

## Five For Friday- Healthcare Stocks For 2024

*Please note there will be no Five for Friday post on December 29<sup>th</sup>, 2023.*

We preface the final Five for Friday of 2023 with our plans for this series in 2024. We are changing the theme to "**Friday Favorites**" to start the new year with a fresh concept.

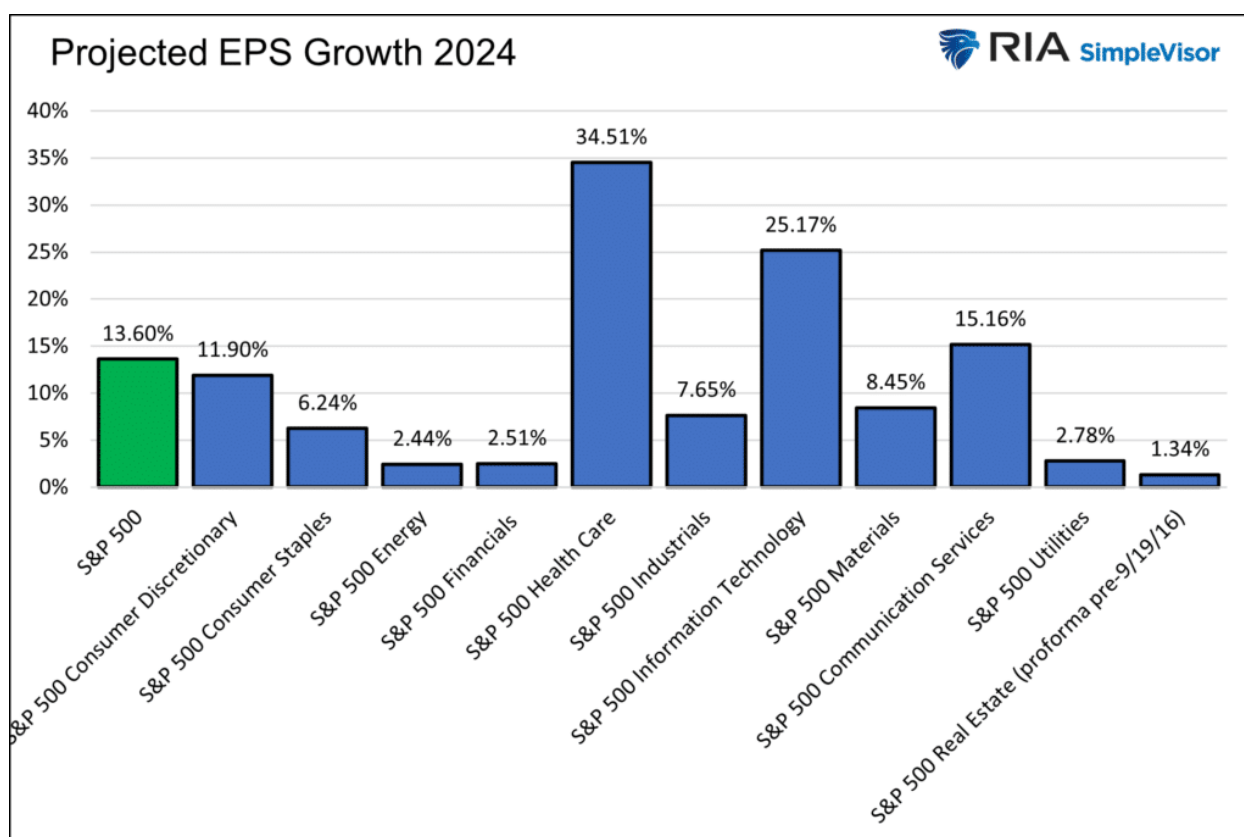
We will spotlight a stock, sector, factor, or theme each Friday. The content may range from a fundamental or technical deep dive on a stock of interest. On occasion, we may run a scan or address a reader's request.

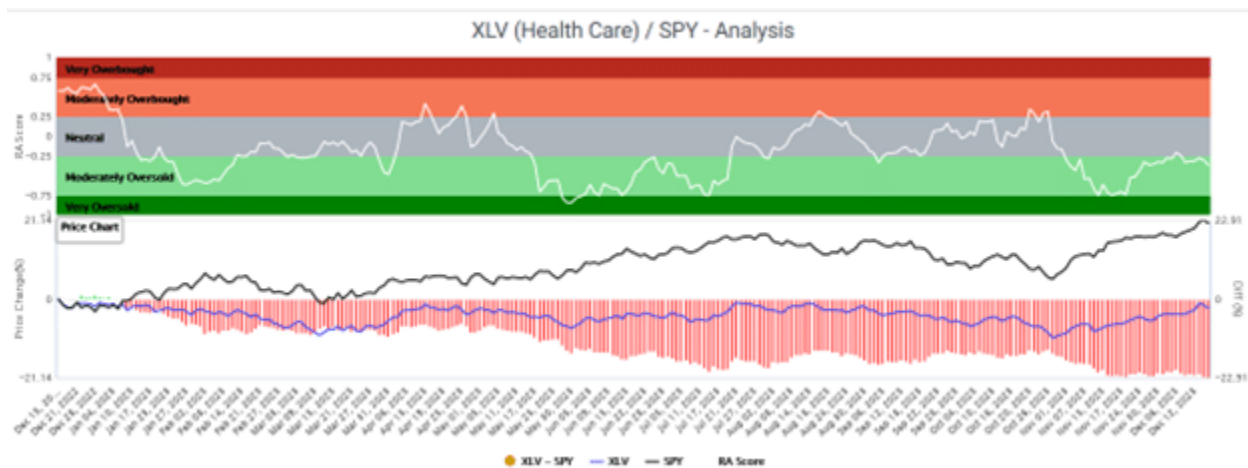
Thank you for a great year at SimpleVisor? We wish you a Merry Christmas and a Happy New Year!

Technology and Communications led the markets higher in 2023. While betting on those sectors in 2024 may seem astute, we often find that last year's winners give up the crown to a new sector or group of sectors.

So, which will be the sector du jour for 2024?

The graph below shows that the S&P company expects EPS growth for the healthcare sector to be 34.51%, almost 3x the S&P 500. The SimpleVisor graph below the EPS graph shows that healthcare stocks have underperformed the S&P 500 by over 20% this past year.





Might healthcare, with solid earnings forecasts and recently weak performance, be the industry of choice for 2024? While the argument makes sense, sense does not always dictate market returns. However, running a scan and having a list of healthcare stocks ready can't hurt if the sector starts outperforming.

### Screening Criteria

	Market Cap (\$ bns)	F P/E	EPS Growth Prior 5yrs	Sales Growth Prior 5 yrs	YTD Return	Dividend Yield
<b>VTRS</b>	12.20	3.64	0.06	0.08	-8.81%	4.73%
<b>BMJ</b>	104.15	6.97	0.37	0.19	-29.01%	4.40%
<b>MRK</b>	269.74	12.51	0.46	0.08	-4.31%	2.54%
<b>ABBV</b>	270.73	13.68	0.15	0.16	-5.23%	3.71%
<b>DGX</b>	15.30	15.08	0.08	0.06	-12.98%	2.05%

### Company Summaries (all descriptions courtesy Zacks)

#### Viatis (VTRS)

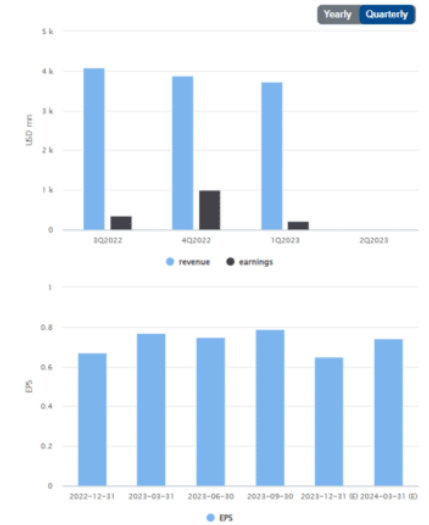
**Description (Read Less)**

Viatris Inc. operates as a healthcare company worldwide. The company operates in four segments: Developed Markets, Greater China, JANZ, and Emerging Markets. It offers prescription brand drugs, generic drugs, complex generic drugs, biosimilars, and active pharmaceutical ingredients (APIs). The company offers drugs in various therapeutic areas, including noncommunicable and infectious diseases; biosimilars in the areas of oncology, immunology, endocrinology, ophthalmology, and dermatology; and APIs for antibacterial, central nervous system agents, antihistamines/anticholinergics, cardiovascular, antivirals, antidiabetics, antifungals, and proton pump inhibitor areas, as well as support services, such as diagnostic clinics, educational seminars, and digital tools to help patients better manage their health. It provides its medicines in the form of oral solid doses, injectables, complex dosage forms, and APIs to retail and pharmacy establishments, wholesalers and distributors, payers, insurers and governments, and institutions. The company distributes its products through pharmaceutical wholesalers/distributors, pharmaceutical retailers, institutional pharmacies, mail-order and e-commerce pharmacies, and specialty pharmacies. It sells its products under the Lyrica, Liptor, Coreon, Influx, Wixela inhal, ExPen auto-injector, Fexipranine, and Upefex; Novartis; and Viagra; AMTIZTA, Lipacore, and Effxor; and Celebrex and ARV names, as well as glargine and SEMGLEE names. The company has collaboration and licensing agreements with Revance Therapeutics Inc.; Momena Pharmaceuticals Inc.; Theravance Biopharma Inc.; and Fujifilm Kyowa Kirin Biologics Co. Ltd. Viatris Inc. was founded in 1961 and is headquartered in Canonsburg, Pennsylvania.

Mkt Cap (mn)  
\$12,656.52

Bet

114



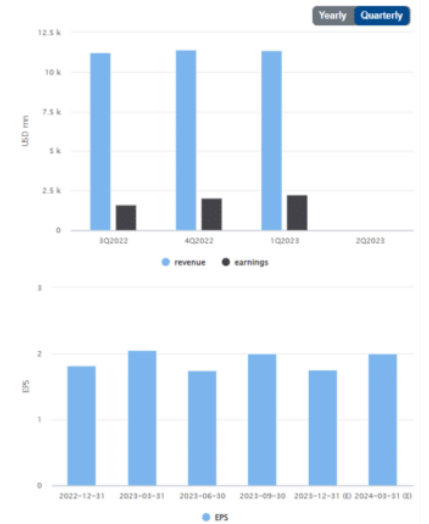
Bristol-Myers Squibb Company (BMY) - Drug Manufacturers - General

**Bristol-Myers Squibb:** Company discovers, develops, licenses, manufactures, markets, distributes, and sells biopharmaceutical products worldwide. It offers products for hematology, oncology, cardiovascular, immunology, fibrotic, and neuroscience diseases. The company's products include Eliquis, an oral inhibitor for reduction in risk of stroke/systemic embolism in NVAa; and for the treatment of DVT/PE, Opdivo for anti-cancer indications; Pomalyst/Imovid indicated for patients with multiple myeloma; Ocrencia for adult patients with active RA and psoriatic arthritis; and Sprycel for the treatment of Philadelphia chromosome-positive chronic myeloid leukemia. It also provides Vervoy for the treatment of patients with unresectable or metastatic melanoma; Empliciti for the treatment of multiple myeloma; Abecma for the treatment of relapsed or refractory multiple myeloma; Reblozyl for the treatment of anemia in adult patients with beta thalassemia; Opdivoo for the treatment of unresectable or metastatic melanoma; and Zeposia to treat relapsing forms of multiple sclerosis. In addition, the company offers Breyanzi, a CD19-directed genetically modified autologous T cell immunotherapy for the treatment of adult patients with relapsed or refractory large B-cell lymphoma; Onureg for the treatment of adult patients with AML; Inrebic, an kinase inhibitor indicated for the treatment of myelofibrosis; Camzyos for the treatment of adults with symptomatic obstructive HCM to enhance functional capacity and symptoms; Sotyktu for the treatment of adults with moderate-to-severe plaque psoriasis; Revlimid, an oral immunomodulatory drug for the treatment of multiple myeloma; and Abiraterone, a protein-bound chemotherapy product. It sells products to wholesalers, distributors, pharmacies, retailers, hospitals, clinics, and government agencies. The company was formerly known as Bristol-Myers Company. The company was founded in 1887 and is headquartered in New York, New York.

Mkt Cap (mn)  
\$103,640.50

Beta

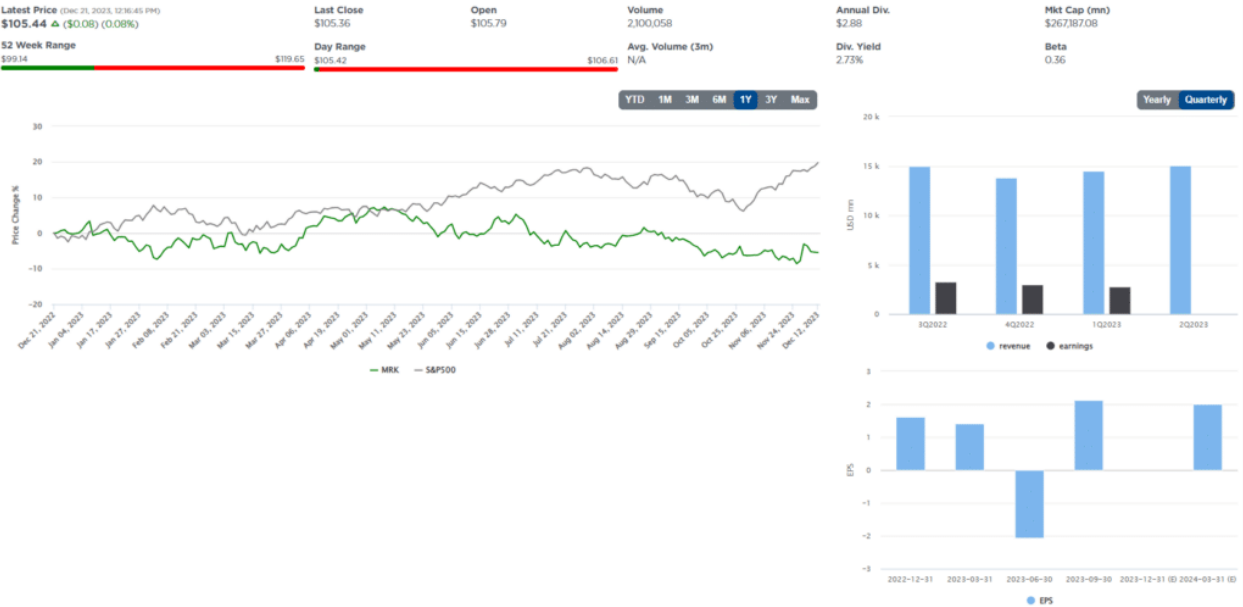
0.33



## Merck (MRK)

Merck & Co., Inc. (MRK) - Drug Manufacturers - General

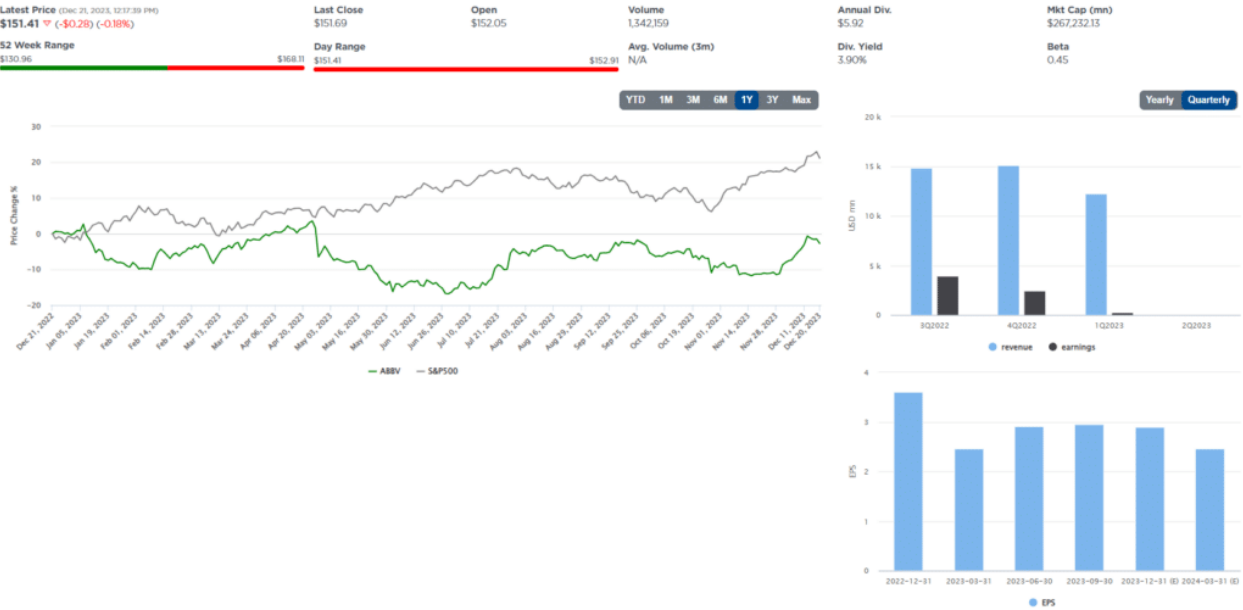
**Description** [Read Less](#)  
Merck & Co., Inc. operates as a healthcare company worldwide. It operates through two segments, Pharmaceutical and Animal Health. The Pharmaceutical segment offers human health pharmaceutical products in the areas of oncology, hospital acute care, immunology, neuroscience, virology, cardiovascular, and diabetes, as well as vaccine products, such as preventive pediatric, adolescent, and adult vaccines. The Animal Health segment discovers, develops, manufactures, and markets veterinary pharmaceuticals, vaccines, and health management solutions and services, as well as digitally connected identification, traceability, and monitoring products. The company serves drug wholesalers and retailers, hospitals, and government agencies; managed health care providers, such as health maintenance organizations, pharmacy benefit managers, and other institutions; and physicians and physician distributors, veterinarians, and animal producers. It has collaborations with AstraZeneca PLC; Bayer AG; Eisai Co., Ltd.; Ridgeback Biotherapeutics LP; and Gilead Sciences, Inc. to jointly develop and commercialize long-acting treatments in HIV, as well as a collaboration with Biogen to identify novel a7 nAChR PAMs suitable for the treatment of cognitive disorder; and clinical trial collaboration and supply agreement with Ankyra Therapeutics to evaluate ANK-101 in combination with KEYTRUDA (pembrolizumab) in patients with advanced solid tumors, as well as a clinical trial collaboration and supply agreement with Phanes Therapeutics, Inc. to evaluate PT886 in combination with KEYTRUDA for the treatment of claudin 18.2 positive gastric or gastroesophageal junction adenocarcinomas, as well as a development and commercialization agreement with Daiichi Sankyo Company. Limited to jointly develop and commercialize Daiichi Sankyo's Dlg antibody drug conjugate (ADC) candidates and a collaboration with HiberCell, Inc. Merck & Co., Inc. was founded in 1891 and is headquartered in Rahway, New Jersey.



Abbvie (ABBV)

AbbVie Inc. (ABBV) - Drug Manufacturers - General

**Description** [Read Less](#)  
AbbVie Inc. discovers, develops, manufactures, and sells pharmaceuticals worldwide. The company offers Humira, a therapy administered as an injection for autoimmune, intestinal Behçet's disease, and pyoderma gangrenosum; Skyrizi to treat moderate to severe plaque psoriasis, psoriatic disease, and Crohn's disease; Rinvoq, a JAK inhibitor to treat rheumatoid and psoriatic arthritis, ankylosing spondylitis, atopic dermatitis, axial spondyloarthritis, and ulcerative colitis; Imbruvica for the treatment of adult patients with blood cancers; and Venclexta/Venclyxto to treat hematological malignancies. It also provides facial injectables, plastics and regenerative medicine, body contouring, and skincare products; Vyvaly for depressive disorder; Duopa and Duodopa to treat advanced Parkinson's disease; and Ubrovelvy for the acute treatment of migraine with or without aura in adults; Qulipta for episodic migraine. In addition, the company offers Lumigan/Ganfort and Alphagan/Combigan for the reduction of elevated intraocular pressure(IOP) in patients with open angle glaucoma (OAG) or ocular hypertension; Restasis, a calcineurin inhibitor immunosuppressant indicated to increase tear production; and eye care products. Further, it provides Mavret/Mavret to treat chronic hepatitis C virus (HCV) genotype 1-6 infection and HCV genotype 1 infection; Creon, a pancreatic enzyme therapy; Lupron to treat advanced prostate cancer, endometriosis and central precocious puberty, and patients with anemia caused by uterine fibroids; Linzess/Constella to treat irritable bowel syndrome with constipation and chronic idiopathic constipation; and Synthroid for hypothyroidism. It has collaborations with Calico Life Sciences LLC; REGENXBIO Inc.; I-Mab Biopharma; Genmab A/S; Janssen Biotech, Inc.; Genentech, Inc.; California Institute for Biomedical Research (Calibr), and BigHat Biosciences, Inc. The company was incorporated in 2012 and is headquartered in North Chicago, Illinois.



Quest Diagnostics (DGX)

## Quest Diagnostics Incorporated (DGX) - Diagnostics & Research

### Description [\(Read Less\)](#)

Quest Diagnostics Incorporated provides diagnostic testing, information, and services in the United States and internationally. The company develops and delivers diagnostic information services, such as routine testing, non-routine and advanced clinical testing, anatomic pathology testing, and other diagnostic information services. It offers diagnostic information services primarily under the Quest Diagnostics brand, as well as under the AmeriPath, DermPath Diagnostics, ExamOne, and Quantum brands to patients, clinicians, hospitals, independent delivery networks, health plans, employers, direct contract entities, and accountable care organizations through a network of laboratories, patient service centers, phlebotomists in physician offices, call centers and mobile paramedics, nurses, and other health and wellness professionals. The company also provides risk assessment services for the life insurance industry; and healthcare organizations and clinicians robust information technology solutions. Quest Diagnostics Incorporated was founded in 1967 and is headquartered in Secaucus, New Jersey.

Latest Price (Dec 21, 2023, 12:18:16 PM)

**\$134.60** ▼ (-\$0.18) (-0.13%)

Last Close

\$134.77

Open

\$135.19

Volume

193,693

Annual Div.

\$2.79

Mkt Cap (mn)

\$15,133.19

52 Week Range

\$119.59

Day Range

\$134.55

Avg. Volume (3m)

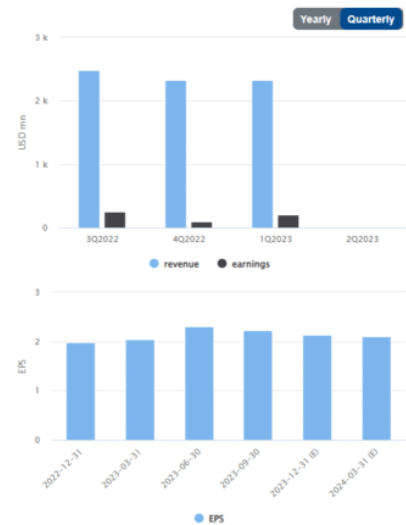
N/A

Div. Yield

2.07%

Beta

0.90



## Five for Friday

Five for Friday uses stock screens to produce five stocks that we expect will outperform if a particular investment theme plays out in the future. Investment themes may be relevant to the current or expected market, industry and/or economic trends. Investment themes may not always represent our current forecast.

## Disclosure

This report is not a recommendation to buy or sell the named securities. We intend to elicit ideas about stocks meeting specific criteria and investment themes. Please read our [disclosures](#) carefully and do your own research before investing.