

October 10, 2016

**Market Update:** Following the world heart day on September 29 equities of healthcare companies fared well and a series of cardiovascular and related firms topped the coming-monthly chart. Meanwhile Australian negotiators arrive in the U.K. to begin post-Brexit talks with regard to hammering out the details of a landmark free-trade pact. In China, the government continues reducing industrial overcapacity and pollution by revoking licenses of coal mines as well as halting coal and steel production. In Europe, Switzerland's economic indicator rose slightly to 101.3 in September, up sequentially and from a year ago.

**Stocks to Watch:** American Airlines Group Inc (AAL) canceled more than 3,000 flights last week when the Matthew hurricane moved closer to Florida coasts and brought high winds and heavy rain. Previously the world's largest carrier announced first nonstop flight from Chicago to Spain and so sending shares up 3.48% in the week starting on October 3. The company merged with U.S. Airways Group Inc in 2013.

Delta Air Lines Inc (DAL) joined main domestic airlines that didn't suffer technical meltdown in September, the first month in previous three. Moreover the company flew atop of the heap again being the carrier with the best "on-time arrival" results at 88% for the month. The U.S. department of transportation considers a flight to have arrived on time if the plane reaches the gate within 14 minutes of its scheduled arrival. Delta, which operates 15,000 flights globally, will announce third-quarter earnings on October 13.

Medtronic Plc (MDT) recently won FDA approval for an "artificial pancreas" that is the first device to automatically deliver the right dose of insulin to patients with type-one diabetes, freeing them from continually monitoring insulin levels throughout each day. The device called MiniMed 670G diaTribe was approved six months sooner than expected, yet it will be first available in spring of 2017.

Separately, Medtronic declared quarterly cash dividend of 43 cents a share, payable on October 21. The company's yield of 1.88% compares to peer median of 1.30% or meaning attractive dividend quality scores.

MGM Growth Properties LLC (MGP) is a new international REIT that came to market with an April 2016 initial public offering priced at \$21 a share or raising \$1.05 billion. The company paid quarterly cash dividend of 39 cents a share on September 30. MGP and MGM China Holdings Ltd (2282:HK) are both subsidiaries of MGM Resorts International (MGM) based in Las Vegas, Nevada.

Nutanix Inc (NTNX), enterprise data storage provider, sold 14.87 million shares at \$16 raising \$240 million. The stock jumped more than 130% in first afternoon trading to more than \$38 per share. Founded seven years ago Nutanix' cash flow turned positive for the first time this year. Similar IPOs earlier in 2016 came from Japanese messaging service Line Corp (LN) and Twilio Inc (TWLO) based in San Francisco.

Philip Morris International Inc (PM) has raised quarterly dividend 2% to \$1.04 per share, payable on October 13. The new annualized payout jumped to \$4.16 yielding 4.33%. Shares dropped in the past two weeks since the tobacco maker lowered its outlook for 2016 earnings, yet double-digit profits growth is expected both this year and in 2017 offsetting the impact of currency woes.

Postal Savings Bank of China Co Ltd raised more than HK\$57.6 billion or \$7.4 billion valuing its 12.1 billion shares at HK\$4.76 or \$0.61 each. It is the world's largest IPO this year and the biggest since e-commerce retailer Alibaba Group Holding Ltd's (BABA) \$25 billion listing two years ago. Shares first traded in Hong Kong on September 28, and most shares are owned by Chinese state-run companies.

Trade Desk Inc (TTD), international provider of digital advertising services, went public on September 28, after pricing 5.37 million shares at \$18 each, and the stock closed above \$30. The company will sell additional 700,000 shares too. The company based in Ventura, California, is valued at \$1 billion and employs 387 people as of October 9. Trade Desk is one of the best places to work in New York City.

**Energy:** Alerian MLP Index (AMZ) and VelocityShares 3x Long Natural Gas ETN (UGAZ) when monitored closely, and compared to the energy holdings making up 7% or less of the S&P 500 (GSPC), could outperform over the following three years. Equities gains largely depend on the energy sector stance and whether or not yields would rise above 10%.

**Healthcare:** Novartis AG (NVS) advanced 4.23% to \$78.29 in the past six months and since the Swiss drug maker announced new analysis from heart failure studies on cardiovascular drug Entresto at the American College of Cardiology's 65th annual scientific session in Chicago. Peers with strong marketing in heart diseases drugs and devices also are Abbott Laboratories (ABT), Amgen Inc (AMGN), Boston Scientific Corp (BSX), Edwards Lifesciences Corp (EW), Eli Lilly & Co (LLY), and Pfizer Inc (PFE).

#### Heart-Related Companies

Company Name	Ticker Symbol	Stock Price*	Market Cap*
Abiomed Inc	ABMD	\$128.47	\$5.52 billion
Acasti Pharma Inc	ACST	\$1.67	\$17.91 million
Allergan Plc	AGN	\$238.92	\$94.9 billion
Amarin Corp Plc	AMRN	\$3.13	\$643.69 million
Aralez Pharmaceuticals Inc	ARLZ	\$5.11	\$333.92 million
ARCA biopharma Inc	ABIO	\$2.66	\$24.12 million
Arrhythmia Research Technology Inc	HRT	\$4.25	\$11.97 million
AtriCure Inc	ATRC	\$17.52	\$581.71 million
ATRION Corp	ATRI	\$425.04	\$775.39 million
Bellerophon Therapeutics Inc	BLPH	\$1.42	\$20.73 million
BioTelemetry Inc	BEAT	\$20.20	\$566.12 million
Bristol-Myers Squibb Co	BMY	\$55.43	\$92.62 billion
Capricor Therapeutics Inc	CAPR	\$3.35	\$60.15 million
Cardiome Pharma Corp	CRME	\$3.10	\$98.94 million
Cardiovascular Systems Inc	CSII	\$24.45	\$815.47 million
CareDx Inc	CDNA	\$3.97	\$84.07 million
Celyad SA	CYAD	\$22.10	\$205.83 million
CorMedix Inc	CRMD	\$2.91	\$108.22 million
CryoLife Inc	CRY	\$17.32	\$590.79 million
Cytori Therapeutics Inc	CYTX	\$2.00	\$40.99 million
Dextera Surgical Inc	DXTR	\$1.87	\$16.64 million
Digirad Corp	DRAD	\$5.12	\$100.2 million
Endologix Inc	ELGX	\$12.87	\$1.06 billion
Gemphire Therapeutics Inc	GEMP	\$10.75	\$307.22 million
InspireMD Inc	NSPR	\$0.08	\$2.44 million
Ionis Pharmaceuticals Inc	IONS	\$34.26	\$4.14 billion
LivaNova Plc	LIVN	\$58.36	\$2.85 billion
Lombard Medical Inc	EVAR	\$0.93	\$18.49 million
Medicines Co	MDCO	\$35.41	\$2.46 billion
Mesoblast Ltd	MESO	\$4.44	\$334.58 million
MGC Diagnostics Corp	MGCD	\$7.02	\$30.44 million
MyoKardia Inc	MYOK	\$15.96	\$491.76 million
Neovasc Inc	NVCN	\$0.48	\$32.47 million

Regeneron Pharmaceuticals Inc	REGN	\$390.06	\$41.86 billion
SciClone Pharmaceuticals Inc	SCLN	\$10.18	\$508.38 million
Spectranetics Corp	SPNC	\$24.64	\$1.06 billion
St Jude Medical Inc	JUD.SG	€72.19	n/a
Sunshine Hearth Inc	SSH	\$0.53	\$10.82 million
Teleflex Inc	TFX	\$167.83	\$7.39 billion
Vascular Solutions Inc	VASC	\$47.59	\$834.4 million
Vitae Pharmaceuticals Inc	VTAE	\$20.99	\$605.39 million

\*Data as of October 9, 2016

**Live-Testing:** A portfolio strategist from Investingdaily.com has offered support to deliver double- and triple-digit returns over the years on famous stocks like Great Plains Energy Inc (GXP), SoftBank Group Corp (SFTBY), and Sony Corp (SNE). A digital stock advisory system was also added to include less-known and often undervalued shares of companies like Bridgepoint Education Inc (BPI), Cirrus Logic Inc (CRUS), Ebix Inc (EBIX), First Cash Financial Services Inc (FCFS.F), Finish Line Inc (FINL), HCI Group Inc (HCI), Petmed Express Inc (PETS), Renewable Energy Group Inc (REGI), and Skyworks Solutions Inc (SWKS). This investment data algorithm is based on what investors did, not only what they wrote.

Gainers defined in this system monthly and over three years were for example teenage clothes retailer Aéropostale Inc (AROPQ) and nutritional and personal-care products maker Usana Health Sciences Inc (USNA), trading at \$0.04 and \$146.19 respectively at present. The data algorithm can track thousands of stock recommendations across more than fifty data sources with staff help from twenty-five researchers.

The trading software examples abound to include Aladdin International Inc (ALAD), Banc of California Inc (BANC), Capella Education Co (CPLA), Francesca Holdings Corp (FRAN), GoPro Inc (GPRO), Lear Corp (LEA), Liquidity Services Inc (LQDT), Mentor Graphics Corp (MENT), Michael Kors Holdings Ltd (KORS), National Presto Industries Inc (NPK), NIC Inc (EGOV), Polaris Industries Inc (PII), Silicon Motion Technology Corp (SIMO), Tractor Supply Co (TSCO), United Insurance Holdings Corp (UIHC), Universal Insurance Holdings Inc (UVE), and Vera Bradley Inc (VRA) among many and multiple trades to weekly and monthly calculations aimed at longer-term annualized returns.

Strong and timely gains came in 2015 from Heritage Insurance Holdings Inc (HRTG), Lukoil (LUKOY), and Navigant Consulting Inc (NCI) to the patent live-testing and alerts-based strategy, the website said.

**Dividends:** Apparel retailer Gap Inc (GPS) paid quarterly dividend of 23 cents a share on October 3. Quarterly payouts on the same date came from cable operator Comcast Corp (CMCSA), insurer Erie Indemnity Co (ERIE), and shopping centers developer Kimco Realty Corp (KIM). On October 4 building products supplier Simpson Manufacturing Co Inc (SSD) paid 18 cents quarterly dividend.

Campbell Soup Co (CPB) paid 35 cents quarterly dividend on October 7 yielding 2.16% for the worldwide maker of packaged food products. The previous day tobacco products maker Universal Corp (UVV) delivered 53 cents quarterly payout at a 3.52% yield. Cement producer Eagle Materials Inc (EXP), aviation leader General Dynamics Corp (GD), and food distributor Sysco Corp (SYU) paid dividends on October 5.

Invacare Corp (IVC) will pay \$0.0125 quarterly dividend on October 11 yielding 0.42% for the innovative home and long-term care medical products leader. The new annualized payout is \$0.05 per share.

Quarterly payouts from pharmaceutical products maker AbbVie Inc (ABBV), insurer American Financial Group Inc (AFG), casual clothes retailer Buckle Inc (BKE), phone and data services provider Consolidated

Communications Holdings Inc (CNSL), athletic footwear and apparel retailer Foot Locker Inc (FL), retail space owner General Growth Properties Inc (GGP), dental materials provider Patterson Companies Inc (PDCO), medical tools supplier PerkinElmer Inc (PKI), cable TV and data services provider Shaw Communications Inc (SJR), and railroad firm Trinity Industries Inc (TRN) are scheduled for October 12.

Royal Caribbean Cruises Ltd (RCL) is proving that consumers choose to spend extra money on experiences rather than things, in addition to growth prospects in Cuba. The stock rose 9.40% to \$73.87 in the past month, in the meantime the cruise line operator raised quarterly dividend 28% to \$48 per share, to be paid on October 13. The new annualized payout is \$1.92 per share at above-average yield of 2.7%.

RPM International Inc (RPM), Sabine Royalty Trust (SBR), and Watsco Inc (WSO) have increased quarterly dividends by 9.09%, 7.81%, and 23.53%, respectively, and will pay them on October 13.

LTC Properties Inc (LTC) raises quarterly dividend 5.56% to 19 cents a share and will pay on October 19. Enterprise Products Partners LP (EPD) ups the payout 1.25% to \$0.405 and will pay it on October 27.

Yum! Brands Inc (YUM) approved 11% increase of quarterly dividend rate to 51 cents per share, to be paid on November 4. The new annualized payout is \$2.04 at 2.2% yield for the global fast food restaurant chain. The payout has risen each year since 2003 by double-digit percentage on average. Yum!' stock has outperformed the S&P 500 Index in the past year and will have opened 2,400 new locations this year.