December 12, 2016

ANALYSTS' BEST PICKS FOR 2017

ARRIS
(ARRS:NASDAQ)

Avnet, Inc.
(AVT:NYSE)

Bank of the Ozarks Inc.
(OZRK:NASDAQ)

CyrusOne Inc.
(CONE:NASDAQ)

Halliburton
(HAL:NYSE)

Marathon Oil Corp.
(MRO:NYSE)

Microsoft
(MSFT:NASDAQ)

Mohawk Industries
(MHK:NYSE)

Monolithic Power Systems, Inc.
(MPWR:NASDAQ)

Mylan N.V.
(MYL:NASDAQ)

Newell Brands Inc.
(NWL:NYSE)

O'Reilly Automotive, Inc.
(ORLY:NASDAQ)

Oasis Petroleum Inc.
(OAS:NYSE)

Roper Technologies
(ROP:NYSE)

UnitedHealth Group
(UNH:NYSE)

Willis Towers Watson plc
(WLTW:NASDAQ)

Wintrust Financial Corporation
(WTFC:NASDAQ)

© 2016 Raymond James & Associates, Inc., member New York Stock Exchange/SIPC. All rights reserved.
International Headquarters: The Raymond James Financial Center | 880 Carillon Parkway | St. Petersburg, Florida 33716 | 800-248-8863

Contents

Letter to Investors 3
Economic Outlook for 2017 5
Equity-Linked Notes 7
Statistical Overview 8

Company Overviews

ARRIS 9
Avnet, Inc. 10
Bank of the Ozarks Inc. 11
CyrusOne Inc. 12
Halliburton 13
Marathon Oil Corp. 14
Microsoft 15
Mohawk Industries 16
Monolithic Power Systems, Inc. 17
Mylan N.V. 18
Newell Brands Inc. 19
O'Reilly Automotive, Inc. 20
Oasis Petroleum Inc. 21
Roper Technologies 22
UnitedHealth Group 23
Willis Towers Watson plc 24
Wintrust Financial Corporation 25

Please read disclosure/risk information beginning on page 26 and Analyst Certification on page 26.

Analysts' Best Picks® for 2017

December 12, 2016

Dear Investors,

We are pleased to present Raymond James' 22nd annual *Analysts' Best Picks®* list—ABP17. This annual list is a focused, static selection of stocks with an objective to produce above-average price appreciation over the next year. The list's long-term record is very good, outperforming the S&P 500 in 17 of the last 21 years. Over the past five years, the ABP list returned a simple average of 18.5% annually, compared with an average total return of 16.7% for the S&P 500. Since its inception in 1996, the ABP list has produced an average annual return of 28.6% (not compounded) versus 11.6% for the S&P 500, as shown on page 4.

As we near the end of 2016, ABP16 has thus far outperformed the S&P 500, with nine of 14 stocks outpacing the index since the list's pricing on December 3, 2015. A slight overweight in the Energy sector has more than offset weakness in the Healthcare sector, where two of three stocks declined.

The Best Picks selection process first screens eligible analysts based on experience and stock rating accuracy as measured by StarMine. Analysts meeting the criteria are then invited to propose one name. As in all previous ABP selections, company fundamentals, growth prospects, downside risks, and liquidity are taken into account along with the analyst's view of management's ability to execute on investor expectations. This process has typically resulted in reasonably balanced lists with respect to broad industry exposure and other characteristics.

A brief discussion of each of the 17 selections comprising the *Analysts' Best Picks®* for 2017 is presented on pages 9-25 of this publication. As always, all of the ABP17 selections currently carry a Strong Buy rating. These selections will remain on the list until December 31, 2017, unless the company is acquired or delisted and no longer trades publicly.

The process of identifying stocks likely to outperform was made somewhat more challenging this year by a post-election market surge, with many recommendations approaching their published price targets. For some time, market psychology has been dominated by investor concerns about sluggish global growth, aggressive central bank activity, geopolitical risks, and more recently, earnings. Post-election, investors have suddenly shifted into "offensive" mode, bidding up many stocks and sectors that would benefit from faster economic growth, higher interest rates, infrastructure spending, and dialed-back regulation, while exiting more defensive areas of the markets. Given that it will take many months to implement policy changes, investor optimism could be sustained for some time. Conversely, should expectations for policy change be dashed, this optimism could be just as easily reversed. This year's list is slightly larger than past years with 17 stocks and a slight overweight in Energy, Financials, and Technology. The Energy overweight is based on Raymond James' above-consensus outlook for oil prices, while the Financials overweight is predicated on the prospects for higher interest rates. The Technology overweight was the result of a higher-than-average number of candidates.

Dr. Scott Brown, Raymond James' Chief Economist, has a broader discussion of the macroeconomic outlook on page 5, including his insights on the U.S. economy, Fed policy, and some of the associated risks requiring navigation during 2017. Comments from Eric Yates of Equity Structured Products also follow and discuss why the 2017 *Analysts' Best Picks®* equity-linked notes are a very efficient way to invest in the entire list.

Robert P. Anastasi, CFA — Chm., Global Equity Research

Bryan C. Elliott, CFA — Senior Supervisory Analyst

Best Picks Performance Record

Year	Best Picks List [a]	S&P 500 [f]	Excess Return
1996	37.2%	22.6%	14.7%
1997	53.5	37.1	16.4
1998	38.9	30.8	8.2
1999	143.9	25.4	118.6
2000	46.9	-4.8	51.7
2001	11.6	-15.0	26.6
2002	-0.6	-22.7	22.2
2003	37.2	24.3	12.9
2004	27.7	14.9	12.9
2005	17.2	7.1	10.1
2006	5.9	14.9	-9.0
2007	30.5	6.2	24.2
2008	-35.0	-38.6	3.5
2009	62.5	35.4	27.1
2010	31.2	16.8	14.4
2011	0.5	5.3	-4.8
2012	9.5	18.3	-8.9
2013	49.3	33.7	15.6
2014	13.1	17.9	-4.8
2015	4.6	0.9	3.7
2016 [b]	15.8	12.7	3.1
5 Yr. Avg. [c]	18.5	16.7	1.8
10 Yr. Avg. [d]	18.2	10.9	7.3
21 Yr. Avg. [e]	28.6	11.6	17.0

a. Total returns are shown as if an equal dollar allocation was made to each stock at the December pricing date and held until 12/31 of the following year.

b. ABP 2016 and S&P 500 performance reflect total return through the close of 12/9/16.

c. Simple average of returns for 2012 through 2016.

d. Simple average of returns for 2007 through 2016.

e. Inception (1996) simple average of returns through the close of 12/9/16.

f. S&P total return with dividends reinvested over the same time periods as ABP inception and liquidation periods. Source: Bloomberg LLC

Since 1996 a total of 251 stocks have been recommended through the Analysts' Best Picks® list. Of this total, 166 advanced (66%) and 85 declined (34%) within the recommended holding period. The holding period for each year's list is approximately 55 weeks from the inception date to 12/31 of the following year.

Annual results are before commissions or fees. The results presented should not and cannot be viewed as an indicator of future performance. Individual results will vary and transaction costs related to investing in these stocks will affect overall performance. There is no assurance that the list will achieve the results expected and investors may incur profits or losses. The performance returns in 1999 were extraordinary and it is unlikely that these unrealistically high returns will be repeated. The S&P is an unmanaged index of 500 widely held stocks that is generally considered representative of the U.S. stock market. A complete list of all Analysts' Best Picks® since 1996 is available upon request.

Economic Outlook for 2017 – Policy Uncertainty and Demographic Constraints

Prior to the election, there was a growing consensus that demographic changes have resulted in "a new normal." Populations are aging and labor force growth will be significantly slower than in previous decades. Barring a substantial increase in immigration or a sharp pickup in the pace of productivity growth, real Gross Domestic Product can be expected to trend at a 1.5-2.0% annual rate, rather than the 3.0-3.5% pace seen in previous decades. Post-election, those constraints are still expected to be binding. Hence, fiscal stimulus (increased government spending and large-scale tax cuts) may not provide much of a lift. Moreover, policy uncertainties, particularly in regard to foreign trade, add uncertainty and risk to the economic outlook.

Recent data have suggested that the economy is in good shape. Real GDP growth appears likely to finish the year at about 2% (4Q16-over-4Q15). Consumer spending growth has been relatively strong, fueled by robust job growth and moderate wage gains. Low gasoline prices have helped, but the beneficial impact will fade over time as oil prices stabilize and move somewhat higher. Business fixed investment has been sluggish, reflecting the contraction in energy exploration, a sluggish global economy, and general uncertainty in the economic outlook. Residential homebuilding has continued to improve.

Job growth remained strong in 2016 but was somewhat slower than in the last couple of years. That may partly reflect business caution ahead of the presidential election, but job growth will normally slow as the job market tightens. A tighter job market would normally lead to faster wage growth. Average hourly earnings have picked up, but the underlying trend appears to be moderate, suggesting that there is still a significant amount of slack in the job market. Long-term unemployment and measures of underemployment are still above levels considered to be "normal," but they have been improving.

Federal Reserve policymakers have remained focused on the job market and the outlook for inflation. As 2016 began, most Fed officials expected to raise short-term interest rates four times over the course of the year, but improvement in the labor market was slower than expected and inflation remained muted. Most Fed officials believe that the economy is getting close to full employment. Most officials see just two rate increases in 2017. However, it depends. If the job market tightens more rapidly than anticipated and wage growth picks up more sharply, additional monetary tightening could come sooner. Conversely, if growth is subpar and inflation remains low, officials would be inclined to move slowly.

Demographic issues are expected to play a major role in the outlook for economic growth in the U.S. and the rest of the world. Between 1960 and 2000, labor force growth in the U.S. averaged 1.8% per year as the baby-boom generation came into the job market and women entered the workforce in greater percentages. The Bureau of Labor Statistics now expects trend labor force growth to be about 0.5% per year. As the remaining slack in the job market is taken up, GDP growth should exceed its longer-term trend, but the demographics will eventually become binding.

Productivity growth has been unusually soft in recent years. That may reflect softness in capital spending during the recession and early recovery. If so, productivity growth should improve as capital spending picks up. Longer term, advances in robotics and artificial intelligence could boost productivity significantly in the years ahead, offsetting the impact of slower labor force growth.

Note that slower population growth and weak productivity growth are not issues unique to the U.S. Population growth is slowing worldwide. Productivity has also slowed outside the U.S., along with business fixed investment. In turn, global trade has slowed in the last couple of years – and that's absent any significant increase in protectionist measures.

Following the election, investors have been encouraged by expectations of a rollback in regulations and a major fiscal stimulus package. Donald Trump's surprise victory has significantly changed the Washington outlook. Republicans control the House and the Senate, and while there are likely to be differences between the incoming administration and the establishment Republicans on a number of issues, it should be easier to get things done.

Donald Trump called for more infrastructure spending during the campaign. However, it's unclear how it will be funded. Additional federal spending may be hard to get through the House. The House no longer allows earmarks (specific allocations in spending bills), which means that you don't get the kind of horse-trading needed to reach a broad spending agreement.

Tax cuts, on the other hand, should be relatively easy to achieve, although substantially less than what Trump had proposed during the campaign. Presumably, lower taxes on households and businesses would be achieved through tax "reform." However, even with lower tax rates, few will want to get rid of the deductions they enjoy, which makes true tax reform difficult, if not impossible.

Fiscal stimulus can be effective in countering an economic downturn, but it is unlikely to provide much of a boost if the economy is close to full employment. Following the election, most economists have raised their GDP forecasts for 2017, but only modestly – reflecting the expected restraining effect of labor market constraints. Hence, while there is some possible upside for growth as the remaining labor market slack is reduced, that should be limited, and fiscal stimulus may be more likely to result in higher inflation or an asset price bubble.

Tax cuts do not pay for themselves, and the bond market is currently anticipating an increase in government borrowing in 2017 and beyond. However, the rise in U.S. bond yields is expected to be kept in check somewhat by lower long-term interest rates abroad. In turn, higher U.S. bond yields put some upward pressure on long-term interest rates outside the U.S., complicating monetary policy effectiveness in Europe and elsewhere.

The bigger risk to the economy is the possibility of global trade disruptions. Entering trade agreements requires congressional approval, but the president can, by himself, pull out of existing agreements, such as NAFTA. Economists will tell you that neither side wins in a trade war. If the Treasury Department were to officially declare China to be a currency manipulator – even though the country is trying to prevent its currency from weakening, rather than pushing it lower – that designation would automatically set off tariff increases, which would likely be met by countermeasures against U.S. exports. U.S. manufacturing uses parts and materials from around the world. Disruptions to supply chains would have adverse effects on the overall economy. There's a strong belief that cooler heads will prevail, but a rise of protectionism remains a key risk to the global economic outlook.

New presidential administrations typically face a number of unforeseen challenges. Optimism about the economy may be short-lived. However, there is significant positive economic momentum heading into the New Year. Households and businesses are generally in good shape.

Scott Brown, Ph.D.
Chief Economist

Equity-Linked Notes

Raymond James is again pleased to have offered an equity-linked note designed to provide our retail clients a vehicle to invest in the names on the *Analysts' Best Picks®* (ABP) report published by our Equity Research department. This year we created two distinct notes, one issued in conjunction with the release of the list to the public in December and a second one approximately one month later. The notes are structured to offer clients the ability to invest in the ideas in a more efficient manner than purchasing each individual stock*. The following paragraphs review the performance of the notes through November 30, 2016, in comparison to the broader equity markets. Please note these securities were not designed to offer clients the exact performance figures published by Equity Research. These securities offer an efficient solution for investing in the ideas presented in the list over a specified time period. Performance returns of this product will differ from the returns published by Equity Research or returns obtained in other investments in the *Analysts' Best Picks®* list due to the time period of investment and fees.

Each client's specific return on each note will depend on how many notes were purchased originally, as the impact of the $5.95 handling charge will vary as the number of notes changes. Comparisons of this year's notes (assuming a $10,000 notional investment) versus the S&P 500 are illustrated in the following table. The December notes are currently outperforming the S&P 500 Index on a gross basis (without fees) and slightly underperforming net of fees, while the January notes are outperforming the S&P by more than 5% after fees. The final performance of this year's notes will be determined by what happens through the final valuation periods ending December 14, 2016, for the December Note and January 24, 2017, for the January Note.

When comparing returns, it is important to consider equivalent periods of investment. In the performance chart below, we have included comparable performance figures for the S&P 500 Index based on the specific investment period of each note.

	Cost	Price (as of Nov 30, 2016)	Total Return (after fees)
2016 ABP Note Maturing Dec 19, 2016*	**100.0595%**	**107.62%**	**7.56%**
S&P 500 Index (Dec 8, 2015 to Nov 30, 2016)			8.72%
2016 ABP Note Maturing Jan 27, 2017*	**100.0595%**	**124.68%**	**24.61%**
S&P 500 Index (Jan 15, 2016 to Nov 30, 2016)			19.10%

Equity Structured Products
Equity Capital Markets
Ext. 71857

* Account structures and fees will vary by account and should be taken into consideration before making an investment decision.

**Please note that the prices shown for the 2016 ABP Notes in this report are NAV and the price shown on client statements is a bid price which includes the aftermarket liquidation spread on the security. Clients who hold to maturity will receive the NAV. The NAV represents the underlying value of the securities multiplied by the participation rate (indicative of the fees associated with the product).

Analysts' Best Picks® for 2017 Statistical Overview

Company Name	Footnotes	Sym.	RJ&A Rank	SR	12/9/2016 Close	12 Mo. Trail. Price Range High	Low	Proj. 12-Mo. Price Target	Current Year P/E	2015A	2016E	2017E	Div. Yld.	BV/ Shr.	FY	Mkt. Cap. (Mil)
S&P 500	#	SPX	NA	NA	2259.53	2259.80	1810.10	NA	20.7	100.45	108.93	131.04	2.1%	NA	DEC	NA
ARRIS	hn,m,ng,o	ARRS	1	H/GRW	29.75	31.78	20.05	36.00	10.7	2.16	2.79	3.23	0.0%	15.98	DEC	5,697
Avnet, Inc.	h,hn,m,ng,o	AVT	1	M/GRW	47.97	48.43	37.10	54.50	14.1	4.49	4.21A	3.40	1.4%	36.91	JUN	6,227
Bank of the Ozarks Inc.	j,m,ng,o	OZRK	1	M/GRW	52.11	53.30	33.51	58.00	20.4	2.15	2.55	2.95	1.3%	22.75	DEC	6,311
CyrusOne Inc.	af,h,hs,m,o	CONE	1	H/GRW	43.95	57.00	32.42	61.00	18.6	2.31	2.36	2.62	3.5%	16.31	DEC	3,679
Halliburton	m,ng,o	HAL	1	H/GRW	54.20	54.92	27.64	65.00	NM	1.56	-0.04	1.50	1.3%	11.21	DEC	46,829
Marathon Oil Corp.	m,ng,o	MRO	1	M/GRW	18.25	19.14	6.52	23.00	NM	-1.28	-0.78	1.12	1.1%	22.34	DEC	15,458
Microsoft	hs,m,ng,o,s	MSFT	1	M/GRW	61.97	61.99	48.04	69.00	21.4	2.63	2.79A	2.90	2.5%	9.22	JUN	483,862
Mohawk Industries	m,ng,o	MHK	1	H/GRW	199.86	216.58	148.56	245.00	15.9	10.20	12.60	13.35	0.0%	76.36	DEC	14,910
Monolithic Power Systems, Inc.	m,ng,o	MPWR	1	H/GRW	80.33	84.83	55.05	100.00	64.8	0.95	1.24	1.82	1.0%	9.94	DEC	3,366
Mylan N.V.	ar,m,o	MYL	1	H/GRW	36.51	55.51	33.60	57.00	7.8	4.30	4.70	5.32	0.0%	22.10	DEC	19,536
Newell Brands Inc.	m,ng,o	NWL	1	M/GRW	45.53	55.45	33.26	57.00	15.8	2.18	2.88	3.00	1.7%	23.68	DEC	21,973
O'Reilly Automotive, Inc.	m,ng,o	ORLY	1	M/GRW	275.96	292.84	225.12	330.00	25.7	9.29	10.72	12.45	0.0%	19.77	DEC	29,997
Oasis Petroleum Inc.	m,ng,o	OAS	1	H/GRW	15.45	15.76	3.40	18.00	NM	0.78	-0.57	0.40	0.0%	9.74	DEC	2,799
Roper Technologies	m,ng,o	ROP	1	M/GRW	185.80	193.32	155.79	215.00	28.5	6.95	6.51	8.21	0.8%	56.32	DEC	18,846
UnitedHealth Group	hs,m,ng,o	UNH	1	M/GRW	160.12	162.52	107.51	185.00	20.0	6.45	8.01	9.50	1.6%	39.55	DEC	173,410
Willis Towers Watson plc	hs,ng,o	WLTW	1	H/GRW	122.79	133.40	104.11	145.00	16.2	NA	7.60	8.40	1.6%	78.99	DEC	16,945
Wintrust Financial Corporation	h,hs,m,ng,o	WTFC	1	H/GRW	70.51	71.61	37.96	79.00	19.7	3.10	3.58	3.80	0.7%	46.86	DEC	3,645

af - EPS is Adjusted Funds from Operations (AFFO).

ar - EPS is Adjusted EPS.

h - Raymond James & Associates managed/co-managed a public/follow-on offering of these shares or has provided investment banking services within the past 12 months.

hn - Raymond James & Associates received non-securities-related compensation from the issuer within the past 12 months.

hs - Raymond James & Associates received non-investment banking securities-related compensation from the issuer within the past 12 months.

j - Raymond James & Associates or one of its affiliates owns more than 1% of the outstanding shares of the issuer.

m - Raymond James & Associates makes a market in shares of the issuer.

ng - EPS is Non-GAAP EPS.

o - Security is optionable.

s - The analyst or research associate own shares of stock in this company.

- S&P 500 EPS estimates are bottom up operating estimates from S&P.

ARRIS (ARRS:NASDAQ)

12-Month Target Price **$36.00**
Current Price (12/09/2016) **$29.75**
Suitability .... **High Risk/Growth**

FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$2.16	$2.79	$3.23
P/E	13.8x	10.7x	9.2x
GAAP EPS	$0.62	$(0.10)	$1.39
Revenue (mil.)	$4,798	$6,789	$6,969

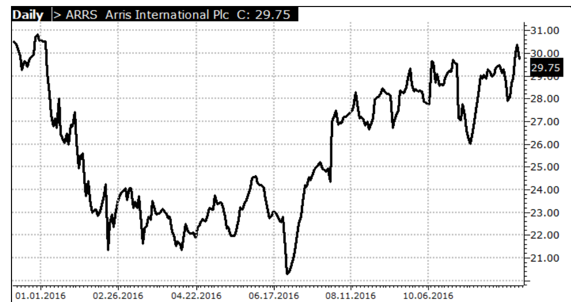
Non-GAAP EPS excludes stock comp, amortization, and acquisition expense.

Hist. 12-month Price Range .... $31.78 - $20.05
Dividend/Yield .... $0.00 / 0.0%
Market Capitalization (mil.) $5,697
Shares Outstanding (mil.) 191.5
Book Value (09/16)... $15.98
ROE (TTM) .... -2%
LT Debt (mil.) $2,200/50%

ARRIS Group, headquartered in Suwanee, Georgia, is a leading supplier of broadband customer premises equipment, integrated voice cable modems and Cable Modem Termination Systems (CMTS) to support VoIP and broadband data over cable networks.

Structural Shift in Cable Operator Networks Drives Long-Term Growth

Structural Shift Toward All-IP Network Drives Growth Over Long Term
Cable operators, ARRIS' primary customers, are undergoing a structural shift in their network architecture as they seek to evolve toward an all-IP based network. Cable operators currently operate separate networks for each service that they provide, requiring separate transmission equipment for traditional broadcast video, VoIP, broadband service, and video on demand (VOD). The transition toward IP would allow operators to consolidate all of these services into a single IP network, thus simplifying the management and deployment of services. Additionally, an all-IP network enables operators to free network bandwidth for faster Internet service. In a traditional broadcast video network, all content is flowing downstream to each customer at all times. The content is switched at the set-top-box (STB) by the customer and is limited by the amount of content capable of fitting into the pipe. An IP-based video network allows operators to deliver only what is requested.



© Thomson Reuters 2016.

CCAP and the Evolution of the Set-Top-Box
The shift towards the delivery of services over IP could drive the demand for ARRIS' core businesses for years. In order to deliver services over IP, cable operators will need to deploy next generation networking equipment at the headend that is capable of handling the increased IP content, as well as upgrade equipment at the customer location. Legacy CMTS will need to be replaced with CCAP-compliant routers that can handle significantly more broadband traffic, and STBs at the customer end will evolve as well to hybrid gateways and all-IP devices. Investors often erroneously assume that the growth of over-the-top services and devices will drive the STB market to zero overnight. However, the actual dynamic will see STBs evolving, rather than becoming extinct. Declining legacy digital STBs will be offset by the deployment of next generation IP gateways, which combine cable modems, Wi-Fi, VoIP, and IPTV into a single device. Comcast has led the industry - with its development nearly half done - to a hybrid model, but most operators have yet to really start. ARRIS maintains dominant market positions in both the CMTS and STB market, at over 50% and 25%, respectively, in 2015 per Infonetics.

Overhangs Removed
Several key concerns among investors over the last several quarters have overhung the stock, and most of the issues have largely been resolved. Recent concern regarding the potential impact from FCC regulations over the STB has been mitigated, as the commissioner has pulled the vote due to lack of support among the remaining commissioners. The completion of the Charter/ Time Warner deal provides better visibility into future spending, AT&T purchases likely bottom, and increased DIRECTV purchases for the Genie platform should provide an offset over the next several quarters. International weakness, particularly from Latin America, remains but may have bottomed.

Valuation
Our $36.00 target price is based on 11x our 2017E EPS of $3.23, a discount to the S&P 500, which reflects modest growth and risk from lumpiness. The stock trades at about 8x our CY17E FCF of $685 million or $3.58 per share.

– Simon Leopold

Avnet, Inc. (AVT:NYSE)

12-Month Target Price **$54.50**
Current Price (12/09/2016) **$47.97**
Suitability ....**Medium Risk/Growth**

FY (Jun)	2016A	2017E	2018E
Non-GAAP EPS	$4.21	$3.40	$3.80
P/E	11.4x	14.1x	12.6x
GAAP EPS	$3.88	$3.06	$3.64
Revenue (mil.)	$26,219	$17,617	$18,278

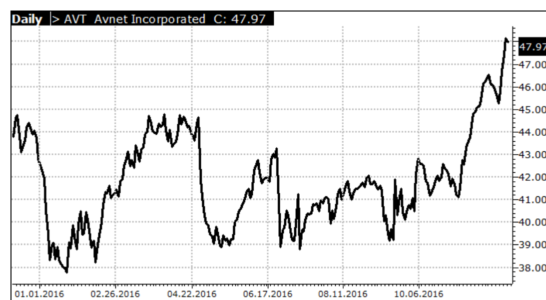
Non-GAAP EPS excludes extraordinary items and one-time events.

Hist. 12-month Price Range .... $48.43 - $37.10
Dividend/Yield .... $0.68 / 1.4%
Market Capitalization (mil.) $6,227
Shares Outstanding (mil.) 129.8
Book Value (09/16).. $36.91
ROE (TTM) 8%
Net Debt (mil.)...$1,460/20%

Avnet, Inc., headquartered in Phoenix, Arizona, is the largest global distributor of electronic components and computer products, with FY16 revenue of $26 billion. Avnet serves more than 300 suppliers and 100,000 customers worldwide with operations in more than 300 locations and 70 countries in North America, Europe/Middle East/Africa (EMEA), and Asia-Pacific. The company is in the process of divesting its computing business to Tech Data (expected to close in 1H17).

Key Strategic Decisions Result in Improved Returns Profile

We believe the market is ignoring an important inflection in Avnet's strategy and future performance. The recent decision to divest its TS business to Tech Data and acquire Premier Farnell (PF) should allow Avnet to 1) focus entirely on the more attractive EM business; 2) improve operating margins, ROIC, and book value; and 3) use enhanced liquidity to drive shareholder value.



© Thomson Reuters 2016.

While near-term EPS dilution has resulted in a cool reception by investors, this appears very short-sighted to us. TS performed inconsistently and diluted all key financial metrics, yet Avnet sold the business at a healthy valuation premium. Synergies related to the PF acquisition should result in an attractive high-single-digit ROI, and the company should have meaningful capital to deploy upon the closing of the TS transaction (C1H17). We see sentiment improving, EPS estimates rising, and valuation multiples expanding.

Our $54.50 price target is based on 1.3x P/B on pro forma book value of roughly $41.00. This is slightly above AVT's three-year average P/B of 1.2x due to an improved pro forma returns profile, but still below ARW's current 1.4x. Alternatively, we note that pro forma EBITDA should approximate $900 million and EV should approximate market cap, as net debt should be nil. Current share price assumes ~6.5x EV/EBITDA, which is too low, in our opinion, given the business profile is improved. A 7.0x multiple would result in a near $50 share price, and 8.0x would result in just over $55. While AVT has historically traded at ~6.5x EV/EBITDA, competitor ARW trades at ~7.6x EV/EBITDA. We believe this valuation premium was largely a result of Arrow's outperformance in the computing business. Following the divestiture of TS, Avnet becomes a pure play on the components business, where performance vs. Arrow has been much more consistent.

– Brian G. Alexander, CFA

Bank of the Ozarks Inc. (OZRK:NASDAQ)

12-Month Target Price **$58.00**
Current Price (12/09/2016) **$52.11**
Suitability .... **Medium Risk/Growth**

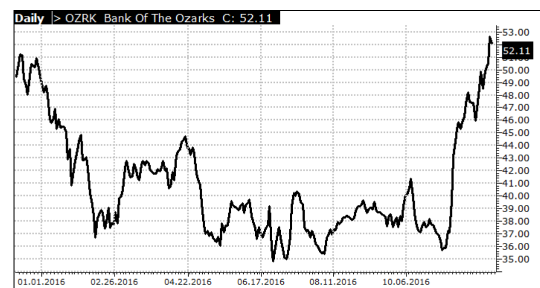
FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$2.15	$2.55	$2.95
P/E	24.2x	20.4x	17.7x
GAAP EPS	$2.09	$2.50	$2.95
Revenue (mil.)	$488	$703	$933

Non-GAAP EPS are operating earnings.

Hist. 12-month Price Range .... $53.30 - $33.51
Dividend/Yield .... $0.66 / 1.3%
Market Capitalization (mil.) $6,311
Shares Outstanding (mil.) 121.1
Book Value (09/16) $22.75
ROE (TTM) 22%

Bank of the Ozarks, Inc., headquartered in Little Rock, Arkansas, is an $18.5 billion bank holding company as of September 30, 2016. The company currently operates through more than 250 offices across Arkansas, Georgia, North Carolina, Texas, Florida, Alabama, South Carolina, California, and New York.

Continued Execution Should Enable Return to Historical Premium P/E Multiple



© Thomson Reuters 2016.

2016 has proven to be a challenging year for OZRK shares, as controversy and speculation has overruled continued strong fundamental performance by the company. In our view, OZRK shares have underperformed YTD due to: 1) concerns around commercial real estate (CRE) and construction concentration; 2) weakness/softness in various real estate classes is several submarkets including Houston, Miami, and NYC, among others; 3) concerns that capital levels were/are too low in light of its large balance of closed but unfunded loans and fears the credit cycle is turning; and 4) a modestly longer approval timeline than originally guided for its two most recent acquisitions (Community & Southern and C1 Financial). Despite these perceived headwinds, its fundamental results have remained best-in-class, reflected by notably stronger-than-peer loan growth, improving credit trends, superior operating efficiency, and strong profitability. Given our view that the aforementioned items have been addressed and/or are waning in their potential impact on the company, we view the risk/reward dynamic of OZRK very favorably. In turn, we believe OZRK shares can regain their historical P/E multiple premium versus peers should its fundamental performance match our forecasts.

Expect strong fundamental performance to continue. We project continued strong fundamental performance from the company in 2017, which could benefit further from potential changes given the new presidential administration. Indeed, outside of the potential benefits from corporate tax reform, higher interest rates, stronger economic growth, and reduced regulatory burden, we project +30% organic loan growth, improving operating efficiency and profitability as synergies from recent acquisitions are further realized, and benign credit trends. We project this translates to mid-teens EPS growth, improvement of its already best-in-class operating efficiency (approaching 30% in 2018), and better-than-peer profitability.

Short thesis continuing to fade. Bank of the Ozarks remains one of the most shorted bank stocks (link) and hasn't seen much decline post-election despite being one of the strongest performers versus peers since that time. However, with it having addressed capital concerns earlier this year (link), its recent acquisitions now closed (link), its credit performance continuing to improve [loan to cost of just ~49% in its Real Estate Specialties Group (RESG) vs. 70%+ pre-cycle], its track record of strong performance within RESG through the cycle (just 8 bp of losses over the portfolio's history) and its CRE/construction concentration falling in 3Q16, we see the bear case for OZRK shares as overdone (link). In turn, we see the potential for OZRK shares to return to their historical P/E multiple premium versus peers (link) should our forecasts prove correct.

Compelling valuation. On a NTM basis, OZRK shares currently trade at 18.2x consensus EPS, a 7% discount to peers versus its one-, two-, and three-year average *premiums* of 8%, 18%, and 22%, respectively. Additionally, shares trade at 3.1x TBV, a 26% premium to peers versus its one-, three-, and five-year average premiums of 46%, 68%, and 64%, respectively. Our $58.00 target price assumes OZRK trades at ~17x our 2018E EPS of $3.40, a 6% discount to peers, despite its outsized profitability, superior growth profile, and pristine asset quality.

– Michael Rose

CyrusOne Inc. (CONE:NASDAQ)

12-Month Target Price **$61.00**
Current Price (12/09/2016) **$43.95**
Suitability .... **High Risk/Growth**

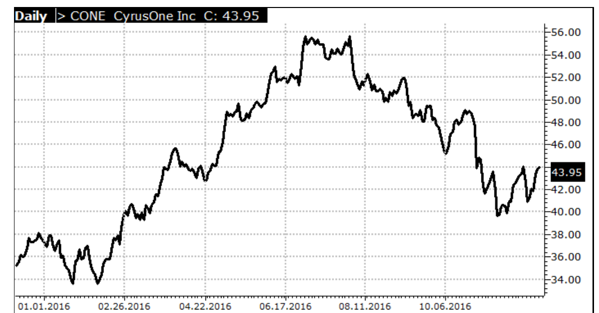
FY (Dec)	2015A	2016E	2017E
AFFO	$2.31	$2.36	$2.62
P/E	19.0x	18.6x	16.8x
Revenue (mil.)	$399	$529	$625

Hist. 12-month Price Range .... $57.00 - $32.42
Dividend/Yield .... $1.52 / 3.5%
Market Capitalization (mil.) $3,679
Shares Outstanding (mil.) 83.7
Book Value (09/16) $16.31
ROE (TTM) .... NM
LT Debt (mil.) $1,066/40%

CyrusOne Inc., based in Carrollton, Texas, operates carrier neutral data center and colocation services to large enterprises in the U.S., Europe, and Asia. The company is structured as a REIT and operates 30 data centers primarily across the U.S. CyrusOne currently has over 950 customers including approximately half of the Fortune 20 and over 175 of the Fortune 1000.

Data Demand Sets up 2017

We continue to believe that CyrusOne will benefit from the same data trends that are contributing to the growth of the data center industry. Recent earnings reports and conversations with industry participants support our view that growth and demand remain strong, which we believe will bode well for CyrusOne. We view this space as having strong long-term potential and superior growth relative to other telecom and cable companies in our coverage universe, and we believe the names will also remain attractive to REIT investors given non-cyclical demand and superior growth relative to other REIT asset classes. We believe this stronger growth will allow data centers to outperform during rising rates relative to other real estate investment classes that cannot outgrow the valuation pressures from rising rates, and we view CyrusOne as the best idea in our coverage.



© Thomson Reuters 2016.

We continue to view the underlying demand for data centers as very healthy. The most recent earnings season produced results that were above expectations, with a few, one-off issues and election-/rate-induced jitters dogging the group, creating an attractive set-up for 2017, in our view. The sell-off into year-end is viewed as being unrelated to core fundamentals, thus creating a valuation opportunity.

MRR booked in 3Q16 was ahead of 2Q16 at $10.2 million vs. $8.9 million as reported, and we believe data center expansion strategies continue to be very disciplined without worry of oversupply. We believe that enterprise and cloud demand will continue to provide higher-than-historic levels of pre-leasing, which lowers the overall risk for investors. Additionally, the sector's above-average growth and non-cyclical demand should be a stabilizing force for investors once rate fears subside. Longer term, we expect data center and data related valuations to rise, and we maintain our overweight recommendation for data centers as a whole.

Within the data center group, we believe CyrusOne will continue to differentiate with its amongst-industry-low build costs and time to market with new facilities, which we believe has helped it capture an outsized portion of demand over the past 12 months. Additionally, we believe recent management hirings have already yielded near-term results, with financing secured for its planned expansions through at least 2017. CyrusOne trades at a discount to the data center group as a whole. We believe that its growth rate and long-term outlook should command a valuation at least in line with the other data center REITs. Our $61.00 price target is based on 16.5x our 2018E EBITDA, slightly above the data center REIT group ranges of 12.5-15.5x EBITDA due to its superior growth rate.

– Frank G. Louthan IV

Halliburton (HAL:NYSE)

12-Month Target Price **$65.00**
Current Price (12/09/2016) **$54.20**
Suitability .... **High Risk/Growth**

FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$1.56	$(0.04)	$1.50
P/E	34.7x	NM	36.1x
GAAP EPS	$(0.78)	$(6.13)	$1.50
Revenue (mil.)	$23,633	$15,938	$20,570

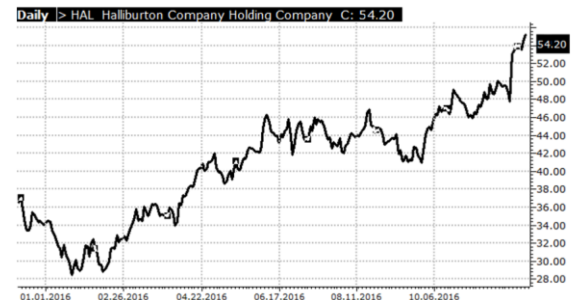
Non-GAAP EPS excludes non-recurring items.

Hist. 12-month Price Range .... $54.92 - $27.64
Dividend/Yield .... $0.72 / 1.3%
Market Capitalization (mil.) $46,829
Shares Outstanding (mil.) 864.0
Book Value (09/16) $11.21
ROE (TTM) .... -45%
LT Debt (mil.) $12,163/49%

Halliburton, founded in 1919 and based in Houston, Texas, is one of the world's largest providers of products and services to the energy industry. With over 50,000 employees in approximately 70 countries, the company serves the upstream oil and gas industry throughout the life cycle of the reservoir – from locating hydrocarbons and managing geological data to drilling and formation evaluation, well construction and completion, and optimizing production through the life of the field.

Second Year Best Pick as Leverage Remains Top-Tier for a U.S. Onshore Recovery

With an impressive run last year, up about 60% YTD, we are keeping Halliburton on the list as the stock remains our favorite large-cap oilfield service name to play the coming recovery. This is due to its outsized U.S. completions leverage (particularly as the market leader in pressure pumping), a land-heavy presence internationally, a low-cost North American operating structure, and a strong balance sheet. These attributes position Halliburton to see significant growth over the next two years in the coming global oilfield service recovery.



© Thomson Reuters 2016.

North American Leverage to Lead the Recovery
Halliburton is oriented toward the right businesses for a U.S. recovery. We expect Halliburton to generate 58% of 2017E revenue from North America, which is already in recovery mode and should lead the global recovery over the coming two years. Halliburton has gained substantial market share in the downturn in this region, but we still expect the company to see over a 130% increase in revenues from 2016 to 2018, in part due to its large completions exposure. This will lead to widespread North American margin improvement (RJE +2,250 bp from 2016 to 2018), particularly given the company's best-in-class North American cost structure.

Industrywide Pressure Pumping Attrition Supports Strong Margin Upside Potential
The most bullish catalyst for Halliburton is the margin upside potential of its market-leading pressure pumping operations. While the broader industry has seen available pumping capacity drop from about 18 MM horsepower (HHP) in 2014 to only about 10 MM HHP today given large attrition, Halliburton has maintained its fleet throughout the downturn and taken share. The limited industry pumping capacity should be the critical bottleneck in the upturn, and market capacity could run out of available equipment at only 800 U.S. rigs. While the market can refurbish old and order new horsepower, this requires a substantial pricing increase, and horsepower demand should still exceed supply. In our view, this will lead to 2018 margins exceeding 2014 levels by several hundred basis points and possibly much higher in a bullish commodity environment.

Onshore Leverage Positions International Operations to See Significant Growth From the Bottom
While most focus is on the U.S. market and pressure pumping, we highlight that Halliburton's global positioning is also poised for a strong uptick in activity. Of diversified companies, Halliburton holds one of the largest onshore presences, and its deepwater exposure is relatively limited. We anticipate the company to benefit from a pickup in international onshore activity that should more than offset lagging offshore activity. Throughout 2017, we expect to see moderate quarterly growth internationally, and by 2018 we believe international revenues can increase 17% y/y.

Valuation Supports Strong Upside
Halliburton trades at ~9.0x our 2018 EBITDA estimate and ~10.5x consensus. Our $65.00 target price implies 10.3x our 2018E EBITDA. While at the high end of the 10-year diversified peer average range of 6-11x, we believe this is warranted given favorable positioning and the potential for pressure pumping margin upside.

– J. Marshall Adkins

Marathon Oil Corp. (MRO:NYSE)

12-Month Target Price **$23.00**
Current Price (12/09/2016) **$18.25**
Suitability .... **Medium Risk/Growth**

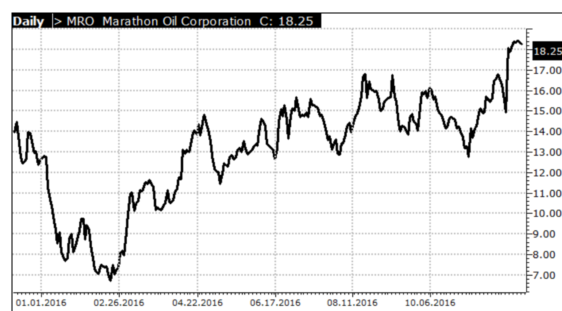
FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$(1.28)	$(0.78)	$1.12
P/E	NM	NM	16.3x
GAAP EPS	$(3.26)	$(0.98)	$1.12
Revenue (mil.)	$5,861	$4,715	$7,688

Non-GAAP EPS excludes property impairments and other extraordinary items.

Hist. 12-month Price Range .... $19.14 - $6.52
Dividend/Yield .... $0.20 / 1.1%
Market Capitalization (mil.) $15,458
Shares Outstanding (mil.) 847.0
Book Value (09/16)... $22.34
ROE (TTM) .... NA
LT Debt (mil.) $7,278/28%

Marathon Oil Corp., based in Houston, Texas, is an independent oil and gas company. Core operations are located in the U.S. (onshore and Gulf of Mexico), Canada, Africa, and the North Sea. At year-end 2015, proved reserves totaled 2,163 MMBoe (81% oil/liquids).

Strong Leverage to Future Oil Recovery With a Sweet Spot in the SCOOP/STACK



© Thomson Reuters 2016.

Oklahoma resource plays (SCOOP and STACK) provide some of the best well-level economics not just domestically, but across the spectrum of non-OPEC geographies. In this context, Marathon's top-10 position in Oklahoma is a positive differentiator that became even more meaningful with the STACK acquisition that closed this past August. While Oklahoma represents a modest portion of current companywide production (12% in 3Q16), it is more central within the capital program, with five rigs currently running, up from only two at midyear. The 2017 capital budget has not yet been finalized, but we anticipate increases in Oklahoma activity to reflect the fact that this is management's stated number-one capital allocation priority. Our baseline assumption is for an average of seven rigs running in 2017, but with bias to the upside.

We see Oklahoma as the most appealing component of Marathon's asset base, but we should not overlook the company's top-10 position in the Eagle Ford, a component of the asset base that we believe has been underappreciated by investors. In the Eagle Ford, the company's engineered completion designs with increased proppant and variable stage intervals hold out the prospect of double-digit productivity gains. Our NAV estimate does not currently ascribe credit for enhanced completions, hence the conservatism in our model.

More broadly, Marathon's operating leverage to future oil price recovery ranks among the highest among E&P large-caps. Proved reserves are 81% liquids-weighted, which includes a substantial position in the Alberta oilsands. While the oilsands are not a growth asset, this production stream represents a long-lived, annuity-esque "cash cow" with low maintenance capital requirements. In the context of our above-consensus oil price forecast, the high operating cost structure in the oilsands implies room for massively positive operating leverage as the commodity landscape improves. Similarly, the "cash cow" label is also applicable to the company's Equatorial Guinea assets.

As large-cap oil stocks go, Marathon is undoubtedly toward the higher-beta end of the spectrum, and this pick clearly needs to be seen as part of our bullish oil call. However, this is not a stock for which anyone has to lose sleep over balance sheet risk, even under a less upbeat commodity landscape. Debt/cap of 29% (as of 3Q16) is lower than the large-cap average, and the earliest upcoming debt maturity is in 4Q17. The strong liquidity position is comprised of $2.0 billion in cash and an undrawn $3.3 billion credit facility. Finally, while the dividend is not a major component of the story, from a total return standpoint the yield of 1.1% is modestly additive.

Our target price of $23.00 is based on 5.4x our (peak-of-upcycle) 2017 EBITDA estimate, near the low end of the traditional E&P range of 5-7x. Using our long-term oil price deck of $70/Bbl WTI and $75/Bbl Brent, the implied multiple would be 6.4x.

– Pavel Molchanov

Microsoft (MSFT:NASDAQ)

12-Month Target Price **$69.00**
Current Price (12/09/2016) **$61.97**
Suitability .... **Medium Risk/Growth**

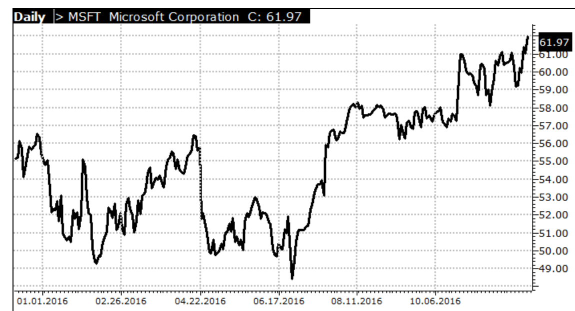
Hist. 12-month Price Range .... $61.99 - $48.04
Dividend/Yield .... $1.56 / 2.5%
Market Capitalization (mil.) $483,862
Shares Outstanding (mil.) 7,808.0
Book Value (09/16) $9.22
ROE (TTM) 22%
LT Debt (mil.) $40,783/36%

FY (Jun)	2016A	2017E	2018E
Non-GAAP EPS	$2.79	$2.90	$3.22
P/E	22.2x	21.4x	19.2x
GAAP EPS	$2.10	$2.48	$3.17
Revenue (mil.)	$91,963	$93,983	$99,951

Non-GAAP EPS excludes the net impact from W10 revenue deferrals and one-time charges.

Microsoft, headquartered in Redmond, Washington, is the world's largest software company with $92 billion in FY16 revenue and known for its operating system "Windows" and its office productivity software "Office." It also serves adjacent markets including server operating systems, enterprise applications, video game consoles, and cloud computing with its Microsoft Azure and Office 365 product lines. Microsoft was founded in 1975 by Bill Gates and Paul Allen.

Long-Term Winner in IT Spending Shift to Cloud



© Thomson Reuters 2016.

Where once Microsoft looked like the legacy PC software vendor that had “missed mobile,” we now see Microsoft as the only “hyperscale” hybrid cloud vendor able to integrate Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS) with a vast installed base of on-premise server and client software. With Microsoft several years into the transition to cloud (17% of FY16 revenue, 23% of FY17E revenue), we forecast 5% total revenue CAGR FY16-FY20E, including 7% Productivity and Business Process (Office/Dynamics), 9% Intelligent Cloud (Azure/ Server), and 1% More Personal Computing (Windows -5%, non-Windows +4%). With commercial cloud gross margins now beginning to show significant operating leverage and opex growth still expected to be flat this year, we expect an EBIT CAGR of 9% as EBIT margins expand from 30% in FY16 to 35% in FY20E, and an EPS CAGR FY16-FY20E of 11% on 2 points per year of share buybacks over the period.

Azure: One of the hyperscale elite. With Azure, Microsoft has emerged as one of a small group of "hyper-scale" cloud vendors including Amazon Web Services (AWS) and Google. We forecast Intelligent Cloud (IC) revenue of $26,930 million (+8%) in FY17 and a 9% FY16-FY20E CAGR with on-premise server flat, and Azure up 89% to 20% of IC revenue by FY18E. We believe CEO Satya Nadella’s aggressively open strategy toward non-Microsoft platforms (Linux, containers) will make Azure a dominant PaaS, as well as IaaS. Industry feedback remains that Azure is second only to AWS in IaaS and is steadily closing the gap from a technology perspective.

Expanding enterprise cloud applications. Rather than yielding to Google Apps, we estimate Microsoft's cloud-based Office 365 grew over 50% last year, more than making up for declines in the on-premise Office business and driving growth in the Productivity and Business Processes segment at 6% constant currency in FY16. We forecast 7% growth in the segment long term. In addition, we believe Microsoft is getting more aggressive in the enterprise applications space, buying LinkedIn in December 2016 to add value and content to those applications, rolling out Dynamics 365 as a SaaS offering and, we believe, getting more serious over time in customer relationship and human capital management (CRM and HCM).

Windows/PC risk “bracketed.” Windows remains exposed to PC weakness and to what we see as the declining monetization of the OS long term as value moves up the cloud technology stack, away from infrastructure toward applications. That said, the most exposed portion of Windows, Consumer, was just 4% of FY16 revenue and Commercial just 11%. We forecast FY17 MPC revenue of $39,349 million, down 2% CC, with Windows down 6% and non-Windows (Surface, Bing, Xbox) down 1%, but returning to 3% CC growth in FY18E.

$69.00 target. Our $69.00 target price is based on a one-point premium to the S&P’s NTM P/E multiple at 17.9x on our FY20E EPS of $4.24, discounted at 5.3% to $3.82 in FY18E.

– Michael Turits, Ph.D.

Mohawk Industries (MHK:NYSE)

12-Month Target Price **$245.00**
Current Price (12/09/2016) **$199.86**
Suitability .... **High Risk/Growth**

FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$10.20	$12.60	$13.35
P/E	19.6x	15.9x	15.0x
GAAP EPS	$8.31	$12.49	$13.35
Revenue (mil.)	$8,072	$8,971	$9,402

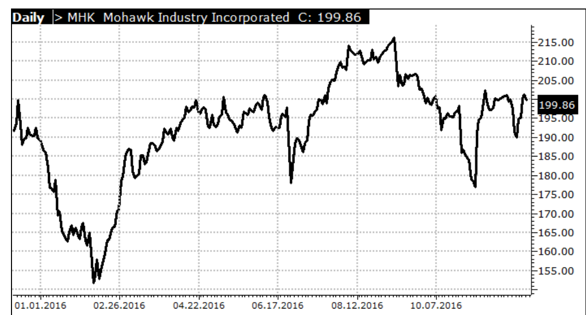
Non-GAAP EPS exclude one-time items.

Hist. 12-month Price Range .... $216.58 - $148.56
Dividend/Yield .... $0.00 / 0.0%
Market Capitalization (mil.) $14,910
Shares Outstanding (mil.) 74.6
Book Value (10/16) $76.36
ROE (TTM) 19%
LT Debt (mil.) $2,714/32%

Mohawk Industries, headquartered in Calhoun, Georgia, is the second-largest producer of carpets and rugs and the world's largest flooring manufacturer. Mohawk offers a broad line of carpet under the Mohawk, Aladdin, and Karastan brands. Ceramic tile brands include Dal-Tile and Marazzi. Laminate brands include Unilin and Pergo.

An Attractive, Well-Run, Under-Levered Housing Company With Pricing Power

Mohawk Industries, the largest floor covering producer in the U.S. and Europe, is an attractive and well-run entrepreneurial business that benefits from a favorable U.S. housing backdrop as well as the opportunity to leverage productivity investments and recent and prospective acquisitions. Furthermore, Mohawk is set to raise prices next year; the company's historical ability (and competitive positioning) to do so largely separates it from many of its building products peers. With increasing broad reflationary pressures, we believe companies with this ability to defray higher commodity and/or wage pressures will have outsized relative earnings and stock performance within our group. We believe Mohawk clearly fits the bill in this area.



© Thomson Reuters 2016.

The U.S. housing market remains a tailwind for now. While there is legitimate angst about the potential impact of rising interest rates on demand (historically Mohawk's forward P/E has had an inverse relationship with mortgage rates, as has the group), current conditions are still generally favorable, with new construction still recovering and home prices continuing to climb. We also note that should rates start to pick up meaningfully, we would expect a burst of demand from consumers trying to stay ahead of further rate increases before negative impacts would set in, although a tight labor market for construction and contractor jobs may put a cap on "froth."

More importantly, Mohawk is set to exercise its pricing power next year – as it has consistently done over years when input costs have risen. We expect many of these price increases to stick, based on Mohawk's large market share, a largely rational competitive subset, and the industry's fragmented retail customer base. This pricing power (which not all building products companies enjoy) could be especially important in 2017 in light of inflating commodities and labor costs. Specifically, Mohawk has announced a 3-5% price increase in carpet for January (and its primary competitors have followed suit). Mohawk has also generated positive pricing in its ceramic business for the last seven straight quarters.

Mohawk also remains primed for material accretive M&A. We estimate Mohawk has capacity for over $2 billion in acquisition spending (prior to any acquired EBITDA), and we believe management continues to actively search for deals. Mohawk's recent M&A track record is good, including the acquisition of IVC, which gave it a strong position in the fastest growing flooring category, luxury vinyl tile (LVT). Accretion from any new deals is not included in our estimates, and thus represents a potential source of upside.

Mohawk continues to trade below a market multiple. We view this as a historically attractive entry point (outside of one month in 2014, this is the cheapest MHK has been relative to the S&P since 2008). Our $245.00 price target is 17.7x our forward EPS estimate one year hence of $13.86 (slightly above the current S&P multiple, vs. a 10-year median of 1.2x).

– Sam Darkatsh

Monolithic Power Systems, Inc. (MPWR:NASDAQ)

12-Month Target Price **$100.00**
Current Price (12/09/2016) **$80.33**
Suitability .... **High Risk/Growth**

FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$0.95	$1.24	$1.82
P/E	84.6x	64.8x	44.1x
GAAP EPS	$0.86	$1.19	$1.74
Revenue (mil.)	$333	$388	$452

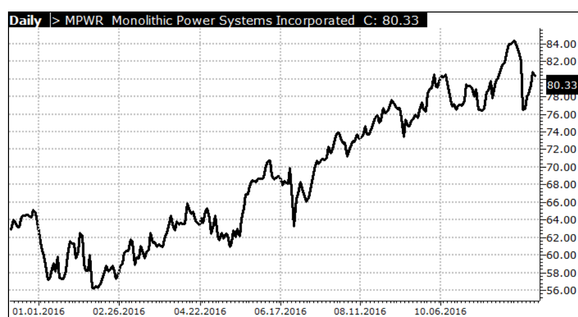
Non-GAAP EPS includes options expense.

Hist. 12-month Price Range .... $84.83 - $55.05
Dividend/Yield .... $0.80 / 1.0%
Market Capitalization (mil.) $3,366
Shares Outstanding (mil.) 41.9
Book Value (09/16) $9.94
ROE (TTM) 8%

Monolithic Power Systems, Inc. (MPS), headquartered in San Jose, California, designs, develops, and sells high performance analog and mixed-signal semiconductors used in end-applications such as high-end consumer, industrial/auto, and servers. While Monolithic Power Systems operates with a fabless model, the company uses differentiated proprietary process technology at its foundry partners.

Increased Diversification Efforts and Share Gains Set up Strong 2017 Outlook

Trends within Monolithic Power's core businesses have been strong and we are optimistic about the upside in the future from servers, notebook and auto wins. Also, Power Modules and e.Motion are differentiated solutions offering long-term potential. MPS has been going through a portfolio transition with a mix-shift toward higher value, higher dollar content wins (server/storage, automotive, industrial end markets). This has been supported by the introduction of new process technologies (BCD3, BCD4, BCD5). MPS's unique QSMod technology is driving traction in compute, and we think it will give the company a leg up in a variety of other markets as well. Given these innovations, the company has demonstrated a strong growth profile, which is likely to drive outsized performance.



© Thomson Reuters 2016.

One of the most exciting near-term trends for MPS has been its share gains in computing. MPS has been able to take advantage of the hole left behind when Infineon acquired International Rectifier, in addition to struggles with the Volterra data center portfolio. MPS currently has ~$13.00 of content on Grantley servers and expects to grow content to ~$49.00 on Purley, thanks to its highly integrated Vcore solutions.

MPS has been making great strides in improving its diversification efforts, especially in the automotive space. Within auto, MPS has been gaining content in various areas including infotainment, lighting, safety, and networking. We see automotive as one of the strongest growth drivers for the semiconductor space and see MPS as being able to grow double digits for the next few years, coming off a relatively small revenue base. The industrial end-market has also benefited from revenue in smart meters, security, and power sources.

MPS's high gross margin Power Module business continues to sound positive. These Power Modules have a smaller form factor than competitors and have both a lower cost and high efficiency due to the monolithic structure of the products. These products not only expand MPS's addressable market, but also provide a boost to margins as even the consumer Power Modules have an above corporate average gross margin. While revenue is still a small contributor today, we think it should provide a material tailwind over the next few years.

Our price target of $100.00 is based on a ~26x multiple to our 2018 pro forma EPS estimate of $3.55, net $6.18/share in cash, in line with its historical average of 26x over the past three years. While shares trade above peers, we believe the premium is warranted given the company's consistently strong growth profile and favorable mix.

– J. Steven Smigie

Mylan N.V. (MYL:NASDAQ)

12-Month Target Price **$57.00**
Current Price (12/09/2016) **$36.51**
Suitability .... **High Risk/Growth**

FY (Dec)	2015A	2016E	2017E
Adj. EPS	$4.30	$4.70	$5.32
P/E	8.5x	7.8x	6.9x
GAAP EPS	$1.70	$2.30	$2.55
Revenue (mil.)	$9,446	$10,904	$12,987

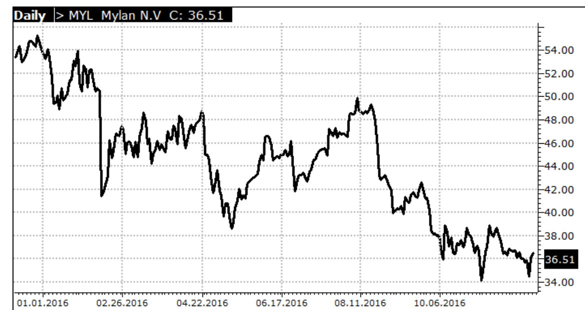
Adjusted EPS before intangibles and one-time items.

Hist. 12-month Price Range .... $55.51 - $33.60
Dividend/Yield .... $0.00 / 0.0%
Market Capitalization (mil.) $19,536
Shares Outstanding (mil.) 535.1
Book Value (09/16) $22.10
ROE (TTM) 2%
LT Debt (mil.) $11,329/39%

Mylan is a leading global pharmaceutical company engaged in the development, manufacture, and marketing of prescription generic, branded generic, and specialty pharmaceuticals offering one of the broadest product portfolios in the pharmaceutical industry. The company is the second largest U.S. generic company based on volume with leadership positions in France, Australia, and several other key European markets. The Specialty division markets and distributes EpiPen and other branded products in the respiratory category.

After EpiPen Stuck It to Shares in 2016, 2017 Can Only Bring Relief

2016 was the year of EpiPen, not because of the strong growth of the company's flagship franchise but due to the ensuing debacle of its elevation to the forefront in the backlash against escalating pharmaceutical prices. Despite the continued resonation of negative headlines on industry pricing trends and diminished confidence that the Trump presidency will usher in a kinder, gentler period of drug price rhetoric, we believe MYL shares are poised for substantial outperformance in 2017.



© Thomson Reuters 2016.

Multiples Reflect Quasi-Doomsday Scenarios on Industry Pricing

Basis for our positive stance on the name is valuation-driven as negative headlines around EpiPen pricing practices and concerns over deteriorating generic pricing industrywide have driven multiple levels, both P/E and EV/EBTDA, to 20-year lows. Post management's grilling on Capitol Hill for its list price strategy for the EpiPen franchise, Mylan management announced settlement with the U.S. Department of Justice (DOJ) over the alleged underpayment of EpiPen rebates to the U.S. Medicaid program. We believe this largely eliminated what had become a significant overhang on shares, enabling investor focus to now largely shift back to basic fundamentals.

Base Case Is High-Single-Digit EPS Growth 2017-2018

Post Mylan's recent decision to introduce its own generic version of EpiPen, a move that we estimate could cost the company some $300 million in EBITDA annually, management reaffirmed a long-standing target of $6.00 in adjusted EPS for 2018. In light of what we see as the likelihood for more challenging short-term pricing headwinds and an underwhelming pace of new generic product approval flow from FDA, we remain below this target pending greater visibility and confidence in growth drivers. However, we still believe that with 250-plus generic applications pending approval and the recent launch of durable growth drivers such as the first generic Benicar and expected launch of generic Concerta in 2017, the case for at least high-single-digit bottom-line growth in 2017-2018 remains firmly in place. Upside scenarios to this narrative are largely predicated on management delivering upon its long-standing EPS objective of $6.00 in 2018 and demonstrating sustainability of this base, an outcome largely predicated on the delivery of high barrier-to-entry durable generic approvals.

Valuation

MYL shares currently trade at sub-7.0x forward 12-month consensus EPS, matching shares' 20-year low, and well below 10-year average forward P/E of just under 12.0x. While current negative sentiment in specialty pharmaceutical names in general will constrain near-term multiple expansion scenarios, with EpiPen news flow relegated to the back pages, we believe that focus will shift back to the basic elements of the Mylan growth story anchored in the company's ability to grind out approvals in its core U.S. generics business. We believe that even with reduced EpiPen expectations and heightened U.S. pricing risk, MYL should still be able to deliver at least high-single-digit EPS growth in 2017-2018, facilitating a return to double-digit forward valuations. Our price target of $57.00 assumes a multiple of 10x our 2018E EPS of $5.72.

– Elliot Wilbur, CFA

Newell Brands Inc. (NWL:NYSE)

12-Month Target Price **$57.00**
Current Price (12/09/2016) **$45.53**
Suitability .... **Medium Risk/Growth**

FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$2.18	$2.88	$3.00
P/E	20.9x	15.8x	15.2x
GAAP EPS	$1.29	$2.88	$3.00
Revenue (mil.)	$5,916	$13,590	$16,181

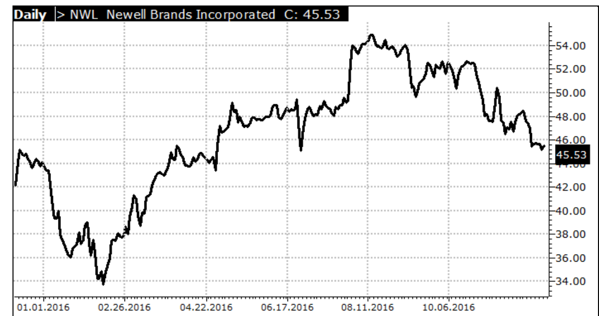
Non-GAAP EPS is adjusted for one-time items.

Hist. 12-month Price Range .... $55.45 - $33.26
Dividend/Yield .... $0.76 / 1.7%
Market Capitalization (mil.) $21,973
Shares Outstanding (mil.) 482.6
Book Value (09/16) $23.68
ROE (TTM) 29%
LT Debt (mil.) $12,043/41%

Newell Brands, headquartered in Hoboken, New Jersey, is an international manufacturer and marketer of consumer products sold through major retailers, including discount stores, drugstores, grocery stores, home centers, and office superstores. Its highly recognizable consumer brand names include Graco, Calphalon, PaperMate, Waterman, Goody, Sharpie, Yankee Candle, Sunbeam, Oster, and Coleman.

Combination With Jarden Should Yield Meaningful Benefits Over Time

We believe the shares of Newell Brands offer particularly compelling value to investors, as it appears poised to capitalize on the recent transformative acquisition of Jarden Corporation, which closed in April. Importantly, in our view, the combination provides meaningful scale and cross-selling advantages for Newell across a number of its products and geographies, as well as significant cost synergies that could very well exceed the targeted $500 million in savings over the next three years. While execution over the next few quarters is critical as Newell looks to complete the integration of Jarden, we continue to have a high degree of confidence in management and believe the shares should respond positively as certain key milestones are reached with limited disruption.



© Thomson Reuters 2016.

Improving Product Portfolio and Balance Sheet
In the wake of the Jarden acquisition, this past fall the company announced plans to divest certain non-core businesses representing roughly $1.5 billion in annual net sales, or nearly 10% of total, including tools, winter sports, heaters, humidifiers and fans, as well as consumer storage. Shortly thereafter, Newell reached a deal to sell the majority of its tools segment, which represents about half of this sales estimate, to Stanley Black & Decker for an attractive price of nearly $2 billion, or approximately $1.5 billion after tax, with the sale of the balance expected to be announced throughout 2017.

Importantly, we believe these divestitures should benefit NWL shareholders in two ways. First, most of the businesses held for sale have lower growth and margin profiles than the corporate average and thus should result in an improved and more growth-oriented product portfolio over time, one that responds well to increased innovation and advertising investment. Second, the proceeds from these divestitures should address what has been a key concern among NWL investors, namely its balance sheet post-acquisition, with a leverage ratio approaching 5x. Importantly, we roughly estimate that through the healthy generation of free cash flow and the anticipated after-tax proceeds, the company could reach its targeted leverage ratio of 3.0-3.5x perhaps by the end of 2017.

Attractive Valuation
Since the arrival of CEO Mike Polk in 2011, the shares of NWL have undergone what in our view is a justified positive rerating from a valuation perspective. The stock is currently trading at around 15x our pro forma normalized 2017 EPS estimate of $3.00, which compares to its three- and five-year averages of 16x and 14x, respectively. However, we believe a premium is justified given Newell's impressive track record of solid and consistent performance of late. What's more, shares still trade below many of NWL's peers within our Household & Personal Care Products coverage universe despite delivering impressive results, though this valuation gap should narrow through balance-sheet deleveraging, coupled with healthy top- and bottom-line growth, as the benefits of the Jarden acquisition further manifest themselves.

Our $57.00 target price on NWL reflects a 19x multiple on our 2017 EPS estimate of $3.00. While this is above the stock's three- and five-year average forward multiples of 16x and 15x, respectively, we believe this premium valuation is justified given the company's strong record of execution, which we expect to continue, along with rapid debt reduction.

– Joseph Altobello, CFA

O'Reilly Automotive, Inc. (ORLY:NASDAQ)

12-Month Target Price **$330.00**
Current Price (12/09/2016) **$275.96**
Suitability ....**Medium Risk/Growth**

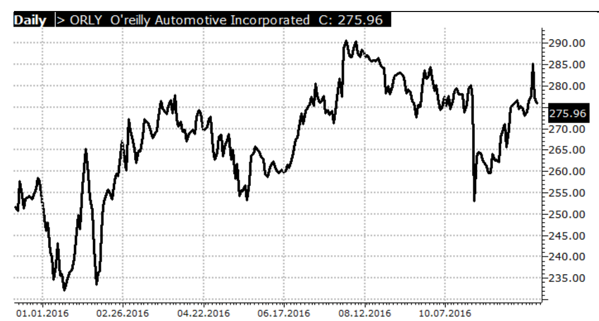
FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$9.29	$10.72	$12.45
P/E	29.7x	25.7x	22.2x
GAAP EPS	$9.17	$10.72	$12.45
Revenue (mil.)	$7,967	$8,580	$9,173

Non-GAAP EPS exclude one-time items and restructuring charges.

Hist. 12-month Price Range .... $292.84 - $225.12
Dividend/Yield .... $0.00 / 0.0%
Market Capitalization (mil.) $29,997
Shares Outstanding (mil.) 108.7
Book Value (09/16).. $19.77
ROE (TTM) 52%
LT Debt (mil.) $1,396/39%

O'Reilly Automotive, Inc., based in Springfield, Missouri, is one of the largest auto parts chains in the country with over 4,712 stores in 44 states. It caters to customers in the "do-it-yourself" (DIY) and professional installer segment that caters to the "do-it-for-me" (DIFM) segment of the automotive aftermarket.

Best Growth Idea in Hardline Retail



© Thomson Reuters 2016.

O'Reilly is one of the premier top-line growth stories in hardline retail, driven by 5% sq. ft. growth, industry-leading comp sales growth, expanding GM%, growing FCF, rising ROIC, and aggressive share buybacks. Further, during this cycle of slower industry revenue growth, O'Reilly is widening its market share growth at a faster rate.

Auto part retailers possess strongest fundamentals in hardline retail. Key points include: 1) this is the most profitable sector, as measured by EBIT% and ROIC; 2) competitors focus on service levels and parts availability to drive market share but not pricing, leading to improving industrywide GM%; and 3) limited working capital is needed for inventory expansion as a result of remarkably high accounts payable/ inventory for each company (O'Reilly reached 108% in 3Q16) providing a high ROIC for investors.

Industry-leading comp sales gain. O'Reilly continues to achieve solid comp sales performance, growing 7.5% in 2015 and 4.2% in 3Q16 on top of a 7.9% gain in 3Q15; we anticipate future comp sales running at ~4%. Industry growth remains strong and is benefiting from low gasoline prices and strength in vehicles miles driven (up 3.1% YTD and 29% since 1995). Additional drivers include: 1) O'Reilly's supply chain investments over the past decade, leading to improved parts coverage, supports the company's ability to expand its commercial market share; 2) average ticket likely to benefit from parts becoming more technologically sophisticated, leading to higher average unit retail; and 3) comparable traffic likely to increase as newer markets such as California and Florida become more mature.

Strong GM% expansion cycle. Over the past decade, O'Reilly's GM% has increased 860 bp. The combination of robust comp sales gains and expanding GM% led to gross profit comps growing 4.8% in 3Q16 on top of a 9.5% gain in 3Q15 – the strongest performance in hardline retail. This exemplifies that the quality of O'Reilly's comp sales gains is especially strong. Drivers supporting the expansion of GM% include: greater buying leverage, increased private label penetration (44% today compared to 25% eight years ago), improved distribution center efficiency, and a benign promotional environment.

Expanding operating margin rate. Operating margin has steadily improved from 9.4% in 2008 to an estimated 19.9% rate for 2016. We estimate that EBIT% for O'Reilly can reach 21% by 2018 as the company continues to deliver on initiatives to improve the gross margin rate, as well as leverage operating expenses with its robust same-store sales growth.

Improving capital efficiency. ROIC has improved to a trailing-four-quarter rate of 21.0% in 3Q16 from 8.7% in 2008, driven by the combination of rising EBIT% and faster capital turnover.

Aggressive share buybacks. O'Reilly's free-cash generation, combined with incremental debt capacity, could enable the company to repurchase 4-5% of its shares during full-year 2017. As a reminder, O'Reilly has authorized $7 billion in share repurchases since 2011 and has repurchased ~$4 billion of its shares over the past four years.

Our target price of $330.00 anticipates ORLY's P/E multiple to be valued at 26.5x our 2017 EPS estimate of $12.45, which is slightly above ORLY's current valuation of 25.7x our 2016 EPS estimate of $10.72. We believe O'Reilly's premium valuation is warranted given we cannot identify another retailer that is generating +19% EBIT% rates and simultaneously growing its EPS +15% annually.

– Dan Wewer, CFA

Oasis Petroleum Inc. (OAS:NYSE)

12-Month Target Price **$18.00**
Current Price (12/09/2016) **$15.45**
Suitability .... **High Risk/Growth**

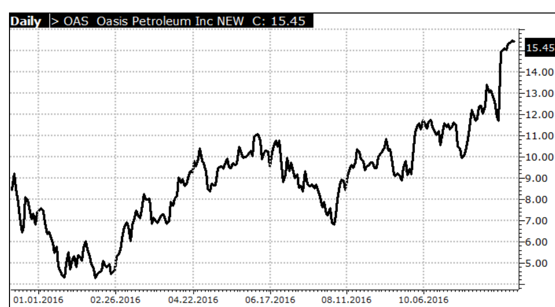
FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$0.78	$(0.57)	$0.40
P/E	19.8x	NM	38.6x
GAAP EPS	$(0.31)	$(1.18)	$0.40
Revenue (mil.)	$1,160	$810	$1,478

Non-GAAP EPS excludes unrealized hedging losses, property impairments, and other extraordinary items.

Hist. 12-month Price Range .... $15.76 - $3.40
Dividend/Yield .... $0.00 / 0.0%
Market Capitalization (mil.) $2,799
Shares Outstanding (mil.) 181.2
Book Value (09/16) $9.74
ROE (TTM) .... -1%
LT Debt (mil.) $2,091/38%

Oasis Petroleum is a Houston, Texas-based independent exploration & production company focused on the development of oil-weighted assets in the Williston Basin. At year-end 2015, the company's high quality asset base included 218 MMBoe of long-lived reserves, which were 85% oil-weighted and 68% developed.

Uniquely Positioned to Take Advantage of Oil Recovery Based on Deep Inventory, Rapidly Improving Well Productivity, and Integrated Operations



© Thomson Reuters 2016.

Despite OAS's strong participation in the energy stock rally of recent months, its elevated short interest, representing ~19% of the float (3.1 days to cover), indicates that the market is still skeptical. In our view, this is unwarranted, given that recent strength in oil prices has only boosted our confidence in the catalysts driving performance in the name. These include 1) one of the largest inventories of drilled but uncompleted wells (DUCs) in our coverage universe (relative to proved reserves), giving the company the flexibility to economically ramp production more quickly than its peers in a rising oil price environment, 2) potential for greatly improved well productivity, supported by both recent company drilling results as well as those from offset operators, 3) an underappreciated in-house oilfield services unit that helps shield the company from cost increases, and 4) expansion of the midstream business.

Inventory of drilled but uncompleted wells provides growth optionality. Oasis has a very large inventory of 83 DUCs in the Bakken, with an estimated aggregate EUR equal to a significant 24% of its 2015 proved reserves. Should oil prices remain above $50/bbl, Oasis will likely start significantly drawing down the backlog (in addition to doubling its Bakken rig count from two to four). As a result of the increased activity, we project top-quartile production growth, and the company anticipates 4Q-to-4Q growth of ~15% in both 2017 and 2018, with a YE18 forecast of over 80 MBoe/d. Based on our drilling forecast, which includes the impact of the DUCs as well as increasing well productivities, we believe Oasis has a great chance of hitting its target. Note that the Street tends to disagree, with an average consensus 2018 production forecast of ~74 Mboe/d.

Well productivity on the rise… but the best could still be yet to come. Oasis continues to optimize its completion design (separately testing very high proppant loads of up to 20 million pounds and using slickwater completions in place of hybrid gel technology). This has proved highly successful thus far, as the company recently raised its Wild Basin area type curve by ~50%. Of note, while the company has traditionally utilized these completion techniques individually, nearby operators have combined them to great effect, suggesting that Oasis could see even further EUR upside across its acreage through continued optimization. While enhanced completions generally cost ~20% more than standard completions, the 50%+ uplift in productivity is well worth the extra cost.

Well Services division helps differentiate Oasis from Bakken peers. As proppant loads increase across the basin and industry activity picks up, it is natural to expect that the increased demand for pressure pumping will lead to increases in completed well costs. This will have less of an impact on Oasis, however, as its Well Services business largely insulates it from the price increases. This gives the company a decided cost advantage in an environment of increased drilling activity that is not afforded to its Bakken peers.

Midstream to see significant expansion over next couple of years. Oasis recently brought online its Wild Basin midstream assets (including gas gathering and an 80 MMcf/d gas processing plant, oil gathering, stabilization, and storage as well as saltwater gathering and disposal wells). While we conservatively value the OMS unit at 10x our expected 2016 EBITDA of $80 million, following increased utilization, EBITDA could reach $130-140 million by 2018.

Valuation: Our $18.00 target price is based on our total company NAV analysis, which assumes a long-term commodity forecast of $70/bbl for WTI and $2.50/MMbtu for Henry Hub. Please refer to our November 8 comment for our NAV analysis details.

– John Freeman, CFA

Roper Technologies (ROP:NYSE)

12-Month Target Price **$215.00**
Current Price (12/09/2016) **$185.80**
Suitability .... **Medium Risk/Growth**

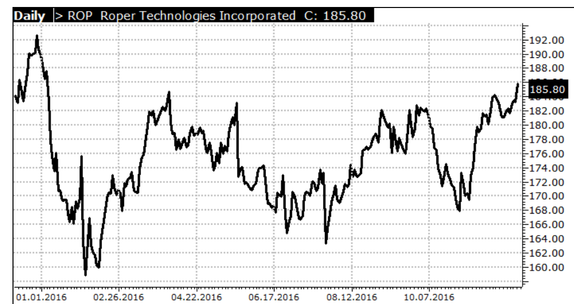
Hist. 12-month Price Range .... $193.32 - $155.79
Dividend/Yield .... $1.40 / 0.8%
Market Capitalization (mil.) $18,846
Shares Outstanding (mil.) 101.4
Book Value (09/16) $56.32
ROE (TTM) 13%
LT Debt (mil.) $3,087/38%

FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$6.95	$6.51	$8.21
P/E	26.7x	28.5x	22.6x
GAAP EPS	$6.85	$6.43	$7.46
Revenue (mil.)	$3,582	$3,769	$4,611

Non-GAAP EPS excludes purchase accounting amortization and acquisition related adjustments.

Roper Technologies, Inc., a diversified technology company headquartered in Sarasota, Florida, designs and develops software-as-a-service and engineered products and solutions. Roper operates in a variety of niche end markets, including healthcare, transportation, food, energy, water, education, and academic research. Roper primarily grows earnings by focusing on its operating performance of existing businesses and by acquiring other businesses that offer high value-added services and engineered products and solutions.

Pristine Model Coupled With Top-Notch Management



© Thomson Reuters 2016.

Roper provides engineered products and software solutions to markets that are generally neglected by technology and insulated from broad competitive threats. The company reports its results in four broad segments, including medical solutions, RF technology and software, industrial, and energy. We ascribe the value of Roper less to the collection of end markets served and more to the company's methodology of perpetual capital deployment into asset-light businesses that continually enhance the firm's cash return on investment (CRI), enable FCF to compound rapidly, and ultimately feed a virtuous cycle of acquired and organic growth. The company's financial model is borderline gaudy as this transformation has catalyzed gross margins of ~60%, EBITDA margins of ~35%, and has morphed into a cash-generating juggernaut that self-improves with additional cash deployment. The model has proven successful over Roper's two-plus decades as a public company. A theoretical $100 invested at ROP's 1992 IPO would be worth ~$10,000 today compared to the S&P 500's value of the same investment at ~$975.

FCF and CRI Form the Foundation at Roper

The company is meticulous in its disciplined approach of running its business to optimize returns, acquire businesses that enhance the enterprise CRI, compound its cash flow, and deploy capital to perpetuate the cycle. With the successful execution of this methodology, the company has significantly reduced the capital intensity of its business portfolio, expanded margins, increased recurring revenue, diversified away from cyclical markets, and increased its annual FCF approximately fifteen-fold since 2003. The company deployed $1.8 billion in 2015 and is on track to deploy $3.4+ billion in 2016 (over 3x management's original target) toward M&A that fits this profile. Our long-term model is predicated on 3-5% organic growth, steady margin improvement, and continual growth in FCF that we expect to be deployed toward acquisitions.

Governance a Key Differentiator at Roper

The company has approximately 50 operating businesses, with individual management teams responsible for their P&L. The individual business strategies are fairly straightforward – take market share, grow organically, and do it with increasing amounts of operating leverage and focus on economic profits. We think there are four common secular themes that tie Roper's 50 businesses and four segments together, including: automation, urbanization, demographics/health, and energy. A major component of each of Roper's reporting segments benefits from one of these trends.

Price Target $215

Our 12-month price target is $215.00, reflecting a 15x EV/adj. EBITDA multiple, which sits at the midpoint of ROP's three-year average of 13-17x. We see accelerating organic growth, a positive estimate revision bias, and material contributions from the $5+ billion of capital deployed towards M&A over the last two years as the catalysts to augur shares higher over the next 12 months.

– Brian Gesuale

UnitedHealth Group (UNH:NYSE)

12-Month Target Price **$185.00**
Current Price (12/09/2016) **$160.12**
Suitability .... **Medium Risk/Growth**

Hist. 12-month Price Range .... $162.52 - $107.51
Dividend/Yield .... $2.50 / 1.6%
Market Capitalization (mil.) $173,410
Shares Outstanding (mil.) 1,083.0
Book Value (09/16) $39.55
ROE (TTM) 19%
LT Debt (mil.) $26,022/42%

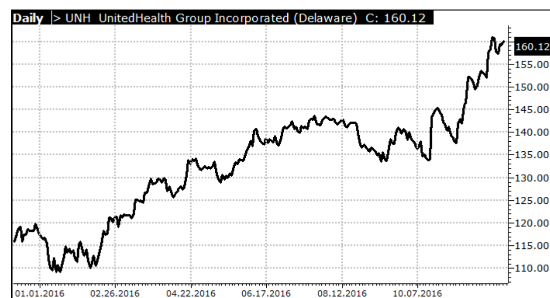
FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$6.45	$8.01	$9.50
P/E	24.8x	20.0x	16.9x
GAAP EPS	$6.01	$7.43	$8.92
Revenue (mil.)	$156,397	$183,318	$197,979

Non-GAAP EPS exclude one-time items, as well as non-cash amortization expense pertaining to acquisition-related intangible assets. Actual revenue results exclude investment income.

UnitedHealth Group, based in Minneapolis, Minnesota, provides a diverse and comprehensive array of health and well-being services to people through all stages of life. The company consists of six market-facing business segments: UnitedHealthcare Employer & Individual providing health benefit products and services to businesses and individuals; UnitedHealthcare Medicare & Retirement offering health benefit products and services to senior citizens; UnitedHealthcare Community & State serving state sponsored programs including Medicaid; OptumHealth providing population health management solutions that address the physical, mental and financial needs of organizations and individuals; OptumInsight offering technology services, information, analytics, business services and consulting; and OptumRx specializing in the delivery, clinical management and affordability of prescription medications and consumer health products.

Share Gains/Leveraging Optum Should Drive Outperformance in 2017

Diversification Provides Optionality
As the healthcare landscape continues to change, UnitedHealth Group is well positioned to weather looming post-election changes in the healthcare system. While it is currently difficult to ascertain a direct path to the new frontier, UnitedHealth has demonstrated under the current administration its ability to leverage its diverse footprint by redirecting capital to high growth opportunities.



© Thomson Reuters 2016.

Optum Remains a Compelling Growth Story
Optum's three primary business lines, OptumHealth, OptumRx, and OptumInsight, all represent strong growth opportunities in 2017. OptumHealth continues to leverage the move toward consumerism and value-based care through the continued advancement of the care delivery model with additional MedExpress locations and physician relationships in the coming year. OptumRx has seen impressive retention rates (high 90s) since the Catamaran acquisition, while the PBM is reaping the benefits of differentiation in a highly competitive market with share gains by targeting a 3-5% margin. OptumInsight recently won a revenue management contract (Optum360) with Quest Diagnostics, and Parexel formed a strategic alliance with Optum providing access to its clinical and claims data sets as well as analytical tools to accelerate and enhance the drug development process.

Medicare Growth Accelerating
Management's 2017 guidance for the Medicare business handily beat expectations, indicating that investments in star ratings (highest enrollment-weighted average star ratings within our coverage) and solid distribution partnerships are paying off nicely. We estimate 2017 y/y unit growth for UnitedHealth's Medicare Advantage (MA) book at ~21% to 4.37 million members, which is well above the industry rate of 5-6%. MA penetration is hovering around 32%, which leaves ample room for share growth out of tradition fee-for-service Medicare (68% share) going forward, especially if the Republican push to privatize Medicare is enacted. This is a key development to watch in order to gain insight into the potential pace of enrollment growth moving forward.

Valuation
UNH trades at ~15x our 2018 adj. EPS estimate of $10.50, above the midpoint of the five-year historical average range of 9-18x forward estimated earnings. Our $185.00 price target assumes the stock will trade at ~17.5x. Our view is justified by the company's scale advantage and diversified book of business.

– Michael J. Baker

Willis Towers Watson plc (WLTW:NASDAQ)

12-Month Target Price **$145.00**
Current Price (12/09/2016) **$122.79**
Suitability .... **High Risk/Growth**

Hist. 12-month Price Range .... $133.40 - $104.11
Dividend/Yield .... $1.92 / 1.6%
Market Capitalization (mil.) $16,945
Shares Outstanding (mil.) 138.0
Book Value (09/16).. $78.99
ROE (TTM) 4%
LT Debt (mil.) $3,267/23%

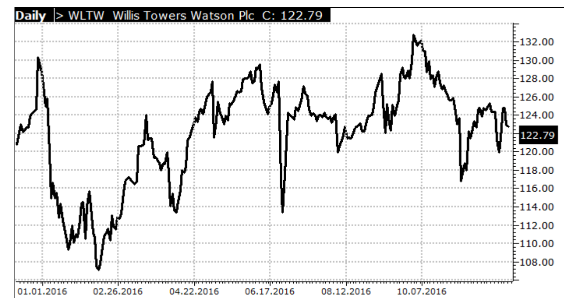
FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	NA	$7.60	$8.40
P/E	NA	16.2x	14.6x
GAAP EPS	NA	$2.17	$3.92
Revenue (mil.)	NA	$7,875	$8,213

Non-GAAP EPS excludes merger transaction & integration expenses, stock-based compensation from restricted shares issued in the merger, amortization of intangible assets, and other one-time/unusual items. Pro forma actuals have not yet been provided by the company.

Willis Towers Watson plc (WTW) is a newly formed global professional services firm that specializes in providing advisory, brokering, consulting, and other professional services to manage risk, benefits, talent, and capital to clients across 120 countries. Willis Towers Watson was formed on January 4, 2016, from the merger of Willis Group Holdings and Towers Watson.

Operating Metrics Should Improve in 2017; Compelling Valuation

We believe Willis Towers Watson is best positioned among the large insurance brokerage & technology companies to outperform in 2017, given the company is still in the early stages of a restructuring plan that should position it to narrow the relative valuation gap compared with its peers as operating performance begins to show improvement in 2H17. We believe that management will be focused on merger integration over the next 18 months and expect additional leadership changes, reflecting the management shift toward improving profitability over revenue growth.



© Thomson Reuters 2016.

Since the closing of the merger of Willis and Towers Watson on 1/4/16, operating costs have started to improve sequentially (0.6 pts from 1Q16 to 2Q16 and 3.6 points from 2Q16 to 3Q16), which is consistent with the goals of the ongoing restructuring and integration plans. The legacy Willis operational improvement program (OIP) that began in 2Q14 is expected to be completed by the end of 2017. Management has started to limit all new reinvestment initiatives to improve the bottom-line impact from the expected annual cost savings of ~$325 million related to the OIP in 2018.

Willis Towers Watson's revenue results since 1/4/16 have been mixed, with the company reporting growth in Western Europe and Great Britain and a slowdown in Brazil and China. Going forward, we expect annual organic revenue growth will be in the low-single-digit range and include some benefit from management's revenue synergy targets in the range of $375-675 million.

Our non-GAAP EPS estimates for 2016, 2017, and 2018 are $7.60, $8.40, and $9.90, which reflect a cautious stance compared with consensus estimates of $7.70, $8.51 and $9.94, respectively. Moreover, the consensus 2018 EPS estimate is below the minimum hurdle of $10.10, which is part of management's incentive compensation. We do expect some downside support to EPS from management's commitment to reduce net shares by 8 million through 2018. The risks to our estimates include deterioration in world-wide economic conditions, accelerating employee turnover, and/or changes to the regulatory/tax environment for multi-national companies.

Our estimates include year-over-year margin improvement beginning in 2H17. Shares of WLTW have decreased 0.2% year-to-date compared with a 17.6% increase for the S&P 500 Insurance Brokers index. We expect shares of WLTW to outperform as operating performance begins to improve in 2H17. Our $145.00 target price assumes WLTW trades at 11.8x our 2017 EBITDA estimate and 17.3x our 2017 non-GAAP EPS estimate of $8.40. This compares with AON and MMC's multiples of 11.7x EV/2017 EBITDA and 17.5x 2017 EPS.

– C. Gregory Peters

Wintrust Financial Corporation (WTFC:NASDAQ)

12-Month Target Price **$79.00**
Current Price (12/09/2016) **$70.51**
Suitability .... **High Risk/Growth**

FY (Dec)	2015A	2016E	2017E
Non-GAAP EPS	$3.10	$3.58	$3.80
P/E	22.7x	19.7x	18.6x
GAAP EPS	$2.93	$3.64	$3.80
Revenue (mil.)	$919	$1,039	$1,102

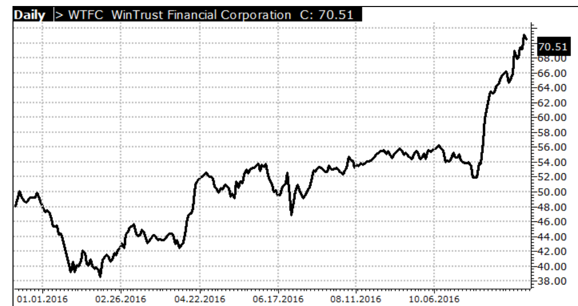
Non-GAAP EPS exclude non-core and one-time items.

Hist. 12-month Price Range .... $71.61 - $37.96
Dividend/Yield .... $0.48 / 0.7%
Market Capitalization (mil.) $3,645
Shares Outstanding (mil.) 51.7
Book Value (09/16)... $46.86
ROE (TTM) .... NM

Wintrust Financial Corporation is a community bank headquartered in Rosemont, Illinois, a suburb of Chicago. The company operates roughly 150 banking offices through multiple community bank subsidiaries that are primarily located in affluent markets in the Chicago area. Wintrust's strategy is to capitalize on a lack of personalized customer service from other financial services providers in its target markets.

Strong Midwestern Bank to Benefit From Rising Rates and Economic Improvement

Growth-focused bank in Chicago and Wisconsin. Wintrust is a premier growth-oriented community bank in the Chicago and Wisconsin markets. The company adeptly navigated the last recession as asset quality metrics compared favorably to its closest peers, permitting the company to capitalize on market dislocation through multiple acquisitions and hires. We expect the bank to continue to gain market share and outgrow most of its peers, and we note that following the election of Donald Trump as president, we believe the prospect for higher rates and a more favorable banking environment has increased significantly.



© Thomson Reuters 2016.

Highly levered to rising interest rates. Wintrust is one of the most asset sensitive banks in our coverage universe, due to its large short-duration commercial and industrial (C&I; 31% of loans) and premium finance (30%) loan portfolios, driving an expected 17% increase in annual net interest income given a 200 bp rise in interest rates (see our industry Report from November 21), the 5th largest increase among banks with at least $10 billion in assets.

Attractive environment could drive acceleration of loan growth. Following the election of Donald Trump on November 8, we believe there is now a greater chance of accelerating loan demand due to increased corporate investment, as uncertainty in the business environment has been reduced. While we maintain our 8% loan growth forecasts for 2017 and 2018, we believe these forecasts could be conservative due to higher demand. Recall that we do not forecast additional merger activity in our models, but we expect the bank to remain acquisitive.

M&A is (and will remain) a core competency. Since January 1, 2015, Wintrust has completed six acquisitions of banks with $100-500 million in assets plus $555 million in loans from GE Capital. We expect it to continue its pursuit of similar accretive acquisitions, further leveraging the $150 million in equity capital that it raised in June.

Profitability improvement expected, regardless of rate environment. Operating efficiencies from the acquisition of First Community that closed in November should be fully realized in early 2017. Furthermore, with an expense base in place to handle a much larger balance sheet, we believe it is positioned to produce substantial positive operating leverage, improving its profitability metrics. While management reiterated guidance for a 2016 net overhead ratio (operating expenses minus noninterest income, as a percentage of average assets) of <1.50%, we believe our projections of 1.47% in 2017 and 1.46% in 2018 (1.48% in 2016) may be conservative, regardless of the rate environment.

Should trade at premium P/E multiple to peers. Our 12-month price target of $79.00 assumes WTFC trades at 19.3x our 2018 EPS estimate of $4.08. We believe that WTFC should trade at a premium to peers (18.5x) due to its cleaner credit profile, attractive growth prospects, positive operating leverage, and asset sensitivity.

– David J. Long, CFA

Important Investor Disclosures

Raymond James & Associates (RJA) is a FINRA member firm and is responsible for the preparation and distribution of research created in the United States. Raymond James & Associates is located at The Raymond James Financial Center, 880 Carillon Parkway, St. Petersburg, FL 33716, (727) 567-1000. Non-U.S. affiliates, which are not FINRA member firms, include the following entities that are responsible for the creation and distribution of research in their respective areas: in Canada, Raymond James Ltd. (RJL), Suite 2100, 925 West Georgia Street, Vancouver, BC V6C 3L2, (604) 659-8200; in Europe, Raymond James Euro Equities SAS (also trading as Raymond James International), 40, rue La Boetie, 75008, Paris, France, +33 1 45 64 0500, and Raymond James Financial International Ltd., Broadwalk House, 5 Appold Street, London, England EC2A 2AG, +44 203 798 5600.

This document is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. The securities discussed in this document may not be eligible for sale in some jurisdictions. This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. **Investors should consider this report as only a single factor in making their investment decision.**

For clients in the United States: Any foreign securities discussed in this report are generally not eligible for sale in the U.S. unless they are listed on a U.S. exchange. This report is being provided to you for informational purposes only and does not represent a solicitation for the purchase or sale of a security in any state where such a solicitation would be illegal. Investing in securities of issuers organized outside of the U.S., including ADRs, may entail certain risks. The securities of non-U.S. issuers may not be registered with, nor be subject to the reporting requirements of, the U.S. Securities and Exchange Commission. There may be limited information available on such securities. Investors who have received this report may be prohibited in certain states or other jurisdictions from purchasing the securities mentioned in this report. Please ask your Financial Advisor for additional details and to determine if a particular security is eligible for purchase in your state.

The information provided is as of the date above and subject to change, and it should not be deemed a recommendation to buy or sell any security. Certain information has been obtained from third-party sources we consider reliable, but we do not guarantee that such information is accurate or complete. Persons within the Raymond James family of companies may have information that is not available to the contributors of the information contained in this publication. Raymond James, including affiliates and employees, may execute transactions in the securities listed in this publication that may not be consistent with the ratings appearing in this publication.

Raymond James ("RJ") research reports are disseminated and available to RJ's retail and institutional clients simultaneously via electronic publication to RJ's internal proprietary websites (RJ Investor Access & RJ Capital Markets). Not all research reports are directly distributed to clients or third-party aggregators. Certain research reports may only be disseminated on RJ's internal proprietary websites; however such research reports will not contain estimates or changes to earnings forecasts, target price, valuation, or investment or suitability rating. Individual Research Analysts may also opt to circulate published research to one or more clients electronically. This electronic communication distribution is discretionary and is done only after the research has been publically disseminated via RJ's internal proprietary websites. The level and types of communications provided by Research Analysts to clients may vary depending on various factors including, but not limited to, the client's individual preference as to the frequency and manner of receiving communications from Research Analysts. For research reports, models, or other data available on a particular security, please contact your RJ Sales Representative or visit RJ Investor Access or RJ Capital Markets.

Additional information is available on request.

Analyst Information

Registration of Non-U.S. Analysts: The analysts listed on the front of this report who are not employees of Raymond James & Associates, Inc., are not registered/qualified as research analysts under FINRA rules, are not associated persons of Raymond James & Associates, Inc., and are not subject to FINRA Rule 2241 restrictions on communications with covered companies, public companies, and trading securities held by a research analyst account.

Analyst Holdings and Compensation: Equity analysts and their staffs at Raymond James are compensated based on a salary and bonus system. Several factors enter into the bonus determination including quality and performance of research product, the analyst's success in rating stocks versus an industry index, and support effectiveness to trading and the retail and institutional sales forces. Other factors may include but are not limited to: overall ratings from internal (other than investment banking) or external parties and the general productivity and revenue generated in covered stocks.

The views expressed in this report accurately reflect the personal views of the analyst(s) covering the subject securities. No part of said person's compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report. In addition, said analyst has not received compensation from any subject company in the last 12 months.

Ratings and Definitions

Raymond James & Associates (U.S.) definitions

Strong Buy (SB1) Expected to appreciate, produce a total return of at least 15%, and outperform the S&P 500 over the next six to 12 months. For higher yielding and more conservative equities, such as REITs and certain MLPs, a total return of at least 15% is expected to be realized over the next 12 months.
Outperform (MO2) Expected to appreciate and outperform the S&P 500 over the next 12-18 months. For higher yielding and more conservative equities, such as REITs and certain MLPs, an Outperform rating is used for securities where we are comfortable with the relative safety of the dividend and expect a total return modestly exceeding the dividend yield over the next 12-18 months.
Market Perform (MP3) Expected to perform generally in line with the S&P 500 over the next 12 months.
Underperform (MU4) Expected to underperform the S&P 500 or its sector over the next six to 12 months and should be sold.
Suspended (S) The rating and price target have been suspended temporarily. This action may be due to market events that made coverage impracticable, or to comply with applicable regulations or firm policies in certain circumstances, including when Raymond James may be providing investment banking services to the company. The previous rating and price target are no longer in effect for this security and should not be relied upon.

Raymond James Ltd. (Canada) definitions

Strong Buy (SB1) The stock is expected to appreciate and produce a total return of at least 15% and outperform the S&P/TSX Composite Index over the next six months.
Outperform (MO2) The stock is expected to appreciate and outperform the S&P/TSX Composite Index over the next twelve months.
Market Perform (MP3) The stock is expected to perform generally in line with the S&P/TSX Composite Index over the next twelve months and is potentially a source of funds for more highly rated securities.
Underperform (MU4) The stock is expected to underperform the S&P/TSX Composite Index or its sector over the next six to twelve months and should be sold.

Raymond James Europe (Raymond James Euro Equities SAS & Raymond James Financial International Limited) rating definitions

Strong Buy (1) Expected to appreciate, produce a total return of at least 15%, and outperform the Stoxx 600 over the next 6 to 12 months.
Outperform (2) Expected to appreciate and outperform the Stoxx 600 over the next 12 months.
Market Perform (3) Expected to perform generally in line with the Stoxx 600 over the next 12 months.
Underperform (4) Expected to underperform the Stoxx 600 or its sector over the next 6 to 12 months.
Suspended (S) The rating and target price have been suspended temporarily. This action may be due to market events that made coverage impracticable, or to comply with applicable regulations or firm policies in certain circumstances, including when Raymond James may be providing investment banking services to the company. The previous rating and target price are no longer in effect for this security and should not be relied upon.

In transacting in any security, investors should be aware that other securities in the Raymond James research coverage universe might carry a higher or lower rating. Investors should feel free to contact their Financial Advisor to discuss the merits of other available investments.

Rating Distributions

	Coverage Universe Rating Distribution*			Investment Banking Distribution		
	RJA	**RJL**	**RJEE/RJFI**	**RJA**	**RJL**	**RJEE/RJFI**
Strong Buy and Outperform (Buy)	53%	74%	52%	19%	47%	0%
Market Perform (Hold)	43%	26%	36%	8%	19%	0%
Underperform (Sell)	4%	0%	13%	0%	0%	0%

* Columns may not add to 100% due to rounding.

Suitability Ratings (SR)

Medium Risk/Income (M/INC) Lower to average risk equities of companies with sound financials, consistent earnings, and dividend yields above that of the S&P 500. Many securities in this category are structured with a focus on providing a consistent dividend or return of capital.

Medium Risk/Growth (M/GRW) Lower to average risk equities of companies with sound financials, consistent earnings growth, the potential for long-term price appreciation, a potential dividend yield, and/or share repurchase program.

High Risk/Income (H/INC) Medium to higher risk equities of companies that are structured with a focus on providing a meaningful dividend but may face less predictable earnings (or losses), more leveraged balance sheets, rapidly changing market dynamics, financial and competitive issues, higher price volatility (beta), and potential risk of principal. Securities of companies in this category may have a less predictable income stream from dividends or distributions of capital.

High Risk/Growth (H/GRW) Medium to higher risk equities of companies in fast growing and competitive industries, with less predictable earnings (or losses), more leveraged balance sheets, rapidly changing market dynamics, financial or legal issues, higher price volatility (beta), and potential risk of principal.

High Risk/Speculation (H/SPEC) High risk equities of companies with a short or unprofitable operating history, limited or less predictable revenues, very high risk associated with success, significant financial or legal issues, or a substantial risk/loss of principal.

Raymond James Relationship Disclosures

Raymond James expects to receive or intends to seek compensation for investment banking services from the subject companies in the next three months.

Stock Charts, Target Prices, and Valuation Methodologies

General Risk Factors: Following are some general risk factors that pertain to the businesses of the subject companies and the projected target prices and recommendations included on Raymond James research: (1) Industry fundamentals with respect to customer demand or product / service pricing could change and adversely impact expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes toward the sector or this stock; (3) Unforeseen developments with respect to the management, financial condition or accounting policies or practices could alter the prospective valuation; or (4) External factors that affect the U.S. economy, interest rates, the U.S. dollar or major segments of the economy could alter investor confidence and investment prospects. International investments involve additional risks such as currency fluctuations, differing financial accounting standards, and possible political and economic instability.

Additional Risk and Disclosure information, as well as more information on the Raymond James rating system and suitability categories, is available at rjcapitalmarkets.com/Disclosures/index. Copies of research or Raymond James' summary policies relating to research analyst independence can be obtained by contacting any Raymond James & Associates or Raymond James Financial Services office (please see raymondjames.com for office locations) or by calling 727-567-1000, toll free 800-237-5643 or sending a written request to the Equity Research Library, Raymond James & Associates, Inc., Tower 3, 6th Floor, 880 Carillon Parkway, St. Petersburg, FL 33716.

For clients in the United Kingdom:

For clients of Raymond James & Associates (London Branch) and Raymond James Financial International Limited (RJFI): This document and any investment to which this document relates is intended for the sole use of the persons to whom it is addressed, being persons who are Eligible Counterparties or Professional Clients as described in the FCA rules or persons described in Articles 19(5) (Investment professionals) or 49(2) (High net worth companies, unincorporated associations etc) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) or any other person to whom this promotion may lawfully be directed. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons and may not be relied upon by such persons and is therefore not intended for private individuals or those who would be classified as Retail Clients.

For clients of Raymond James Investment Services, Ltd.: This report is for the use of professional investment advisers and managers and is not intended for use by clients.

For purposes of the Financial Conduct Authority requirements, this research report is classified as independent with respect to conflict of interest management. RJA, RJFI, and Raymond James Investment Services, Ltd. are authorised and regulated by the Financial Conduct Authority in the United Kingdom.

For clients in France:

This document and any investment to which this document relates is intended for the sole use of the persons to whom it is addressed, being persons who are Eligible Counterparties or Professional Clients as described in "Code Monétaire et Financier" and Règlement Général de l'Autorité des Marchés Financiers. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons and may not be relied upon by such persons and is therefore not intended for private individuals or those who would be classified as Retail Clients.

For clients of Raymond James Euro Equities: Raymond James Euro Equities is authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution and the Autorité des Marchés Financiers.

For institutional clients in the European Economic Area (EEA) outside of the United Kingdom:

This document (and any attachments or exhibits hereto) is intended only for EEA institutional clients or others to whom it may lawfully be submitted.

For Canadian clients:

This report is not prepared subject to Canadian disclosure requirements, unless a Canadian analyst has contributed to the content of the report. In the case where there is Canadian analyst contribution, the report meets all applicable IIROC disclosure requirements.

Proprietary Rights Notice: By accepting a copy of this report, you acknowledge and agree as follows:

This report is provided to clients of Raymond James only for your personal, noncommercial use. Except as expressly authorized by Raymond James, you may not copy, reproduce, transmit, sell, display, distribute, publish, broadcast, circulate, modify, disseminate or commercially exploit the information contained in this report, in printed, electronic or any other form, in any manner, without the prior express written consent of Raymond James. You also agree not to use the information provided in this report for any unlawful purpose.

This report and its contents are the property of Raymond James and are protected by applicable copyright, trade secret or other intellectual property laws (of the United States and other countries). United States law, 17 U.S.C. Sec.501 et seq, provides for civil and criminal penalties for copyright infringement. No copyright claimed in incorporated U.S. government works.

Equity Research (800) 248-8863

Management

Robert P. Anastasi, CFA
(727) 567-2286
Chairman, Global Equity Research

Brian G. Alexander, CFA
(727) 567-2312
Senior Managing Director,
Director of Equity Research

Shawn Borgeson (727) 567-2571
Managing Director,
Product Development

Mercedes S. van Woerkom
(727) 567-2601
Managing Director, Equity Research

Consumer

Budd Bugatch, CFA (727) 567-2527
Director of Furnishings Research

Joseph Altobello, CFA (212) 883-4606
Household, Personal Care,
and Leisure Products

Sam Darkatsh (727) 567-2537
Building Products

Brian M. Vaccaro, CFA (404) 442-5866
Restaurants

Dan Wewer, CFA (404) 442-5846
Hardline Retailers

Benjamin P. Brownlow (404) 442-5859
Convenience Stores

Energy (800) 945-6275

J. Marshall Adkins
Director of Energy Research

John Freeman, CFA
Exploration & Production

Darren Horowitz
Midstream Suppliers

Pavel Molchanov
Integrated Oil & Gas/ Renewable
Energy & Clean Technology/
Exploration & Production

Kevin C. Smith
Exploration & Production

Benjamin P. Brownlow
(404) 442-5859
Midstream Suppliers

Justin Jenkins
Independent Refiners/
Midstream Suppliers

Praveen Narra, CFA
Oilfield Services

Financial Services

Daniel E. Cardenas (312) 655-2986
Banking

Robert J. Dodd, Ph.D. (901) 579-4560
Specialty Finance

David J. Long, CFA (312) 612-7685
Banking

Patrick J. O'Shaughnessy, CFA
(312) 612-7687
Capital Markets

C. Gregory Peters (727) 567-1534
Insurance/Insurance Brokerage &
Technology

Michael Rose (312) 655-2940
Banking

William J. Wallace IV (301) 657-1548
Banking

Donald A. Worthington (415) 538-5733
Banking

Healthcare

John W. Ransom (727) 567-2593
Director of Healthcare Research

Michael J. Baker (727) 567-2499
Benefits Management/Pharma Services

Jayson Bedford (727) 567-2565
Medical Devices

Reni Benjamin, Ph.D. (212) 883-4615
Biotechnology

Nicholas Jansen (727) 567-2446
Healthcare Information
Technology/Diagnostics

Lawrence S. Keusch (617) 897-8992
Hospital Supplies & Equipment

Christopher Raymond (312) 655-2672
Biotechnology

Elliot Wilbur, CFA (212) 856-4897
Specialty Pharmaceuticals

Industrial

Patrick Tyler Brown, CFA (404) 442-5803
Waste & Industrial Services

Sam Darkatsh (727) 567-2537
Specialty Distribution

Macro Research

Scott J. Brown, Ph.D. (727) 567-2603
Chief Economist

Jeffrey D. Saut (727) 567-2644
Chief Investment Strategist

Real Estate

Paul D. Puryear (727) 567-2253
Director of Real Estate Research

William A. Crow (727) 567-2594
Lodging/REITs

Buck Horne, CFA (727) 567-2561
Housing/REITs

Collin Mings, CFA (727) 567-2585
REITs

Jonathan Hughes, CFA (727) 567-2438
REITs

Technology & Communications

Brian G. Alexander, CFA
(727) 567-2312
Director of Technology Research

Ric Prentiss (727) 567-2567
Director of Telecommunications
Services Research

Brian Gesuale (727) 567-2287
IT Services/
Advanced Industrial Technology

Wayne Johnson (404) 442-5837
FinTech & Transaction Processing

Aaron Kessler, CFA (415) 616-8959
Internet

Simon M. Leopold (212) 856-5464
Communications Equipment

Frank G. Louthan IV (404) 442-5867
Telecommunications Services

Tavis C. McCourt, CFA (615) 645-6811
Internet of Things

J. Steven Smigie (212) 856-4893
Semiconductors

Terry Tillman (404) 442-5825
Application Software

Michael Turits, Ph.D. (212) 297-5617
Infrastructure Software

Justin Patterson, CFA (415) 616-8035
Internet

Brian Peterson, CFA (404) 442-5888
Application Software

Transportation

Patrick Tyler Brown, CFA
(404) 442-5803
Transportation Services

Savanthi Syth, CFA
(727) 567-5274
Airlines