1,144,148
20	TASR	1.41B	72.62	57.17	2.42	8.95	11.94	20.88	48.66	25.90%	23.04%	41.50%	30.00%	8.20%	26.94	0.28%	2,269,938

Rising Interest Rate Outlook: The Fed has clearly laid out its plan for interest rates and without an unexpected economic shock there is a very high probability of an interest rate raise in 2015, and the trajectory is higher. Financials (XLF) gained 16% in 2014, narrowly outperforming the S&P 500. Many of the Financials continue to trade below book value and at low earnings multiples while offering attractive yields, and a rising rate environment would benefit these names. I did not include the Regional Banks in the list below because there are so many, but tends to be one of the most volatile to rates for generating key net interest income. Life Insurance, Brokers and Exchanges are also beneficiaries. My favorite big bank throughout 2014 was MS due to it posting the best earnings reports in the group, and it did outperform, climbing 25%. Option traders have been actively positioning in 2015 upside in the Insurance names MET, PRU and AIG, while also in BK which has a lot of guru investors and is an event driven name. ADP and PAYX are double beneficiaries with rising rates and employment growth. The exchanges are showing the most technical strength into 2015 and could be set for a lot of regulatory change next year. AMP is my favorite growth play in the Asset Mgmt. space, a consistent winner. The downside of rising rates is often seen in the stocks that are held mostly by dividend investors, so REITS (IYR) and Utilities (XLU) are potential areas of underperformance in 2015, and a situation worth monitoring.

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
WFC	Wells Fargo & Company	287.08B	13.10	6.08	15.80%	3.10%	13.70%	77.90%	25.29%
JPM	JPMorgan Chase & Co.	233.56B	10.52	4.51	-16.30%	8.91%	10.00%	73.30%	9.71%
BAC	Bank of America Corporation	189.09B	12.17	3.61	260.00%	228.44%	1.90%	89.40%	16.30%
C	Citigroup Inc.	165.23B	10.04	2.66	73.20%	138.66%	4.30%	34.00%	4.74%
GS	The Goldman Sachs Group, Inc.	85.32B	11.26	2.05	9.40%	1.01%	11.50%	34.50%	10.51%
USB	U.S. Bancorp	81.86B	13.92	6.71	5.60%	7.07%	14.80%	72.60%	15.18%
AIG	American International Group, Inc.	78.79B	11.31	1.13	198.00%	5.00%	8.40%	26.40%	11.27%
MS	Morgan Stanley	75.97B	13.20	2.00	18.90%	19.80%	9.90%	16.60%	25.11%
MET	MetLife, Inc.	62.32B	9.20	0.86	172.00%	3.97%	8.30%	11.80%	4.44%
BLK	BlackRock, Inc.	60.08B	17.55	5.43	22.30%	7.36%	12.40%	40.50%	17.67%
BK	The Bank of New York Mellon Corporation	46.48B	15.58	14.18	-14.30%	10.60%	7.50%	-	20.41%
PRU	Prudential Financial, Inc.	41.88B	9.16	0.87	-234.90%	5.44%	5.90%	8.70%	1.75%
ADP	Automatic Data Processing, Inc.	41.09B	25.78	3.31	11.50%	13.02%	29.70%	18.30%	23.05%
SCHW	The Charles Schwab Corporation	40.05B	26.90	6.63	13.00%	19.75%	12.20%	34.10%	19.06%
ACE	ACE Limited	38.49B	12.45	1.97	38.20%	-2.46%	11.10%	35.50%	15.60%
TRV	The Travelers Companies, Inc.	35.37B	11.41	1.30	54.60%	-5.85%	14.30%	34.10%	20.60%
STT	State Street Corporation	33.43B	14.93	12.48	10.00%	8.10%	10.20%	-	10.46%
CME	CME Group Inc.	30.51B	24.07	10.31	8.10%	13.75%	4.70%	54.80%	20.92%
ALL	The Allstate Corporation	29.65B	12.17	0.84	2.80%	10.31%	13.30%	25.60%	32.06%
AMP	Ameriprise Financial, Inc.	25.05B	14.12	2.06	39.50%	14.62%	17.90%	24.30%	20.31%
ICE	Intercontinental Exchange, Inc.	24.99B	18.64	8.60	-57.20%	24.53%	4.00%	51.40%	-0.14%
CB	The Chubb Corporation	24.61B	13.35	1.75	58.90%	4.74%	12.90%	38.50%	10.36%
TROW	T. Rowe Price Group, Inc.	22.66B	17.95	5.82	16.10%	8.23%	23.30%	47.60%	6.51%
AMTD	TD Ameritrade Holding Corporation	19.66B	17.62	6.29	16.40%	27.93%	16.90%	41.10%	19.89%
HIG	The Hartford Financial Services Group, Inc.	18.18B	11.17	0.91	293.80%	12.02%	3.80%	19.30%	18.38%
PAYX	Paychex, Inc.	17.07B	23.44	6.62	9.60%	8.36%	35.80%	38.60%	6.98%
NTRS	Northern Trust Corporation	16.09B	18.65	3.62	6.40%	12.12%	9.10%	24.60%	12.64%
LNC	Lincoln National Corporation	15.22B	9.42	1.18	1.10%	6.55%	10.30%	17.30%	14.93%
AMG	Affiliated Managers Group Inc.	11.88B	15.82	4.82	93.90%	18.96%	21.10%	31.20%	-1.42%
NDAQ	The Nasdaq OMX Group, Inc.	8.17B	15.08	2.38	10.30%	11.75%	7.60%	24.10%	24.21%
ETFC	E*TRADE Financial Corporation	7.07B	21.91	3.80	174.40%	2.01%	6.10%	33.40%	24.49%
CBOE	CBOE Holdings, Inc.	5.45B	25.35	9.19	11.80%	13.06%	86.40%	50.50%	25.99%
IBKR	Interactive Brokers Group, Inc.	1.73B	24.16	1.51	-18.00%	42.33%	5.60%	41.00%	23.52%

Airlines Earnings Power: Airlines were a great trade throughout 2014 with strong relative outperformance and enter 2015 in a perfect environment of low fuel costs, improving operational efficiencies, and a strong consumer. It is also a fairly concentrated group without a lot of choices, much of which is due to M&A that is showing in recent earnings via synergies. Despite the big move in 2014 the group continues to trade at a major discount of P/E to the rest of the market, yet most every name generating 35%+ EPS growth, a major disconnect, and I fully expect these stocks to expand multiples. Airlines report monthly metrics as well which allows for great transparency and we continue to see traffic and capacity expansion across the industry. RYAAY was a top pick in 2013 and remains my favorite International play, while LUV is my favorite among the regional airliners. The larger players are very similar, and all are great values, but UAL has the most room for operational improvements and multiple upside.

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
DAL	Delta Air Lines, Inc.	40.21B	10.83	1.01	931.90%	35.21%	82.50%	10.40%	76.33%
AAL	American Airlines Group Inc.	36.89B	6.13	0.93	24.90%	46.65%	15.30%	11.30%	104.74%
LUV	Southwest Airlines Co.	28.28B	15.05	1.54	87.50%	40.99%	15.80%	11.30%	122.78%
UAL	United Continental Holdings, Inc.	23.96B	8.30	0.62	170.20%	54.43%	38.90%	6.20%	71.64%
RYAAY	Ryanair Holdings plc	16.41B	15.85	2.52	-6.20%	20.51%	19.90%	16.40%	46.20%
ALK	Alaska Air Group, Inc.	7.76B	11.69	1.47	62.70%	22.27%	25.00%	16.10%	61.81%
CEA	China Eastern Airlines Corp. Ltd.	5.99B	69.47	0.40	30.00%	30.80%	-	-	22.77%
SAVE	Spirit Airlines, Inc.	5.51B	16.51	2.93	62.40%	42.52%	25.00%	17.80%	66.66%
JBLU	JetBlue Airways Corporation	4.52B	12.70	0.79	30.00%	78.10%	16.10%	8.10%	81.50%
ALGT	Allegiant Travel Company	2.52B	17.34	2.30	18.70%	39.95%	37.10%	15.80%	39.30%
VA	Virgin America Inc.	1.77B	9.84	1.22	100.90%	101.69%	-6.00%	5.90%	36.67%
HA	Hawaiian Holdings Inc.	1.32B	10.40	0.58	-3.00%	46.88%	18.00%	8.90%	153.79%

Animal Healthcare: Animal Healthcare was a hot area in 2014 and is an active area of M&A, Eli Lilly recently completing a \$5.4B acquisition of Novartis' animal health division, and PetSmart recently taken private. The large Pharma Co's have animal health units that may be in play for sales for spin-offs in 2015, taking a page out of Pfizer's (PFE) playbook with Zoetis (ZTS). Sanofi (SNY) has been an underperforming stock and has a leadership position in Animal Health with its Merial unit, while Lilly (LLY) and Merck (MRK) have exposure to these markets as well. Animal Health CAGR in both vaccines and MFAs are projected at 5%+ for 2012-2017. The \$23B animal health market is expected to exceed \$33B by 2020 according to Vetnosis. There are not a lot of investment options for this group, especially as pure plays, but Sanofi (SNY) makes an interesting value unlock story if it decides to spin-off Merial. ZTS is the top pure play and is a when, not if, takeover play for 2015 that activist Bill Ackman recently took a large stake. HSKA is a small cap growth stock I have been discussing all year, and remains very attractive as a small player in a consolidating industry. IDXX is a strong growth play in diagnostics that trades at a premium, but deservedly so, and has plenty of technical momentum. MWIV is a \$2.23B player with 15% EPS growth that is also attractive after shares have consolidated in 2014. PAHC is one of the newer companies to come public and is a nice growth play with technical momentum.

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	ROE	Oper M	Perf YTD
MRK	Merck & Co. Inc.	163.81B	16.14	3.80	-26.50%	2.12%	11.10%	18.10%	18.30%
SNY	Sanofi	122.78B	14.26	3.00	-25.50%	1.88%	7.40%	21.70%	-10.43%
LLY	Eli Lilly and Company	78.12B	21.80	3.85	18.00%	15.71%	15.00%	16.90%	42.11%
ZTS	Zoetis Inc.	21.98B	26.00	4.66	16.10%	9.84%	48.40%	21.10%	35.31%
HSIC	Henry Schein, Inc.	11.61B	23.14	1.14	14.10%	10.64%	16.20%	6.90%	20.66%
IDXX	IDEXX Laboratories, Inc.	7.09B	33.58	4.76	9.80%	14.84%	46.50%	19.30%	39.78%
PDCO	Patterson Companies, Inc.	5.03B	19.59	1.16	-3.00%	8.83%	14.80%	8.40%	20.65%
WOOF	VCA Inc.	4.12B	22.35	2.20	200.00%	16.19%	10.00%	12.90%	56.03%
MWIV	MWI Veterinary Supply, Inc.	2.23B	24.04	0.75	14.10%	15.37%	19.00%	4.00%	1.64%
PAHC	Phibro Animal Health Corporation	1.12B	16.33	1.56	-115.60%	10.09%	-44.00%	10.10%	70.23%
PETS	PetMed Express, Inc.	288.30M	15.74	1.26	4.70%	2.84%	23.60%	12.20%	-9.94%
HSKA	Heska Corporation	114.58M	34.60	1.29	-195.50%	16.96%	6.10%	4.40%	107.91%

Other themes currently ongoing include: Solar Company Yield-Co's ; Unlocking Real Estate Value for Retailers ; Healthcare IT Spending ; Social Media and Collaborative Consumption ; Healthy Living ; Cell-Tower Usage Growth ; Aging Baby Boomers ; Healthcare Reform ; Biotech Breakthrough Therapies ; Retailer E-Commerce Initiatives ; China Slowing Growth Concerns ; Eurozone Re-Entry into Recession Fears ; US Dollar Resurgence ; Robotics and Automation

Investment Theme Portfolio of 15 Stocks

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	EPS this Y	EPS next Y	Inst Own	ROA	ROE	Oper M	Perf YTD
HD	The Home Depot, Inc.	136.47B	19.82	1.67	25.30%	16.37%	74.60%	14.20%	51.70%	12.30%	28.49%
SNY	Sanofi	122.78B	14.26	3.00	-25.50%	1.88%	9.80%	4.20%	7.40%	21.70%	-10.43%
MA	MasterCard Incorporated	101.19B	24.31	11.02	16.90%	17.13%	78.30%	23.70%	51.30%	54.50%	5.66%
PRU	Prudential Financial, Inc.	41.88B	9.16	0.87	-234.90%	5.44%	67.00%	0.30%	5.90%	8.70%	1.75%
ADBE	Adobe Systems Inc.	37.28B	22.81	8.99	-10.70%	57.78%	92.50%	2.40%	3.80%	10.00%	24.82%
LUV	Southwest Airlines Co.	28.28B	15.05	1.54	87.50%	40.99%	79.00%	5.80%	15.80%	11.30%	122.78%
ZTS	Zoetis Inc.	21.98B	26.00	4.66	16.10%	9.84%	94.00%	8.60%	48.40%	21.10%	35.31%
UA	Under Armour, Inc.	14.53B	56.50	5.06	25.00%	27.44%	81.90%	10.50%	16.20%	10.70%	55.72%
ETFC	E*TRADE Financial Corporation	7.07B	21.91	3.80	174.40%	2.01%	92.90%	0.70%	6.10%	33.40%	24.49%
PAY	VeriFone Systems, Inc.	4.26B	16.30	2.28	87.50%	19.32%	93.80%	-1.40%	-3.50%	0.80%	40.01%
SWI	SolarWinds, Inc.	3.89B	25.33	9.56	9.30%	13.46%	89.70%	10.10%	14.70%	27.80%	36.06%
VRNT	Verint Systems Inc.	3.59B	15.71	3.35	3.10%	9.53%	82.30%	2.30%	5.90%	7.20%	37.89%
PODD	Insulet Corporation	2.59B	145.87	9.11	23.10%	140.50%	-	-16.10%	-47.90%	-3.40%	24.64%
DOOR	Masonite International Corporation	1.79B	42.28	0.99	58.40%	332.80%	-	-1.70%	-3.70%	1.70%	0.07%
IMPV	Imperva Inc.	1.38B	-	8.88	-225.00%	27.00%	86.60%	-29.10%	-58.80%	-36.40%	7.77%

50 M&A Candidates for 2015

Ticker	Company	▼ Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS next Y	Perf YTD
LBTYA	Liberty Global plc	38.27B	69.99	2.15	3.60	13.72	700.00%	11.10%
PRGO	Perrigo Company Public Limited Company	23.67B	19.71	5.80	2.58	41.15	15.96%	9.87%
ZTS	Zoetis Inc.	21.81B	25.81	4.62	16.00	100.52	9.84%	34.29%
MJN	Mead Johnson Nutrition Company	20.27B	24.20	4.63	39.82	71.74	11.57%	21.77%
EW	Edwards Lifesciences Corp.	14.25B	33.04	6.36	6.94	14.67	19.08%	102.57%
DPS	Dr Pepper Snapple Group, Inc.	13.93B	18.48	2.29	5.91	26.14	6.39%	51.15%
BMRN	BioMarin Pharmaceutical Inc.	13.84B	-	20.74	9.15	-	-91.40%	33.39%
A	Agilent Technologies Inc.	13.80B	20.65	2.00	2.45	24.69	15.44%	1.87%
NI	NiSource Inc.	13.17B	22.80	2.07	2.19	-	7.08%	30.41%
COL	Rockwell Collins Inc.	11.30B	15.15	2.27	6.07	35.53	11.48%	16.75%
PLL	Pall Corporation	10.67B	22.86	3.74	6.78	30.89	13.50%	18.95%
ALKS	Alkermes plc	8.61B	193.05	14.40	6.44	1624.53	13.38%	44.81%
MDVN	Medivation, Inc.	8.41B	31.49	15.80	33.54	166.21	28.88%	69.76%
OCR	Omnicare Inc.	7.20B	17.77	1.18	2.69	34.73	11.64%	23.47%
IDXX	IDEXX Laboratories, Inc.	7.07B	33.49	4.75	32.16	32.86	14.84%	39.36%
GRA	W.R. Grace & Co.	7.07B	18.30	2.20	13.95	-	21.04%	-3.18%
LAZ	Lazard Ltd.	6.49B	14.39	2.77	10.66	11.13	16.22%	13.09%
TEG	Integrus Energy Group, Inc.	6.12B	21.29	0.84	1.84	-	11.81%	46.99%
WWAV	The WhiteWave Foods Company	6.09B	30.07	1.90	5.75	-	16.90%	52.31%
KING	King Digital Entertainment plc	5.16B	8.37	2.24	6.26	20.00	-11.96%	-10.63%
BRCD	Brocade Communications Systems, Inc.	5.01B	12.01	2.26	2.08	10.97	5.23%	32.18%
TER	Teradyne Inc.	4.29B	16.07	2.67	1.88	25.97	2.66%	13.57%
INFA	Informatica Corporation	4.24B	22.71	4.15	3.41	23.72	10.63%	-6.02%
AKRX	Akorn, Inc.	4.10B	21.25	8.94	12.52	-	58.36%	54.59%
GNC	GNC Holdings Inc.	4.00B	14.36	1.53	5.25	30.60	10.42%	-21.74%
ZBRA	Zebra Technologies Corp.	3.98B	14.79	3.42	3.69	24.73	36.49%	44.42%
SWI	SolarWinds, Inc.	3.93B	25.56	9.64	7.08	21.98	13.46%	37.27%
NPS	NPS Pharmaceuticals, Inc.	3.85B	46.62	18.18	29.54	-	3850.00%	18.71%
ATML	Atmel Corporation	3.46B	16.36	2.43	3.83	24.39	32.46%	5.75%
MOG-A	Moog Inc.	2.98B	14.78	1.13	2.27	14.30	15.18%	5.84%
GRUB	GrubHub Inc.	2.92B	69.36	12.71	3.81	49.88	36.51%	5.26%
KNX	Knight Transportation Inc.	2.67B	24.07	2.58	4.26	-	16.34%	81.07%
SM	SM Energy Company	2.61B	10.13	1.03	1.34	-	-33.55%	-53.30%
AMSG	AmSurg Corp.	2.57B	16.11	1.94	1.66	7.81	25.60%	16.18%
TRAK	Dealertrack Technologies, Inc.	2.48B	25.22	3.34	2.25	-	18.98%	-4.64%
CVLT	CommVault Systems, Inc.	2.36B	29.46	3.85	5.60	256.81	14.14%	-31.04%
NUVA	NuVasive, Inc.	2.25B	31.37	3.01	3.61	32.89	35.61%	48.16%
WAGE	WageWorks, Inc.	2.12B	52.55	8.67	7.91	38.93	20.38%	0.79%
SAFM	Sanderson Farms, Inc.	2.07B	18.28	0.76	2.44	14.01	-56.40%	25.59%
TAHO	Tahoe Resources Inc.	1.97B	16.30	6.93	2.27	-	5.10%	-19.65%
INFN	Infinera Corporation	1.94B	33.30	3.12	4.17	91.51	28.81%	58.33%
DWA	DreamWorks Animation SKG Inc.	1.90B	29.83	2.90	1.36	-	341.90%	-37.15%
ISIL	Intersil Corporation	1.83B	19.76	3.17	1.87	61.22	2.74%	27.45%
IBKR	Interactive Brokers Group, Inc.	1.70B	23.73	1.48	2.21	6.37	42.33%	21.30%
SFLY	Shutterstock, Inc.	1.65B	147.94	1.94	2.36	46.61	252.60%	-16.63%
VA	Virgin America Inc.	1.51B	8.39	1.04	-	-	101.69%	16.43%
ACHN	Achillion Pharmaceuticals, Inc.	1.42B	-	-	11.74	-	-28.80%	328.01%
QLYS	Qualys, Inc.	1.31B	80.55	10.40	10.89	60.92	21.09%	70.10%
RDWR	Radware Ltd.	962.39M	20.54	4.69	3.20	740.30	24.24%	20.63%
IL	IntraLinks Holdings, Inc.	647.86M	97.61	2.58	2.07	-	60.27%	-5.70%

Sector Breakdowns

My goal here is to provide a clear and concise view of key valuation metrics, management efficiency ratios, and YTD performance to show what worked in 2014. I then briefly touch on some of the top plays in each group and also provide some options insight. This is a brief analysis that can serve as a guide throughout the year as we see sector trends develop by closely monitoring earnings reports. The companies mentioned below are US stocks only

Basic Materials: It was a bad year for most of the commodity based industries as US Dollar strength really took a toll on both the Energy and Metals trade. The Q4 weakness in Energy quickly spread and impacted the Chemical stocks that performed well in the first half of the year. Aluminum was a relative strength area due to strength in end markets like Automotive and Aerospace.

Agricultural Chemicals: This group showed mixed performance in 2014 with POT and CF the outperforming stocks. Into 2015 Corn prices are starting to gain strength and a technically sound chart, so this could be one of the first spots in Basic Materials to outperform in 2015. Uralkali shares jumped in mid-December as it boosted its 2014 output target, the world's largest potash producer, and noted healthy inventory levels with a positive outlook. CF Industries (CF) is the best value in the group while Potash (POT) is the lone name with rising EPS estimates, and also offers a healthy 3.9% dividend yield. Monsanto (MON) is the higher growth name with the high margins, best of breed, and rounds out the top 3 plays.

▲ Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	Perf YTD	RSI
CF	CF Industries Holdings, Inc.	13.23B	12.78	2.73	2.94	-	-13.40%	10.40%	15.30%	8.50%	31.10%	1.02	39.70%	16.44%	56.65
IPI	Intrepid Potash, Inc.	1.07B	107.10	2.76	1.13	-	-74.10%	74.67%	-30.90%	8.00%	-0.30%	0.16	7.70%	-11.43%	53.78
MON	Monsanto Company	58.57B	17.72	3.69	7.77	78.94	13.50%	16.16%	6.80%	12.69%	22.50%	0.96	54.10%	5.55%	59.68
MOS	The Mosaic Company	17.08B	13.88	1.79	1.57	13.08	-81.90%	38.37%	-31.40%	8.05%	9.60%	0.34	18.80%	-0.60%	57.65
POT	Potash Corp. of Saskatchewan, Inc.	29.69B	16.99	4.40	3.39	112.90	-13.90%	16.30%	-10.40%	4.05%	14.80%	0.37	35.00%	13.05%	59.72
SMG	The Scotts Miracle-Gro Company	3.77B	16.04	1.33	6.86	-	3.50%	9.59%	5.60%	10.55%	25.60%	1.25	36.30%	6.13%	58.31

Chemicals: Overall it was a fairly good year for chemicals with 10 names gaining 20%+, well ahead of the market, and Q4 weakness really took a lot of shine out of the performance. It is a diversified group and with cuts expected in CAPEX for Energy you will want to target the names with less Energy exposure, and more Consumer, Auto, Aerospace, etc. exposure. This group was a major target of activists in 2014 that are trying to make these companies more lean and focus on the stronger business segments, seen in APD, ASH, DD, DOW and others. I also expect M&A to remain active in this group in 2015 with plenty of possible acquirers like PX, PPG, and EMN. The top performer in 2014 was PAH, a name with a lot of electronics exposure, and a top holding for Bill Ackman, and at this valuation I would expect it to continue to outperform in 2015. SHW and VAL were both top performers as well, plays on the US housing strength with paint products. My favorite pure valuation play in the group is Cabot Corp (CBT) which I recently did work on, while HB Fuller (FUL) would make a nice acquisition target. Bullish options activity in 2015 options has been seen in ROC, HUN, AXTA, DD, and APD. ASH, DD, APD, PPG, RPM, VAL, AXTA, and SHW are showing the best technical momentum into year-end. The XLB is an ETF that includes many of these names and in a clear sideways consolidation \$46/\$50.50, levels to watch as a timing mechanism to get into these names or get short these names.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
PAH	Platform Specialty Products Corporation	4.18B	15.21	7.33	2.13	53.21	16.20%	91.14%	0.00%	17.50%	-16.90%	0.50	49.90%	64.00%	44.25
SIAL	Sigma-Aldrich Corporation	16.26B	29.78	5.88	5.24	38.90	7.70%	6.16%	8.90%	7.00%	16.60%	0.10	50.60%	46.47%	56.73
SHW	The Sherwin-Williams Company	24.97B	23.93	2.27	18.24	31.99	23.10%	23.43%	13.10%	15.27%	54.20%	0.83	46.00%	43.22%	71.34
APD	Air Products & Chemicals Inc.	31.47B	20.26	3.01	4.26	-	-3.00%	12.24%	8.90%	10.95%	13.40%	0.65	26.90%	33.97%	63.71
AXTA	Axalta Coating Systems Ltd.	6.17B	-	1.41	5.19	-	-191.50%	-	-	-	-59.80%	3.25	34.00%	29.83%	-
RPM	RPM International Inc.	6.78B	18.42	1.54	4.60	114.61	194.60%	15.49%	18.60%	10.00%	28.10%	1.03	42.70%	25.32%	73.01
VAL	The Valspar Corporation	7.23B	16.74	1.60	7.11	-	25.30%	14.28%	21.90%	12.93%	32.90%	0.94	34.70%	24.05%	65.95
ASH	Ashland Inc.	8.09B	13.52	1.32	2.41	27.69	-86.70%	16.52%	17.90%	11.09%	5.40%	0.82	24.80%	22.07%	64.12
PPG	PPG Industries Inc.	31.28B	20.15	2.04	5.16	55.07	55.00%	17.59%	17.00%	12.93%	39.10%	0.48	43.10%	21.77%	68.64
IFF	International Flavors & Fragrances Inc.	8.30B	18.74	2.71	5.06	42.49	38.80%	8.40%	8.30%	10.75%	31.50%	0.57	44.10%	20.73%	56.98
DD	E. I. du Pont de Nemours and Company	66.40B	16.26	1.88	4.26	1252.78	16.90%	12.39%	6.70%	8.32%	19.30%	0.59	37.80%	15.95%	62.14
ROC	Rockwood Holdings, Inc.	5.56B	28.02	3.91	2.23	-	-75.30%	25.35%	16.00%	10.00%	22.40%	0.51	45.20%	11.00%	54.69
CE	Celanese Corporation	9.14B	10.69	1.33	3.12	38.08	194.00%	-0.82%	24.90%	8.86%	47.70%	0.90	23.20%	9.32%	50.67
POL	PolyOne Corporation	3.36B	16.17	0.86	3.92	27.55	64.40%	28.50%	18.60%	26.60%	12.80%	1.11	17.50%	5.54%	54.08
DOW	The Dow Chemical Company	54.03B	13.80	0.93	2.46	82.36	388.60%	12.65%	42.10%	12.42%	16.10%	0.87	17.60%	5.50%	43.66
ARG	Airgas, Inc.	8.59B	20.12	1.66	4.28	58.94	7.60%	13.34%	8.40%	11.03%	19.00%	1.00	55.80%	4.86%	56.54
PX	Praxair Inc.	37.89B	19.14	3.08	5.80	64.22	4.60%	8.34%	9.10%	10.12%	28.00%	1.23	43.30%	2.02%	58.58
WLK	Westlake Chemical Corp.	8.18B	10.91	1.93	2.89	19.56	57.60%	3.20%	85.10%	11.50%	25.20%	0.27	29.50%	1.57%	45.97
CYT	Cytec Industries Inc.	3.24B	13.91	1.62	2.45	-	169.60%	10.85%	24.40%	17.14%	23.50%	0.54	34.00%	-2.83%	38.96
GRA	W.R. Grace & Co.	7.07B	18.30	2.20	13.95	-	534.60%	21.04%	14.50%	17.70%	56.90%	3.76	37.60%	-3.18%	56.94
EMN	Eastman Chemical Co.	11.23B	9.85	1.19	2.88	16.89	154.80%	10.26%	26.80%	7.77%	28.20%	1.17	28.40%	-4.67%	42.43
HUN	Huntsman Corporation	5.57B	8.47	0.49	2.48	371.51	-64.30%	30.63%	-24.10%	7.00%	19.20%	1.68	16.90%	-5.43%	41.06
ALB	Albemarle Corporation	4.59B	12.76	1.81	3.15	12.53	41.20%	9.08%	18.60%	8.33%	23.50%	0.47	33.90%	-5.82%	50.70
CBT	Cabot Corporation	2.77B	10.24	0.76	1.44	30.77	26.10%	22.03%	34.70%	17.00%	13.70%	0.53	20.10%	-14.48%	50.05
FUL	HB Fuller Co.	2.21B	14.85	1.06	2.32	-	39.60%	27.44%	39.00%	11.67%	6.50%	0.56	26.10%	-14.53%	60.14
FMC	FMC Corp.	7.59B	12.80	1.86	4.41	-	4.40%	13.84%	9.00%	9.00%	19.60%	0.67	33.50%	-24.01%	55.12
RYAM	Rayonier Advanced Materials Inc.	956.21M	11.72	0.96	-	7.82	-9.20%	-23.27%	0.00%	5.00%	22.40%	-	24.90%	-44.56%	34.04

Gold, Copper, Silver: The stocks in this group correlate directly to the underlying commodity price, and see very little distinction between the names, nor do I ever really want to be invested in these names. Avoid the group as production cuts and weakness in earnings makes it a low-alpha group.

Oil & Gas Exploration: Heading into 2015 with Crude Oil in the \$55-\$60 range this group has come under a lot of pressure, and although the US Shale names can still turn a profit it is important to stick to the higher quality names in this environment, and avoid the debt-ridden lower quality names, unless looking for quick short-term trades with Oil movement. Expect earnings to be under pressure throughout the year with weak guidance, production cuts, and more, not an attractive area to be, but if looking for exposure I can point you to the best of breed names. Of the 35 names listed below bullish options positioning has been seen in APA, RICE, EOG, APC, EPD and OXY while bearish positioning in DO, NBL, CHK, and HES. My 3 favorite names are EOG, PXD and APC for quality of assets, while value players can look closer at OXY and APA. RICE is the smaller cap name that can outperform in a big way as long as Oil stabilizes. The Oil Exploration ETF (XOP) is attempting to put in a monthly reversal candle at important support in December, and is very oversold.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
FANG	Diamondback Energy, Inc.	3.55B	23.71	8.07	2.09	-	224.00%	8.92%	19.90%	60.00%	9.80%	0.36	84.50%	18.31%	55.76
RICE	Rice Energy Inc.	3.48B	49.27	12.04	2.39	-	-86.70%	290.23%	0.00%	67.50%	22.40%	0.64	92.40%	16.76%	54.45
NFX	Newfield Exploration Co.	3.91B	13.67	1.72	1.11	-	109.70%	12.72%	17.30%	12.33%	17.20%	0.86	74.90%	15.63%	54.42
EOG	EOG Resources, Inc.	52.07B	23.84	3.05	2.92	146.52	282.90%	-25.00%	-3.70%	11.27%	18.50%	0.33	61.40%	13.85%	57.35
XEC	Cimarex Energy Co.	9.91B	27.29	4.13	2.20	-	58.80%	-30.20%	20.90%	9.20%	18.10%	0.34	78.00%	8.86%	58.71
APC	Anadarko Petroleum Corporation	42.98B	27.01	2.31	2.08	-	-66.80%	-33.50%	-25.40%	10.95%	-23.70%	0.71	87.60%	8.13%	56.12
ENLK	EnLink Midstream Partners, LP	6.87B	29.63	2.24	1.45	-	-69.60%	34.57%	4.20%	8.00%	1.50%	0.39	25.90%	6.74%	52.59
COP	ConocoPhillips	87.37B	16.19	1.59	1.59	-	8.80%	-22.74%	21.10%	8.70%	17.40%	0.35	43.30%	4.34%	58.61
EPD	Enterprise Products Partners L.P.	66.04B	21.34	1.30	3.97	-	4.40%	4.78%	26.20%	6.85%	18.20%	1.12	7.40%	2.96%	39.98
DVN	Devon Energy Corporation	25.08B	12.85	1.55	1.12	-	89.40%	-9.81%	62.60%	14.80%	11.90%	0.46	85.50%	0.52%	56.59
NFG	National Fuel Gas Company	5.83B	18.46	2.76	2.42	-	14.30%	13.45%	22.40%	5.60%	12.90%	0.68	71.30%	-1.38%	56.10
XOM	Exxon Mobil Corporation	396.52B	15.21	0.95	2.21	98.61	-24.00%	-19.14%	-3.20%	3.38%	19.30%	0.06	24.80%	-4.85%	55.71
CVX	Chevron Corporation	213.49B	13.79	1.01	1.36	-	-16.70%	-18.23%	-1.00%	5.20%	13.60%	0.13	35.80%	-6.37%	56.20
CNX	CONSOL Energy Inc.	8.03B	28.17	2.31	1.53	-	-74.80%	36.04%	-32.00%	12.00%	14.70%	0.62	30.70%	-7.72%	41.91
EGN	Energen Corp.	4.75B	28.63	3.08	1.41	-	-24.40%	-16.82%	-9.80%	5.10%	19.50%	0.19	91.40%	-7.78%	59.53
OXY	Occidental Petroleum Corporation	63.21B	19.62	2.56	1.46	-	28.90%	-31.43%	-3.40%	4.22%	16.30%	0.16	67.90%	-7.90%	54.85
CXO	Concho Resources, Inc.	11.19B	29.03	4.15	2.15	-	-42.20%	-17.00%	-7.20%	22.98%	13.60%	0.66	80.40%	-8.35%	52.01
HES	Hess Corporation	22.27B	26.17	1.04	0.92	-	107.40%	-39.55%	9.00%	6.73%	17.50%	0.24	46.10%	-9.16%	51.28
EQT	EQT Corporation	12.21B	26.17	5.98	2.77	-	118.90%	-0.90%	-0.30%	30.00%	12.20%	0.68	88.70%	-10.13%	41.87
MRD	Memorial Resource Development Corp.	3.86B	23.10	4.65	8.60	-	253.30%	43.46%	0.00%	50.00%	-284.00%	4.84	78.10%	-11.91%	45.34
HP	Helmerich & Payne, Inc.	7.78B	11.81	2.09	1.59	-	-3.00%	-1.11%	12.70%	1.00%	18.60%	0.01	46.00%	-12.14%	52.76
PXD	Pioneer Natural Resources Co.	22.74B	30.85	5.32	3.06	-	-173.10%	-4.39%	-32.40%	18.23%	-11.00%	0.37	61.20%	-17.01%	52.10
COG	Cabot Oil & Gas Corporation	13.13B	33.74	6.43	5.59	-	112.90%	-4.46%	4.90%	38.10%	17.50%	0.68	75.50%	-17.82%	52.38
MRO	Marathon Oil Corporation	19.05B	20.31	1.52	0.94	-	-0.90%	-50.80%	-13.90%	8.50%	12.60%	0.31	64.00%	-18.17%	45.68
MUR	Murphy Oil Corporation	8.99B	17.82	1.66	1.07	-	10.30%	-22.58%	-12.30%	6.67%	9.00%	0.47	77.00%	-20.09%	56.69
SWN	Southwestern Energy Co.	10.95B	13.77	2.75	2.54	163.62	198.50%	-2.47%	4.00%	13.10%	19.20%	0.42	75.90%	-21.18%	50.49
CHK	Chesapeake Energy Corporation	13.21B	13.86	0.65	0.99	-	150.00%	-13.47%	-4.50%	9.05%	4.00%	0.87	90.10%	-21.53%	50.45
APA	Apache Corp.	24.40B	17.35	1.69	0.80	-	11.80%	-36.64%	21.40%	-0.18%	-1.30%	0.35	82.70%	-23.72%	51.27
NBL	Noble Energy, Inc.	18.52B	22.70	3.46	1.86	-	-6.70%	-8.93%	-7.90%	9.65%	9.90%	0.55	97.00%	-24.04%	52.32
DO	Diamond Offshore Drilling, Inc.	5.35B	12.34	1.87	1.20	-	-23.70%	0.35%	-16.00%	-10.62%	8.40%	0.45	41.40%	-25.98%	65.54
RRC	Range Resources Corporation	10.10B	37.23	4.88	3.13	-	775.00%	5.03%	-20.80%	27.48%	14.60%	0.95	84.10%	-28.83%	45.45
AR	Antero Resources Corporation	11.53B	25.48	6.70	3.07	-	-110.10%	39.50%	-17.80%	55.00%	-4.30%	1.10	93.80%	-30.63%	47.73
GPOR	Gulfport Energy Corp.	3.74B	141.23	7.94	1.71	-	55.10%	-30.18%	19.70%	34.30%	7.60%	0.28	85.20%	-30.65%	49.74
CLR	Continental Resources, Inc.	14.38B	15.84	3.33	2.94	-	2.00%	-19.53%	16.90%	18.43%	23.00%	1.20	99.40%	-31.34%	43.67
WLL	Whiting Petroleum Corp.	4.14B	11.30	1.35	0.96	-	-12.10%	-30.52%	0.60%	13.20%	8.90%	0.65	82.10%	-44.55%	39.96

Oil & Gas Services: It was a bad year for the Oil Services group with no names outperforming the broader markets, and even after a Q4 massive merger between Halliburton (HAL) and Baker Hughes (BHI). With Energy Companies on the verge on production cuts domestically and abroad, earnings are going to come under pressure, a period of multiple compression, and it will be difficult for any of these names to perform well in 2015 unless there is an unexpected resurgence in Energy, which would take some lag time anyhow, so a group to avoid for the first half of 2015 at least. SLB trades at the highest multiple in the group, but deserves to with its strong earnings performance. CAM is a name that is very cheap on most metrics and the 8th largest holding for JANA Partners, which makes it more interesting. If we are to see another merger in the group, my favorite name is FMC Tech (FTI) due to its technological advantages and better than average growth, a turnaround was in progress in 2014. The Oil Services ETF (XES) did put in a weekly bullish engulfing during December OpEx week off a key support, making the recent low the level to be trading against.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
BHI	Baker Hughes Incorporated	24.72B	13.20	1.04	1.38	37.23	-16.80%	9.62%	-14.10%	26.73%	7.30%	0.22	18.20%	4.52%	51.63
SLB	Schlumberger Limited	112.62B	15.22	2.35	2.80	23.94	30.40%	2.90%	2.90%	16.85%	16.90%	0.29	22.70%	-1.25%	50.17
NOV	National Oilwell Varco, Inc.	28.88B	11.00	1.32	1.34	13.92	-6.70%	1.53%	2.10%	10.30%	11.70%	0.14	26.30%	-4.42%	51.27
FTI	FMC Technologies, Inc.	11.27B	14.69	1.44	4.30	22.85	18.00%	14.76%	9.10%	19.18%	28.30%	0.50	24.30%	-7.68%	51.16
CAM	Cameron International Corporation	9.91B	10.72	0.94	2.11	23.96	-5.00%	13.67%	2.50%	16.41%	17.20%	0.59	27.90%	-15.66%	46.74
SPN	Superior Energy Services, Inc.	3.31B	11.59	0.74	0.81	8.22	-127.70%	3.53%	-16.70%	2.00%	-3.00%	0.39	38.80%	-17.26%	55.29
HAL	Halliburton Company	34.31B	9.64	1.08	2.22	29.61	-16.20%	4.48%	-4.30%	20.16%	23.70%	0.50	16.00%	-19.28%	39.53
OII	Oceaneering International, Inc.	6.19B	13.69	1.70	3.12	229.35	28.60%	7.97%	14.00%	10.20%	20.10%	0.12	23.30%	-24.14%	37.61
DRQ	Dril-Quip, Inc.	3.06B	14.04	3.37	2.46	38.12	41.50%	9.32%	9.70%	16.00%	15.60%	0.00	44.60%	-29.46%	46.67

Aluminum, Coal and Steel: It is clear in YTD performance that Aluminum is the spot to be in this group and with the trends seen in Automotive, that remains likely for 2015. The wildcard in this group is platinum producer Stillwater (SWC) that has seen large call buying in July and involved in an activist campaign. Steel has certain periods where it is a good trading vehicle, but the overall long term view is dim to make it attractive for holding, but when trading Steel Dynamics (STLD) and AK Steel (AKS) are my preferred names in that group.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
CENX	Century Aluminum Co.	2.20B	8.71	1.24	2.08	65.27	-12.50%	158.56%	53.20%	7.00%	1.70%	0.23	7.20%	136.42%	46.53
AA	Alcoa Inc.	18.79B	15.31	0.81	1.52	-	151.50%	26.18%	-58.30%	36.48%	-21.00%	0.71	18.40%	51.23%	48.19
SWC	Stillwater Mining Company	1.81B	18.01	1.88	2.03	24.31	-595.70%	39.20%	-13.00%	10.00%	-0.30%	0.32	14.70%	22.29%	65.17
STLD	Steel Dynamics Inc.	4.75B	9.26	0.59	1.59	34.06	13.70%	56.26%	-19.00%	28.42%	9.30%	0.98	10.80%	2.97%	34.38
X	United States Steel Corp.	4.16B	7.97	0.23	1.05	5.33	412.60%	3.40%	-21.50%	6.50%	2.70%	0.80	10.20%	-2.62%	35.74
NUE	Nucor Corporation	15.76B	13.96	0.75	2.04	-	-3.80%	55.93%	-24.00%	39.69%	8.80%	0.57	8.50%	-5.45%	33.49
TMST	TimkenSteel Corporation	1.56B	11.91	0.98	1.89	-	-	22.00%	0.00%	22.90%	-	-	-	-8.48%	50.48
CMC	Commercial Metals Company	1.89B	10.02	0.27	1.41	-	34.40%	26.56%	112.20%	14.20%	8.60%	0.95	9.90%	-18.69%	50.65
RS	Reliance Steel & Aluminum Co.	4.62B	10.18	0.45	1.12	-	-22.30%	18.69%	-8.80%	9.50%	8.50%	0.54	25.60%	-20.37%	38.47
WOR	Worthington Industries, Inc.	2.06B	8.94	0.62	2.34	31.24	10.50%	20.98%	28.80%	12.00%	16.40%	0.64	15.50%	-27.36%	26.21

Pipelines - MLP's: It was clearly a mixed bag for performance in this group for 2014, so definitely important to be invested in the right names. It's another group that sold off sharply in Q4 with the Oil decline, while the big news of the year was all the deals and restructuring, especially the massive Kinder Morgan deal. These names are not for short-term trading, a pain come tax season, but do offer nice yields, and need to be aware of balance sheet strength when choosing. I tend to let options action determine the best names in this group, and those names are ETE, ETP, WMB, BWP, NS and SE. Two names to watch in 2015 are TRGP, an outstanding growth play in the group, and SEP, above average growth with a 4.2% yield and lower debt exposure. The MLP ETF (AML) put in a strong reversal off its 150 week MA and a re-test of a prior breakout level, so 16.50/19 the range to watch for a break into 2015.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
LNG	Cheniere Energy, Inc.	16.67B	-	62.12	-	-	-26.80%	40.90%	21.70%	-	-	-	69.50%	63.27%	54.44
MPLX	MPLX LP	5.41B	28.53	10.11	10.02	33.20	347.80%	41.07%	0.00%	40.20%	20.50%	0.54	65.00%	52.86%	57.25
TCP	TC PipeLines, LP	4.34B	25.32	12.87	3.14	48.18	-14.40%	2.51%	-4.70%	11.05%	12.20%	1.07	-	49.90%	43.58
ETE	Energy Transfer Equity, L.P.	30.35B	28.67	0.55	42.68	-	-62.30%	34.87%	-19.20%	29.30%	38.00%	40.21	12.50%	42.09%	49.56
EEP	Enbridge Energy Partners, L.P.	12.54B	28.85	1.60	3.36	-	-130.70%	35.98%	-17.30%	48.10%	1.50%	1.67	26.70%	38.11%	51.45
MMP	Magellan Midstream Partners LP	18.76B	23.08	8.47	10.33	174.50	33.30%	3.14%	18.20%	15.50%	44.60%	1.65	54.40%	34.94%	54.99
SEP	Spectra Energy Partners, LP	16.25B	19.48	4.93	1.52	-	27.70%	3.25%	38.60%	-9.35%	14.00%	0.49	70.30%	26.64%	53.46
WMB	Williams Companies, Inc.	34.38B	31.81	4.80	3.77	-	-44.80%	53.99%	-21.90%	6.19%	28.80%	2.18	57.70%	24.22%	41.66
KMI	Kinder Morgan, Inc.	88.47B	31.23	5.48	3.41	-	43.20%	9.62%	17.40%	9.00%	9.60%	2.84	47.40%	21.19%	59.49
NS	NuStar Energy L.P.	4.44B	22.83	1.40	2.57	-	1.40%	19.24%	-21.50%	52.20%	-12.20%	1.58	33.80%	20.72%	51.00
WES	Western Gas Partners LP	9.09B	29.88	7.41	3.36	-	117.90%	5.63%	18.60%	8.50%	10.40%	0.83	66.40%	19.73%	56.16
TRGP	Targa Resources Corp.	4.33B	33.18	0.50	27.04	-	70.30%	17.71%	54.97%	43.20%	77.40%	19.67	17.50%	19.35%	46.12
ETP	Energy Transfer Partners, L.P.	22.22B	19.33	0.44	1.72	-	-104.70%	8.24%	-15.60%	27.00%	0.60%	1.45	10.90%	17.50%	48.90
SXL	Sunoco Logistics Partners L.P.	9.18B	25.05	0.50	1.48	-	-23.10%	-3.09%	9.60%	10.40%	6.40%	0.61	6.20%	13.85%	34.94
BPL	Buckeye Partners, L.P.	9.52B	19.85	1.35	2.40	-	36.30%	17.13%	19.40%	5.00%	4.20%	0.99	18.10%	11.69%	45.40
MWE	MarkWest Energy Partners, L.P.	12.51B	44.46	5.98	2.52	-	-85.80%	79.25%	-43.10%	2.50%	2.00%	0.74	42.30%	8.28%	51.61
CQP	Cheniere Energy Partners LP.	9.89B	-	36.74	8.25	-	2.50%	-4.60%	-10.40%	-	-28.90%	7.49	69.50%	7.93%	49.12
SE	Spectra Energy Corp.	24.87B	23.64	4.24	2.98	-	8.40%	3.16%	-3.10%	5.00%	11.80%	1.56	78.60%	7.82%	53.56
SHLX	Shell Midstream Partners, L.P.	4.77B	38.19	40.68	9.50	-	-22.90%	94.74%	0.00%	-	52.50%	0.00	-	5.31%	-
SEMG	SemGroup Corporation	2.92B	37.65	1.44	2.62	-	151.10%	110.12%	15.20%	-	2.30%	0.72	23.70%	4.14%	42.81
PAA	Plains All American Pipeline, L.P.	19.11B	19.35	0.43	2.46	-	17.20%	14.89%	16.20%	1.40%	14.50%	0.98	5.40%	3.90%	52.24
RGP	Regency Energy Partners LP	9.64B	37.84	2.29	1.05	-	30.80%	58.02%	-31.00%	72.80%	0.90%	0.72	28.60%	-4.16%	28.03
PAGP	Plains GP Holdings, L.P.	15.19B	38.10	0.34	3.24	-	450.00%	40.26%	0.00%	-	5.50%	7.85	8.50%	-5.55%	44.21
NGLS	Targa Resources Partners LP	5.51B	17.84	0.63	2.38	-	-0.80%	-10.15%	-8.20%	45.50%	19.60%	1.35	17.50%	-6.20%	40.53
DPM	DCP Midstream Partners LP	4.99B	16.73	1.40	1.74	-	-41.20%	39.60%	-20.10%	8.00%	5.60%	0.82	19.30%	-6.94%	40.03
GEL	Genesis Energy LP	4.22B	23.76	1.11	3.20	-	-19.40%	44.76%	11.50%	21.70%	14.80%	1.10	6.80%	-10.16%	58.23
ENBL	Enable Midstream Partners, LP	8.21B	15.70	2.38	0.93	-	410.50%	0.00%	0.00%	10.00%	6.20%	0.26	41.10%	-10.37%	43.26
AM	Antero Midstream Partners LP	3.69B	41.64	81.00	6.20	-	-200.00%	1001.89%	0.00%	25.70%	-2.00%	0.39	91.20%	-13.24%	-
OKS	ONEOK Partners, L.P.	10.26B	16.27	0.80	1.82	-	-22.70%	-2.02%	-4.80%	6.30%	10.60%	1.08	15.50%	-17.65%	39.87
APL	Atlas Pipeline Partners, L.P.	2.23B	30.99	0.81	1.28	-	-337.20%	123.68%	28.40%	35.10%	-3.50%	1.03	18.40%	-19.05%	40.24
BWP	Boardwalk Pipeline Partners, LP	4.33B	17.32	3.49	1.08	-	-25.60%	6.53%	-12.30%	2.50%	5.30%	0.85	74.90%	-28.51%	64.27
ATLS	Atlas Energy, L.P	1.61B	-	0.47	4.67	-	-44.10%	-	7.90%	49.50%	-17.10%	9.51	21.60%	-30.77%	46.93
QEP	QEP Resources, Inc.	3.70B	20.01	1.11	1.05	-	23.60%	-26.71%	-21.10%	10.25%	3.10%	0.89	64.10%	-32.84%	44.93
CMLP	Crestwood Midstream Partners LP	3.00B	37.34	1.29	0.71	-	-241.40%	278.76%	-30.00%	-0.90%	-2.10%	0.45	25.70%	-35.80%	34.80

Refiners: The Refiners are always a great trading group and tend to see a lot of options action, recent large bearish early 2015 put positions opened in both VLO and TSO. TSO was the clear standout performer in 2014. For refiners to be an effective trade Oil has to move back into the sweet spot for crack spreads, currently not a great spot to be invested, but always one to monitor because when this group starts to move, it makes some very strong trend moves. PSX is my favorite name in the group on fundamentals, and also is a large holding for Berkshire Hathaway.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
TSO	Tesoro Corporation	9.09B	11.09	0.21	2.00	18.22	-53.80%	-1.14%	7.40%	28.70%	15.80%	0.64	11.60%	25.30%	45.61
INT	World Fuel Services Corp.	3.41B	14.29	0.08	1.85	34.21	7.20%	11.23%	9.40%	5.65%	11.80%	0.42	1.80%	9.90%	61.73
CVI	CVR Energy, Inc.	3.51B	14.82	0.36	3.17	-	-2.10%	-14.44%	17.60%	-	16.20%	0.61	6.80%	3.30%	41.16
NTI	Northern Tier Energy LP	2.11B	6.77	0.36	4.39	-	81.90%	0.33%	0.00%	19.10%	72.10%	0.76	7.90%	2.48%	46.24
VLO	Valero Energy Corporation	25.48B	8.27	0.19	1.25	7.59	32.60%	0.65%	33.60%	19.13%	18.80%	0.28	9.00%	-1.01%	52.01
MPC	Marathon Petroleum Corporation	24.43B	9.78	0.24	2.27	11.42	-32.80%	13.54%	14.30%	12.60%	22.00%	0.57	6.70%	-2.95%	48.62
WNR	Western Refining, Inc.	3.71B	9.04	0.24	2.69	12.55	-24.80%	-7.99%	27.70%	9.20%	44.50%	0.90	7.80%	-4.49%	40.35
PSX	Phillips 66	39.75B	9.71	0.23	1.85	-	-7.70%	16.72%	11.10%	14.05%	33.90%	0.28	14.70%	-4.62%	51.31
PBF	PBF Energy Inc.	2.41B	7.41	0.12	1.39	-	154.10%	-6.80%	0.00%	12.95%	21.20%	0.71	9.60%	-13.63%	43.69
DK	Delek US Holdings, Inc.	1.65B	9.60	0.20	1.55	-	-57.10%	-16.07%	34.20%	38.90%	15.80%	0.52	12.30%	-18.06%	41.52
HFC	HollyFrontier Corporation	7.31B	10.37	0.36	1.23	-	-56.60%	10.46%	25.70%	8.90%	9.30%	0.17	12.00%	-19.44%	35.73

Consumer Goods:

Auto Related: Auto stocks had a mixed year in 2014 with Tesla the clear leader as the hot growth play, but a name showing technical weakness into yearend. GM ran into a lot of recall issues in 2014 and overall the auto manufacturers are struggling due to peak sales, the outlook for growth is slim, though a recent decline in gasoline prices can boost the demand for trucks. The strongest fundamental group with momentum are the truck makers and parts for trucks with PCAR, CMI, ALSN the three best names, strength in recent data sets up for positive momentum in 2015. PII and HOG both underperformed in 2014 in the recreational vehicle area, while parts makers did not perform well either, other than VC which was due to a lot of asset sales and restructuring efforts. In this industry for 2015 I see both GM and F as avoids due to a declining outlook in the auto cycle, and prefer the truck names, specifically PCAR and CMI which each have seen bullish options positioning. In terms of value plays, JCI is a favorite trading just 11.6X Earnings and 0.75X Sales with double digit EPS growth and plenty of optionality, while also seeing rising institutional ownership and a monthly bull flag that would be a great breakout play above \$51. WBC is a stellar company posting 15%+ EPS growth and in a strong trend, and ALSN is also an up and coming superstar, so those are the top 5 names to focus on from the long side.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
TSLA	Tesla Motors, Inc.	27.49B	78.80	9.62	28.59	-	83.20%	362.29%	45.10%	-	-28.90%	1.94	27.20%	45.78%	46.65
VC	Visteon Corporation	4.70B	21.54	0.63	3.87	-	599.50%	43.25%	35.50%	2.40%	22.40%	0.70	10.30%	29.49%	69.94
ALSN	Allison Transmission Holdings, Inc.	5.95B	20.82	2.87	4.43	15.32	-68.10%	25.98%	20.00%	16.51%	16.10%	1.90	44.90%	23.42%	56.94
PCAR	PACCAR Inc.	24.52B	16.22	1.33	3.43	398.66	5.80%	12.31%	3.50%	12.30%	18.70%	0.74	17.70%	20.42%	63.69
LEA	Lear Corp.	7.59B	10.41	0.44	2.49	23.23	-61.20%	16.49%	25.50%	20.57%	15.60%	0.35	8.60%	19.35%	59.37
GNTX	Gentex Corp.	5.36B	17.21	3.96	3.56	31.65	32.50%	6.35%	28.60%	11.65%	20.30%	0.17	39.40%	13.21%	60.68
WBC	WABCO Holdings Inc.	6.18B	16.52	2.14	6.09	12.73	123.20%	15.56%	26.10%	20.00%	58.20%	0.27	30.20%	12.31%	59.63
BC	Brunswick Corporation	4.71B	17.63	1.24	3.71	-	416.30%	22.12%	23.90%	12.00%	77.30%	0.35	26.80%	11.21%	63.97
DAN	Dana Holding Corporation	3.58B	10.07	0.54	2.69	11.06	-105.70%	8.81%	-25.70%	10.43%	22.10%	1.29	14.00%	8.52%	57.47
CMI	Cummins Inc.	26.14B	13.09	1.40	3.36	28.10	-8.80%	20.18%	15.50%	13.83%	21.60%	0.20	25.60%	3.47%	50.23
PII	Polaris Industries Inc.	9.86B	18.79	2.30	11.96	60.25	22.70%	19.41%	25.30%	17.50%	64.10%	0.27	29.60%	3.39%	48.73
THO	Thor Industries Inc.	2.94B	12.30	0.81	2.93	53.30	15.00%	19.18%	60.40%	20.00%	18.70%	0.00	13.20%	0.92%	52.27
F	Ford Motor Co.	57.85B	9.31	0.40	2.22	16.33	23.90%	43.98%	17.80%	11.13%	23.30%	4.56	12.00%	0.54%	50.55
BWA	BorgWarner Inc.	12.46B	14.66	1.52	3.34	106.26	29.20%	14.27%	82.10%	15.24%	17.80%	0.19	21.30%	-1.08%	48.94
TEN	Tenneco Inc.	3.42B	11.02	0.40	5.54	22.03	-34.00%	10.16%	18.50%	13.18%	48.70%	1.94	16.90%	-1.15%	57.70
JCI	Johnson Controls Inc.	32.19B	11.62	0.75	2.83	52.60	35.90%	14.55%	41.70%	12.57%	10.50%	0.56	15.50%	-4.21%	56.25
HOG	Harley-Davidson, Inc.	13.88B	14.74	2.23	4.25	20.56	20.60%	13.83%	2.40%	14.24%	26.40%	1.09	40.60%	-4.87%	42.90
OSK	Oshkosh Corporation	3.69B	10.29	0.54	1.96	-	2.30%	13.56%	17.50%	12.70%	14.80%	0.44	17.40%	-5.10%	59.00
NAV	Navistar International Corporation	2.68B	9.66	0.25	-	-	28.30%	274.15%	-30.90%	9.00%	14.80%	-	11.80%	-13.93%	43.36
LKQ	LKQ Corp.	8.37B	16.58	1.31	3.13	29.84	17.20%	23.24%	23.90%	21.83%	15.00%	0.68	39.70%	-16.08%	43.81
GM	General Motors Company	52.72B	7.67	0.34	1.33	-	-18.50%	62.18%	15.40%	14.42%	13.90%	0.69	8.70%	-16.87%	56.96

Food and Beverage: The food and beverage group outperformed the broader market for the most part in 2014 and two of the top performers were hot growth stocks MNST and GMCR that each were buoyed by investments from Coca Cola (KO) that may eventually end up being full takeovers. WWAV was another top performer as a mid-cap growth name that is an attractive takeover target for 2015 as consolidation continues in this space, and DPS has strong earnings momentum and a candidate for a takeover in beverages. TAP is a name with large bullish options positioning for 2015 as the long awaited transaction with SAB Miller can send shares 20%+ higher. SJM remains a laggard and was on the 2014 top short list, and remains overvalued with limited growth prospects. MDLZ shares are only up 7% for the year but an interesting name into 2015 with Nelson Peltz involved and wants the Company to merge with Pepsi's snacks division, and has seen some bullish call buying. THS is a smaller cap play that has been posting solid earnings growth and showing technical strength into yearend. TSN is a compelling value after its deal for Hillshire (HSH) in 2014, but also have to be wary of rising corn prices. ADM shares were strong in 2014 and has made some smart strategic deals, a name that can justify further multiple expansion in 2015. MJN is a name seen as a takeover target for Danone and recently had a buyer of 2,000 May 2015 \$110 calls. Overall this group has a number of quality safety stocks like MO, KO, PEP, and KRFT, while also a lot of smaller growth names and a lot of potential acquisition targets in 2015 for a consolidating sector. Valuations are extended in a lot of the larger cap plays, but if they make strategic deals for growth companies, the market is likely to reward these names.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD	RSI
PPC	Pilgrim's Pride Corporation	8.67B	10.79	1.02	4.28	9.50	202.90%	8.46%	16.50%	9.00%	40.00%	0.25	14.40%	106.03%	53.65
GMC	Keurig Green Mountain, Inc.	22.23B	28.78	4.72	6.45	84.49	18.40%	13.31%	52.70%	16.25%	18.70%	0.07	38.60%	83.28%	45.23
MNST	Monster Beverage Corporation	18.72B	34.79	7.80	13.48	42.00	4.80%	21.65%	28.80%	16.10%	36.60%	0.00	53.50%	64.72%	63.92
WWAV	The WhiteWave Foods Company	6.09B	30.07	1.90	5.75	-	-20.80%	16.90%	0.00%	22.26%	12.50%	1.42	34.00%	52.31%	50.55
DPS	Dr Pepper Snapple Group, Inc.	13.93B	18.48	2.29	5.91	26.14	3.00%	6.39%	35.00%	8.35%	31.00%	1.07	59.50%	51.15%	57.92
TAP	Molson Coors Brewing Company	14.06B	17.87	3.35	1.67	21.27	26.30%	-0.86%	7.80%	4.40%	6.40%	0.28	40.10%	38.22%	56.09
MO	Altria Group Inc.	99.93B	18.09	4.10	23.30	209.06	9.70%	8.71%	8.80%	7.80%	101.90%	2.96	40.80%	36.57%	57.74
STZ	Constellation Brands Inc.	18.30B	20.06	3.12	3.33	35.00	385.60%	11.46%	52.90%	14.80%	15.00%	1.15	43.20%	34.70%	58.70
RAI	Reynolds American Inc.	34.12B	17.25	4.07	6.83	258.52	40.20%	8.89%	6.60%	8.50%	32.20%	1.02	53.40%	34.43%	49.67
PF	Pinnacle Foods Inc.	4.11B	18.34	1.58	2.35	12.26	34.40%	10.27%	0.00%	12.23%	16.40%	1.32	26.60%	31.31%	70.55
LO	Lorillard, Inc.	22.34B	16.98	3.21	-	89.34	12.10%	8.62%	12.90%	9.25%	-65.50%	-	38.40%	27.79%	46.71
THS	Treehouse Foods, Inc.	3.69B	20.87	1.37	2.08	39.43	-2.10%	13.75%	20.70%	12.58%	5.60%	0.91	20.90%	26.49%	66.30
INGR	Ingredion Incorporated	6.06B	14.02	1.04	2.79	19.60	-7.50%	10.80%	7.50%	8.20%	16.50%	0.86	19.60%	25.28%	64.73
ADM	Archer-Daniels-Midland Company	33.63B	14.57	0.40	1.68	10.11	92.40%	17.23%	-5.00%	18.80%	9.50%	0.26	5.30%	22.89%	58.43
MJN	Mead Johnson Nutrition Company	20.27B	24.20	4.63	39.82	71.74	7.80%	11.57%	6.60%	10.33%	180.50%	2.94	62.00%	21.77%	50.25
TSN	Tyson Foods, Inc.	15.11B	11.23	0.40	1.72	34.18	2.60%	5.17%	29.30%	19.00%	12.20%	0.85	7.10%	21.18%	47.49
KRFT	Kraft Foods Group, Inc.	37.40B	18.88	2.07	6.74	912.10	64.00%	7.34%	12.90%	8.20%	43.90%	1.54	34.90%	21.11%	75.10
PEP	Pepsico, Inc.	142.84B	19.49	2.14	6.23	43.81	10.20%	6.53%	6.10%	7.56%	29.60%	1.02	53.50%	18.35%	46.77
BF-B	Brown-Forman Corporation	18.54B	24.41	6.07	9.01	134.34	11.30%	11.10%	9.90%	9.00%	33.20%	0.48	69.70%	18.14%	42.96
HRL	Hormel Foods Corporation	13.78B	18.86	1.48	3.82	-	14.40%	9.13%	11.90%	10.47%	17.10%	0.07	16.80%	17.69%	49.66
CAG	ConAgra Foods, Inc.	15.66B	15.30	0.88	2.76	23.87	-62.20%	6.26%	-12.30%	9.35%	14.20%	1.40	20.10%	12.83%	59.66
K	Kellogg Company	23.72B	16.49	1.63	7.07	80.97	85.40%	3.84%	10.70%	5.60%	49.10%	1.76	41.90%	12.68%	60.26
MKC	McCormick & Company, Incorporated	9.88B	21.17	2.33	5.06	49.40	-4.30%	7.33%	8.40%	8.60%	21.50%	0.52	40.70%	12.47%	72.77
BG	Bunge Limited	13.12B	12.75	0.22	1.52	9.20	-64.10%	26.03%	-34.00%	10.20%	7.10%	0.32	4.50%	11.84%	52.22
GIS	General Mills, Inc.	32.49B	17.65	1.84	5.72	47.34	1.40%	7.32%	8.30%	6.18%	24.40%	1.36	34.80%	11.27%	64.17
HSY	The Hershey Company	22.71B	23.68	3.08	15.12	136.29	24.90%	10.73%	21.60%	10.10%	52.70%	1.01	44.90%	10.57%	76.33
MDLZ	Mondelez International, Inc.	62.66B	19.98	1.80	2.04	17.04	46.60%	7.67%	3.20%	12.95%	10.70%	0.45	37.10%	6.97%	50.17
CPB	Campbell Soup Company	13.88B	17.08	1.66	8.60	44.63	7.40%	5.62%	2.80%	3.50%	56.40%	1.39	34.70%	5.30%	54.44
KO	The Coca-Cola Company	183.75B	20.56	3.98	5.50	59.06	-3.60%	0.10%	8.90%	3.63%	24.10%	0.60	61.30%	4.59%	47.76
CCE	Coca-Cola Enterprises Inc.	10.83B	15.27	1.29	6.32	41.97	8.40%	3.17%	9.90%	8.47%	34.40%	1.98	35.70%	3.78%	60.87
SJM	The J. M. Smucker Company	10.47B	17.28	1.90	2.01	48.32	8.40%	7.30%	11.80%	6.28%	10.80%	0.37	36.50%	1.64%	58.07
PM	Philip Morris International, Inc.	129.04B	16.60	4.25	-	84.17	1.70%	-0.93%	9.70%	5.83%	-108.40%	-	65.70%	-1.40%	38.34
FLO	Flowers Foods, Inc.	4.03B	19.49	1.08	3.47	46.55	65.20%	11.31%	13.80%	12.30%	16.50%	0.67	47.90%	-8.45%	53.95

Home and Personal Products: This group performed fairly well in 2014, though one notable laggard was MAT, a name that is seeing serious earnings weakness and recently a trader bought 10,000 April 2015 \$30 puts. Nearly every one of these names is trading up to new highs as the new year approaches. SPB is one of the top performers for 2014 and an interesting play as future breakup potential for its multiple business segments. WHR was a top pick in 2014 and having a strong year, still extremely cheap at 13.3X Earnings with double digit EPS growth. HAR remains a favorite stock of mine, an audio maker, providing excellent growth for 15.6X Earnings. MHK has seen Jan. 2015 \$160 calls accumulate from buyers lately, more than 4,500, and a name a lot of funds bought into last quarter, including Lone Pine Capital. CLX has a buyer of 10,000 Jan. 2015 \$105 calls sitting in OI, a name mentioned a couple months ago as a takeover candidate. This group offers some quality safety names like PG, KMB, and CL, while also some solid value for growth plays WHR, MHK, HAR, and consistent earnings performer JAH.

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LEG	Leggett & Platt, Incorporated	5.79B	20.10	1.52	4.86	40.48	-21.80%	15.00%	12.10%	15.00%	6.40%	0.51	19.90%	40.72%	68.07
SPB	Spectrum Brands Holdings, Inc.	5.10B	19.16	1.15	4.89	17.13	479.20%	9.76%	-34.90%	14.57%	27.40%	2.77	35.50%	39.15%	72.50
COTY	Coty Inc.	7.13B	20.78	1.57	10.39	37.77	-161.90%	11.95%	-22.20%	9.83%	-15.70%	3.73	58.80%	33.05%	60.64
HAR	Harman International Industries, Incorporated	7.27B	15.59	1.30	3.97	29.83	64.70%	28.83%	19.80%	17.40%	15.30%	0.22	27.60%	31.17%	52.30
ENR	Energizer Holdings Inc.	8.17B	16.83	1.84	3.22	22.53	-12.10%	7.94%	3.80%	5.95%	14.00%	0.70	48.00%	23.73%	67.59
WHR	Whirlpool Corp.	14.77B	13.29	0.78	2.86	-	102.40%	25.66%	13.20%	22.70%	14.70%	0.47	17.30%	23.23%	61.52
CHD	Church & Dwight Co. Inc.	10.49B	23.81	3.22	5.03	35.72	13.90%	8.82%	15.00%	9.82%	18.80%	0.31	44.10%	20.54%	72.93
KMB	Kimberly-Clark Corporation	43.15B	19.15	2.02	10.13	44.85	25.10%	5.77%	6.40%	6.90%	46.70%	1.34	34.40%	19.21%	65.14
NWL	Newell Rubbermaid Inc.	10.11B	16.96	1.78	5.03	32.00	7.50%	10.28%	58.50%	9.83%	24.00%	0.70	38.40%	17.41%	65.59
PG	The Procter & Gamble Company	248.73B	19.62	3.01	3.84	54.01	4.00%	7.76%	2.80%	8.25%	15.40%	0.29	49.10%	16.64%	67.78
CLX	The Clorox Company	13.51B	22.08	2.42	79.70	41.96	-1.20%	6.03%	5.10%	5.50%	385.00%	9.44	42.20%	16.15%	68.66
JAH	Jarden Corp.	9.01B	15.86	1.12	3.31	29.16	-14.50%	12.45%	40.00%	12.10%	7.90%	1.64	30.10%	14.57%	70.64
CL	Colgate-Palmolive Co.	63.78B	22.39	3.66	45.15	55.70	-7.40%	6.76%	5.40%	8.50%	118.60%	3.83	58.70%	9.63%	62.45
MHK	Mohawk Industries Inc.	11.30B	16.66	1.45	2.47	594.56	40.40%	14.80%	17.50%	19.30%	10.60%	0.40	28.00%	4.07%	58.72
ECL	Ecolab Inc.	32.00B	22.32	2.26	4.16	45.17	34.50%	14.09%	11.90%	14.30%	15.60%	0.63	45.80%	3.35%	48.22
HAS	Hasbro Inc.	6.87B	15.27	1.61	4.64	127.62	-14.90%	11.53%	1.60%	12.43%	24.10%	1.04	58.50%	2.50%	40.20
EL	The Estee Lauder Companies Inc.	28.95B	22.20	2.65	7.70	35.29	18.60%	19.82%	41.00%	9.75%	29.80%	0.35	80.30%	2.40%	63.22
FBHS	Fortune Brands Home & Security, Inc.	7.11B	19.30	1.70	3.06	166.17	88.70%	26.34%	18.40%	22.30%	8.60%	0.28	34.20%	-0.27%	56.76
TPX	Tempur Sealy International Inc.	3.26B	16.12	1.11	18.76	24.55	-24.70%	25.30%	10.10%	18.03%	59.90%	9.14	39.30%	-0.89%	44.42
MAT	Mattel, Inc.	9.89B	13.43	1.61	3.22	81.34	16.20%	10.81%	19.90%	-5.10%	22.70%	0.68	51.20%	-35.93%	37.64
NUS	Nu Skin Enterprises Inc.	2.58B	11.08	0.87	2.75	-	68.80%	-4.24%	42.20%	-4.60%	30.10%	0.10	82.00%	-67.64%	53.98

Packaging and Paper: This group has rallied strong in Q4 as lower gasoline costs lead to strength in consumer goods, and these goods need packaging. The story in 2014 for many of these names and carrying into 2015 is the potential for MLP conversions with IP, RKT, and KS to unlock shareholder value, and IP a name with some large bullish call buying including a buyer of 10,000 April 2015 \$55 calls that is in OI. BERY is a quality growth play in this group that saw unusual buying of 3,350 March 2015 \$30 calls, and with its technical momentum is a favorite into 2015. The laggards in this group are actually two of the more interesting plays for 2015 with OI trading just 10X Earnings and Atlantic Investment getting active in the name with a large stake, an event name for 2015, but yet to see the accompanying options action. TUP shares fell 30% in 2014 and has been posting disappointing earnings, but at 11.6X Earnings with a 4.34% yield, downside looks limited, and a true recovery candidate in 2015. SEE is my top growth play for 2015 in this area and a name "Tiger Cub" Hoplite Capital recently unveiled a large 4.73M share stake, though also the richest name in the group on EV/EBITDA. MWV offers similar growth to SEE but with EV/EBITDA of 9.4 compared to SEE's 14.1X, and MWV is also Starboard Value's 2nd largest position that it has been active in, so offers event potential as well.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
BLL	Ball Corporation	9.39B	16.89	1.10	7.80	13.70	5.80%	4.34%	10.90%	10.20%	43.90%	2.48	19.70%	33.95%
MWV	MeadWestvaco Corporation	7.50B	20.45	1.38	2.16	-	107.00%	20.17%	27.40%	9.00%	24.50%	0.51	19.60%	28.49%
PKG	Packaging Corporation of America	7.82B	15.08	1.38	4.97	36.17	166.10%	12.97%	27.80%	11.20%	41.70%	1.53	21.00%	28.37%
BERY	Berry Plastics Group, Inc.	3.61B	16.46	0.96	-	11.45	6.30%	21.10%	-18.20%	16.76%	-51.90%	-	15.50%	28.25%
SEE	Sealed Air Corporation	8.91B	20.66	1.14	6.69	-	105.20%	17.41%	-15.00%	16.40%	27.50%	3.16	34.40%	25.74%
RKT	Rock-Tenn Company	8.66B	13.87	0.87	2.05	16.76	-34.00%	9.51%	2.90%	7.53%	13.40%	0.66	19.50%	19.37%
IP	International Paper Company	22.87B	13.58	0.92	3.39	23.70	77.10%	23.49%	24.60%	11.07%	10.20%	1.32	30.10%	15.00%
CCK	Crown Holdings Inc.	7.10B	13.14	0.78	25.93	9.97	-38.70%	13.69%	10.60%	10.70%	401.90%	19.26	15.10%	14.61%
CSL	Carlisle Companies Incorporated	5.77B	18.82	2.28	2.68	73.29	37.00%	17.44%	21.70%	16.00%	14.10%	0.35	27.90%	14.50%
BMS	Bemis Company, Inc.	4.49B	18.01	1.00	2.82	206.08	22.90%	9.47%	4.80%	5.69%	14.30%	0.90	19.60%	12.84%
SON	Sonoco Products Co.	4.48B	16.29	0.91	2.63	48.48	11.00%	8.25%	5.40%	6.68%	13.90%	0.55	18.20%	9.37%
KS	KapStone Paper and Packaging Corporation	2.87B	12.82	1.25	3.54	15.70	103.10%	15.25%	35.40%	21.54%	24.70%	1.48	32.70%	7.20%
ATR	AptarGroup, Inc.	4.35B	21.32	1.65	3.09	80.62	5.90%	10.34%	2.90%	9.15%	12.60%	0.25	32.40%	0.69%
OI	Owens-Illinois, Inc.	4.45B	9.99	0.64	2.62	20.72	8.90%	2.89%	4.50%	3.55%	7.80%	1.43	18.80%	-24.51%
TUP	Tupperware Brands Corporation	3.16B	11.60	1.19	12.28	38.67	50.90%	3.21%	15.10%	12.00%	83.40%	2.41	66.00%	-31.26%

Textile - Apparel: There were some major standout performers in this group for 2015 with SKX, HBI, and UA all rising more than 50%, and each continues to show earnings momentum as the year ends, and SKX and HBI remains fairly cheap on valuation metrics. COH was the clear laggard in 2014 but a name I like for a turnaround in 2015 due to some rather large call positions in February and May 2015 OI. COH remains rich to KORS which is also growing much faster, but COH could be a deal stock in 2015. LULU shares are down YTD but have been a top performer in Q4 and looks to be a turnaround story in progress under a new CEO. RL is a name that is cheap to peers on EV/EBITDA in this group and also looking for a reaccelerating in EPS, and a candidate for outperformance in 2015. This group is where you need to stick to the momentum names SKX, HBI and UA, while DECK remains underappreciated after posting consecutive strong quarters, and NKE is a steady winner. CRI has a lot of technical strength and would also be a lead pick as a potential acquisition target, though the dynamics of less births could eventually weigh on this story.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
SKX	Skechers USA Inc.	2.93B	16.09	1.30	2.72	24.59	468.40%	28.66%	-1.90%	20.00%	13.30%	0.10	44.90%	70.48%
HBI	Hanesbrands Inc.	11.16B	17.29	2.19	7.67	29.30	40.10%	14.64%	19.40%	14.87%	26.10%	1.30	35.10%	61.11%
UA	Under Armour, Inc.	14.76B	57.43	5.14	11.77	-	25.00%	27.44%	31.60%	24.58%	16.20%	0.14	49.30%	58.28%
NKE	Nike, Inc.	81.71B	22.80	2.84	7.39	65.05	11.20%	15.24%	14.50%	12.60%	25.90%	0.11	45.20%	22.07%
VFC	V.F. Corporation	31.70B	20.94	2.64	5.39	46.57	11.50%	13.54%	15.00%	11.97%	22.20%	0.24	48.60%	19.76%
CRI	Carter's, Inc.	4.40B	18.18	1.58	5.79	-	2.20%	18.09%	15.60%	16.03%	27.70%	0.78	41.20%	17.00%
COLM	Columbia Sportswear Company	3.10B	21.31	1.58	2.37	75.77	-6.80%	14.67%	-0.10%	14.70%	9.30%	0.00	45.30%	14.52%
DECK	Deckers Outdoor Corp.	3.23B	16.48	1.88	3.61	-	-101.90%	18.31%	-15.20%	11.00%	16.10%	0.00	48.20%	10.48%
GIL	Gildan Activewear Inc.	6.92B	18.21	2.93	3.41	-	11.90%	35.35%	29.90%	15.00%	19.20%	0.08	27.90%	6.92%
RL	Ralph Lauren Corporation	15.68B	18.23	2.07	3.92	34.47	5.40%	14.55%	16.00%	10.73%	18.70%	0.14	58.00%	2.12%
KATE	Kate Spade & Company	3.79B	44.08	3.25	54.18	-	192.20%	170.40%	15.60%	45.00%	480.00%	5.72	59.40%	-7.08%
KORS	Michael Kors Holdings Limited	15.36B	15.39	3.93	6.80	43.42	63.50%	15.96%	130.00%	22.26%	40.80%	0.00	61.10%	-8.10%
LULU	Lululemon Athletica Inc.	7.60B	26.28	4.43	7.06	33.54	2.70%	14.25%	45.80%	15.59%	21.40%	0.00	51.50%	-9.37%
PVH	PVH Corp.	10.13B	14.77	1.23	2.21	22.86	-70.40%	14.25%	-0.20%	11.23%	8.30%	0.79	52.60%	-9.53%
WWW	Wolverine World Wide Inc.	3.02B	16.72	1.12	3.04	22.58	22.20%	10.64%	0.80%	10.00%	13.20%	1.09	39.70%	-11.89%
SHOO	Steven Madden, Ltd.	2.02B	15.25	1.51	2.80	13.04	9.40%	11.71%	34.50%	11.10%	18.60%	0.00	36.00%	-14.10%
COH	Coach, Inc.	10.06B	17.90	2.14	4.11	27.03	-22.70%	8.46%	7.90%	5.54%	28.20%	0.00	69.60%	-32.72%

Financials: Financials will clearly be in focus for 2015 with the interest rate outlook making this group a candidate for outperformance. I find it hard to differentiate values among the large and regional bank stocks, so will not be breaking down those groups, but will take a look at some of the more specialized financial stocks. In terms of large banks I continue to prefer MS due to its earnings performance, while BLK remains a steady performer that is often overlooked. Insurance stocks AIG, PRU, and MET are some of my favorites due to large bullish options positioning in these names in recent weeks for Jan. 2015 through July 2015. REITs have done well in 2014, but more of an income trading investment, and not one I can analyze for much differentiation either.

Insurance: The insurance group is one of the cheapest left in this market and also entering a strong cycle, so a favorite group into 2015. ALL is one of 2014's top performers, and probably the best run Company in this group, consistently posting outstanding earnings results. MET and PRU have seen the largest upside options positioning, making them each top plays trading just 9X Earnings and less than book value. PL was the top performer in 2014 after receiving a \$5.7B buyout. RGA is a \$6B Co. trading 10X earnings and 0.9X Book, and with a lot of deals in the reinsurance space, a potential winner in 2015. AJG trades at a premium to its peers but offers some of the best earnings growth that should allow it to outperform in 2015. AON is a top large cap play as a name that is owned by smart funds like Longview, Southeastern Mgmt., and First Pacific Advisors.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
PL	Protective Life Corporation	5.51B	13.18	1.22	1.17	9.30	32.80%	6.70%	43.20%	9.10%	9.80%	0.40	-	39.33%
ALL	The Allstate Corporation	29.31B	12.03	0.83	1.44	9.85	2.80%	10.31%	29.00%	6.38%	13.30%	0.25	-	30.56%
MMC	Marsh & McLennan Companies, Inc.	31.37B	18.54	2.45	4.03	33.33	13.10%	11.04%	28.20%	11.62%	18.50%	0.43	41.90%	22.52%
WRB	W.R. Berkley Corporation	6.41B	13.26	0.91	1.36	9.58	-0.30%	1.03%	17.00%	7.30%	14.80%	0.52	-	19.86%
TRV	The Travelers Companies, Inc.	35.05B	11.30	1.29	1.40	10.41	54.60%	-5.85%	15.20%	4.76%	14.30%	0.25	-	19.51%
HCC	HCC Insurance Holdings Inc.	5.21B	13.59	1.99	1.35	19.89	5.50%	-1.54%	9.10%	7.00%	11.90%	0.19	-	18.49%
HIG	The Hartford Financial Services Group, Inc.	18.10B	11.12	0.91	0.97	3.09	293.80%	12.02%	15.70%	7.00%	3.80%	0.31	-	17.90%
AON	Aon plc	27.57B	15.82	2.31	3.92	26.41	18.10%	7.60%	11.60%	12.01%	16.70%	0.70	-	16.55%
LNC	Lincoln National Corporation	15.18B	9.40	1.17	1.01	12.31	1.10%	6.55%	158.30%	11.20%	10.30%	0.34	-	14.62%
RGA	Reinsurance Group of America Inc.	5.99B	9.97	0.55	0.90	3.85	-32.20%	5.75%	14.90%	22.80%	10.00%	0.42	-	14.36%
AIG	American International Group, Inc.	78.09B	11.21	1.12	0.73	13.80	198.00%	5.00%	15.00%	9.41%	8.40%	0.33	-	10.28%
PFJ	Principal Financial Group Inc.	15.48B	11.85	1.50	1.50	6.22	14.30%	1.72%	12.60%	11.70%	10.60%	0.25	-	9.63%
CB	The Chubb Corporation	24.43B	13.25	1.74	1.51	13.56	58.90%	4.74%	12.90%	4.23%	12.90%	0.20	-	9.57%
AFG	American Financial Group Inc.	5.31B	11.48	0.96	1.10	6.35	1.40%	9.95%	25.20%	8.00%	10.00%	0.22	-	8.14%
TMK	Torchmark Corporation	7.01B	12.52	1.80	1.56	7.72	5.30%	8.05%	11.90%	8.20%	12.70%	0.22	-	5.28%
AJG	Arthur J Gallagher & Co.	7.65B	16.85	1.79	2.33	757.64	30.80%	13.74%	12.00%	14.09%	11.60%	0.65	30.80%	4.22%
PGR	Progressive Corp.	15.61B	15.10	0.83	2.26	19.31	30.40%	0.57%	84.40%	6.18%	18.40%	0.31	-	3.63%
MET	MetLife, Inc.	61.14B	9.02	0.84	0.86	4.56	172.00%	3.97%	-7.50%	7.17%	8.30%	0.28	-	2.46%
CINF	Cincinnati Financial Corp.	8.43B	19.23	1.74	1.32	13.89	21.80%	3.07%	3.50%	-7.05%	7.70%	0.13	-	2.14%
UNM	Unum Group	8.86B	9.57	0.85	0.96	8.82	1.90%	4.35%	14.80%	6.00%	10.10%	0.30	-	2.09%
PRU	Prudential Financial, Inc.	41.13B	9.00	0.85	0.98	3.07	-234.90%	5.44%	12.60%	9.57%	5.90%	0.54	-	-0.09%
AFL	AFLAC Inc.	27.57B	9.88	1.19	1.55	3.77	10.60%	0.39%	20.90%	1.98%	17.80%	0.26	-	-6.12%
L	Loews Corporation	15.64B	13.12	1.06	0.81	21.05	7.00%	24.98%	43.20%	7.28%	0.90%	0.51	-	-12.82%

Asset Management and Private Equity: This group outperformed slightly in 2014 and BK was a top gainer and remains the best pick for 2015, a name with major upside call buying that is a top holding for Dodge & Cox, Berkshire Hathaway, Longview, Marcato, Viking Global and Southeastern Mgmt. LAZ is my favorite growth stock in the group, the lone name with rising EPS estimates, and still fairly cheap while generating 15%+ EPS growth, a prime takeover target after seeing quite a few deals in this space in 2014. BEN is a name that has actually seen quite a lot of put buying, so one to be cautious of, while SEIC is the next top growth play in the group. BX and KKR remain solid value names with high dividend yields that are safe.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
LM	Legg Mason Inc.	6.04B	15.60	2.16	1.34	16.69	187.90%	65.30%	16.70%	17.10%	4.90%	0.23	78.70%	23.17%
BK	The Bank of New York Mellon Corporation	45.99B	15.41	14.03	1.25	40.41	-14.30%	10.60%	7.40%	7.30%	7.50%	0.59	-	19.13%
AMP	Ameriprise Financial, Inc.	24.79B	13.97	2.04	3.09	14.64	39.50%	14.62%	109.10%	16.20%	17.90%	1.14	51.10%	19.07%
SEIC	SEI Investments Co.	6.69B	18.74	5.39	5.40	31.77	39.00%	14.35%	18.20%	12.00%	25.50%	0.00	81.20%	16.68%
BLK	BlackRock, Inc.	59.50B	17.38	5.37	2.23	37.19	22.30%	7.36%	23.90%	13.03%	12.40%	0.22	89.70%	16.53%
BX	The Blackstone Group L.P.	39.74B	9.33	4.86	3.13	49.84	382.90%	14.39%	19.70%	7.20%	25.40%	1.17	78.80%	15.66%
IVZ	Invesco Ltd.	17.31B	14.44	3.40	2.07	25.32	34.50%	10.44%	10.00%	13.71%	12.00%	0.19	68.00%	13.28%
LAZ	Lazard Ltd.	6.49B	14.39	2.77	10.66	11.13	86.20%	16.22%	82.40%	21.20%	58.10%	1.85	92.60%	13.09%
NTRS	Northern Trust Corporation	15.85B	18.37	3.57	1.95	36.97	6.40%	12.12%	-2.90%	12.80%	9.10%	0.41	95.60%	10.95%
STT	State Street Corporation	33.29B	14.87	12.43	1.69	-	10.00%	8.10%	1.40%	7.84%	10.20%	0.45	-	9.99%
TROW	T. Rowe Price Group, Inc.	22.49B	17.82	5.78	4.31	30.80	16.10%	8.23%	16.60%	12.17%	23.30%	0.00	-	5.76%
KKR	KKR & Co. L.P.	18.24B	8.59	16.25	1.71	11.20	4.10%	9.86%	19.00%	-1.20%	18.00%	1.87	-	0.81%
BEN	Franklin Resources Inc.	35.28B	13.43	4.16	3.04	19.66	12.50%	9.86%	24.20%	9.60%	21.40%	0.19	-	-1.15%
AMG	Affiliated Managers Group Inc.	11.73B	15.63	4.76	4.52	9.63	93.90%	18.96%	192.50%	12.37%	21.10%	0.50	-	-2.64%
OAK	Oaktree Capital Group, LLC	7.92B	14.11	41.80	4.14	-	65.80%	11.72%	25.80%	-11.14%	31.50%	11.32	-82.10%	-6.46%
CG	The Carlyle Group LP	8.73B	9.45	1.87	2.67	3.09	400.00%	7.43%	16.00%	-3.15%	21.00%	25.90	51.00%	-19.10%

Credit Cards, Exchanges, and Brokers: Exchange stocks were the clear leaders of this group in 2014 with much of that performance coming in Q4 on rising rate outlook and overall market volatility. CME and ICE remain top plays with bullish option positioning, while CBOE and NDAQ each have seen elevated put buying into recent highs, though could just be hedging considering the moves. ETFC is the broker that has seen the most bullish options action with over 8,000 April 2015 \$24 calls accumulated in OI. COF and DFS offer the best values in this group and strong consumer spending along with improving credit trends make for positive tailwinds into 2015, though V and MA tend to outperform due to stronger growth in EPS. IBKR makes an ideal acquisition target with its small \$1.7B market cap and respected industry leader in terms of quality platform that a larger broker could make a play. CME offers the best dividend yield, just over 2%, and also a name with upside options positioning, a top play in this group along with ETFC and DFS.

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CBOE	CBOE Holdings, Inc.	5.42B	25.20	9.14	22.28	69.26	11.80%	13.06%	9.90%	14.21%	86.40%	0.00	-	25.28%
NDAQ	The Nasdaq OMX Group, Inc.	8.16B	15.06	2.38	1.34	19.39	10.30%	11.75%	7.70%	10.67%	7.60%	0.38	60.30%	24.08%
ETFC	E*TRADE Financial Corporation	6.99B	21.66	3.76	1.32	13.46	174.40%	2.01%	15.10%	32.95%	6.10%	0.58	91.30%	23.07%
IBKR	Interactive Brokers Group, Inc.	1.70B	23.73	1.48	2.21	6.37	-18.00%	42.33%	-20.00%	10.95%	5.60%	0.00	94.50%	21.30%
CME	CME Group Inc.	31.11B	24.54	10.52	1.43	-	8.10%	13.75%	3.70%	14.07%	4.70%	0.10	-	20.62%
EFX	Equifax Inc.	9.78B	18.97	4.09	4.21	24.51	23.90%	10.19%	7.20%	9.40%	14.70%	0.49	65.40%	18.93%
V	Visa Inc.	162.40B	21.69	12.78	5.91	28.76	13.60%	15.89%	25.30%	16.67%	25.00%	0.00	-	18.40%
AMTD	TD Ameritrade Holding Corporation	19.39B	17.38	6.20	4.11	56.87	16.40%	27.93%	5.20%	22.13%	16.90%	0.23	99.80%	18.24%
DFS	Discover Financial Services	29.52B	11.73	3.95	2.79	9.23	7.50%	4.07%	15.80%	10.00%	23.30%	1.95	-	18.20%
SCHW	The Charles Schwab Corporation	39.04B	26.23	6.46	3.71	24.95	13.00%	19.75%	-6.00%	22.06%	12.20%	0.18	98.30%	16.07%
COF	Capital One Financial Corporation	45.83B	10.71	2.39	1.05	5.76	12.70%	0.93%	120.90%	6.36%	9.80%	0.61	-	9.31%
MA	MasterCard Incorporated	99.65B	23.94	10.85	15.38	32.13	16.90%	17.13%	72.90%	16.48%	51.30%	0.23	-	4.06%
AXP	American Express Company	96.12B	15.35	2.71	4.78	14.37	25.40%	8.87%	14.60%	10.06%	28.50%	2.76	73.70%	3.51%
ICE	Intercontinental Exchange, Inc.	24.98B	18.63	8.60	2.00	41.08	-57.20%	24.53%	-5.00%	18.17%	4.00%	0.18	-	-0.19%

Healthcare: Healthcare was a consistent performer in 2014 with Biotech leading the way and headed for a strong close to 2014, offering strong EPS growth for large cap companies, while a lot of new emerging plays are hot as new technologies attempt new methods to fight diseases. The managed care group has also been great in 2014 along with the hospital stocks, both beneficiaries of the new Healthcare Reform.

Biotech: Biotech is a top sector to use valuation techniques properly especially in the up and coming small cap names where it is best to really understand the pipelines, potential market cap potential, and management, but technical momentum is very useful here seeing where institutions are placing their bets having done the proper research. The hot momentum Biotech favorites in 2015 are BLUE, RCPT, AGIO, ISIS, and KITE. My top candidates for takeovers based on bullish upside call activity are NPSP, BMRN, and MDVN. The large cap names can be valued easier because they already have a consistent earnings stream and GILD remains the best value for growth name while UTHR remains very underappreciated and undervalued. BIIB has the most beautiful technical set-up into 2015 that should send shares North of \$400, and also excitement builds for its potential in the greatest untapped market, Alzheimer's. AMGN shares are fairly rich for its below average growth, but a name targeted by JANA Partners, so event potential in 2015 as a break-up play. ILMN remains a must own growth stock for its leadership position in genetics. VRTX would be the large cap name that is most likely to be a target in a mega-deal, and is a top accelerating EPS growth play. Biotech is sure to have periods of corrections in 2015 simply due to it being a crowded momentum trade, but the overall dynamics remain positive due to above-average growth justifying higher valuations, exciting drug prospects, and an area that remains ripe for M&A.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
AGIO	Agios Pharmaceuticals, Inc.	4.38B	-	76.20	19.87	-	64.70%	-24.10%	0.00%	-	-28.70%	0.00	-	399.46%
RCPT	Receptos, Inc.	4.21B	-	628.17	12.57	-	69.20%	31.50%	0.00%	-	-46.40%	0.10	-	360.88%
BLUE	bluebird bio, Inc.	2.88B	-	113.55	9.87	-	85.40%	-35.20%	0.00%	-12.90%	-20.60%	0.00	-	338.51%
EXAS	Exact Sciences Corporation	2.30B	-	1769.56	10.03	-	21.60%	1.60%	-13.90%	25.00%	-44.60%	0.01	30.80%	121.02%
PBYI	Puma Biotechnology, Inc.	6.67B	-	-	47.09	-	44.40%	5.30%	0.00%	-	-74.60%	0.00	-	113.75%
DYAX	Dyax Corp.	2.09B	-	28.77	19.88	-	13.30%	63.60%	24.80%	18.60%	-13.70%	0.78	94.20%	103.05%
KITE	Kite Pharma, Inc.	2.24B	-	-	10.63	-	-197.90%	34.60%	0.00%	-	-34.60%	0.00	-	84.76%
ILMN	Illumina Inc.	26.98B	60.10	15.54	21.04	72.15	-20.40%	19.60%	24.60%	24.70%	20.60%	0.77	67.50%	71.78%
MDVN	Medivation, Inc.	8.41B	31.49	15.80	33.54	166.21	-1.80%	28.88%	11.70%	-	83.40%	0.88	-	69.76%
ISIS	Isis Pharmaceuticals, Inc.	7.69B	-	44.84	22.22	-	15.40%	-74.60%	-40.60%	23.03%	-25.80%	0.67	-34.80%	63.38%
VRTX	Vertex Pharmaceuticals Incorporated	28.60B	-	36.34	24.27	-	-288.20%	86.80%	9.50%	19.00%	-42.10%	0.70	94.70%	60.03%
ALNY	Alnylam Pharmaceuticals, Inc.	7.75B	-	207.20	8.51	-	31.30%	48.40%	-17.80%	46.67%	-48.40%	0.00	-	56.66%
REGN	Regeneron Pharmaceuticals, Inc.	43.48B	36.31	16.55	16.89	80.93	-43.60%	18.42%	42.20%	20.21%	14.70%	0.22	87.70%	55.37%
AMGN	Amgen Inc.	129.44B	18.24	6.56	5.11	24.25	20.30%	8.36%	12.00%	11.14%	20.70%	1.20	80.40%	52.06%
INCY	Incyte Corporation	12.98B	357.49	26.79	-	-	-64.70%	269.20%	22.40%	-	57.40%	-	99.90%	51.81%
ALKS	Alkermes plc	8.61B	193.05	14.40	6.44	1624.53	-33.30%	13.38%	-38.50%	6.60%	-3.30%	0.26	71.20%	44.81%
GILD	Gilead Sciences Inc.	163.61B	10.75	7.91	12.10	16.26	10.40%	27.16%	11.90%	24.76%	69.10%	0.58	82.70%	44.41%
ALXN	Alexion Pharmaceuticals, Inc.	37.58B	32.04	18.10	12.02	79.47	-0.80%	13.70%	44.70%	30.72%	17.50%	0.01	91.50%	42.63%
CELG	Celgene Corporation	93.59B	24.14	12.75	16.25	39.39	1.80%	32.04%	24.30%	25.76%	30.90%	1.17	94.90%	38.69%
NKTR	Nektar Therapeutics	2.02B	7845.00	9.49	42.41	-	6.70%	100.00%	-30.50%	53.60%	254.40%	2.76	85.30%	38.24%
JAZZ	Jazz Pharmaceuticals Public Limited Company	10.22B	16.68	9.46	7.60	31.78	-19.10%	22.29%	20.00%	24.70%	2.50%	0.99	89.40%	33.56%
BMRN	BioMarin Pharmaceutical Inc.	13.84B	-	20.74	9.15	-	-34.70%	-91.40%	-44.30%	25.00%	-8.70%	0.44	83.70%	33.39%
ACAD	ACADIA Pharmaceuticals Inc.	3.29B	-	32904.15	9.93	-	-15.80%	27.50%	24.00%	20.00%	-24.80%	0.00	-	31.97%
BIIB	Biogen Idec Inc.	85.18B	22.15	9.43	8.17	32.53	35.60%	20.32%	24.10%	21.20%	26.60%	0.06	87.50%	29.01%
NPSP	NPS Pharmaceuticals, Inc.	3.85B	46.62	18.18	29.54	-	36.40%	3850.00%	26.90%	-	0.90%	0.76	95.40%	18.71%
UTHR	United Therapeutics Corporation	6.35B	13.55	5.15	5.19	20.44	-42.60%	39.59%	38.20%	12.90%	15.20%	0.00	87.90%	18.11%
XON	Intrexon Corporation	2.82B	-	59.05	7.81	-	92.50%	62.40%	0.00%	-	-29.80%	0.03	86.40%	17.73%
SGEN	Seattle Genetics Inc.	4.07B	-	14.56	18.07	-	-10.90%	16.70%	14.10%	10.10%	-28.60%	0.00	90.20%	-17.55%

Drug Manufactures and Generic: As did much of healthcare, this group put in a very strong 2014 and has a lot of momentum into 2015, the leading performer AVNR gained over 400% and recently was acquired. ACT was a top performer in 2014 as well and recently acquired AGN, a great deal for it, and remains one of my favorite longs into 2015 with a lot of bullish options positioning and strong EPS growth potential. ABBV is my next favorite name that has a ton of long term upside bullish options in OI, and also a name under heavy institutional accumulation. PRGO, ENDP, MYL, AKRX, and SLXP all stand out as acquisition targets, while ZTS is a must-own name with animal healthcare so hot, and is a when, not if, takeover play that Ackman recently took a large stake in. PFE is the top yield play at just over 3% and also trades at the cheapest valuation, but less exciting prospects unless it can finally make a nice acquisition in 2015 to jump-start shares. BMY will be in focus for its Immuno-Oncology potential in cancer. JNJ offers safety but also the potential for major upside if an activist ever takes aim at it to separate its Pharma unit that is showing great earnings growth, while its other divisions restrain its multiple to the market.

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AVNR	Avanir Pharmaceuticals, Inc.	3.26B	-	28.39	10.60	-	41.50%	48.70%	-2.10%	19.20%	-53.50%	0.00	97.00%	401.49%
PCRX	Padira Pharmaceuticals, Inc.	3.41B	36.57	20.11	21.87	-	-12.20%	897.30%	4.50%	-	-45.30%	0.00	54.70%	64.32%
ACT	Actavis plc	70.34B	16.04	5.97	2.41	41.71	-793.40%	22.10%	-35.20%	21.94%	-6.60%	0.52	49.60%	57.97%
AKRX	Akorn, Inc.	4.10B	21.25	8.94	12.52	-	43.80%	58.36%	48.00%	33.15%	8.10%	3.58	49.00%	54.59%
HSP	Hospira Inc.	10.60B	26.18	2.40	3.16	64.25	-118.50%	-3.31%	-15.20%	10.26%	10.50%	0.52	36.60%	51.79%
LLY	Eli Lilly and Company	80.61B	22.49	3.97	4.38	78.10	18.00%	15.71%	33.80%	-0.76%	15.00%	0.30	75.00%	46.65%
ZTS	Zoetis Inc.	21.81B	25.81	4.62	16.00	100.52	16.10%	9.84%	0.00%	12.45%	48.40%	2.67	63.70%	34.29%
MYL	Mylan, Inc.	21.52B	13.82	2.89	6.35	21.75	3.90%	16.88%	28.00%	14.26%	28.70%	1.28	45.80%	32.51%
ABBV	AbbVie Inc.	107.89B	15.91	5.50	23.27	50.56	-23.10%	28.92%	0.00%	12.58%	77.90%	3.11	76.90%	32.35%
SLXP	Salix Pharmaceuticals Ltd.	7.47B	30.34	5.42	14.14	42.19	115.80%	-10.70%	33.30%	15.32%	-11.30%	3.49	73.70%	30.31%
IPXL	Impax Laboratories Inc.	2.23B	18.99	3.95	2.41	-	79.30%	28.13%	41.40%	9.80%	5.60%	0.00	51.10%	24.58%
ABT	Abbott Laboratories	69.34B	20.30	3.36	3.04	39.78	319.40%	0.27%	-13.00%	10.09%	9.90%	0.16	54.10%	22.83%
MRK	Merck & Co. Inc.	169.85B	16.73	3.94	3.79	30.21	-26.50%	2.12%	-16.50%	6.70%	11.10%	0.41	59.70%	22.67%
JNJ	Johnson & Johnson	295.45B	17.08	3.97	3.88	42.67	24.60%	3.67%	1.00%	6.47%	28.90%	0.17	69.30%	18.44%
BMY	Bristol-Myers Squibb Company	101.68B	34.17	6.33	6.71	94.68	32.80%	-0.39%	-3.60%	12.01%	17.80%	0.48	74.40%	17.84%
PRGO	Perrigo Company Public Limited Company	23.67B	19.71	5.80	2.58	41.15	-62.00%	15.96%	3.10%	14.65%	3.50%	0.35	34.60%	9.87%
ENDP	Endo International plc	11.29B	15.94	4.51	4.49	70.51	21.20%	8.25%	-33.80%	6.02%	-65.70%	1.69	54.70%	8.21%
PFE	Pfizer Inc.	201.24B	14.34	4.02	2.59	22.16	37.50%	-0.98%	6.80%	1.35%	41.80%	0.41	80.90%	7.94%

Managed Care, Hospitals, and Labs/Testing: The hospital and managed care names dominate this list, but I am concerned that valuations are becoming stretched, and any signs of earnings weakness or margin contraction can cut into the gains for this group. First to highlight some interesting names into 2015 I start with Agilent (A) that has seen massive bullish options positioning in Feb. 2015 options, and considered a top takeover target for TMO or DHR since it spun-off Keysight. OCR is the next name of interest with strong technical strength into year-end and unusual OTM call buying in March and June, a possible target for CVS or ESRX. AET continues to offer the best value for growth in managed care and tends to post the best quarterly results. ESRX is still a fairly good value at < 15X Earnings and a name Warren Buffett recently took a new stake. IDXX is the most richly valued name in this group, but also offers 15% EPS growth and has exposure to strong markets that make it a top buyout candidate for 2015, deserving of this premium and worth riding the momentum. Q is a hot growth play in this group with great technical momentum into 2015, while TMO is a steady performer that likely plays the role of acquirer in 2015 that can boost shares.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
HNT	Health Net, Inc.	4.23B	17.01	0.33	2.47	5.65	583.90%	38.54%	19.20%	19.62%	9.30%	0.28	15.20%	82.98%
CNC	Centene Corp.	6.26B	20.67	0.42	3.83	7.45	73.90%	19.32%	8.60%	20.30%	22.90%	0.58	-	81.05%
HCA	HCA Holdings, Inc.	32.29B	14.78	0.89	-	16.48	-3.40%	11.26%	14.73%	12.86%	-22.50%	-	82.90%	56.09%
MOH	Molina Healthcare, Inc.	2.62B	20.48	0.31	2.64	3.22	255.60%	105.69%	-7.70%	30.55%	2.10%	0.93	14.50%	55.65%
HUM	Humana Inc.	22.46B	16.52	0.48	2.24	30.15	3.30%	16.82%	15.10%	9.11%	9.90%	0.38	-	42.86%
IDXX	IDEXX Laboratories, Inc.	7.07B	33.49	4.75	32.16	32.86	9.80%	14.84%	13.20%	14.33%	46.50%	1.53	55.30%	39.36%
CYH	Community Health Systems, Inc.	6.35B	13.72	0.37	1.59	11.90	-49.00%	24.19%	-6.50%	16.67%	0.60%	4.33	84.60%	38.99%
UNH	UnitedHealth Group Incorporated	98.37B	16.62	0.77	3.05	24.81	4.20%	9.27%	18.00%	9.52%	17.00%	0.45	-	38.35%
LPNT	Lifepoint Hospitals Inc.	3.25B	19.08	0.78	1.48	13.49	-14.60%	16.16%	2.50%	12.42%	6.40%	1.01	37.20%	35.98%
UHS	Universal Health Services Inc.	10.88B	17.12	1.40	3.02	19.21	13.50%	11.75%	22.00%	11.83%	14.40%	0.94	-	35.61%
AET	Aetna Inc.	31.95B	12.70	0.57	2.15	10.72	10.80%	7.02%	13.50%	9.24%	15.00%	0.51	-	34.02%
Q	Quintiles Transnational Holdings Inc.	7.72B	20.22	1.42	-	24.20	17.20%	12.46%	44.60%	14.22%	-57.20%	-	26.80%	30.32%
DGX	Quest Diagnostics Inc.	9.59B	15.16	1.31	2.30	26.13	35.20%	7.68%	10.50%	10.04%	12.50%	0.89	38.50%	26.68%
MD	MEDNAX, Inc.	6.73B	19.23	2.86	2.65	18.27	14.90%	10.77%	12.20%	12.95%	12.90%	0.12	32.90%	25.59%
OCR	Omnicare Inc.	7.20B	17.77	1.18	2.69	34.73	-48.70%	11.64%	-8.60%	15.00%	2.50%	0.65	22.30%	23.47%
THC	Tenet Healthcare Corp.	5.10B	19.38	0.32	6.91	-	-171.20%	71.65%	-32.10%	17.61%	-10.70%	15.59	84.00%	23.10%
PRXL	PAREXEL International Corporation	3.06B	17.57	1.32	5.28	11.20	39.80%	17.76%	27.00%	16.56%	22.90%	0.64	30.00%	22.97%
HLS	HEALTHSOUTH Corp.	3.52B	18.04	1.51	7.72	15.19	57.60%	8.80%	2.40%	9.10%	37.50%	3.21	95.30%	22.38%
CRL	Charles River Laboratories International, Inc.	3.00B	17.82	2.39	4.39	17.63	2.40%	6.62%	17.90%	9.09%	17.70%	1.13	35.40%	20.59%
DVA	DaVita HealthCare Partners Inc.	16.32B	20.05	1.30	3.25	13.35	5.50%	5.40%	10.30%	8.11%	15.40%	1.68	29.10%	19.84%
CI	Cigna Corp.	27.34B	12.85	0.80	2.49	16.98	-7.70%	10.06%	38.10%	10.75%	18.50%	0.45	-	19.54%
CVD	Covance Inc.	5.84B	24.13	2.17	3.46	36.17	87.50%	12.12%	0.50%	13.99%	11.10%	0.15	28.30%	17.16%
AMSG	AmSurg Corp.	2.57B	16.11	1.94	1.66	7.81	15.20%	25.60%	8.40%	22.52%	6.30%	1.50	87.60%	16.18%
TMO	Thermo Fisher Scientific, Inc.	51.38B	16.62	3.24	2.50	28.55	2.00%	11.77%	9.30%	12.43%	8.30%	0.56	43.40%	15.92%
LH	Laboratory Corp. of America Holdings	8.94B	14.46	1.51	3.24	16.04	4.30%	7.89%	8.50%	8.75%	19.90%	1.05	36.80%	15.79%
WCG	WellCare Health Plans, Inc.	3.58B	22.31	0.30	2.26	51.68	-5.70%	77.75%	45.30%	5.71%	6.40%	0.57	-	15.66%
ESRX	Express Scripts Holding Company	59.42B	14.84	0.59	2.96	14.58	28.30%	11.78%	8.40%	13.73%	9.10%	0.57	7.90%	15.28%
PKI	PerkinElmer Inc.	4.94B	16.34	2.23	2.39	25.29	146.70%	11.44%	14.00%	9.90%	9.50%	0.42	45.20%	6.86%
ALR	Alere Inc.	3.21B	15.24	1.08	2.49	18.91	8.10%	20.00%	-20.20%	10.00%	-12.60%	2.89	48.20%	6.08%
A	Agilent Technologies Inc.	13.80B	20.65	2.00	2.45	24.69	-35.80%	15.44%	2.30%	11.50%	12.60%	0.39	52.30%	1.87%
BRKR	Bruker Corporation	3.30B	23.23	1.78	4.07	23.42	4.30%	12.27%	4.20%	12.96%	7.70%	0.44	42.30%	-1.06%

Medical Devices, Equipment, and Supplies: With the majority of names gaining more than 20% in 2014 this was another great area of performance, boosted by Healthcare spending and also a spot that saw a few deals. EW was the standout performer gaining more than 100%, and its \$14.25B market cap is large, but as a leadership position in treating heart diseases, it could attract interest from a larger Company in 2015, and no reason to not continue to ride its momentum. DXCM is a great growth name playing off the surge in Diabetes care with its glucose monitoring systems, a high quality growth name with clear tailwinds that support a move much higher. NUVA recently made a key technical breakout and offers strong growth with a niche focusing on spines, another attractive small cap buyout target. MDT is a large cap worth owning, massive upside call buying continues in this name as it closes its deal for Covidien. BDX is showing a lot of technical strength since its deal for Care-Fusion (CFN) that continues to make it appealing to investors. STJ is one of the laggards from 2014 but has seen a surge in Jan. 2015 call buying recently and a name that is a candidate for multiple expansion in 2015 as earnings growth picks up, a quality large cap own. BAX will continue to underperform unless an activist finally comes in and breaks it up to unlock shareholder value. VAR is a name that has been posting terrible earnings yet price-action remains strong, so there appears to be something going on here that I do not understand, so I will avoid it in favor of the other names. RMD is interesting because it has more than 20% of its float short but continues to trade very strong, a short squeeze play for 2015. SYK and ZMH will likely continue to hunt for deals in 2015, but both appear over-valued at this point, and I see plenty of more upside in aforementioned stocks. SIRO is the last name of note due to it being an outstanding growth stock that is one of the few pure plays in Dental, an area that many larger firms are looking for a presence.

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EW	Edwards Lifesciences Corp.	14.25B	33.04	6.36	6.94	14.67	38.70%	19.08%	25.60%	14.87%	45.50%	0.29	72.70%	102.57%
DXCM	DexCom, Inc.	4.33B	-	19.11	37.20	759.56	46.80%	94.40%	26.80%	32.50%	-27.10%	0.03	66.60%	59.70%
NUVA	NuVasive, Inc.	2.25B	31.37	3.01	3.61	32.89	142.90%	35.61%	17.30%	11.43%	-3.00%	0.57	75.30%	48.16%
STE	Steris Corp.	3.97B	20.62	2.27	3.71	36.82	-20.20%	11.33%	3.10%	10.00%	11.80%	0.58	40.80%	41.01%
ISRG	Intuitive Surgical, Inc.	19.28B	29.39	9.17	6.23	30.57	4.70%	16.26%	26.70%	3.60%	13.40%	0.00	67.40%	38.50%
MDT	Medtronic, Inc.	73.45B	17.14	4.23	3.77	28.30	-10.40%	7.64%	10.40%	6.75%	15.00%	0.50	74.30%	31.88%
COO	The Cooper Companies Inc.	7.86B	18.56	4.58	3.11	-	-7.60%	16.56%	20.00%	13.08%	16.50%	0.50	63.50%	31.57%
BDX	Becton, Dickinson and Company	27.04B	19.20	3.20	5.32	40.23	28.50%	7.01%	4.80%	7.23%	22.80%	0.75	50.90%	28.87%
SIRO	Sirona Dental Systems Inc.	4.97B	20.43	4.25	3.95	32.26	19.90%	9.57%	26.70%	10.80%	13.90%	0.06	54.80%	27.99%
SYK	Stryker Corporation	35.86B	18.23	3.76	4.16	32.45	-22.40%	9.47%	-1.10%	8.57%	7.20%	0.37	66.10%	27.58%
BCR	CR Bard Inc.	12.70B	18.35	3.91	6.92	12.02	36.20%	10.41%	15.70%	13.86%	42.50%	0.77	61.50%	27.32%
TFX	Teleflex Incorporated	4.87B	18.27	2.68	2.46	25.89	177.40%	12.94%	11.30%	12.30%	8.90%	0.35	51.10%	26.85%
PODD	Insulet Corporation	2.61B	146.88	9.17	32.33	-	23.10%	140.50%	24.70%	27.50%	-47.90%	2.12	49.00%	25.50%
ZMH	Zimmer Holdings, Inc.	19.46B	17.93	4.15	2.97	26.36	3.30%	5.74%	3.60%	8.73%	12.50%	0.22	72.80%	24.13%
RMD	ResMed Inc.	7.84B	19.55	4.97	4.77	50.11	13.80%	12.03%	20.30%	12.26%	25.40%	0.23	63.30%	22.02%
HOLX	Hologic Inc.	7.50B	15.99	2.96	3.63	17.53	101.40%	9.71%	14.90%	7.93%	0.60%	2.01	49.20%	20.47%
GMED	Globus Medical, Inc.	2.29B	23.70	4.96	4.12	25.68	-8.80%	8.27%	55.60%	13.60%	16.70%	0.00	76.90%	19.92%
WAT	Waters Corporation	9.58B	19.42	4.86	5.23	24.25	0.20%	9.89%	10.10%	9.42%	23.20%	0.65	58.40%	15.09%
VAR	Varian Medical Systems, Inc.	8.80B	17.77	2.89	5.56	24.48	-3.80%	12.98%	7.60%	12.00%	24.10%	0.24	42.70%	13.32%
HRC	Hill-Rom Holdings, Inc.	2.63B	16.69	1.56	3.16	-	-40.20%	10.85%	16.70%	12.20%	7.30%	0.26	46.30%	12.13%
XRAY	DENTSPLY International Inc.	7.60B	19.82	2.57	3.05	19.53	-0.90%	7.75%	2.90%	12.00%	12.30%	0.47	54.30%	11.25%
BAX	Baxter International Inc.	40.37B	15.73	2.44	4.80	153.49	-12.40%	-2.95%	3.00%	6.18%	28.40%	0.92	48.10%	10.16%
STJ	St. Jude Medical Inc.	19.20B	15.95	3.43	4.68	27.20	4.20%	5.83%	19.80%	10.09%	21.50%	0.75	71.80%	9.77%
ALGN	Align Technology Inc.	4.56B	26.88	6.16	6.34	22.68	9.90%	18.63%	-7.90%	20.00%	21.80%	0.00	76.10%	-0.54%

Industrials: Industrial stocks saw mixed performance in 2014 with many of the names struggling in Q4 as Oil sold off sharply which weighs on Energy projects and a lot of names have exposure to the Energy industry. Aerospace remains one of the best areas in this sector, and Homebuilders saw strength late in 2014 as mortgage rates remain very low driving strong housing demand. The Defense companies have been posting excellent results all year long and carry a lot of technical momentum into 2015.

Aerospace/Defense: The defense names were clear outperformers in 2014 and the most interesting name into 2015 is UTX which has seen massive Feb. 2015 \$115 call buying as it is a likely activist target for a break-up or at least makes a transformational deal. SPR is another interesting Aerospace play as it has a large buyer of 10,000 April 2015 \$50 calls from awhile ago sitting in OI. Recent cautious comments from Boeing (BA) on commercial plane demand is weighing on its suppliers, and PCP was a laggard in 2014, though at 15X Earnings and offering double digit EPS growth, a top turnaround candidate. COL is a name to watch, one of the better value for growth names in the group, and behind SPR as my most likely acquisition target for 2015 in this industry. LMT offers the best yield and highest earnings quality, a stable winner that can be a core holding for the long term. HII has long been my favorite value in this group, 13.4X Earnings with positive EPS growth, and I expect it to remain a strong play for 2015. TGI may offer the most upside as a name that is down 13% YTD, but at 10X Earnings and Atlantic Investment buying a large stake in the Co., it has event upside potential for 2015 and the best long term value play in this industry.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
GD	General Dynamics Corporation	46.34B	16.75	1.51	3.57	11.43	847.90%	7.68%	2.50%	8.51%	16.80%	0.26	18.80%	49.63%
TDG	TransDigm Group Incorporated	10.38B	20.46	4.37	-	-	32.20%	15.86%	-0.40%	11.47%	-20.60%	-	53.60%	40.88%
LMT	Lockheed Martin Corporation	60.93B	16.76	1.37	13.34	24.47	8.10%	2.81%	3.20%	9.72%	68.70%	1.35	11.40%	33.95%
NOC	Northrop Grumman Corporation	30.28B	16.57	1.26	3.12	-	6.90%	-4.62%	22.90%	6.65%	19.70%	0.60	22.80%	33.62%
HII	Huntington Ingalls Industries, Inc.	5.38B	13.40	0.77	3.26	12.77	78.00%	6.13%	16.00%	22.01%	23.90%	0.99	19.80%	24.88%
SPR	Spirit AeroSystems Holdings, Inc.	5.91B	11.68	0.88	3.20	33.89	890.00%	-9.40%	-33.90%	17.00%	-7.60%	0.63	8.40%	22.86%
RTN	Raytheon Company	32.94B	15.31	1.46	2.82	25.28	5.50%	1.47%	8.70%	9.21%	19.10%	0.40	23.40%	19.98%
LLL	L-3 Communications Holdings Inc.	10.67B	16.40	0.88	1.81	12.29	2.90%	2.74%	2.10%	3.35%	10.60%	0.67	8.70%	19.81%
COL	Rockwell Collins Inc.	11.30B	15.15	2.27	6.07	35.53	-1.10%	11.48%	4.10%	12.07%	39.70%	0.88	30.30%	16.75%
TXT	Textron Inc.	11.79B	16.66	0.89	2.60	11.10	-11.20%	20.55%	6.30%	20.65%	12.40%	0.78	17.10%	16.41%
WWD	Woodward, Inc.	3.25B	15.75	1.62	2.81	81.83	16.70%	13.41%	12.30%	10.00%	14.60%	0.61	28.80%	9.93%
UTX	United Technologies Corporation	105.38B	16.07	1.62	3.05	33.62	16.10%	5.30%	4.90%	10.50%	18.80%	0.52	27.10%	3.76%
XLS	Exelis Inc.	3.26B	13.57	0.73	1.84	25.86	-16.60%	7.80%	-8.20%	-6.00%	14.20%	0.43	21.80%	0.35%
BA	The Boeing Company	89.99B	14.66	1.00	6.28	83.87	16.80%	2.95%	10.30%	10.70%	35.90%	0.50	15.20%	-5.36%
BEAV	B/E Aerospace Inc.	6.22B	14.76	1.52	2.13	52.30	55.10%	-3.70%	39.90%	19.98%	14.80%	0.91	36.30%	-6.22%
ATK	Alliant Techsystems Inc.	3.54B	9.02	0.69	1.76	19.91	24.90%	6.65%	20.30%	13.50%	18.70%	0.96	24.30%	-8.02%
HXL	Hexcel Corp.	3.90B	16.78	2.15	3.47	309.29	14.30%	12.89%	10.00%	12.23%	17.70%	0.38	27.30%	-8.59%
PCP	Precision Castparts Corp.	33.78B	15.11	3.40	2.92	21.99	23.20%	14.64%	10.30%	13.44%	16.30%	0.34	34.80%	-11.95%
TGI	Triumph Group, Inc.	3.35B	10.03	0.90	1.43	17.16	-31.00%	13.66%	6.90%	4.00%	11.80%	0.64	22.50%	-13.01%

Industrial Machinery and Equipment: As you can clearly see below this was one of the most bifurcated groups in 2014 with a few outperformers to the market, but many underperformers, all dependent on which end-markets these companies are exposed to and also geographical presence. PLL immediately sticks out as a top performer because it is exposed to a hot area of filtration and purification, and showing strong technicals and also considered a M&A target along with Waters (WAT) in these industry. MIDD is the 2nd best performer and has always flown under the radar but posts strong earnings every quarter with its food industry exposure. ITW is an extremely diversified Co. that would not surprise me to see it become an activist breakup campaign in 2015. The commodity exposed names like CAT, AGCO, DE, JOY remain concerns into 2015 along with construction focused plays MTW, BWC, and TEX. DHR is a name that is a top core hold with large bullish options positioning and looking for accretive acquisitions into 2015. On valuation a name that is cheap but also trending higher is ETN at 13.75X Earnings, a favorite in this group. HVAC remains a strong area into 2015 so LII, JCI and IR are clearly areas to focus long and can be paired with shorts in the more Energy exposed names like CAT, DOV, and CFX. FLS is the turnaround play for this group with shares down 25% YTD, but a consistently strong earnings reporter and at 14.2X Earnings and 1.65X Sales is historically cheap at these levels. My favorite small cap acquisition target in this industry is Rexnord (RXN) which trades just 15X Earnings and 13.7X FCF with 15%+ EPS growth. PH is a stable large cap at fairly cheap valuation and a 2% dividend yield, attractive due to its Aerospace exposure.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
PLL	Pall Corporation	10.67B	22.86	3.74	6.78	30.89	12.50%	13.50%	14.70%	13.75%	21.60%	0.24	51.20%	18.95%
MIDD	Middleby Corp.	5.40B	23.45	3.42	5.58	25.35	26.90%	18.14%	17.00%	25.30%	21.50%	0.53	39.40%	18.12%
ITW	Illinois Tool Works Inc.	37.54B	18.20	2.58	4.85	48.37	-23.10%	14.15%	2.30%	12.61%	33.70%	0.77	39.90%	16.01%
LII	Lennox International, Inc.	4.61B	17.72	1.40	9.25	214.39	35.40%	24.08%	10.90%	19.80%	39.40%	0.73	26.80%	13.93%
ROP	Roper Industries Inc.	15.97B	22.74	4.57	3.37	22.83	10.50%	8.20%	12.30%	13.80%	14.10%	0.51	59.30%	13.42%
XYL	Xylem Inc.	7.02B	17.64	1.80	3.21	33.58	-23.10%	12.03%	0.30%	12.37%	13.90%	0.55	38.80%	13.10%
HON	Honeywell International Inc.	79.19B	16.56	1.96	4.19	33.12	33.30%	10.23%	35.40%	10.22%	23.20%	0.36	28.30%	12.93%
DHR	Danaher Corp.	60.62B	20.62	3.07	2.55	21.34	17.30%	11.64%	13.90%	11.54%	11.70%	0.12	52.40%	12.18%
BDC	Belden Inc.	3.37B	16.09	1.53	4.07	25.96	148.90%	16.16%	18.40%	9.00%	9.60%	1.84	35.20%	12.10%
IEX	IDEX Corporation	6.11B	19.97	2.85	3.86	25.10	586.70%	8.56%	14.90%	15.00%	17.80%	0.45	44.20%	5.84%
NDSN	Nordson Corporation	4.84B	16.41	2.84	5.41	24.64	12.30%	11.43%	29.30%	16.00%	26.70%	0.77	55.50%	5.75%
CAT	Caterpillar Inc.	55.52B	13.16	1.00	2.98	15.76	-32.20%	6.20%	0.30%	11.09%	19.50%	1.50	26.90%	3.69%
RBC	Regal Beloit Corporation	3.35B	14.67	1.04	1.58	19.75	-43.20%	16.22%	-6.90%	12.67%	5.40%	0.31	24.60%	2.59%
GGG	Graco Inc.	4.70B	20.07	3.96	7.32	35.12	38.80%	6.61%	11.00%	12.50%	34.30%	0.79	54.70%	2.59%
RXN	Rexnord Corporation	2.82B	15.10	1.34	4.74	13.67	-45.50%	17.40%	15.60%	18.80%	21.80%	3.26	36.30%	2.55%
AOS	AO Smith Corp.	4.88B	19.89	2.13	3.56	46.27	4.60%	14.13%	33.60%	23.00%	14.60%	0.18	36.20%	2.23%
PH	Parker-Hannifin Corporation	19.07B	14.30	1.44	2.90	21.93	9.70%	12.82%	17.00%	10.30%	16.60%	0.23	23.80%	1.45%
DE	Deere & Company	32.29B	16.48	0.90	3.50	19.09	-5.00%	-1.01%	33.20%	-2.23%	37.70%	2.69	31.30%	0.61%
AME	Ametek Inc.	12.88B	19.66	3.27	3.71	22.38	11.70%	10.31%	15.50%	15.00%	17.10%	0.42	35.50%	0.04%
ROK	Rockwell Automation Inc.	15.18B	15.18	2.29	5.77	-	10.30%	9.29%	31.00%	10.29%	30.50%	0.34	41.60%	-3.40%
ITT	ITT Corporation	3.73B	14.95	1.41	2.88	47.07	355.20%	10.99%	-8.80%	12.84%	13.00%	0.01	32.50%	-5.21%
GE	General Electric Company	257.28B	14.44	1.75	1.90	42.43	6.50%	6.87%	-3.80%	7.58%	12.20%	2.25	39.60%	-5.36%
DOV	Dover Corporation	12.18B	14.36	1.48	3.14	26.10	23.00%	11.57%	8.70%	9.93%	18.90%	0.66	38.50%	-6.34%
ETN	Eaton Corporation plc	32.82B	13.77	1.46	1.98	114.37	12.40%	9.03%	3.70%	10.60%	10.00%	0.52	30.40%	-6.60%
EMR	Emerson Electric Co.	43.15B	14.44	1.76	4.29	25.16	10.10%	8.58%	6.20%	8.13%	20.40%	0.35	41.40%	-8.74%
DCI	Donaldson Company, Inc.	5.29B	18.39	2.14	6.03	68.30	7.30%	12.59%	16.20%	9.07%	24.60%	0.27	35.30%	-10.00%
CR	Crane Co.	3.44B	11.96	1.20	2.73	23.39	11.30%	9.35%	10.70%	8.60%	14.80%	0.59	34.60%	-11.68%
PNR	Pentair plc	12.44B	15.40	1.74	2.55	20.00	411.90%	15.43%	0.20%	14.33%	6.50%	0.60	34.70%	-12.92%
BWC	The Babcock & Wilcox Company	3.12B	12.29	1.08	2.80	-	60.70%	30.47%	2.20%	12.88%	26.00%	0.27	31.20%	-13.13%
SPW	SPX Corporation	3.48B	13.36	0.74	1.73	38.63	220.30%	18.86%	-1.40%	19.11%	24.50%	0.57	29.30%	-13.62%
MTW	The Manitowoc Company, Inc.	2.57B	13.00	0.65	2.94	104.67	36.00%	21.73%	9.50%	20.15%	16.00%	1.91	25.70%	-18.21%
JOY	Joy Global, Inc.	4.62B	12.54	1.22	1.63	23.42	-34.30%	11.89%	-5.70%	-8.32%	11.80%	0.45	29.40%	-18.41%
GNRC	Generac Holdings Inc.	3.17B	13.41	2.21	7.04	15.26	85.90%	8.65%	17.70%	10.33%	45.50%	2.47	36.50%	-18.84%
CFX	Colfax Corporation	6.38B	22.10	1.39	1.92	21.46	271.70%	9.94%	85.10%	9.62%	10.50%	0.48	31.50%	-19.00%
AGCO	AGCO Corporation	4.17B	14.81	0.41	1.13	283.39	13.40%	-26.79%	8.80%	-0.67%	12.10%	0.35	21.40%	-22.81%
FLS	Flowserve Corp.	8.03B	14.20	1.64	4.20	27.29	20.10%	10.67%	5.80%	11.46%	32.20%	0.58	34.80%	-24.82%
TEX	Terex Corporation	3.03B	10.15	0.42	1.39	49.30	163.20%	19.71%	33.50%	15.86%	14.60%	0.76	20.70%	-33.01%

Building Materials and Tools: The building materials names did not perform all that well in 2014, but lumber Co. WY was strong and has technical momentum into 2015. Tool stocks SWK and SNA led the performance and both are still fairly good values for the growth and with recent earnings momentum. MAS is my top play in building materials, trading at a premium valuation, but providing the best EPS growth and undergoing positive changes. MAS is a top 20 holding at Third Point and Appaloosa as well. SWK was the top performer, has technical momentum, and the highest quality stock in this industry subset.

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SNA	Snap-on Incorporated	7.96B	17.96	2.47	3.50	33.48	14.00%	9.60%	7.80%	10.00%	18.10%	0.38	48.40%	26.99%
SWK	Stanley Black & Decker, Inc.	15.18B	15.70	1.34	2.18	23.42	17.20%	11.05%	3.60%	10.70%	9.70%	0.55	36.10%	22.88%
MLM	Martin Marietta Materials Inc.	8.02B	22.98	3.03	1.83	113.47	42.20%	49.15%	-8.30%	15.07%	4.70%	0.37	17.30%	20.87%
WY	Weyerhaeuser Co.	18.98B	21.99	2.41	3.30	91.23	33.80%	26.62%	17.90%	5.00%	25.00%	0.92	21.90%	18.35%
MAS	Masco Corporation	9.02B	19.93	1.07	7.72	24.44	587.50%	29.59%	22.30%	26.46%	106.30%	2.54	27.80%	12.79%
VMC	Vulcan Materials Company	8.79B	37.39	3.01	2.09	-	138.10%	106.00%	39.80%	9.00%	4.30%	0.48	18.30%	12.77%
TKR	The Timken Company	3.83B	13.72	1.14	2.38	-	-46.00%	25.28%	-1.10%	21.80%	12.00%	0.32	27.90%	11.85%
LECO	Lincoln Electric Holdings Inc.	5.36B	16.57	1.89	3.96	24.22	15.70%	10.71%	7.50%	10.00%	18.10%	0.00	33.80%	-2.29%
USG	USG Corporation	3.95B	13.59	1.07	5.17	659.00	125.60%	56.54%	15.90%	51.00%	12.00%	2.89	17.50%	-3.74%
PCL	Plum Creek Timber Co. Inc.	7.43B	32.64	5.39	4.38	-	4.00%	11.94%	-0.90%	8.00%	10.50%	1.88	29.10%	-5.31%
RYN	Rayonier Inc.	3.53B	55.20	3.61	2.31	-	20.40%	0.20%	15.20%	-4.50%	10.50%	0.40	22.90%	-6.68%
AWI	Armstrong World Industries, Inc.	2.73B	20.96	1.00	3.53	-	-29.00%	13.47%	3.60%	18.39%	11.10%	1.30	22.60%	-13.54%
OC	Owens Corning	4.06B	14.89	0.77	1.05	-	-9.10%	37.16%	17.80%	19.95%	7.10%	0.56	18.30%	-14.11%
KMT	Kennametal Inc.	2.79B	11.32	0.96	1.45	30.95	-21.00%	12.57%	27.90%	5.90%	8.40%	0.47	31.50%	-31.06%

Homebuilders: Overall the homebuilders did not perform well in 2014 though showed some periods of strong data, and was one of the trickiest groups to time with trading in my view. LEN was a leader but recently saw sizable Jan. 2015 \$43 put buys, while TOL is the preferred value name in the group. The housing outlook into 2015 is uncertain, and I really prefer to play the stronger trends in housing with the remodel cycle, stocks like MHK, SHW, LOW, HD, and VAL.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
DHI	DR Horton Inc.	9.05B	11.60	1.13	1.77	-	12.80%	16.36%	23.40%	11.43%	14.10%	0.72	21.90%	12.25%
LEN	Lennar Corp.	8.62B	13.42	1.21	1.93	-	-30.90%	21.10%	18.20%	19.23%	14.40%	1.27	13.80%	10.84%
PHM	PulteGroup, Inc.	7.75B	14.67	1.37	1.66	19.40	-84.10%	33.05%	25.80%	7.48%	11.70%	0.39	23.70%	3.77%
TOL	Toll Brothers Inc.	5.78B	12.84	1.48	1.50	-	88.70%	26.88%	19.00%	21.77%	10.30%	0.88	21.20%	-12.19%
RYL	Ryland Group Inc.	1.73B	10.75	0.71	1.74	-	671.60%	25.13%	22.70%	1.10%	20.80%	1.40	21.40%	-13.31%
TPH	TRI Pointe Homes, Inc.	2.34B	11.31	1.97	1.63	-	26.00%	104.31%	0.00%	20.00%	7.70%	0.83	20.50%	-27.30%

Consumer Services: This sector heading encompasses so many different areas that I will break down further below. Overall the transports remains an area of strength with earnings power in Airlines and Trucking being boosted by lower gasoline prices, but a long outperforming spot, the railroads, could come under pressure as the crude by rail trend comes under pressure. Retailers have enjoyed a strong Q4 with consumer discretionary income rising, but many names overbought as well as overvalued.

Retail and Apparel Stores: Seen below is the clear outperformance in both housing and auto related retail with big years from ORLY, AAP, RH, LOW, WSM and HD. The trends here remain strong into 2015 and little reason to believe that momentum will stop. Another outperformer of note is MIK, a relatively new issue, that along with BURL are my favorite two retail plays right now. ULTA continues to post strong earnings justifying its premium valuation, and ROST/TJX are showing technical strength into yearend as earnings growth that sagged earlier this year starts to pick back up. Specialty retailers were weak in 2014 with sporting goods (DKS, CAB), Electronics (GME, BBY) and Vitamins (GNC, VSI). ORLY remains my favorite growth name in this group after posting another phenomenal quarter recently. The discount retailers DG and DLTR are in a battle to acquire FDO, and DG is a hedge fund favorite with a lot of large options positioning expecting strength early in 2015. JWN is a name to watch early in 2015 after recent unusually large April 2015 OTM call buys, the sale of its credit card business a potential catalyst. Office retailers SPLS and ODP have seen massive upside options positioning recently as a merger is expected in 2015, so another event to be aware. Meanwhile TGT and WMT continue to see large upside call buying, a play not only on the correlation to lower fuel costs, but WMT may also make a big acquisition in 2015, and/or become an activist target. COST remains a steady as she goes performer that seems to make a new high every week, above-average store sales growth to peers demands the higher multiple. ORLY, MIK, BURL, HD, WAG, and DG are favorites in this group that should continue to outperform in 2015 with plenty of positive tailwinds.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
ORLY	O'Reilly Automotive Inc.	19.59B	23.23	2.77	10.11	25.86	26.90%	14.59%	32.40%	16.35%	36.40%	0.71	51.10%	50.06%
AAP	Advance Auto Parts Inc.	11.67B	18.39	1.29	6.06	25.38	1.90%	12.80%	16.40%	17.75%	26.40%	0.90	46.00%	44.62%
MIK	The Michaels Companies, Inc.	4.98B	14.30	1.06	-	17.61	22.40%	17.82%	0.00%	15.88%	-7.70%	-	39.70%	43.30%
RH	Restoration Hardware Holdings, Inc.	3.82B	32.20	2.17	5.97	-	212.50%	27.24%	18.00%	29.03%	12.80%	0.44	36.90%	43.24%
LB	L Brands, Inc.	24.48B	22.13	2.19	-	83.83	20.10%	12.87%	36.20%	11.28%	-201.80%	-	41.20%	40.78%
LOW	Lowe's Companies Inc.	65.09B	20.49	1.18	6.10	20.14	26.60%	22.42%	7.50%	17.50%	22.40%	1.01	34.80%	37.32%
CVS	CVS Health Corporation	109.71B	18.62	0.81	2.91	37.53	24.20%	14.37%	10.60%	14.79%	12.00%	0.31	18.60%	35.71%
ULTA	ULTA Salon, Cosmetics & Fragrance, Inc.	8.32B	28.54	2.72	7.02	54.69	17.50%	16.29%	48.90%	20.00%	22.00%	0.00	35.30%	33.88%
WSM	Williams-Sonoma Inc.	6.91B	20.72	1.49	6.15	56.83	11.00%	13.19%	58.70%	13.75%	24.70%	0.00	38.50%	31.46%
WAG	Walgreen Co.	69.60B	16.54	0.91	3.42	43.83	-21.90%	24.53%	-0.20%	15.11%	9.30%	0.18	28.20%	30.07%
AZO	AutoZone, Inc.	19.73B	15.38	2.05	-	-	13.60%	12.61%	21.90%	13.17%	-63.50%	-	52.10%	29.43%
JWN	Nordstrom Inc.	14.67B	18.77	1.11	6.47	200.94	4.20%	9.37%	15.20%	8.40%	34.50%	1.37	37.90%	27.19%
HD	The Home Depot, Inc.	134.33B	19.50	1.64	13.38	33.46	25.30%	16.37%	22.40%	15.88%	51.70%	1.65	34.80%	26.46%
FDO	Family Dollar Stores Inc.	9.03B	23.03	0.86	5.40	-	-35.00%	11.04%	3.80%	7.35%	17.60%	0.29	33.80%	23.18%
HSNI	HSN, Inc.	3.94B	20.75	1.13	7.19	56.76	37.70%	13.78%	15.70%	13.67%	31.10%	0.39	35.60%	22.91%
ROST	Ross Stores Inc.	18.98B	19.09	1.77	8.57	39.49	9.90%	10.24%	27.30%	11.75%	42.50%	0.18	28.10%	22.77%
DLTR	Dollar Tree, Inc.	14.13B	19.26	1.69	8.91	27.46	1.50%	14.81%	26.50%	15.20%	43.90%	0.48	35.20%	21.77%
TGT	Target Corp.	47.10B	19.19	0.64	2.86	96.72	-32.10%	18.85%	1.40%	12.05%	9.30%	0.84	28.80%	20.64%
COST	Costco Wholesale Corporation	62.45B	24.89	0.55	5.03	38.67	0.40%	9.92%	13.50%	10.25%	17.70%	0.41	12.60%	20.48%
M	Macy's, Inc.	21.61B	12.87	0.77	4.11	19.19	19.10%	12.10%	18.50%	12.40%	26.30%	1.33	40.10%	19.58%
DDS	Dillard's Inc.	4.76B	13.51	0.71	2.58	12.71	3.30%	10.72%	33.10%	12.50%	16.00%	0.43	36.90%	19.19%
SPLS	Staples, Inc.	11.23B	18.24	0.49	1.87	24.14	545.80%	0.52%	-1.10%	-3.34%	10.00%	0.17	25.60%	13.89%
DG	Dollar General Corporation	20.80B	17.13	1.13	3.89	22.86	11.20%	14.31%	56.30%	14.47%	20.00%	0.50	30.70%	13.66%
TIF	Tiffany & Co.	13.40B	21.08	3.14	4.63	-	-56.60%	13.86%	-5.20%	13.01%	6.50%	0.31	59.60%	13.32%
WMT	Wal-Mart Stores Inc.	274.49B	16.26	0.57	3.48	37.08	-3.20%	4.82%	7.60%	5.67%	20.70%	0.56	24.80%	10.93%
KSS	Kohl's Corp.	12.04B	13.52	0.64	2.07	16.07	-3.10%	9.24%	7.70%	5.77%	14.20%	0.81	36.50%	7.95%
GPS	The Gap, Inc.	17.38B	13.45	1.07	6.21	21.83	17.60%	10.79%	15.40%	11.18%	42.00%	0.48	38.20%	7.19%
TJX	The TJX Companies, Inc.	45.52B	18.75	1.59	10.42	31.89	15.30%	12.44%	23.10%	10.74%	50.10%	0.37	28.40%	4.87%
SBH	Sally Beauty Holdings Inc.	4.89B	15.81	1.30	-	20.42	2.00%	14.38%	22.80%	11.93%	-95.80%	-	49.60%	2.35%
BBY	Best Buy Co., Inc.	13.68B	14.68	0.33	2.99	18.24	242.40%	10.66%	-3.70%	17.80%	23.00%	0.35	21.80%	0.15%
TSCO	Tractor Supply Company	10.38B	25.32	1.87	8.52	76.74	22.10%	15.68%	26.40%	16.34%	28.70%	0.12	34.10%	-0.64%
URBN	Urban Outfitters Inc.	4.48B	17.58	1.39	3.32	40.94	16.70%	17.84%	10.10%	13.20%	16.60%	0.00	36.00%	-8.30%
BBBY	Bed Bath & Beyond Inc.	13.62B	13.44	1.17	4.75	12.40	5.00%	8.68%	23.90%	8.25%	26.30%	0.51	39.30%	-8.41%
SHLD	Sears Holdings Corporation	3.52B	-	0.10	31.17	-	-40.40%	6.30%	-10.96%	-	-219.80%	23.08	22.90%	-10.73%
DKS	Dick's Sporting Goods Inc.	5.99B	15.71	0.91	3.56	53.99	16.50%	13.81%	56.80%	12.79%	19.30%	0.17	30.70%	-12.89%
GNC	GNC Holdings Inc.	4.00B	14.36	1.53	5.25	30.60	18.80%	10.42%	44.60%	9.53%	33.00%	1.74	37.70%	-21.74%
CAB	Cabela's Incorporated	3.67B	14.71	1.03	2.11	-	29.30%	11.83%	22.40%	14.64%	12.20%	1.86	44.00%	-22.61%
GME	GameStop Corp.	3.74B	8.37	0.39	1.92	473.92	240.40%	17.92%	4.70%	14.80%	17.00%	0.17	29.50%	-27.64%

Media, Advertising and Entertainment: It was a rough year for the TV broadcasting names as many pull the plug and content becomes less valuable, so we could see continued pressures in 2015 and DISCA a name with growth concerns that has seen large April 2015 put accumulation. M&A remains viable in this area with CBS and VIAB potential merger candidates and LBTYA very likely to receive a buyout offer in 2015, and options positioning sees \$60 upside. DISH is probably the most interesting stock here and continues to see massive upside option bets after a strong 2014, set to either make a large acquisition or break itself up, clearly an event play in 2015. DIS is the consistent performer and continues to post excellent earnings across each of its business segments, a core holding for any portfolio. LYV quietly was the top performer and has activist Shapiro Capital as a top holder, and MSG another event play that continues to break itself up. This group has the most allure from the M&A perspective, and favor DISH, LBTYA and VIAB, while DIS is the safety play that will continue to outperform markets. IPG is another takeover candidate that has Elliott Mgmt. as a large holder and more than 15,000 Jan. 2015 \$20 calls in OI. FOXA is showing the most technical strength into yearend versus peers and has been posting the strongest earnings, so a favorite play in cable.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
LYV	Live Nation Entertainment, Inc.	5.28B	130.15	0.76	3.48	837.36	74.70%	963.16%	45.10%	9.00%	0.90%	1.35	27.80%	33.05%
MSG	The Madison Square Garden Company	5.82B	31.02	3.68	3.40	102.48	-19.70%	-17.35%	31.80%	17.45%	12.30%	0.00	42.30%	30.38%
TWX	Time Warner Inc.	71.21B	17.97	2.51	2.86	41.50	25.80%	13.28%	23.50%	17.23%	14.70%	0.85	42.80%	29.31%
DISH	Dish Network Corp.	33.51B	41.16	2.31	21.67	29.06	24.80%	10.94%	-1.20%	6.30%	105.70%	7.64	25.30%	25.36%
DIS	The Walt Disney Company	157.51B	17.15	3.23	3.55	31.75	26.00%	16.14%	19.30%	15.85%	16.70%	0.28	23.60%	23.13%
CHTR	Charter Communications, Inc.	18.17B	115.45	2.04	184.98	227.09	45.60%	208.30%	24.00%	3.00%	-107.70%	181.39	38.90%	20.38%
IPG	The Interpublic Group of Companies, Inc.	8.40B	17.19	1.13	4.04	26.70	-35.10%	17.13%	3.20%	8.05%	16.80%	0.78	-	15.79%
CMCSA	Comcast Corporation	147.24B	17.31	2.17	2.77	33.86	10.30%	9.81%	24.40%	17.33%	16.20%	0.84	69.40%	11.42%
LBTYA	Liberty Global plc	38.27B	69.99	2.15	3.60	13.72	-15.20%	700.00%	1.50%	0.57%	-2.50%	3.61	63.00%	11.10%
FOXA	Twenty-First Century Fox, Inc.	81.87B	17.29	2.50	5.19	37.06	-42.60%	32.32%	26.90%	16.40%	25.00%	1.19	33.60%	10.28%
OMC	Omnicom Group Inc.	19.04B	16.69	1.25	6.34	23.54	2.80%	9.07%	-0.80%	7.25%	30.50%	1.24	25.90%	5.18%
NFLX	Netflix, Inc.	20.49B	72.34	3.94	11.86	1072.89	537.90%	37.41%	7.00%	27.97%	15.10%	0.52	31.70%	-7.62%
AMCX	AMC Networks Inc.	4.51B	13.66	2.25	-	17.82	111.60%	25.29%	73.70%	13.40%	-45.60%	-	53.70%	-8.19%
SNI	Scripps Networks Interactive, Inc.	10.67B	17.41	4.03	6.51	17.81	-23.40%	14.06%	89.30%	11.40%	27.50%	0.30	71.10%	-9.01%
LMCA	Liberty Media Corporation	11.71B	36.65	2.67	0.84	12.73	680.90%	69.62%	0.00%	5.00%	4.70%	0.38	64.50%	-11.05%
VIAB	Viacom, Inc.	31.17B	11.24	2.26	8.57	16.12	11.70%	13.02%	14.50%	10.10%	55.90%	3.43	52.50%	-11.69%
CBS	CBS Corporation	28.73B	14.98	2.05	3.90	100.80	21.00%	20.47%	16.80%	15.53%	34.50%	0.86	41.90%	-12.63%
NWSA	News Corporation	8.70B	27.32	1.01	0.69	16.64	-52.90%	5.09%	-37.83%	11.30%	2.10%	0.00	-	-15.54%
DISCA	Discovery Communications, Inc.	15.44B	17.25	2.52	2.70	13.73	18.70%	19.42%	28.20%	32.70%	23.20%	1.05	67.30%	-23.31%
P	Pandora Media, Inc.	3.75B	35.35	4.75	6.88	-	34.80%	152.48%	5.60%	66.33%	-6.10%	0.00	43.40%	-32.22%

Restaurants & Grocery: KR is the surprise winner in this group by a landslide in 2014, though one has to question its valuation at this point and I see limited upside going forward. CMG remains the prime growth stock in this industry and no signs of that trend slowing, though comes with the added risks of being a premium valuation stock. The organic grocers like WFM and SFM were laggards in 2014, but starting to show some strength in Q4, worth watching to see if momentum returns, though both still fairly rich on valuation. PNRA was a top short for 2014 and did underperform all year, still looks overvalued in my eyes. MCD is a name seeing massive upside upsides positioning and shares flat YTD, already a stake disclosed by JANA Partners and likely to draw more activist investors in 2015, so expect it to make all-time highs. YUM is another laggard that I like going into 2015 as it faces easier comps, the China concerns are well known, and the potential for it to spin-off its China operations to unlock shareholder value. SBUX remains a premium growth large cap core holding that is a buy on corrections back to the 20 week moving average. DPZ and EAT remain the top smaller cap growth stocks to own in this industry, and EAT remains fairly cheap on valuation. DRI was an activist/restructuring play in 2014 but I feel most of its upside has now been realized, so I have limited interest in it for 2015. DNKN recently warned on earnings for FY15, though appears to be company specific with too aggressive of a growth outlook.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
KR	The Kroger Co.	31.22B	17.17	0.29	5.88	31.70	4.70%	9.14%	8.90%	11.98%	31.80%	1.83	20.80%	63.12%
DPZ	Domino's Pizza, Inc.	5.26B	28.05	2.75	-	49.24	29.80%	17.13%	21.70%	15.98%	-12.40%	-	30.10%	39.12%
HAIN	The Hain Celestial Group, Inc.	5.88B	26.53	2.55	3.65	64.46	12.30%	14.23%	46.00%	16.07%	8.60%	0.49	24.90%	28.33%
EAT	Brinker International, Inc.	3.63B	16.25	1.24	96.80	26.19	2.70%	14.12%	26.40%	13.38%	201.30%	22.65	19.30%	25.71%
CMG	Chipotle Mexican Grill, Inc.	20.20B	37.35	5.20	10.67	43.33	19.70%	24.20%	34.70%	24.14%	23.60%	0.00	27.00%	22.27%
SWY	Safeway Inc.	8.01B	26.20	0.22	1.43	-	-29.90%	21.30%	-18.00%	12.00%	56.30%	0.49	26.20%	21.49%
ARMK	Aramark	6.98B	16.12	0.47	4.06	-	85.30%	13.17%	0.00%	13.97%	8.70%	3.12	9.90%	14.85%
SYU	Sysco Corporation	23.79B	19.83	0.50	4.47	114.99	-5.40%	8.62%	-2.20%	7.05%	17.50%	0.50	17.60%	14.78%
DRI	Darden Restaurants, Inc.	7.61B	22.42	1.45	3.48	-	-23.30%	12.04%	-12.20%	13.40%	40.70%	0.72	20.30%	10.33%
SBUX	Starbucks Corporation	59.71B	21.76	3.63	11.37	-	16.80%	17.23%	39.10%	17.87%	51.70%	0.39	30.10%	3.31%
UNFI	United Natural Foods, Inc.	3.83B	22.85	0.53	2.99	-	15.60%	12.81%	12.80%	15.33%	10.70%	0.42	16.40%	1.70%
MCD	McDonald's Corp.	90.72B	17.13	3.24	6.70	76.86	3.50%	10.34%	8.10%	5.18%	32.70%	1.07	38.40%	-0.62%
YUM	Yum! Brands, Inc.	31.14B	19.81	2.31	12.60	57.77	-29.90%	13.67%	3.90%	13.85%	63.30%	1.32	52.00%	-3.93%
PNRA	Panera Bread Company	4.47B	25.02	1.77	6.23	41.16	15.60%	1.74%	25.10%	12.73%	26.40%	0.14	61.30%	-6.28%
DNKN	Dunkin' Brands Group, Inc.	4.36B	21.27	5.90	12.55	61.46	46.20%	11.31%	21.10%	14.10%	43.90%	5.23	82.00%	-11.83%
WFM	Whole Foods Market, Inc.	17.56B	25.44	1.24	4.63	93.38	6.10%	11.64%	30.00%	12.33%	14.80%	0.02	35.50%	-14.70%
SFM	Sprouts Farmers Market, Inc.	4.85B	36.29	1.71	7.41	74.89	131.30%	27.75%	43.90%	28.00%	16.90%	0.58	29.90%	-16.52%

Transports (Airlines, Rail, Trucking, Shipping): Airlines led performance in 2014 and I expect strength to continue in 2015 with a group still trading at cheap valuations for the strong earnings growth cycle. Truckers are gaining in Q4 on lower fuel costs and SWFT remains a top smaller cap growth play. Rails have pulled back in Q4 and there are some clear concerns with Commodity and Housing exposure, but partially offset by strength in Retail and Auto, so a group to be selective and remains in focus for further M&A. HTZ is an interesting name due to Icahn's position, though in a period of accounting issues and weaker than expected earnings, so I favor CAR among the car rental stocks. Ryder (R) remains a smaller cap value for growth play that sees limited attention but remains in a very strong trend move with plenty of upside remaining. FDX recently disappointed on earnings and UPS has been scuffling as well, but longer term trends favor these names as long term holds. Airlines, R, and rail equipment provider WAB are my top picks in this group.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
LUV	Southwest Airlines Co.	27.33B	14.54	1.48	3.70	25.85	87.50%	40.99%	34.30%	42.50%	15.80%	0.31	62.50%	115.29%
AAL	American Airlines Group Inc.	36.37B	6.05	0.91	7.34	-	24.90%	46.65%	-6.60%	64.70%	15.30%	3.20	27.00%	101.87%
JBLU	JetBlue Airways Corporation	4.49B	12.60	0.78	1.87	118.03	30.00%	78.10%	27.80%	35.65%	16.10%	0.88	51.40%	79.98%
DAL	Delta Air Lines, Inc.	39.65B	10.68	1.00	3.21	14.81	931.90%	35.21%	21.50%	17.65%	82.50%	0.73	46.40%	73.87%
UAL	United Continental Holdings, Inc.	23.67B	8.20	0.61	6.14	82.19	170.20%	54.43%	15.30%	49.95%	38.90%	2.76	24.00%	69.55%
SAVE	Spint Airlines, Inc.	5.46B	16.36	2.91	5.77	27.43	62.40%	42.52%	39.40%	32.25%	25.00%	0.00	35.80%	65.17%
ALK	Alaska Air Group, Inc.	7.42B	11.18	1.41	3.40	29.43	62.70%	22.27%	42.40%	24.85%	25.00%	0.32	35.50%	54.75%
ODFL	Old Dominion Freight Line Inc.	6.66B	21.58	2.50	4.66	-	0.00%	19.13%	41.60%	18.84%	18.50%	0.10	84.00%	45.68%
CAR	Avis Budget Group, Inc.	6.18B	15.81	0.73	8.25	-	-94.20%	26.34%	15.00%	29.45%	27.00%	17.41	49.50%	43.94%
UNP	Union Pacific Corporation	105.33B	18.29	4.49	4.91	63.38	13.80%	15.13%	15.70%	14.47%	23.00%	0.51	74.00%	43.65%
CHRW	CH Robinson Worldwide Inc.	11.15B	22.70	0.84	10.98	50.62	-27.80%	10.96%	5.00%	12.33%	43.50%	0.49	14.70%	33.83%
SWFT	Swift Transportation Company	4.10B	17.20	0.97	10.18	34.71	9.00%	28.54%	20.70%	16.80%	44.30%	2.66	60.80%	30.12%
CSX	CSX Corp.	35.60B	16.52	2.85	3.21	134.32	2.20%	13.11%	8.60%	9.77%	20.80%	0.84	66.70%	26.85%
R	Ryder System, Inc.	4.86B	14.09	0.74	2.42	-	18.40%	16.23%	0.50%	12.25%	16.40%	2.04	18.60%	26.25%
FDX	FedEx Corporation	49.36B	15.88	1.06	3.21	56.93	37.20%	22.02%	85.20%	16.23%	15.20%	0.30	62.60%	21.78%
NSC	Norfolk Southern Corporation	33.74B	14.93	2.90	2.71	72.10	12.50%	13.07%	6.00%	11.50%	16.80%	0.72	38.80%	20.14%
WAB	Westinghouse Air Brake Technologies Corporation	8.41B	21.00	2.90	4.69	26.71	15.80%	15.14%	17.70%	15.00%	18.70%	0.29	30.40%	17.96%
JBHT	JB Hunt Transport Services Inc.	9.82B	23.06	1.63	8.46	-	10.80%	16.66%	13.00%	15.36%	39.30%	0.51	17.60%	9.58%
UPS	United Parcel Service, Inc.	100.44B	19.63	1.75	18.01	45.80	455.40%	13.97%	48.40%	10.94%	62.70%	1.75	76.50%	8.47%
TRN	Trinity Industries Inc.	4.35B	6.49	0.75	1.46	96.78	46.50%	3.42%	6.10%	10.00%	31.80%	1.24	25.30%	3.45%
EXPD	Expeditors International of Washington Inc.	8.44B	20.82	1.31	4.47	41.00	7.00%	11.11%	4.20%	11.10%	18.40%	0.00	30.20%	0.23%
KSU	Kansas City Southern	13.28B	21.84	5.21	3.64	-	-7.30%	15.09%	11.60%	15.90%	13.60%	0.51	68.90%	-2.08%
GWR	Genesee & Wyoming Inc.	4.81B	17.79	2.98	2.15	31.36	405.30%	19.67%	18.90%	9.70%	10.40%	0.70	74.40%	-7.15%
KEX	Kirby Corporation	4.61B	14.95	1.87	2.04	23.59	19.00%	7.79%	8.80%	7.97%	13.00%	0.29	34.70%	-18.53%
HTZ	Hertz Global Holdings, Inc.	10.38B	17.82	0.96	3.46	-	41.50%	71.79%	17.10%	13.00%	28.60%	5.89	46.90%	-20.75%

Other Services (Healthcare, Tech, Staffing, Industrial): The top performer in this diversified subsector was WOOF because everything related to animal health is hot, and a spot that larger players are eyeing acquisitions. The drug wholesalers MCK, ABC, and CAH were very strong in 2014 and recent earnings report show continued momentum with MCK the best play. FLT is another strong name that has been posting very strong earnings and a top growth name for a portfolio. ADT was a laggard and I continue to see it is a great long term short as it is far behind the changing dynamics of technology in home security protection. HDS appears as the greatest opportunity for a value for growth stock, \$5.73B Co. trading 14.2X Earnings with 30%+ EPS growth. PDCO is a name I like a break-up candidate because it has a very strong animal health unit being dragged down by dental. If we start to see an uptick in construction early next year GWW is a beautiful monthly chart and provides fairly strong earnings growth, a definite long candidate.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼Perf YTD
WOOF	VCA Inc.	4.08B	22.16	2.18	3.26	21.29	200.00%	16.19%	-0.30%	14.00%	10.00%	0.50	23.10%	54.69%
BAH	Booz Allen Hamilton Holding Corporation	3.87B	15.60	0.73	23.03	-	6.20%	2.65%	18.90%	10.00%	107.40%	9.73	50.60%	53.33%
SERV	ServiceMaster Global Holdings, Inc.	3.53B	19.32	1.17	10.79	14.96	335.70%	-0.07%	0.00%	11.00%	156.90%	9.24	47.30%	47.24%
RHI	Robert Half International Inc.	7.97B	22.63	1.75	8.08	39.50	22.00%	15.77%	2.90%	16.48%	30.40%	0.00	40.90%	41.84%
CTAS	Cintas Corporation	9.27B	22.85	2.04	4.07	22.94	21.00%	9.99%	15.70%	11.46%	29.00%	0.57	42.50%	36.20%
ABC	AmerisourceBergen Corporation	20.05B	18.28	0.17	10.50	20.37	-42.40%	13.03%	-6.50%	13.28%	12.30%	1.02	2.50%	32.14%
MCK	McKesson Corporation	48.95B	16.69	0.30	5.48	27.66	3.40%	16.74%	14.60%	17.13%	15.20%	1.08	6.30%	31.47%
TMH	Team Health Holdings, Inc.	4.15B	22.58	1.57	10.55	32.40	33.30%	14.27%	8.60%	18.42%	31.60%	1.19	19.30%	28.25%
FLT	FleetCor Technologies, Inc.	12.48B	23.15	11.57	7.99	27.04	33.30%	25.78%	20.00%	18.07%	23.20%	0.28	92.50%	27.05%
CAH	Cardinal Health, Inc.	27.48B	17.38	0.30	4.46	29.05	247.40%	12.19%	9.90%	11.20%	17.00%	0.51	5.80%	26.03%
SCT	Service Corporation International	4.66B	17.96	1.62	3.49	39.34	-4.30%	13.64%	12.60%	10.00%	7.90%	2.18	21.50%	25.84%
MCO	Moody's Corporation	20.24B	21.02	6.25	81.54	29.63	18.00%	13.95%	14.00%	13.88%	270.50%	10.12	72.30%	25.25%
GPN	Global Payments Inc.	5.50B	15.44	2.09	5.88	79.81	22.10%	11.38%	9.90%	11.67%	24.60%	1.47	62.70%	25.23%
HDS	HD Supply Holdings, Inc.	5.73B	14.19	0.64	-	41.84	86.40%	66.37%	32.30%	45.80%	-4.20%	-	29.30%	21.95%
HRB	H&R Block, Inc.	9.49B	16.36	3.13	7.66	29.30	7.10%	15.57%	3.40%	11.00%	38.20%	0.41	66.60%	21.74%
MMS	MAXIMUS, Inc.	3.51B	19.28	2.06	6.40	22.76	26.30%	18.62%	23.00%	21.00%	25.80%	0.00	26.60%	21.71%
PDCO	Patterson Companies, Inc.	5.06B	19.69	1.16	3.31	71.61	-3.00%	8.83%	3.10%	11.33%	14.80%	0.50	28.30%	21.24%
FISV	Fiserv, Inc.	17.40B	18.87	3.47	5.10	16.99	13.50%	12.20%	17.30%	13.00%	22.70%	1.08	43.60%	20.78%
HSC	Henry Schein, Inc.	11.58B	23.08	1.14	4.10	22.67	14.10%	10.64%	12.70%	11.00%	16.20%	0.22	27.90%	20.35%
IM	Ingram Micro Inc.	4.37B	9.23	0.10	1.07	-	0.00%	18.42%	23.20%	12.50%	6.50%	0.24	5.90%	19.39%
MHFI	McGraw Hill Financial, Inc.	24.45B	20.75	4.80	15.83	37.90	21.80%	12.73%	2.90%	14.74%	63.90%	0.52	57.60%	16.84%
MSM	MSC Industrial Direct Co. Inc.	5.03B	16.61	1.80	3.59	42.17	0.30%	16.65%	13.60%	13.10%	17.00%	0.17	46.10%	6.40%
ARW	Arrow Electronics, Inc.	5.57B	9.14	0.25	1.34	17.83	-15.60%	7.04%	22.50%	10.18%	12.20%	0.52	13.20%	6.03%
PAYX	Paychex, Inc.	16.80B	23.06	6.52	9.41	61.67	9.60%	8.36%	2.90%	9.90%	35.80%	0.00	70.40%	5.25%
VNTV	Vantiv, Inc.	6.47B	15.86	2.69	5.85	13.44	85.10%	15.67%	3.90%	13.03%	12.50%	3.93	54.50%	4.85%
WEX	WEX Inc.	3.95B	18.18	5.01	3.82	294.48	54.00%	9.32%	3.50%	12.63%	19.60%	1.05	57.90%	2.78%
GWW	W.W. Grainger, Inc.	17.58B	19.10	1.79	5.18	66.89	16.90%	9.89%	13.30%	11.97%	30.60%	0.11	43.40%	2.68%
FAST	Fastenal Company	14.02B	24.77	3.87	7.38	-	6.30%	15.06%	9.90%	15.05%	25.90%	0.00	50.90%	1.81%
AVT	Avnet, Inc.	5.96B	8.77	0.21	1.26	56.04	21.20%	7.36%	20.30%	11.89%	11.60%	0.34	11.70%	0.05%
TW	Towers Watson & Co.	7.97B	17.40	2.25	2.63	31.35	22.10%	9.93%	7.80%	9.45%	11.60%	0.11	39.70%	-10.54%
ADT	The ADT Corporation	6.03B	16.34	1.77	1.94	9.35	-11.70%	1.68%	9.40%	6.15%	9.60%	1.63	59.00%	-12.55%
MAN	ManpowerGroup Inc.	5.41B	12.38	0.26	1.79	20.01	46.60%	4.82%	7.00%	11.93%	13.70%	0.15	16.80%	-19.29%

Travel, Leisure and Gaming: One clear trend from 2014 was the weakness in casino/gaming stocks due to a crackdown in Macau, and right now there is no reason to step into these names with valuation still extended and earnings estimates needing to come down, a group to short into rallies. MAR was a clear winner among lodging stocks in 2014 though I prefer the growth prospects of HOT and would expect a narrowing of that outperformance gap in 2015, potential pairs trade. EXPE and PCLN are the Tech names included in this group and technicals and valuation both show EXPE is clearly the name to own. One of my favorite groups into 2015 is actually the cruise ships, entering a strong earnings cycle that will benefit from cost reductions, and CCL has lagged but has the most upside potential from here, though RCL is a bit cheaper and management has been excellent. HLT is the newest player in the lodging space and its first few earnings reports have really impressed me, a top growth name to own in this industry.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
RCL	Royal Caribbean Cruises Ltd.	17.94B	17.16	2.21	1.99	28.42	44.60%	35.40%	-4.40%	28.94%	7.50%	0.67	34.10%	73.01%
MAR	Marriott International, Inc.	21.94B	25.50	1.63	-	35.33	16.30%	19.24%	15.60%	18.56%	-42.80%	-	14.10%	58.80%
NCLH	Norwegian Cruise Line Holdings Ltd.	9.52B	17.98	3.37	3.58	-	-47.90%	15.26%	19.30%	33.60%	14.10%	1.17	36.70%	32.11%
EXPE	Expedia Inc.	11.14B	18.82	2.00	5.97	11.60	-22.70%	14.54%	15.90%	16.50%	21.60%	0.93	79.40%	27.46%
H	Hyatt Hotels Corporation	9.07B	46.72	2.05	1.95	45.35	145.30%	22.28%	24.20%	13.41%	4.10%	0.28	22.30%	20.80%
HLT	Hilton Worldwide Holdings Inc.	25.78B	30.91	2.50	5.39	16.67	25.00%	20.66%	0.00%	25.10%	11.70%	2.49	-	17.66%
WYN	Wyndham Worldwide Corporation	10.45B	17.39	1.99	7.47	16.27	15.90%	9.23%	20.40%	10.32%	41.30%	3.28	52.60%	16.64%
CCL	Carnival Corporation	34.65B	19.17	2.19	1.38	72.49	-16.80%	23.78%	-13.70%	21.64%	5.70%	0.28	33.50%	14.35%
HOT	Starwood Hotels & Resorts Worldwide Inc.	14.22B	24.85	2.37	6.86	384.33	22.60%	13.41%	16.80%	8.25%	17.60%	1.10	70.80%	5.32%
PCLN	The Priceline Group Inc.	58.09B	18.01	7.13	6.66	22.38	30.50%	17.17%	57.40%	19.10%	30.60%	0.45	88.90%	-4.56%
MGM	MGM Resorts International	9.98B	34.11	0.98	2.26	22.90	91.20%	19.20%	36.30%	12.50%	6.00%	2.65	36.70%	-13.56%
WYNN	Wynn Resorts Ltd.	15.21B	18.30	2.62	159.69	-	48.80%	1.00%	30.10%	10.63%	-	77.52	39.00%	-20.17%
STAY	Extended Stay America, Inc.	3.95B	19.34	3.29	4.63	48.29	390.00%	23.85%	16.60%	38.02%	11.00%	3.43	51.60%	-24.75%
LVS	Las Vegas Sands Corp.	45.26B	15.21	3.05	6.29	11.90	50.80%	5.28%	50.90%	13.54%	36.60%	1.36	46.00%	-26.26%

Technology: Tech had a fairly strong year but once again was an area where there were clear leaders in growth, but any slip-up on earnings was punished, and former Tech leaders like PCLN, AMZN, and GOOG are trading weak as 2014 ends, but LNKD and FB are strong. 2014 was also a year for a resurgence in large cap Tech value like CSCO, HPQ, MSFT, and INTC, while IBM has really struggled and EMC has come under fire of activists. The security software group was extremely strong in 2014 and all trends point to exceptional growth continuing there, an area where all investors need to have exposure. The software sector received a December boost after Oracle (ORCL) posted strong numbers and rallied more than 10% as did Red Hat (RHT). Trends continue to favor software over hardware in 2015.

Software - Cloud, Security and SaaS: The leading stocks in 2014 were all in the Cybersecurity and network protection arena, and really no reason to believe that will not continue in 2015 despite rich valuations, a group ripe for buyouts. PANW is the clear technology leader, FTNT has posted excellent results, and CYBR is the new hot name on the block, while laggard FEYE remains a target for shorts and best to avoid. FFIV has shown impressive relative strength in 2014 and nearing a major long term technical breakout, it also having some exposure to security software. NOW and DATA are my preferred plays in SaaS growth plays over WDAY and SPLK. ADBE, ADSK and INTU had fine years as multiple expansion names on their transitions to cloud subscriptions, a trend that may catch on with other software providers. PTC and VRNT are my favorite value for growth plays in this group and each continues to deliver results well ahead of consensus expectations. SWI is a resurgent name that is a prime takeover target in 2015. VMW lagged in 2014 and valuation remains rich with growth in question and the likelihood that EMC dumps its stake in 2015.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
PANW	Palo Alto Networks, Inc.	10.02B	84.89	15.12	20.03	102.11	-609.30%	98.51%	-58.00%	46.64%	-65.50%	0.96	72.90%	116.39%
QLYS	Qualys, Inc.	1.31B	80.55	10.40	10.89	60.92	-37.50%	21.09%	17.50%	20.00%	4.10%	0.00	77.80%	70.10%
FTNT	Fortinet Inc.	4.96B	51.02	6.86	7.62	28.52	-35.00%	24.74%	91.90%	16.30%	5.00%	0.00	69.70%	57.34%
PFPT	Proofpoint, Inc.	1.91B	-	10.62	30.80	-	-14.50%	28.60%	1.90%	28.73%	-83.70%	2.60	67.30%	51.34%
FFIV	F5 Networks, Inc.	9.79B	18.32	5.65	7.16	18.61	16.90%	14.27%	29.10%	16.66%	22.10%	0.00	82.10%	46.10%
SWI	SolarWinds, Inc.	3.93B	25.56	9.64	7.08	21.98	9.30%	13.46%	27.30%	24.90%	14.70%	0.00	89.80%	37.27%
VRNT	Verint Systems Inc.	3.57B	15.60	3.33	3.53	28.77	3.10%	9.53%	18.60%	11.26%	5.90%	0.73	63.20%	36.87%
CDNS	Cadence Design Systems Inc.	5.56B	17.76	3.62	4.20	20.82	-64.30%	14.09%	15.70%	9.95%	10.70%	0.00	85.40%	35.41%
MANH	Manhattan Associates, Inc.	2.97B	31.41	6.32	16.09	43.29	34.40%	10.48%	30.20%	10.00%	43.50%	0.00	56.70%	35.27%
MSFT	Microsoft Corporation	392.85B	15.18	4.29	4.36	22.35	1.90%	17.52%	10.20%	6.55%	24.30%	0.20	67.10%	30.90%
DATA	Tableau Software, Inc.	6.11B	377.94	17.39	9.76	142.67	-32.30%	12.02%	0.00%	60.23%	-0.70%	0.00	91.10%	27.75%
INTU	Intuit Inc.	26.82B	25.16	5.89	9.18	25.06	8.80%	50.46%	17.00%	13.17%	29.10%	0.17	84.60%	24.35%
ADBE	Adobe Systems Inc.	37.13B	22.72	8.95	5.49	32.59	-10.70%	57.78%	-7.30%	16.20%	3.80%	0.13	85.00%	24.33%
NOW	ServiceNow, Inc.	10.25B	350.76	16.80	24.25	155.74	-5.90%	322.20%	-60.90%	49.23%	-39.40%	1.05	63.30%	23.37%
ORCL	Oracle Corporation	203.84B	14.29	5.25	4.24	16.44	5.30%	8.13%	16.90%	8.50%	23.30%	0.68	80.80%	21.69%
RHT	Red Hat, Inc.	12.78B	37.00	7.67	8.45	26.02	20.80%	18.57%	19.00%	15.44%	12.00%	0.00	84.80%	21.41%
SYMC	Symantec Corporation	17.82B	12.72	2.67	3.02	36.52	20.80%	6.67%	16.60%	7.24%	16.80%	0.30	82.80%	12.48%
MSCI	MSCI Inc.	5.37B	22.54	5.30	4.01	23.04	23.60%	6.52%	18.00%	15.00%	23.70%	0.55	68.80%	9.99%
CRM	salesforce.com, inc.	37.77B	86.25	7.44	9.94	52.26	18.80%	33.46%	-44.70%	27.88%	-9.50%	0.57	76.20%	8.46%
TYL	Tyler Technologies, Inc.	3.64B	44.80	7.64	12.25	41.35	13.00%	17.66%	24.40%	15.00%	20.10%	0.00	47.40%	7.87%
N	NetSuite Inc.	8.38B	232.75	16.32	36.03	184.11	-90.00%	44.75%	-29.60%	25.66%	-43.70%	1.16	68.20%	5.96%
CTSH	Cognizant Technology Solutions Corporation	32.57B	17.89	3.30	4.41	23.10	17.40%	15.89%	22.90%	17.86%	20.70%	0.00	41.80%	5.94%
PTC	PTC Inc.	4.22B	13.74	3.11	4.95	15.12	12.60%	11.97%	37.80%	13.90%	17.00%	0.69	72.50%	2.83%
WDAY	Workday, Inc.	8.79B	-	12.50	13.94	-	37.70%	39.40%	15.00%	42.00%	-21.20%	0.43	65.10%	2.75%
GWRE	Guidewire Software, Inc.	3.50B	79.87	9.63	5.35	44.05	-47.50%	29.36%	24.20%	11.10%	3.50%	0.00	60.20%	2.55%
CTXS	Citrix Systems, Inc.	10.16B	17.12	3.28	4.95	14.20	-3.20%	14.07%	13.60%	11.89%	10.80%	0.61	81.20%	-0.19%
CA	CA Technologies, Inc.	13.75B	12.34	3.13	2.37	22.62	-2.00%	2.50%	9.40%	-4.60%	14.20%	0.22	85.30%	-4.99%
INFA	Informatica Corporation	4.24B	22.71	4.15	3.41	23.72	-6.00%	10.63%	6.10%	11.85%	8.80%	0.00	81.00%	-6.02%
VMW	VMware, Inc.	36.16B	20.46	6.22	4.87	17.22	36.00%	15.92%	26.20%	16.18%	15.40%	0.20	84.30%	-6.38%
SPLK	Splunk, Inc.	7.47B	575.75	18.52	9.29	101.50	-63.00%	174.36%	-36.20%	36.23%	-24.40%	0.00	85.60%	-10.29%
AZPN	Aspen Technology, Inc.	3.22B	24.76	7.84	46.25	15.56	95.70%	14.31%	10.00%	12.50%	120.80%	0.00	87.10%	-14.81%
FEYE	FireEye, Inc.	4.97B	-	14.63	3.71	-	18.90%	11.00%	0.00%	-	-34.40%	0.00	59.10%	-24.19%
SLH	Solera Holdings Inc.	3.38B	13.78	3.23	5.72	29.93	-109.60%	11.53%	-16.60%	12.35%	0.50%	3.14	67.80%	-29.05%

Networking and Storage: Storage clearly outperformed in 2014 with SNDK still having ample market opportunities and trading relatively cheap for its growth outlook while WDC and STX show major momentum and are multiple expansion candidates in 2015. RAX has been a comeback story in late 2014 and although I have my concerns with margins due to competitive pricing pressures, a lot of smart funds are invested in the name expecting a buyout to be the eventual outcome. ZAYO and ANET are two hot new growth names in this group to monitor closely for technical trend moves. NTAP remains a cash-rich value name that is showing technical strength into yearend. MSI has seen some bullish options positioning and Value-Act is a top holder, so a potential event play in 2015. EMC is a value unlock story developing with Elliott Mgmt. taking a huge stake and EMC has massive February and April 2015 upside call positioning.

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LVLT	Level 3 Communications, Inc.	16.27B	35.63	2.52	7.00	45.95	75.00%	0.67%	30.60%	40.40%	16.50%	5.37	57.30%	45.98%
SDNK	SanDisk Corp.	22.06B	15.20	3.33	3.21	15.77	155.30%	13.07%	20.00%	17.84%	16.30%	0.19	48.10%	43.52%
WDC	Western Digital Corporation	26.44B	12.84	1.73	2.97	13.11	67.80%	7.95%	26.30%	6.67%	17.60%	0.25	29.00%	37.35%
ZAYO	Zayo Group Holdings, Inc.	6.98B	101.39	5.94	22.12	46.65	-25.80%	-	0.00%	15.00%	-85.50%	11.03	68.40%	32.73%
CSCO	Cisco Systems, Inc.	142.00B	12.38	3.00	2.50	19.97	-19.90%	4.96%	7.30%	7.64%	13.60%	0.35	58.50%	27.74%
EMC	EMC Corporation	61.33B	14.11	2.55	2.70	14.73	8.10%	12.54%	17.00%	10.08%	13.30%	0.24	62.20%	21.78%
RAX	Rackspace Hosting, Inc.	6.81B	51.40	3.94	5.54	132.75	-18.70%	31.11%	26.30%	21.80%	8.30%	0.06	67.50%	21.24%
ARRS	ARRIS Group, Inc.	4.27B	10.43	0.81	2.87	9.12	-180.40%	9.03%	18.70%	20.20%	12.30%	1.00	29.80%	21.04%
ANET	Arista Networks, Inc.	4.29B	42.03	8.16	8.42	55.52	106.30%	10.62%	0.00%	29.45%	24.30%	0.09	67.50%	20.96%
COMM	CommScope Holding Company, Inc.	4.22B	10.27	1.10	3.26	19.72	300.00%	0.27%	15.30%	6.70%	15.10%	2.09	36.50%	18.75%
CCI	Crown Castle International Corp.	25.81B	57.56	7.33	3.75	47.38	-59.40%	37.74%	24.90%	61.25%	2.50%	1.68	64.10%	7.92%
HRS	Harris Corporation	7.62B	14.45	1.53	4.24	21.70	20.20%	2.71%	16.50%	3.00%	36.80%	0.88	33.70%	6.94%
NTAP	NetApp, Inc.	13.38B	13.47	2.13	3.95	15.39	33.60%	7.59%	57.30%	11.20%	17.00%	0.43	63.00%	6.10%
JNPR	Juniper Networks, Inc.	9.72B	13.75	2.03	1.63	15.48	145.70%	20.58%	-1.60%	11.35%	8.90%	0.22	62.20%	0.49%
MSI	Motorola Solutions, Inc.	15.77B	19.52	2.21	5.02	51.70	37.60%	34.68%	18.90%	2.00%	39.10%	1.06	47.60%	-0.98%
TDC	Teradata Corporation	6.78B	14.73	2.47	3.72	13.18	-7.00%	5.47%	10.30%	6.82%	19.50%	0.11	54.20%	-2.64%

Internet Information: FB was the lead performer in 2014 and deservedly so as it posted phenomenal growth and has so many opportunities going forward, a stock that likely surpasses Google's market cap in coming years. AKAM had a strong 2014 and plenty of positive secular trend tailwinds continue to make it a quality growth play. BIDU and BABA remain favorites for growth players looking overseas and both names set up technically for a strong 2015 on consolidation breakouts in strong uptrends. LNKD has one of the best charts into 2015 and looking for a move to \$270. YHOO remains the favorite of event players for its optionality, waiting to see what types of moves it makes, but a favorite for large option players that have positioned for upside in early 2015. The money is clearly moving to the growth names and I favor the 2014 top performers to continue to outperform in 2015. GRUB is a small cap not listed that has seen unusually bullish options positioning lately, a potential acquisition target in this group along with AWAY.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
FB	Facebook, Inc.	222.69B	41.80	19.88	9.73	67.32	92.00%	13.08%	85.60%	36.42%	15.30%	0.01	82.20%	46.17%
AKAM	Akamai Technologies, Inc.	11.25B	22.85	6.04	3.95	32.55	43.80%	14.39%	15.30%	15.57%	11.60%	0.21	68.80%	33.96%
BIDU	Baidu, Inc.	82.15B	27.51	11.48	10.49	50.65	0.40%	40.43%	58.10%	37.75%	29.60%	0.44	61.60%	31.68%
YHOO	Yahoo! Inc.	48.20B	45.71	10.41	1.38	66.24	-61.60%	-30.00%	34.20%	5.68%	40.90%	0.04	71.90%	25.82%
BABA	Alibaba Group Holding Limited	275.04B	36.57	30.45	12.23	63.44	179.30%	37.42%	0.00%	31.45%	46.00%	0.40	70.00%	17.85%
LNKD	LinkedIn Corporation	29.13B	84.97	14.40	9.67	-	21.10%	42.47%	45.90%	39.18%	-0.50%	0.00	86.90%	8.20%
AOL	AOL Inc.	3.70B	19.68	1.48	1.61	12.28	-89.90%	19.45%	15.80%	11.15%	4.50%	0.17	43.90%	1.89%
VRSN	VeriSign, Inc.	7.06B	18.85	7.06	-	13.26	82.70%	12.89%	70.80%	12.00%	-102.90%	-	81.20%	-2.49%
GOOGL	Google Inc.	351.53B	17.12	5.43	3.56	30.76	11.20%	17.42%	22.10%	16.99%	14.00%	0.03	59.50%	-7.29%
GOOG	Google Inc.	350.27B	17.43	5.16	3.54	-	-	13.70%	0.00%	14.60%	-	-	-	-7.54%
TRIP	TripAdvisor Inc.	10.81B	29.67	9.24	9.95	33.16	2.90%	30.04%	16.67%	23.96%	21.50%	0.25	97.20%	-8.67%
IACI	IAC/InterActiveCorp	5.15B	18.43	1.72	2.60	22.12	80.70%	39.06%	25.70%	6.13%	23.90%	0.55	71.10%	-8.82%
YELP	Yelp, Inc.	3.96B	136.13	11.70	7.32	218.72	57.10%	234.17%	-8.40%	50.60%	0.30%	0.00	93.50%	-20.83%
AMZN	Amazon.com Inc.	138.86B	339.25	1.63	13.44	128.81	755.60%	214.10%	-16.90%	44.67%	-2.10%	0.30	28.60%	-24.80%
TWTR	Twitter, Inc.	23.53B	109.70	20.17	6.46	-	150.00%	255.79%	0.00%	-	-31.00%	0.40	63.80%	-41.74%

Semiconductors: The top performers in 2014 were RFMD and TQNT, who merged, and overall that subset of Semi's was spectacular with SWKS and AVGO also top gainers. The Semi Equipment names also performed very well with LRCX, KLAC, and AMAT. AMAT and TER both have seen large upside call positioning in that group, and TER has lagged but could be part of some transaction in 2015. XLNX was the laggard and option traders continue to position in puts for that name as ALTR has been posting much stronger results. INTC and TXN are two large caps that had great years but upside to me appears limited on valuation with poor growth prospects. QCOM remains a name I favor to the short side as growth slows though its multiple is already fairly depressed. BRCM is my favorite large cap Semi into 2015 with plenty of positive tailwinds and due for multiple expansion. Overall SWKS, BRCM, AVGO and AMAT are my preferred longs.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
TQNT	TriQuint Semiconductor, Inc.	4.73B	23.37	4.99	4.52	51.60	-50.00%	44.92%	-19.10%	15.00%	0.40%	0.00	36.50%	220.02%
RFMD	RF Micro Devices Inc.	4.64B	12.50	3.79	5.74	32.18	121.10%	13.11%	15.00%	17.27%	14.90%	0.00	42.20%	209.30%
SWKS	Skyworks Solutions Inc.	13.86B	14.24	6.05	5.39	26.53	64.10%	13.34%	33.60%	18.82%	19.40%	0.00	44.60%	156.35%
AVGO	Avago Technologies Limited	25.33B	12.63	7.41	8.15	54.00	-2.70%	6.28%	53.10%	31.09%	9.90%	1.77	42.50%	92.37%
CAVM	Cavium, Inc.	3.29B	33.30	9.32	10.02	79.85	97.30%	25.57%	-28.50%	24.67%	-1.00%	0.03	63.40%	76.79%
FSL	Freescale Semiconductor, Ltd.	7.69B	14.32	1.67	-	49.28	-97.60%	20.55%	52.40%	15.00%	-1.80%	-	45.10%	57.57%
LRCX	Lam Research Corporation	12.80B	14.78	2.70	2.66	20.86	448.50%	15.64%	28.50%	20.20%	14.20%	0.21	43.90%	48.94%
BRCM	Broadcom Corp.	25.37B	12.91	3.04	2.94	22.30	-41.60%	13.00%	12.20%	11.34%	5.00%	0.18	50.70%	46.53%
INTC	Intel Corporation	175.85B	15.34	3.20	3.17	33.09	-11.30%	5.66%	15.50%	8.98%	18.40%	0.22	62.90%	44.55%
AMAT	Applied Materials, Inc.	30.40B	15.80	3.35	3.84	136.95	328.60%	21.81%	42.70%	12.77%	14.60%	0.25	42.40%	43.54%
KLAC	KLA-Tencor Corporation	11.47B	15.78	3.94	3.26	42.38	8.10%	42.12%	25.60%	11.80%	15.10%	0.21	57.30%	38.28%
NVDA	NVIDIA Corporation	11.10B	17.59	2.43	2.66	21.45	-17.80%	9.53%	75.80%	8.28%	13.60%	0.33	55.10%	29.73%
TXN	Texas Instruments Inc.	57.28B	18.78	4.47	5.49	26.53	26.50%	14.38%	5.80%	10.00%	23.30%	0.35	56.00%	26.88%
ALTR	Altera Corp.	11.35B	20.69	5.95	3.45	29.31	-20.90%	19.30%	2.90%	9.96%	13.50%	0.45	67.30%	16.79%
MXIM	Maxim Integrated Products, Inc.	8.80B	17.32	3.60	3.67	23.85	-18.50%	25.66%	110.20%	8.18%	14.70%	0.42	56.20%	15.47%
ADI	Analog Devices, Inc.	17.66B	18.11	6.16	3.73	73.74	-7.50%	10.82%	18.40%	11.10%	16.00%	0.18	63.90%	14.62%
TER	Teradyne Inc.	4.29B	16.07	2.67	1.88	25.97	-25.50%	2.66%	18.10%	12.88%	10.00%	0.00	54.60%	13.57%
MCHP	Microchip Technology Inc.	9.10B	15.73	4.44	4.12	32.02	193.50%	9.72%	6.80%	15.60%	18.70%	0.60	57.90%	4.40%
LLTC	Linear Technology Corporation	10.96B	19.89	7.72	8.10	37.64	11.10%	10.42%	8.20%	10.52%	37.90%	0.00	75.80%	3.37%
QCOM	QUALCOMM Incorporated	122.08B	12.79	4.61	3.14	23.86	12.50%	10.09%	32.70%	10.75%	20.80%	0.00	60.60%	1.02%
XLNX	Xilinx Inc.	11.37B	16.32	4.70	4.17	27.83	22.30%	6.12%	10.80%	8.27%	23.30%	0.36	69.50%	-4.54%

Other (Solar, IT Services, Healthcare IT, etc.): EA was a big winner in 2015 gaining more than 100% as the videogame cycle came out of a trough. SUNE put in a strong year and remains a preferred name to own in Solar due to its optionality and recent acquisition. GLW is a name that long term option players are positioning for upside, and is a cheap name that I expect to perform well in 2015. JBL just posted a very strong quarter and still trades less than 10X Earnings, so that is a value play in this group. The laggards included CREE, DDD, and SSYS and I really see no reason to be long these names and prefer to short them into strength, over-valued with weakening profit outlooks. CDW is a nice \$6B Tech Co. that trades cheap on valuation and still not well known, so definitely alpha potential. Healthcare IT remains a very strong growth segment and CERN is a favorite play on that secular trend. IBM remains a value trap until it undergoes significant changes. SPWR comes in as my second favorite solar play behind SUNE because it likely explores a Yield-Co. in 2015, and has seen significant sized call buying in March 2015.

Ticker	Company	Market Cap	Fwd P/E	P/S	P/B	P/FCF	EPS this Y	EPS next Y	EPS past 5Y	EPS next 5Y	ROE	LTDebt/Eq	Gross M	▼ Perf YTD
EA	Electronic Arts Inc.	14.76B	20.15	3.57	5.56	13.91	-90.30%	12.41%	15.00%	16.30%	16.20%	0.22	62.90%	106.87%
SUNE	SunEdison, Inc.	5.32B	-	2.20	13.74	-	-278.50%	26.60%	-28.10%	1.58%	-793.50%	13.67	5.20%	50.57%
CDW	CDW Corporation	6.00B	13.28	0.51	6.67	22.59	18.30%	13.29%	15.80%	14.48%	31.60%	3.52	16.00%	50.19%
FDS	FactSet Research Systems Inc.	5.92B	23.17	6.29	12.00	29.74	10.60%	11.08%	10.60%	12.20%	42.10%	0.00	60.90%	32.66%
GLW	Corning Inc.	29.05B	14.50	3.13	1.49	9.01	22.90%	6.33%	-16.60%	13.85%	10.60%	0.17	41.30%	29.63%
JBL	Jabil Circuit Inc.	4.14B	9.24	0.26	1.86	-	-100.60%	19.77%	71.80%	12.00%	13.70%	0.75	6.70%	25.01%
APH	Amphenol Corporation	17.03B	22.19	3.30	5.79	38.85	16.00%	12.32%	10.90%	11.69%	23.40%	0.68	31.50%	24.51%
IT	Gartner Inc.	7.62B	30.90	3.89	50.30	24.18	11.60%	20.79%	14.50%	16.00%	78.40%	0.82	60.60%	21.76%
BR	Broadridge Financial Solutions, Inc.	5.46B	16.59	2.13	5.61	20.82	25.40%	10.52%	6.10%	12.00%	27.20%	0.54	31.10%	17.84%
CPHD	Cepheid	3.83B	-	8.47	10.56	-	10.00%	38.50%	7.10%	15.50%	-10.80%	0.76	49.10%	16.35%
CERN	Cerner Corporation	21.98B	32.89	6.72	6.47	98.30	0.00%	18.68%	14.70%	16.68%	13.40%	0.03	82.50%	15.48%
CSC	Computer Sciences Corporation	8.97B	12.64	0.70	2.48	12.32	29.80%	9.33%	-11.30%	8.00%	16.00%	0.60	27.40%	15.46%
ATVI	Activision Blizzard, Inc.	14.56B	14.12	3.35	2.08	20.11	-5.90%	4.67%	60.50%	16.74%	13.20%	0.62	64.40%	14.67%
DLB	Dolby Laboratories, Inc.	4.51B	25.84	4.70	2.64	18.42	8.20%	8.46%	-1.20%	10.00%	12.60%	0.00	92.70%	14.61%
IMS	IMS Health Holdings, Inc.	8.73B	17.45	3.31	5.32	-	292.30%	11.01%	0.00%	10.55%	-9.00%	2.35	53.30%	13.96%
DST	DST Systems Inc.	3.62B	16.05	1.34	3.27	29.45	13.20%	10.19%	13.70%	12.80%	35.70%	0.30	16.30%	6.15%
CTRX	Catamaran Corporation	10.43B	19.40	0.51	2.02	21.52	81.40%	16.18%	51.30%	19.64%	5.80%	0.26	6.50%	5.96%
CGNX	Cognex Corporation	3.51B	30.61	7.55	4.78	42.33	6.40%	-0.83%	17.50%	28.00%	16.90%	0.00	75.60%	5.58%
ATHN	athenahealth, Inc.	5.30B	110.79	7.46	12.05	219.19	-86.00%	14.48%	-40.10%	18.49%	0.30%	0.37	59.30%	3.54%
FEIC	FEI Company	3.74B	22.08	3.91	3.54	39.82	7.50%	31.99%	44.40%	17.55%	12.70%	0.00	47.00%	1.57%
DNB	Dun & Bradstreet Corp.	4.35B	15.41	2.60	-	22.94	1.90%	4.78%	3.40%	5.73%	-25.90%	-	65.80%	0.17%
NATI	National Instruments Corporation	3.98B	27.86	3.28	3.66	54.09	-12.30%	25.84%	-2.10%	25.00%	10.90%	0.00	74.40%	-0.61%
NLSN	Nielsen N.V.	16.87B	15.70	2.69	3.00	59.82	72.70%	12.09%	23.00%	15.60%	6.40%	1.16	58.00%	-1.49%
IHS	IHS Inc.	7.95B	18.20	3.60	3.77	13.60	-17.70%	10.80%	4.40%	14.06%	8.80%	0.80	60.40%	-2.53%
IPGP	IPG Photonics Corporation	3.92B	17.87	5.38	3.77	45.99	5.30%	14.09%	30.30%	26.00%	18.30%	0.00	52.70%	-3.23%
SCTY	SolarCity Corporation	5.26B	-	22.82	7.03	-	90.90%	-22.80%	16.30%	-	-4.00%	1.92	31.90%	-3.56%
ANSS	Ansys, Inc.	7.65B	23.04	8.34	3.39	22.32	20.60%	8.73%	14.90%	10.40%	11.80%	0.00	83.40%	-4.54%
PINC	Premier, Inc.	4.81B	21.11	5.35	-	30.89	9.20%	11.66%	0.00%	11.77%	105.20%	-	63.30%	-9.25%
IBM	International Business Machines Corporation	156.87B	9.42	1.63	11.03	17.76	4.00%	4.29%	10.90%	5.93%	85.10%	2.30	49.70%	-13.44%
SPWR	SunPower Corporation	3.38B	18.75	1.35	2.44	-	122.90%	5.13%	19.60%	2.40%	10.70%	0.70	19.80%	-13.62%
VEEV	Veeva Systems Inc.	3.62B	67.87	12.51	9.39	61.92	36.40%	19.65%	0.00%	31.67%	11.80%	0.00	62.30%	-13.74%
NCR	NCR Corp.	4.82B	9.67	0.74	2.51	18.63	-7.90%	12.53%	12.50%	15.00%	19.10%	1.91	28.20%	-15.88%
FSLR	First Solar, Inc.	4.51B	9.81	1.43	0.94	-	433.30%	68.32%	-2.70%	-0.70%	5.80%	0.03	22.50%	-17.59%
TRMB	Trimble Navigation Limited	7.10B	17.20	2.92	3.04	18.15	13.50%	9.17%	8.10%	14.00%	9.30%	0.25	54.20%	-20.95%
SLH	Solera Holdings Inc.	3.38B	13.78	3.23	5.72	29.93	-109.60%	11.53%	-16.60%	12.35%	0.50%	3.14	67.80%	-29.05%
SSYS	Stratasys Ltd.	4.01B	27.43	5.83	1.57	-	-277.80%	31.23%	-24.40%	24.50%	-1.20%	0.00	48.70%	-39.76%
CREE	Cree, Inc.	3.73B	20.81	2.21	1.26	107.13	36.50%	47.35%	24.30%	18.30%	3.50%	0.02	35.90%	-50.08%
DDD	3D Systems Corporation	3.53B	30.49	5.68	2.70	608.07	-6.30%	42.27%	47.60%	21.33%	1.90%	0.01	49.50%	-65.88%

Utilities: Utilities are seen as a safety play but outperformed many stocks in 2014 with a lot of the names gaining more than 20%. There is little separation between companies in this sector so I will not be analyzing in detail as it is best to focus in on the strongest technical names, and generally investors in this space are looking for yield as opposed to growth. Top performers in 2014 included TEG, ETR, POM, DYN, EIX, EXC, UGI, PEG, PCG, DTE, CMS, AEP, PNW, SCG, HE, LNT and WR. EXC stands out as a name that has seen bullish Jan. 2016 call buying and remains cheap on a Price/Book ratio. ITC is a nice growth pick in this group while NI falls in as a highly likely acquisition candidate. SO, PPL, DUK, and ED are high quality names offering 3.8%+ yields.

Technical Momentum into 2015 with Consolidation Patterns Near Breakouts or Freshly Breaking Out

Medtronic (MDT)

Medtronic Inc, W, BATS - O 59.16 H 60.91 L 57.86 C 60.41
Vol (20) - 23.581M 21.943M
MA (8, close) - 58.3575



Deere (DE)

Deere & Company, M, BATS - O 45.80 H 54.15 L 45.19 C 53.51
Vol (20) - 120.335M 128.208M
MA (8, close) - 44.2500



Goodyear Tire (GT)



Hershey (HSY)



Illumina (ILMN)

Illumina Inc, W, BATS - O 189.96 H 191.64 L 182.66 C 188.20

Vol (20) - 2.922M 5.52M

MA (8, close) - 186.9925

post-market



Akamai (AKAM)

Akamai Technologies, M, BATS - O 33.90 H 34.41 L 28.69 C 31.47

Vol (20) - 106.372M 100.561M

MA (8, close) - 40.3662

post-market



Expedia (EXPE)

Expedia Inc, W, BATS - O 69.92 H 72.33 L 67.20 C 68.79

Vol (20) - 15,118M 10,562M

MA (8, close) - 74.3413

post-market



Dr. Pepper (DPS)

Dr Pepper Snapple Group Inc, W, BATS - O 57.76 H 58.65 L 56.82 C 58.52

Vol (20) - 8.552M 9.097M

MA (8, close) - 56.1775

post-market



Molson Coors (TAP)

Molson Coors Brewing Company, W, BATS - O 72.87 H 74.47 L 72.02 C 74.38

Vol (20) 6.046M 7.527M

MA (8, close) 73,4125

post-market



Mylan (MYL)

Mylan Inc, M, BATS - O 17.32 H 18.99 L 17.25 C 18.81

Vol (20) 116.499M 160.399M

MA (8, close) 19,4888

post-market



Chipotle Mexican (CMG)

Chipotle Mexican Grill, M, BATS - O 316.75 H 334.89 L 314.50 C 325.87
Vol (20) - 6.752M 15.356M
MA (8, close) - 296.4525

post-market



Mead Johnson (MJN)

Mead Johnson Nutrition Company, W, BATS - O 78.61 H 80.29 L 74.86 C 76.89
Vol (20) - 16.704M 7.492M
MA (8, close) - 81.7163

post-market



Comcast (CMCSA)

Comcast Corp, M, BATS - O 22.70 H 24.00 L 22.37 C 23.71

Vol (20) 322.917M 422.954M

MA (8, close) 23.3575

post-market



Yahoo (YHOO)

Yahoo! Inc, W, BATS - O 34.67 H 37.12 L 33.65 C 36.87

Vol (20) 125.034M 94.636M

MA (8, close) 35.7875

post-market



Teva Pharma (TEVA)

Teva Pharmaceutical Industries Ltd, W, BATS - O 51.89 H 54.00 L 51.87 C 53.45

Vol (20) - 14.088M 22.457M

MA (8, close) - 53.987

post-market



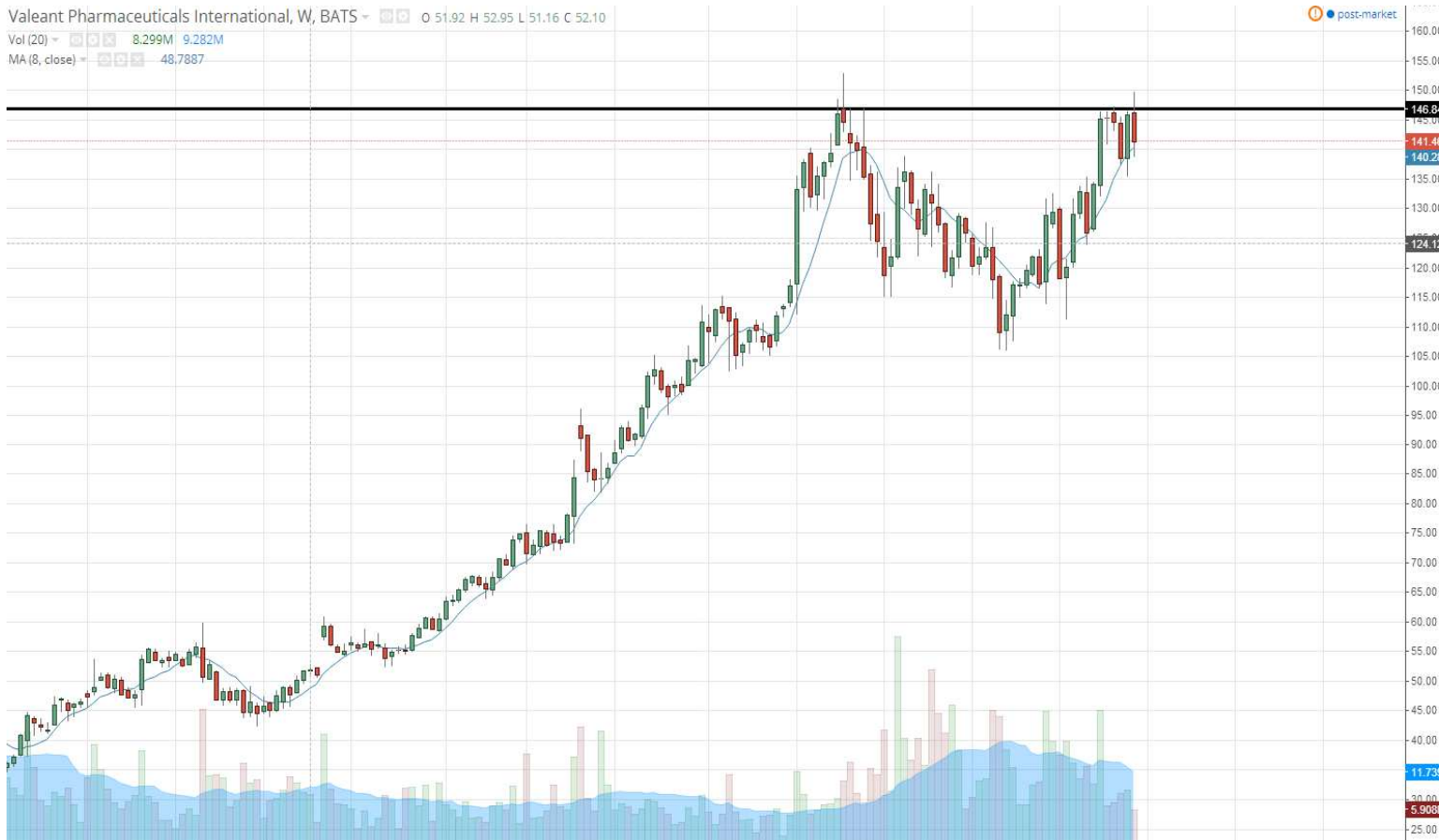
Valeant Pharma (VRX)

Valeant Pharmaceuticals International, W, BATS - O 51.92 H 52.95 L 51.16 C 52.10

Vol (20) - 8.299M 9.282M

MA (8, close) - 48.7887

post-market



American Air (AAL)

American Airlines Group Inc., D, BATS - O 51.46 H 52.25 L 51.06 C 51.96

Vol (20) 7.228M 15.462M

MA (8, close) 50.2563

post-market



VF Corp (VFC)

V.F. Corp, W, BATS - O 61.31 H 61.97 L 60.66 C 60.72

Vol (20) 12.701M 11.356M

MA (8, close) 58.8750

post-market



CME Group (CME)



Grainger (GWG)



Service-Now (NOW)

Service-now Inc, W, BATS - O 41.90 H 44.61 L 41.35 C 44.47

Vol (20) - 7.549M 7.467M

MA (8, close) - 43.7213

post-market



Mallinckrodt (MNK)

Mallinckrodt Plc Ordinary Share, W, BATS - O 45.78 H 48.75 L 44.69 C 47.56

Vol (20) - 2.621M 5.147M

MA (8, close) - 44.2263

post-market



Biogen (BIIB)

Biogen Idec Inc, W, BATS 📈 📉 📊 📅 O 171.85 H 178.18 L 171.42 C 176.78

Vol (20) 📈 📉 📊 📅 7.319M -6.088M

MA (8, close) 📈 📉 📊 📅 164.8675

🕒 post-market



St. Jude Medical (STJ)

St. Jude Medical, M, BATS 📈 📉 📊 📅 O 67.61 H 70.24 L 63.85 C 66.47

Vol (20) 📈 📉 📊 📅 29.515M -40.663M

MA (8, close) 📈 📉 📊 📅 65.4575

🕒 post-market



Facebook (FB)

Facebook Inc, W, BATS + 24.97 H 25.06 L 24.15 C 24.37

Vol (20) 69.61M 183.841M

MA (8, close) 24.4513

post-market



Under Armour (UA)

Under Armour, W, BATS - 72.55 H 72.75 L 69.11 C 69.43

Vol (20) 8.201M 12.426M

MA (8, close) 67.7887

post-market



Palo Alto Networks (PANW)

Palo Alto Networks Inc, W, BATS - O 83.15 H 85.78 L 80.45 C 82.22

Vol (20) - 8.867M 9.539M

MA (8, close) - 75.4588

post-market



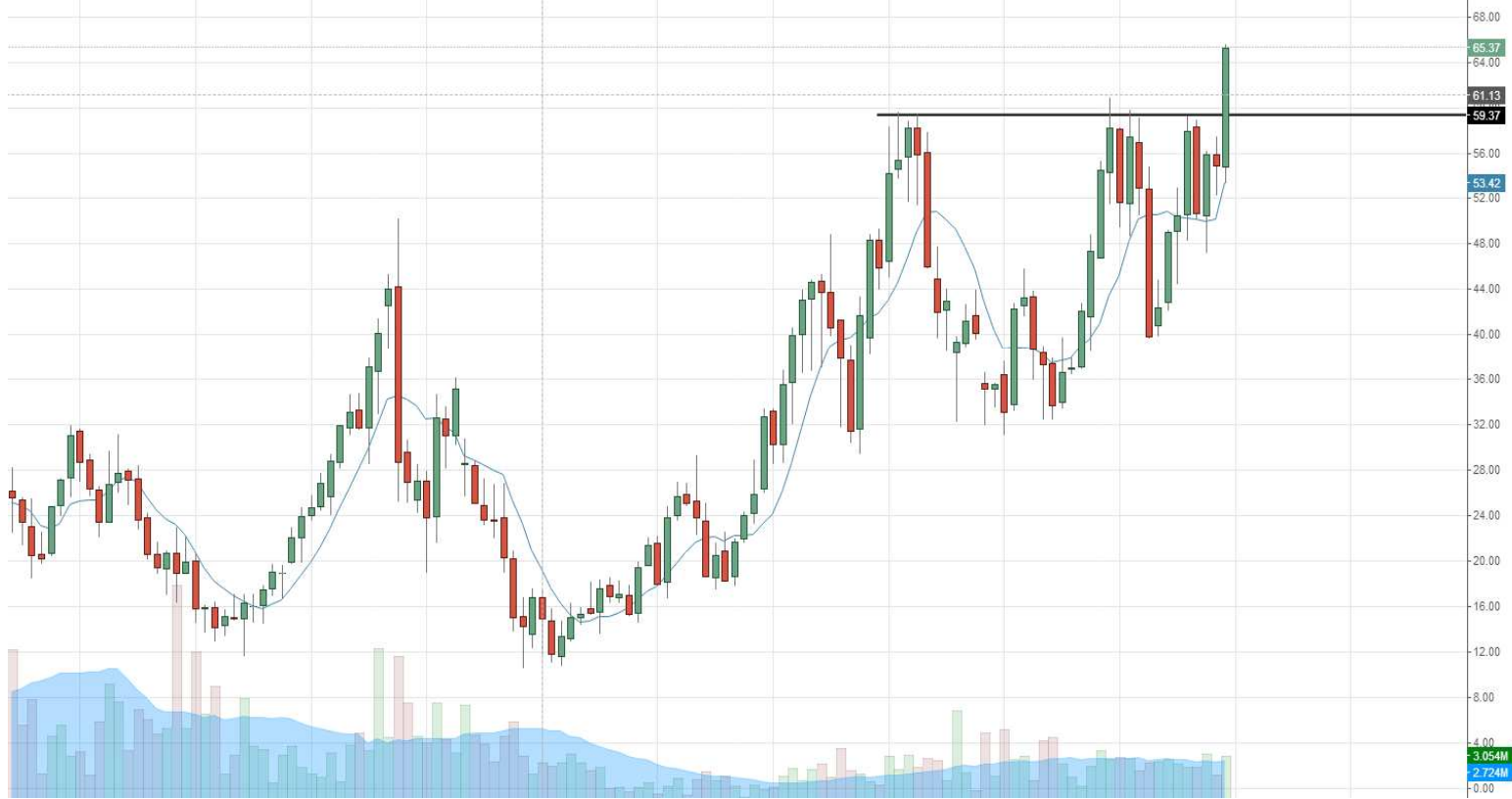
Faro Tech (FARO)

Faro Tech Inc, M, BATS - O 16.89 H 17.67 L 11.91 C 15.02

Vol (20) - 652M 4.455M

MA (8, close) - 19.2875

post-market



Micron (MU)

Micron Technology, W, BATS - 18.04 H 19.83 L 17.90 C 19.46

Vol (20) 191.055M 214.732M

MA (8, close) 17.7100

post-market



Adobe (ADBE)

Adobe Systems Incorporated, W, BATS - 44.89 H 47.17 L 44.55 C 47.01

Vol (20) 18.595M 17.528M

MA (8, close) 44.1163

post-market



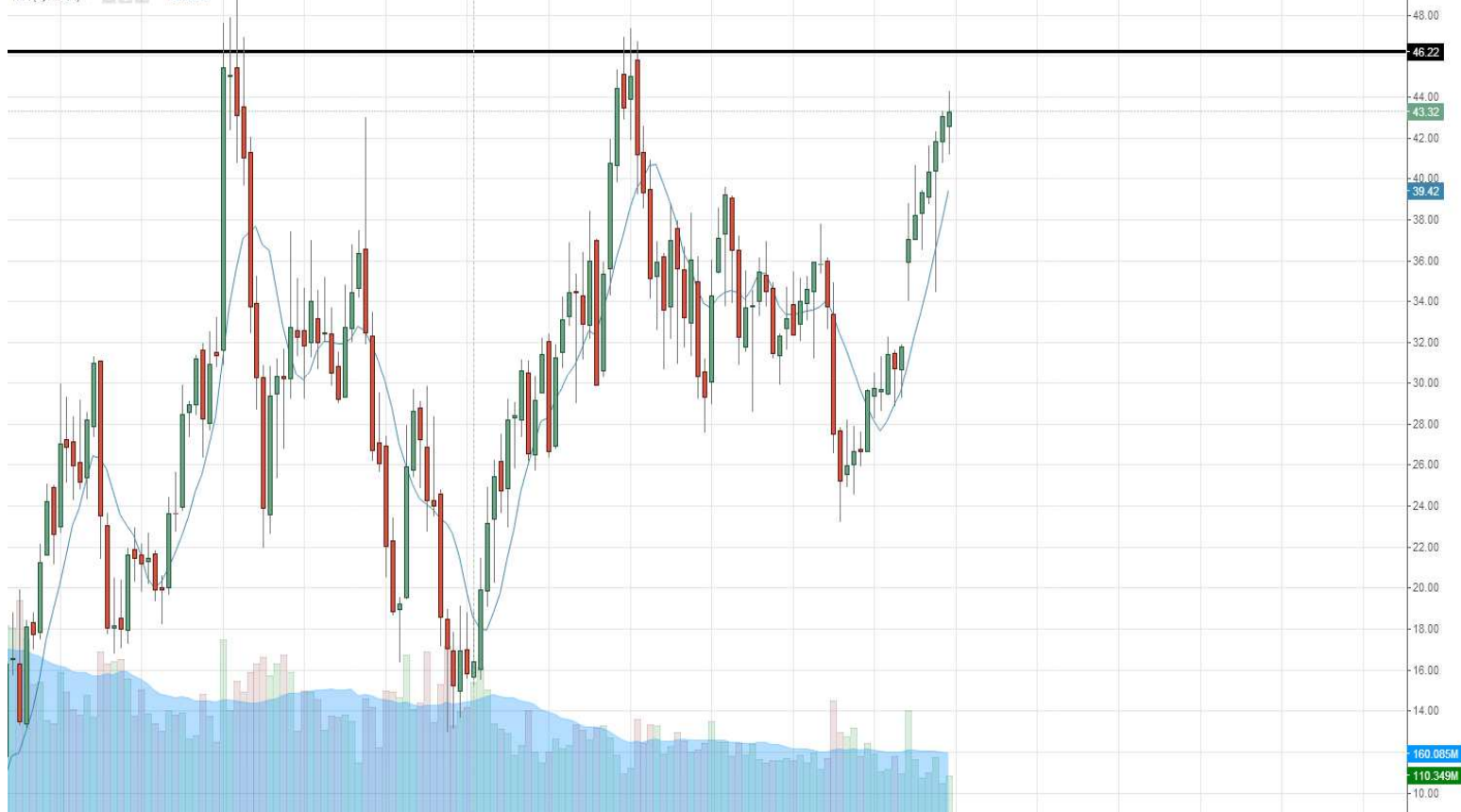
Broadcom (BRCM)

Broadcom Corp, M, BATS - O 15.73 H 18.87 L 15.31 C 16.45

Vol (20) - 328.343M 283.722M

MA (8, close) - 18.5800

post-market



Stanley Works (SWK)

Stanley Black & Decker Inc, M, BATS - O 48.61 H 66.83 L 47.07 C 63.85

Vol (20) - 39.729M 39.677M

MA (8, close) - 66.9850

post-market



Lockheed Martin (LMT)

Lockheed Martin Corp, W, BATS - 193.40 H 198.72 L 193.40 C 196.84

Vol (20) 3.047M 6.933M

MA (8, close) 189.6225

post-market



F-5 Networks (FFIV)

F5 Networks, M, BATS - 129.61 H 136.11 L 126.47 C 133.66

Vol (20) 15.716M 30.535M

MA (8, close) 120.1675

post-market



Corning (GLW)

Corning Inc, M, BATS - o 18.73 H 19.39 L 15.45 C 15.68

Vol (20) - o 389.736M o 340.578M

MA (8, close) - o 17.8188

post-market



21st Century Fox (FOXA)

21st Century Fox Class A, W, BATS - o 25.78 H 26.22 L 25.16 C 26.21

Vol (20) - o 89.637M o 86.174M

MA (8, close) - o 25.2507

post-market



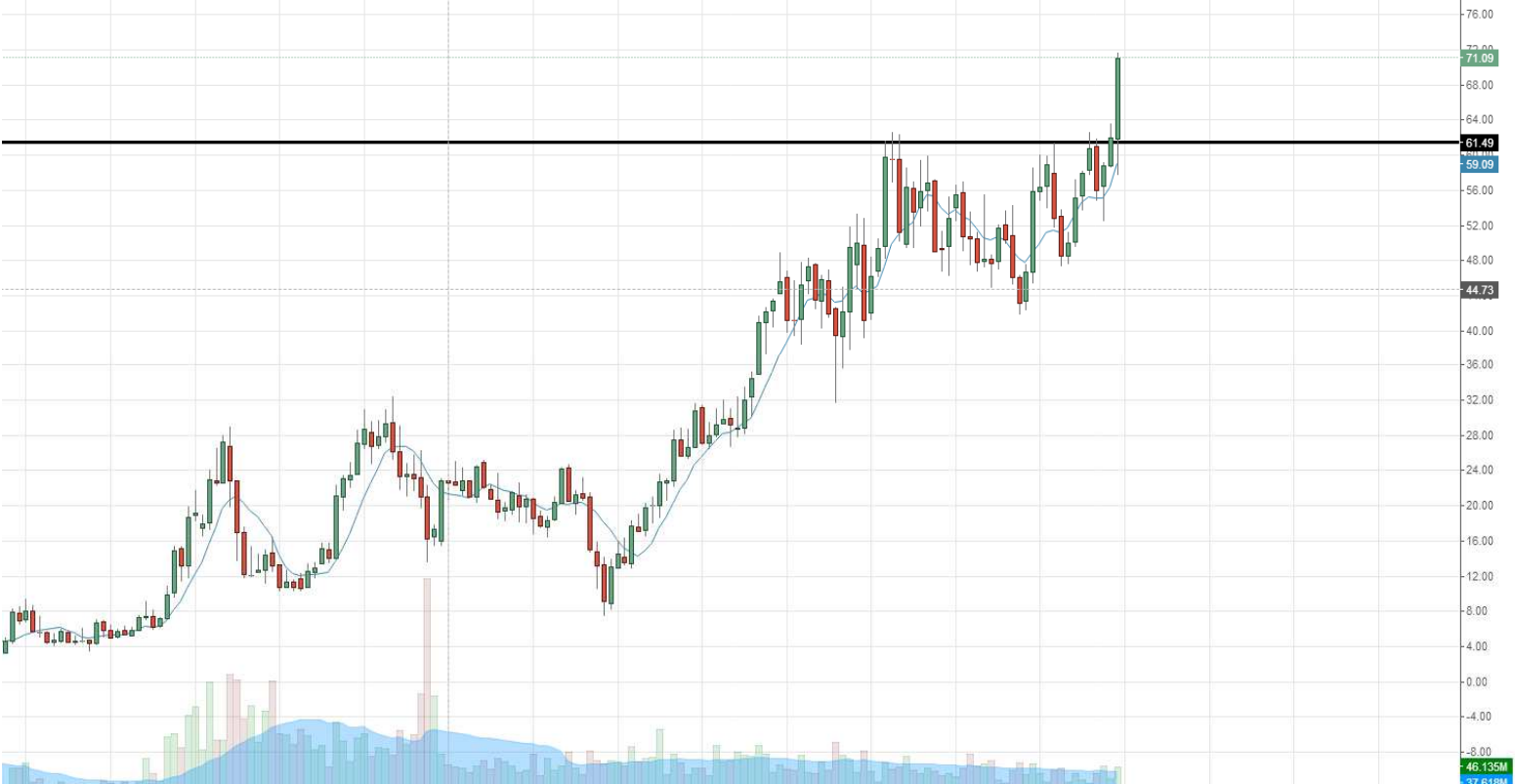
Red Hat (RHT)

Red Hat Inc, M, BATS - O 22.91 H 23.10 L 20.71 C 22.73

Vol (20) 49,941M 96.727M

MA (8, close) 21.3588

post-market



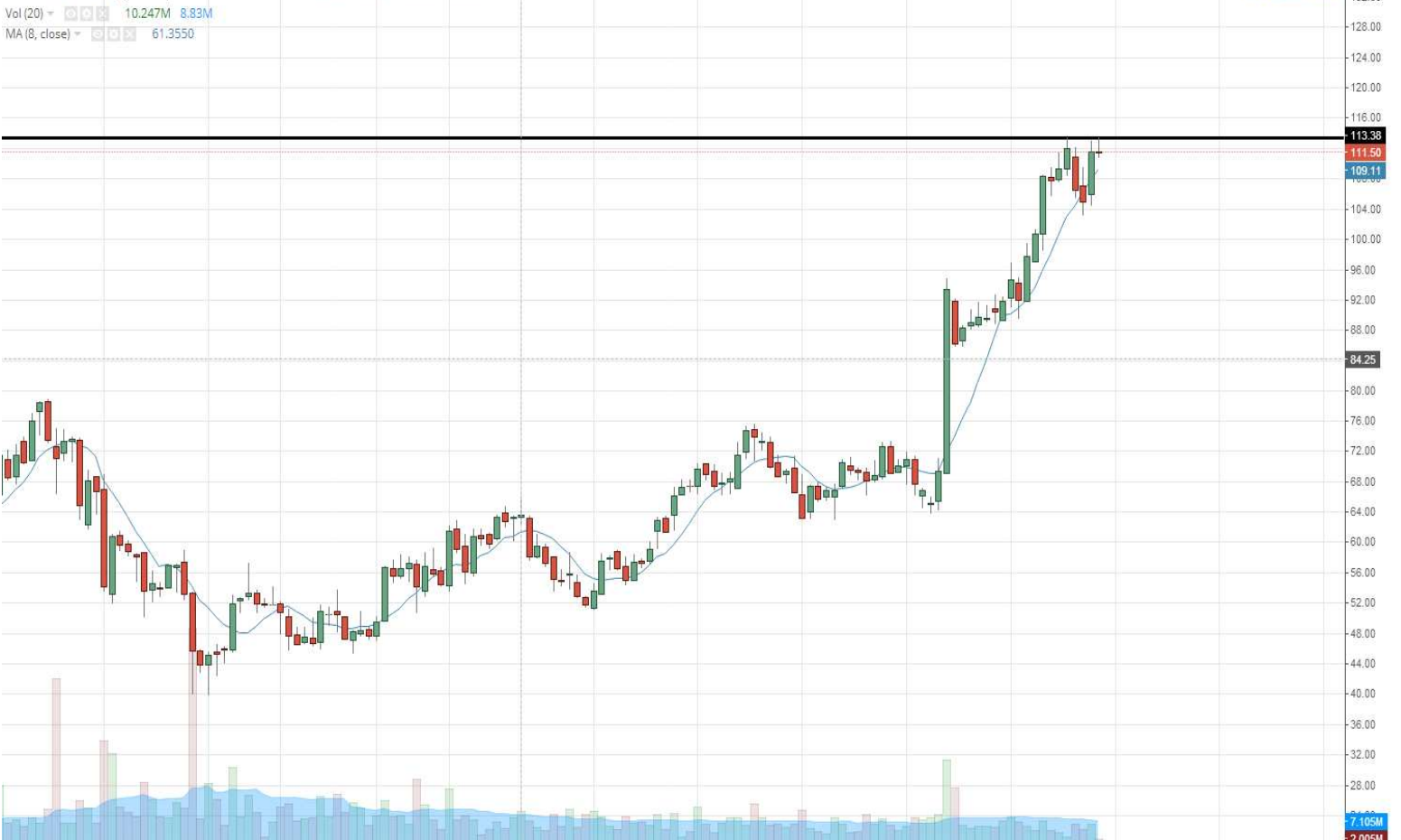
Monster Beverage (MNST)

Monster Beverage Corp, W, BATS - O 63.44 H 66.12 L 62.43 C 63.70

Vol (20) 10,247M 8.83M

MA (8, close) 61.3550

post-market



Prudential (PRU)

Prudential Financial Inflation Retail, M, BATS - O 84.87 H 92.14 L 83.62 C 91.23

Vol (20) 60.231M 51.825M

MA (8, close) 77.5368

post-market



Tiffany's (TIF)

Tiffany & Co., W, BATS - O 104.55 H 105.81 L 101.18 C 103.57

Vol (20) 6.995M 5.387M

MA (8, close) 103.0375

post-market



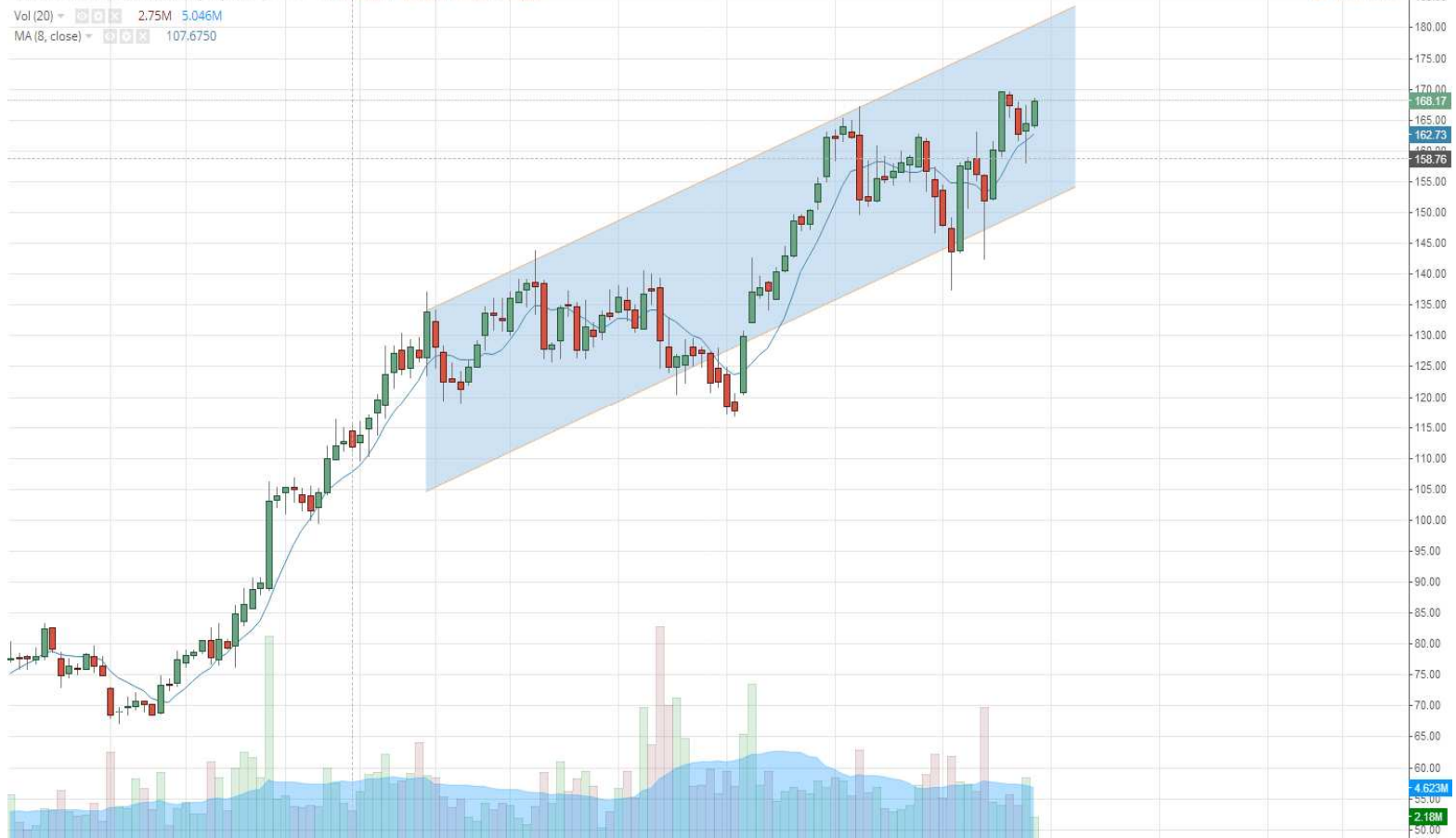
Charter Communications (CHTR)

Charter Communications, W, BATS - O 114.53 H 115.45 L 111.21 C 112.00

Vol (20) 2.75M 5.046M

MA (8, close) 107.6750

post-market



Express Scripts (ESRX)

Express Scripts, W, BATS - O 58.29 H 59.21 L 55.48 C 55.63

Vol (20) 41.588M 29.414M

MA (8, close) 55.2075

post-market



Starbucks (SBUX)

Starbucks Corp, M, BATS - O 81.00 H 84.20 L 78.44 C 81.83

Vol (20) 102.225M 96.126M

MA (8, close) 77.5213

post-market



Disney (DIS)

Walt Disney Company, W, BATS - O 65.04 H 65.48 L 64.20 C 65.19

Vol (20) 36.497M 38.16M

MA (8, close) 63.4675

post-market



Cognizant Tech (CTSH)

Cognizant Technology Solutions, M, BATS ▾ O 53.88 H 54.89 L 50.17 C 53.84

Vol (20) ▾ 74.886M 97.819M

MA (8, close) ▾ 49.2188

post-market



Estee Lauder (EL)

Estee Lauder Companies, M, BATS ▾ O 58.42 H 59.50 L 54.00 C 58.54

Vol (20) ▾ 49,044M 57.696M

MA (8, close) ▾ 53.2563

post-market



Motorola Solutions (MSI)



Alliance Data Systems (ADS)



Activist Investor Interest

Icahn Capital: Apple (AAPL), eBay (EBAY), Hertz (HTZ), Nuance (NUAN), Hologic (HOLX)

Pershing Square (Bill Ackman): Canadian Pacific (CP), Air Products (APD), Platform Specialty (PAH), Zoetis (ZTS)

Third Point (Dan Loeb): Dow Chemical (DOW), eBay (EBAY), Dollar General (DG), Sotheby's (BID), Sensata (ST), Anheuser-Busch (BUD), CF Industries (CF), Anadarko (APD), Bed Bath (BBBY), Masco (MAS), Amgen (AMGN)

Starboard Value: Darden (DRI), MeadWestvaco (MWV), Yahoo (YHOO), Office Depot (ODP), Tessera (TSRA), Babcock (BWC), AOL (AOL), Integrated Device (IDTI), Energizer (ENR), Real-D (RLD)

Jana Partners: Walgreen (AG), eBay (EBAY), PetSmart (PETM), Equinix (EQIX), AIG, Ashland (ASH), Cameron (CAM), Charter (CHTR), Dollar General (DG), Aercap (AER), Amgen (AMGN), Rackspace (RAX), Groupon (GRPN), Motorola Solutions (MSI)

Elliot Associates: Hess (HES), EMC Corp (EMC), Juniper (JNPR), Anadarko (APC), Interpublic (IPG), Family Dollar (FDO), Time Warner (TWC), VMware (VMW), Covidien (COV), Shire (SHPG)

Clinton Group: Everware Global (EVRY), Nutri-System (NTRI), Stillwater (SWC), Canadian National (CNI), J&J (JNJ), Apple (AAPL), Value-Vision (VVTC)

Engaged Capital: Medifast (MED), Jamba (JMBA), Rentech (RTK), Abercrombie (ANF), Trimas (TRS), Express (EXPR)

Soroban Capital: Williams (WMB), Autodesk (ADSK), Dollar General (DG), CBS Corp (CBS), Anadarko (APC), Cheniere (LNG), Anheuser (BUD), Cadence Design (CDNS), Time Warner (TWX), Walgreen (WAG)

Southeastern Management: Level 3 (LVLT), Fed-Ex (FDX), Chesapeake (CHK), Loews (L), Mondelez (MDLZ), Travelers (TRV), Consol Energy (CNX), Murphy Oil (MUR), AON Corp (AON), McDonald's (MCD), Scripps (SNI), Bank of NY (BK)

Triam Fund: Pepsi (PEP), Mondelez (MDLZ), Bank of NY (BK), Ingersoll Rand (IR), Legg Mason (LM), Family Dollar (FDO), Wendy's (WEN), DuPont (DD), Lazard (LAZ), Allegion (ALLE), Tiffany (TIF)

Value Act Capital: Microsoft (MSFT), Valeant (VRX), Motorola Solutions (MSI), Adobe (ADBE), CBRE Group (CBG), Rockwell (COL), Willis (WSH), Armstrong (AWI), Allison (ALSN), Agrium (AGU), 20th Century Fox (FOXA), Expeditors (EXPD)

Taconic Capital: Covidien (COV), GM (GM), Ally Financial (ALLY), Men's Wearhouse (MW), Dollar General (DG), Family Dollar (FDO), Valeant (VRX), eBay (EBAY), McDonald's (MCD)

Sandell Asset Mgmt.: Bob Evans (BOBE), Family Dollar (FDO), JDS Uniphase (JDSU), SEM Group (SEMG), Trans-Canada (TRP), Visteon (VC), Super-Valu (SVU), HR Block (HRB)

Marcato Capital: Bank of NY (BK), Lear (LEA), NCR Corp (NCR), Goodyear (GT), American Rail (ARCP), Macquarie (MIC), Sotheby's (BID), Avis (CAR), Life Time Fitness (LTM), Vail (MTN)

Greenlight Capital: Micron (MU), Apple (AAPL), Sun Edison (SUNE), Marvell (MRVL), Aetna (AET), Interactive (IACI), LAM Research (LRCX), CIGNA (CI), Citizens (CFG), Consol (CNX), EMC Corp (EMC), ON Semi (ONNN)

Notable Hedge Funds Top Holdings

Top 50 Hedge Funds Top 50 Holdings (In Order of Market Value): AAPL, IEP, AGN, MSFT, EBAY, ACT, VRX, APD, CP, MA, TWC, SHPG, MU, BIDU, DTV, BABA, FB, CMCSA, CHTR, DOW, EQIX, CCI, MDLZ, LBTYA, HTZ, MSI, WFC, COV, TMO, ABBV, ADBE, CVI, DG, WAG, MON, PAA, NFLX, FOXA, AIG, APC, C, MHFI, GOOG, JPM, FDO, GILD, HES, DB, PXD, FOXA

Top 50 Hedge Funds Holding Changes as of Q3 Filings

Largest Increases: SHPG, EBAY, ABBV, COV, HTZ, BK, DLTR, APD, FB, MA

Largest New Positions: BABA, LMCA, CFG, NRF, FNF

The Big Ones (Top 15 Holdings)

Berkshire Hathaway (Warren Buffett): WFC, KO, IBM, AXP, WMT, PG, XOM, UB, DVA, DTV, MCO, GS, GM, USG, BK

Soros Fund Mgmt. (George Soros): YPF, BABA, TEVA, LVL, AGRO, YHOO, AAL, PSX, EQT, ESNT, DOW, MSI, ZTS, EGN, PLCM

BP Capital (T Boone Pickens): PXD, XOM, APC, GPOR, WFT, ATHL, GST, EOG, HAL, EQT, BAS, PSX, VLO, GDP, TSO, XON

Renaissance Technologies (Jim Simons):NVO, CL, MCD, LLTC, HSY, TSM, ALK, TWTC, GSK, JNJ, DPZ, BDX, NTES, VRSN, RYAA

Omega Advisors (Leon Cooperman): AIG, C, SIRI, CIM, SD, DISH, ATLS, EBAY, NAVI, HCA, MSI, ETFC, AER, SUNE

Paulson & Co (John Paulson): SHPG, GLD, STAY, COV, TWC, AGN, DTV, VOD, MNK, ABBV, WLL, GRFS, AET, CIE, HMHC

Appaloosa Management (David Tepper): GM, C, PCLN, HCA, GOOG, HAL, QQQ, WHR, FB, DAL, SPY, GOOGL, AAL, UAL, GT

Tudor Investment Corp (Paul Tudor Jones): BABA, ZMH, WDAY, FB, LII, FDS, DHR, IHS, PRGO, HPQ, V, HCA, UNP, HOLX, ABBV, SPLK

Duquesne Capital (Stanley Druckenmiller): GOOGL, ILMN, AA, CELG, WAG, BIIB, GDX, MDR, CCJ, GILD, AMGN, HD, COST, KSS, LOW, TGT

Tiger Management (Julian Robertson): FOXA, MA, BITA, TDG, FLT, HTZ, LBTYK, Z, VIPS, CHTR, ATHM, RH, CFX, MMYT, BKW, CAR, DATA

Bridgewater Associates (Ray Dalio): AAPL, IBM, GILD, INTC, JNPR, UTX, ADI, CA, AXP, FOSL, QCOM, MU, UPS, KO, SU, VZ, DVN, COP, OXY

Fisher Asset Management (Ken Fisher): JNJ, AAPL, AXP, WFC, PFE, UTX, MSFT, JPM, AMZN, GE, V, HD, BRK.B, DIS, BAC, UBS, QCOM

Millennium Management (Israel Englander): BHI, APC, TEVA, NEE, SRE, ABBV, AEP, NRG, EXC, PPL, WPX, D, MPC, MRO, DVN, EGN

Oaktree Capital (Howard Marks): SBLK, DYN, FBP, ALLY, DOOR, XCO, DMND, AIQ, MTG, TPUB, PBR, TSM, TTM, CX

Baupost Group (Seth Klarman): MU, LNG, VSAT, EBAY, THRX, KERX, OCN, PBF, AR, TBPH, VRTV, RFMD, TQNT, SEMI, IMOS, KOS

D.E. Shaw: AAPL, BRK.B, PSX, TWC, YHOO, LYB, EBAY, MPC, VLO, PCLN, MU, AIG, C, NFLX, LBTYK

Farallon Capital (Thomas Steyer): DTV, COV, SWY, HCBK, CCE, HPP, AGN, AMT, CHTR, TWX, FOXA, MSFT, STT, THI, OI

Maverick Capital (Lee Ainslie): MCK, ADBE, VRX, DG, HCA, TDG, LBTYK, ABBV, CBS, QIHU, RDN, SC, CPN, ALSN, SWI, BABA

Viking Global (Anreas Halvorsen): ILMN, PXD, VRX, WAG, LOW, BABA, TMO, MA, LYB, C, MHK, MU, BK, V, ABBV

Adage Capital (Phil Gross and Robert Atchinson): PBYI, AAPL, SHPG, MSFT, XOM, GE, WFC, C, BRK.B, KO, PM, VZ, MNK, GILD, JNJ

Lone Pine Capital (Stephen Mandel): BIDU, VRX, KORS, MA, SBAC, FLT, MHFI, PCLN, CTSH, GPS, ADBE, CMCSA, CP, FB, TIF, CCI, ULTA, DG, EQIX

Two Sigma Advisors (John Overdeck and David Siegel): MDLZ, FB, HCA, TWC, QCOM, GOOGL, MU, MPC, SWN, JNPR, HD, SYMC, DISH

Highfields Capital (Jonathon Jacobson): BEN, ICE, MHFI, MON, APD, IRM, DLTR, TWC, CNQ, MSFT, HTZ, TEVA, ENB, EBAY, OCN, ASH

AQR Capital (Cliff Asness): AAPL, JNJ, BIIB, FB, PFE, MSFT, WFC, ADM, INTC, MRK, XOM, CVS, WDC, PSX, GILD

Discovery Capital (Rob Citrone - Tiger Cub): BABA, AAPL, DOW, YHOO, SNDK, EOG, ATK, OLED, FB, NOK, MU, KORS, FLT, NAV, BIDU, MYL, MA, PCLN

Coatue Mgmt. (Philippe Laffont - Tiger Cub): AAPL, NFLX, BIDU, LNKD, AVGO, FB, MU, ADBE, EBAY, TWX, CBS, FOXA, CHTR, HAIN, AMAT, LBTYA

JAT Capital (John Thaler - Tiger Cub): TWTR, MSG, YHOO, FB, CBS, CTRP, TSLA, HTZ, SSYS, MPEL, GOOGL, FLT, SCTY, BIDU, AWAY

Hoplite Capital (John Lykouretzos - Tiger Cub): VRX, BABA, SBGI, WAG, SEE, GPK, ADBE, GRA, AMAT, ENDP, SUNE, AGN, ABC, HRB

Tiger Consumer: PCLN, EBAY, FB, MW, TWX, KORS, NWSA, FBHS, ULTA, LBTYK, KMX, HLF, AMZN, TSLA, SFM, HD, RL, LNKD, AMCX, URBN

Point72: TSN, CNQ, BHI, MU, DVN, SIRI, RAX, VRX, SU, APC, LYB, TWTR, IR, SPR, DLTR, RRC, LPI, BLMN, WFT, DK, SFLY

Hedge Fund Spotlight Trade Idea

Fleetcor Tech (FLT) is a \$12.5B provider of fleet cards and specialty payments to businesses with a strong history of posting excellent earnings. FLT trades 23.15X Earnings and 27X FCF and has posted 25-35% EPS growth, and projects 15-20% 3-5 CAGR. FLT receives 49% of revenues outside of the US and has > 50% EBITDA margins. FLT does have 46% of its business tied to Merchant/Network Relationships that has ~ 20% revenue tied directly to fuel prices, so there is some concern into Q1 earnings. Institutions now hold nearly 90% of FLT shares and it rose 3.16% in Q3, notable investors include Lone Pine Capital, Tiger Global, OZ Mgmt., Soroban Capital, Discovery Capital, and JAT Capital. The other concern here is that it is a crowded hedge fund trade, so during periods of de-risking shares will underperform. All in all FLT is an upper echelon growth Co. with a bright outlook and plenty of International growth opportunities for a long term investor to build a stake.

Large 2015 Options Open Interest Positions of Note (February 2015-Jan. 2016 Expirations)

Feb-15	MDT	Feb. 2015 \$62.50 Calls	5,000	31-Jul
	TROX	Feb. 2015 \$26 Calls	14,000	1-Aug
	PMCS	Feb. \$7 Calls	10,000	20-Aug
	COH	Feb. \$41 Calls	9,500	4-Sep
	FIVE	Feb. 2015 \$40 Calls	12,100	6-Oct
	PCAR	Feb. 2015 \$67.50 Calls	3,500	9-Oct
	AMBC	Feb. 2015 \$22.50 Calls	4,000	13-Oct
	GSK	Feb. 2015 \$47 Calls	5,000	28-Oct
	A	Feb. 2015 42.5/37.5 Bull R/R	15,000	4-Nov
	MDT	Feb. 2015 \$70 Calls	10,000	5-Nov
	HD	Feb., 2015 \$100 Calls	3,000	12-Nov
	DAL	Feb. 2015 \$47 Calls	7,500	13-Nov
	DG	Feb. 2015 \$75 Calls	30,000	20-Nov
	TMUS	Feb. 2015 \$30 Calls	5,000	20-Nov
	UTX	Feb.2 015 \$115 Calls	15,000	24-Nov
	YHOO	Feb. 2015 \$55 Calls	10,000	24-Nov
	TMUS	Feb. 2015 \$29 Calls	10,000	24-Nov
	AAL	Feb. 2015 \$47 Calls	10,000	25-Nov
	A	Feb. 2015 \$45 Calls	20,000	1-Dec
	PG	Feb. 2015 \$92.5 Calls	5,000	2-Dec
	OXY	Feb. 2015 \$85 Calls	5,000	2-Dec
	MDT	Feb. 2015 \$75 Calls	10,000	2-Dec
	ABT	Feb. 2015 \$46 Calls	5,000	3-Dec
	MET	Feb. 2015 \$57.50 Calls	10,000	5-Dec
	MRK	Feb. 2015 \$60 Calls	11,500	8-Dec
	EBAY	Feb. 2015 \$60 Calls	20,000	11-Dec
	DG	Feb.2 015 \$80 Calls	10,000	11-Dec
	EMC	Feb. 2015 \$29 Calls	10,000	18-Dec
	KING	Feb. 2015 \$19.54 Calls	5,000	18-Dec
	DG	Feb. 2015 \$72.5/\$62.5 Bull R/R	10,000	19-Dec
	YELP	Feb. 2015 \$62.50 Calls	4,000	12-19 and 12-22
	WEN	Feb. 2015 \$9 Calls	10,000	23-Dec
15-Mar				
	TTWO	March 2015 \$25 Calls	5,000	4-Sep
	BMY	March 2015 \$52.50 Calls	4,000	5-Sep
	FIG	March 2015 \$7.82 Calls	8,000	8-Sep
	TTWO	March 2015 \$24/\$20 Bull Risk Reversal	25,000	9-Sep
	CBS	March 2015 \$57.5/\$67.5 Call Spread	20,000	23-Sep
	INFA	March 2015 \$35/\$30 Bull R/R	2500X5000	30-Sep
	CMI	March 2015 \$165 Calls	2,500	9-Oct
	FTNT	March 2015 \$26 Calls	3,000	24-Oct
	BERY	March 2015 \$30 Calls	3,500	10-Nov
	SPWR	March 2015 \$29 Calls	5,000	17-Nov
	IMAX	March 2015 \$33 Calls	25,000	18-Nov
	GRA	March 2015 \$100 Calls	7,000	18-Nov

	MAC	March 2015 \$80 Calls	5,500	19-Nov
	DISH	March 2015 \$80 Calls	4,300	19-Nov
	BMY	March 2015 \$57.5/\$65 Call Spread	22,000	20-Nov
	UAL	March 2015 \$60 Calls	10,000	25-Nov
	SPWR	March 2015 \$28 Calls	5,000	1-Dec
	YHOO	March 2015 \$50 Calls	5,000	1-Dec
	BK	March 2015 \$42 Calls	7,000	2-Dec
	FNSR	March 2015 \$19 Calls	5,000	9-Dec
	AAL	March 2015 \$57.50 Calls	10,000	9-Dec
	DOW	March 2015 \$50 Calls	10,000	10-Dec
	JDSU	March 2014 \$14 Calls	4,500	11-Dec
	MET	March 2015 \$57.50 Calls	10,000	12-Dec
	GRUB	March 2015 \$35 Calls	4,500	16-Dec
	BURL	March 2015 \$50 Calls	5,000	19-Dec
	LUV	March 2015 \$45 Calls	3,000	22-Dec
	VLO	March 2015 \$50 Calls	15,000	12-12 and 12-13
15-Apr				
	SPR	April 2015 \$50 Calls	10,000	3-Sep
	AMAT	April 2015 \$23 Calls	5,000	4-Sep
	CMCSA	April 2015 \$57.5/\$62.5 Call Spread	50,000	9-3 and 9-4
	TAP	April 2015 \$82.5 Calls	15,000	17-Sep
	DVN	April 2015 \$72.50 Calls	15,000	19-Sep
	PEP	April 2015 \$97.50 Calls	5,000	1-Oct
	AGN	April 2015 \$200 Calls	6,000	1-Oct
	EMC	April 2015 \$31 Calls	65,000	10-3 and 10-16
	VMW	April 2015 \$105 Calls	10,000	3-Oct
	AMAT	April 2015 \$22 Calls	4,000	7-Oct
	GT	April 2015 \$22 Calls	5,000	13-Oct
	MPC	April 2015 \$90 Calls	5,000	21-Oct
	CCL	April 2015 \$39 Calls	5,000	23-Oct
	TEX	April 2015 \$32 Calls	6,000	10-Nov
	SUNE	April 2015 \$23 Calls	4,000	11-Nov
	BMRN	April 2015 \$90 Calls	1,500	13-Nov
	DB	April 2015 \$35 Calls	20,000	14-Nov
	YHOO	April 2015 \$65 Calls	10,000	14-Nov
	IPG	April 2015 \$19 Calls	4,500	17-Nov
	IP	April 2015 \$55 Calls	10,000	19-Nov
	TER	April 2015 \$20 Calls	3,000	26-Nov
	MSFT	April 2015 \$48 Calls	20,000	31-Oct
	INFN	April 2015 \$15 Calls	14,500	12-2 and More Days
	ATI	April 2015 \$37.50 Calls	3,000	4-Dec
	LLY	April 2015 \$75 Calls	5,500	4-Dec
	GRMN	April 2015 \$60 Calls	6,000	11-Dec
	TGT	April 2015 \$77.50 Calls	10,000	18-Dec
	EOG	April 2015 \$100 Calls	6,500	18-Dec
	RICE	April 2015 \$25 Calls	17,500	19-Dec

	WAG	April 2015 \$80/\$67.50 Bull R/R	5,000	22-Dec
15-May	MRVL	May. 2015 \$15 Calls	30,000	24-Sep
	NPSP	May 2015 \$30 Calls	4,000	20-Oct
	DLTR	May 2015 \$67.50 Calls	10,000	20-Nov
	AIG	May 2015 \$57.50 Calls	5,500	20-Nov
	TSO	May 2015 \$82.50 Calls	11,200	20-Nov
	LEN	May 2015 \$47 Calls	6,500	2-Dec
	MDT	May 2015 \$75 Calls	10,000	10-Dec
	ABBV	May 2015 \$72.50 Calls	5,000	11-Dec
	ACT	May 2015 \$275 Calls	4,700	19-Dec
15-Jun	PFE	June 2015 \$30 Calls	10,000	29-Oct
	ALTR	June 2015 \$35 Calls	10,000	13-Nov
	BWP	June 2015 \$17 Calls	15,000	1-Dec
	SPLS	June 2015 \$13 Calls	45,000	12-2 and 12-3
	FNSR	June 2015 \$18 Calls	5,000	5-Dec
	C	June 2015 \$60 Calls	20,000	11-Dec
	PRU	June 2015 \$90 Calls	5,000	12-Dec
	CLNY	June 2015 \$25 Calls	6,000	12-Dec
	DISH	June 2015 \$80 Calls	4,000	15-Dec
	DWA	June 2015 \$25 Calls	3,000	19-Dec
	MET	June 2015 \$60 Calls	5,000	23-Dec
15-Jul	LBTYA	July 2015 \$55/\$65 Call Spread	15,000	1-Dec
	CMCSA	July 2015 \$60/\$52.5 Bull R/R	10,000	12-1, 12-2, and 12-4
	SWC	July 2015 \$16 Calls	8000	12-12 and 12-17
	EOG	July 2015 \$90/\$75 Bull R/R	7,000	15-Dec
	BP	July \$2015 \$42 Calls	17,325	19-Dec
15-Aug	BGCP	Aug. 2015 \$10 Calls	5,000	26-Dec
Jan-16	PAYX	Jan. 2016 \$50 Calls	8500	20-Mar
	LB	Jan. 2016 57.5/67.5 Call Spread, Short 46.5 Puts	3,600	2-Jun
	MPEL	Jan. 2016 \$39.66 Calls	10,000	4-Jun
	DHI	Jan. 2016 \$22 Calls	12,000	4-Jun
	CF	Jan. 2016 \$300 Calls	4,000	4-Jun
	TRV	Jan. 2016 \$100 Calls	5,000	6-Jun
	ZTS	Jan. 2016 \$35 Calls	8,000	10-Jun
	NE	Jan. 2016 \$35 Calls	6,000	10-Jun
	GLNG	Jan. 2016 \$55 Calls	3,500	11-Jun
	CCL	Jan. 2016 \$55 Calls	4,000	11-Jun
	YRCW	Jan. 2016 \$30/\$20 Bull R/R	5,000	18-Jun
	ALTR	Jan. 2016 \$35 Calls	5,000	19-Jun
	RIG	Jan. 2016 \$50/\$60 Call Spread	5,000	26-Jun
	TTWO	Jan. 2016 25/27 Bull R/R	2,500	27-Jun

	DRI	Jan. 2016 \$50 Calls	5,000	1-Jul
	MA	Jan. 2016 \$110/\$120 Call Spread	5,000	1-Jul
	GIS	Jan. 2016 \$55 Calls	5,250	2-Jul
	MS	Jan. 22016 435/\$30 Bull R/R	5,000	8-Jul
	KMP	Jan. 2016 \$90 Calls	25,000	7-17 and 7-21
	SLB	Jan. 2016 \$135/\$165 Call Spread	5,000	18-Jul
	ABBV	Jan. 2016 \$60 Calls	5,000	21-Jul
	APC	Jan. 2016 \$160 Calls	10,000	22-Jul
	AIG	Jan. 2016 \$60 Calls	40,000	5-Aug
	CF	Jan. 2016 \$300 Calls	6,000	15-Aug
	ETN	Jan. 2016 \$75 Calls	3,000	18-Aug
	EBAY	Jan. 2016 \$70 Calls	10,000	19-Aug
	ICE	Jan. 2016 \$240/\$290 Call Spread	10,000	21-Aug
	BIDU	Jan. 2016 \$260/\$320 Call Spread	5,000	3-Sep
	MCD	Jan. 2016 \$100 Calls	20,000	4-Sep
	ETP	Jan. 2016 \$57.50 Calls	5,000	5-Sep
	AVG	Jan. 2016 \$20 Calls	7,500	10-Sep
	DHI	Jan. 2016 \$22 Calls	7,500	15-Sep
	AMT	Jan. 2016 \$92.5 Calls	5,000	30-Sep
	GM	Jan. 2016 \$35 Calls	15,000	1-Oct
	AMAT	Jan. 2016 \$20 Calls	6,000	2-Oct
	MDLZ	Jan. 2016 \$37 Calls	7,500	3-Oct
	CAR	Jan. 2016 50/57.5 Call Spread, Short \$37 Puts	5,000	10-Oct
	GLNG	Jan. 2016 60/40 Bull R/R	5,000	10-Oct
	MDVN	Jan. 2016 \$120 Calls	3,000	3-Nov
	ZTS	Jan. 2016 \$40 Calls	5,000	4-Nov
	ABBV	Jan. 2016 \$70 Calls	16,170	20-Nov
	ACT	Jan. 2016 \$300 Calls	4,500	18-Nov
	MYL	Jan. 2016 \$60 Calls	3,000	19-Nov
	GLW	Jan. 2016 \$25 Calls	10,000	20-Nov
	WLL	Jan. 2016 \$60 Calls	5,000	1-Dec
	CLR	Jan. 2016 \$50 Calls	5,000	1-Dec
	TGT	Jan. 2016 \$80 Calls	2,500	5-Dec
	HD	Jan. 2016 \$110 Calls	2,000	5-Dec
	TJX	Jan. 2016 \$75 Calls	2,500	5-Dec
	GOOGL	Jan. 2016 \$585 Calls	1,000	11-Dec
	WFT	Jan. 2016 \$15 Calls	16,600	12-Dec
	BIDU	Jan. 2016 \$300/\$370 Call Spread	5,000	8-Dec
	MET	Jan. 2016 \$57.50 Calls	20,000	23-Dec

DISCLAIMER:

Data Accuracy: This report was prepared from 12-20-14 to 12-28-14 so some of the figures may not be exact as of the end of 2013, but due to the time-intensive nature of the project it was required. The data provided is deemed to be reliable and was collected from multiple sources. Charts are provided courtesy of Finviz.com, Dshort.com and Tradingview.com.

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