

Five for Friday- The Other Megacap Stocks

In the aftermath of the Silicon Valley Bank failure, the market has favored Mega-Cap stocks, as shown below.

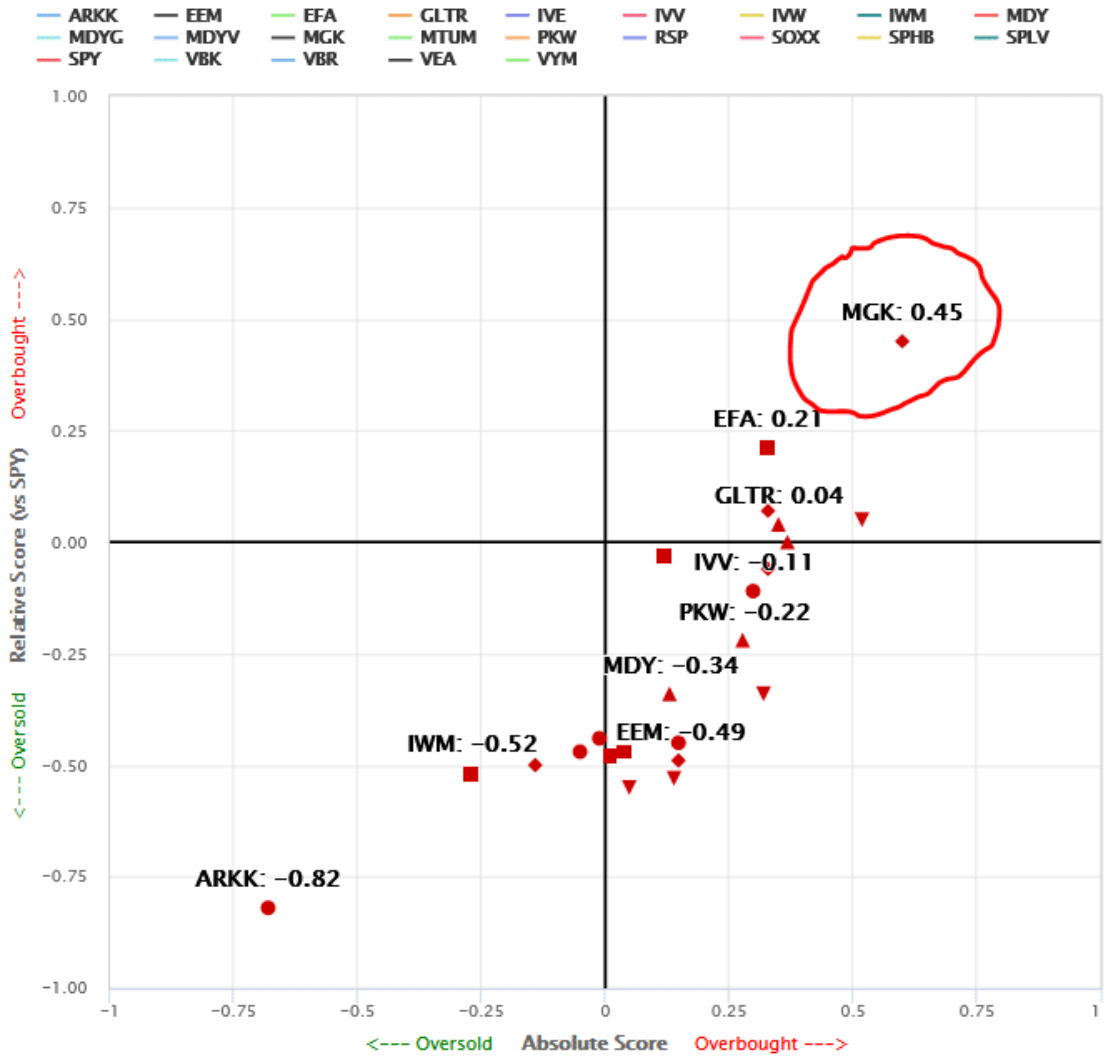
The rationale is that tighter bank lending standards, the likely result of bank difficulties, will make borrowing more difficult and costly for smaller companies versus larger ones. Large companies have more access to needed capital via the bond markets and are, therefore, less reliant on banks. Further helping Mega-Cap stocks, any liquidity the Fed and government add to markets will flow to the large Mega-Cap stocks.



In addition to the chart above, Mega-Cap's outperformance can be easily seen in the [SimpleVisor](#) scatter plot below. Our proprietary technical analysis shows that MGK, the popular Mega-Cap ETF, has the highest absolute and relative scores among 22 key stock factors.

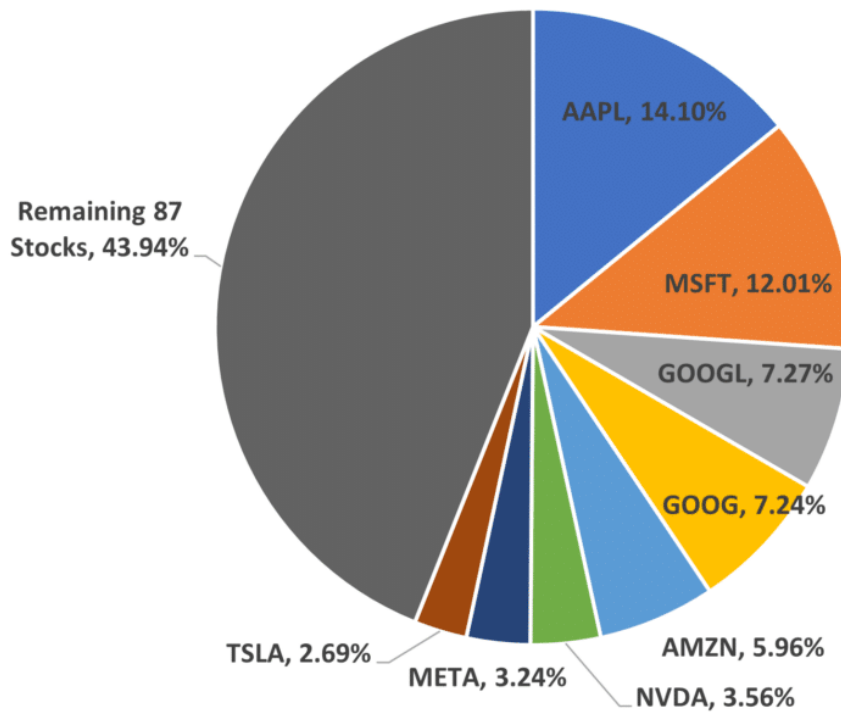
Relative vs Absolute Analysis of Factors

(Relative Scores are vs SPY. Click symbols to show/hide. Drag select to zoom.)



Given many of MGK's top holdings have soared and are approaching overbought territory, we thought it might be helpful to look beyond the top seven largest holdings of MGK to the remaining 44% of the ETF. We searched the remaining 87 stocks for past and future earnings growth and how efficiently they reinvest said earnings to promote future earnings growth.

MGK Top 7 and The Others



Screening Criteria

- All MGK holdings, excluding the top seven shown in the above pie chart.
- 5yr EPS Growth Est. > 10%
- Prior 5yr EPS Growth >10%
- Return on Assets >10%
- Return on Investments >10%
- Return on Equity >10%

	Mkt Cap (bns\$)	EPS Growth Next 5yrs	EPS Growth Past 5yrs	ROA	ROE	ROI
V	470	13.8%	20.8%	18.7%	44.9%	28.8%
LLY	371	38.2%	10.2%	11.1%	56.1%	24.1%
MA	356	18.8%	18.5%	25.6%	159.2%	51.1%
ADBE	170	13.5%	24.3%	17.0%	33.7%	27.3%
ZTS	81	12.1%	15.5%	15.4%	46.0%	17.2%

Company Summaries

Visa (V)

Visa Inc. (V) - Credit Services

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

Visa Inc. operates as a payments technology company worldwide. The company operates VisaNet, a transaction processing network that enables authorization, clearing, and settlement of payment transactions. It also offers credit, debit, and prepaid card products; tap to pay, tokenization, click to pay; Visa Direct, a real-time payments network; Visa B2B Connect, a multilateral B2B cross-border payments network; Visa Treasury as a Service, a cross-border consumer payments business; and Visa DPS that provides a range of value added services, including fraud mitigation, dispute management, data analytics, campaign management, a suite of digital solutions, and contact center services. Further, the company provides Cybersource, a payment management platform; and risk and identity solutions, such as Visa Advanced Authorization, Visa Secure, Visa Advanced Identity Score, and Visa Consumer Authentication Service; and Visa Consulting and Analytics, a payments consulting and advisory services. It provides its services under the Visa, Visa Electron, Interlink, VPAY, and PLUS brands. The company serves consumers, merchants, financial institutions, and government entities. Visa Inc. was founded in 1958 and is headquartered in San Francisco, California.

Latest Price (May 3, 2023, 3:00:02 PM)
\$225.98 ▼ (-\$1.00) (-0.44%)

Last Close
 \$226.98

Open
 \$226.98

Volume
 4,088,840

Annual Div.
 \$1.73

Mkt Cap (mn)
 \$475,385.07

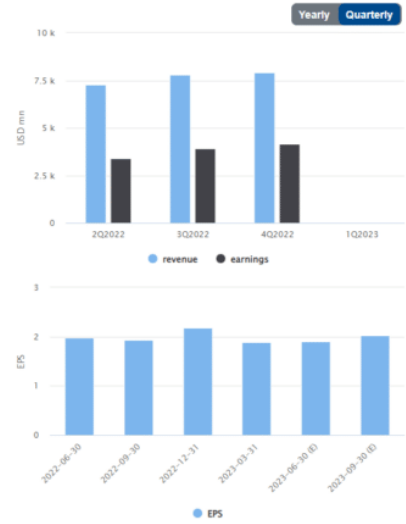
52 Week Range
 \$174.60

Day Range
 \$235.57 - \$225.92

Avg. Volume (3m)
 6,187,936

Div. Yield
 0.76%

Beta
 0.96



Eli Lilly (LLY)

Eli Lilly and Company (LLY) - Drug Manufacturers—General

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

Eli Lilly and Company discovers, develops, and markets human pharmaceuticals worldwide. It offers Basaglar, Humalog, Humalog Mix 75/25, Humalog U-100, Humalog U-200, Humalog Mix 50/50, insulin Ispro, insulin Ispro protamine, insulin Ispro mix 75/25, Humulin, Humulin 70/30, Humulin N, Humulin R, and Humulin U-500 for diabetes; and Jardiance, Trulance, and Trulicity for type 2 diabetes. The company provides Alimta for non-small cell lung cancer (NSCLC) and malignant pleural mesothelioma, Cytarabine for metastatic gastric cancer, gastro-esophageal junction adenocarcinoma, metastatic NSCLC, metastatic colorectal cancer, and hepatocellular carcinoma; Erlotinib for colorectal cancers, and various head and neck cancers; Ritevus for metastatic NSCLC, medullary thyroid cancer, and thyroid cancer; Tyvyt for relapsed or refractory classic Hodgkin's lymph and non-squamous NSCLC; and Verzenio for HR+, HER2-, metastatic breast cancer, node positive, and early breast cancer. It offers Olantercept for rheumatoid arthritis; and Taltz for plaque psoriasis, psoriatic arthritis, ankylosing spondylitis, and non-radiographic axial spondylarthritis. The company offers Cymbalta for depressive disorder, diabetic peripheral neuropathic pain, generalized anxiety disorder, fibromyalgia, and chronic musculoskeletal pain; Emgality for migraine prevention and episodic cluster headache; and Zyprexa for schizophrenia, bipolar I disorder, and bipolar maintenance. Its Bamlanivimab and etesevimab, and Bebtelovimab for COVID-19; Cialis for erectile dysfunction and benign prostatic hyperplasia; and Forteo for osteoporosis. The company has collaborations with Incyte Corporation; Boehringer Ingelheim Pharmaceuticals, Inc.; AbCellera Biologics Inc.; Junshi Biosciences; Regor Therapeutics Group; Lyctia Therapeutics, Inc.; Kumquat Biosciences Inc.; Entos Pharmaceuticals Inc.; and Foghorn Therapeutics Inc. Eli Lilly and Company was founded in 1876 and is headquartered in Indianapolis, Indiana.

Latest Price (May 3, 2023, 3:03:25 PM)
\$431.19 ▲ (\$26.99) (6.68%)

Last Close
 \$404.20

Open
 \$415.03

Volume
 9,837,260

Annual Div.
 \$4.07

Mkt Cap (mn)
 \$409,317.05

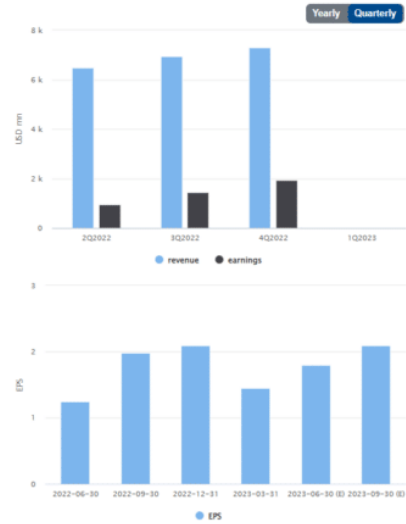
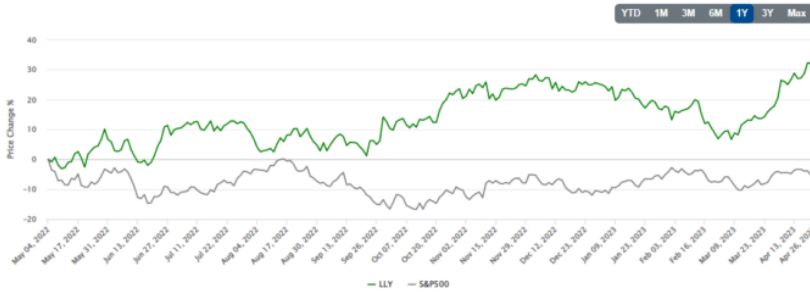
52 Week Range
 \$283.00

Day Range
 \$434.20 - \$414.31

Avg. Volume (3m)
 3,266,998

Div. Yield
 1.01%

Beta
 0.36



Mastercard (MA)

Mastercard Incorporated (MA) - Credit Services

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

Mastercard Incorporated, a technology company, provides transaction processing and other payment-related products and services in the United States and internationally. It facilitates the processing of payment transactions, including authorization, clearing, and settlement, as well as delivers other payment-related products and services. The company offers integrated products and value-added services for account holders, merchants, financial institutions, businesses, governments, and other organizations, such as programs that enable issuers to provide consumers with credits to defer payments; payment products and solutions that allow its customers to access funds in deposit and other accounts; prepaid programs services; and commercial credit, debit, and prepaid payment products and solutions. It also provides value-added products and services comprising cyber and intelligence solutions for parties to transact, as well as proprietary insights, drawing on principled use of consumer, and merchant data services. In addition, the company offers analytics, test and learn, consulting, managed services, loyalty, processing, and payment gateway solutions for e-commerce merchants. Further, it provides open banking and digital identity platforms services. The company offers payment solutions and services under the MasterCard, Maestro, and Cirrus. Mastercard Incorporated was founded in 1966 and is headquartered in Purchase, New York.

Latest Price (May 3, 2023, 3:00:02 PM)

\$374.90 ▼ (-\$113) (-0.30%)

Last Close

\$376.03

Open

\$376.67

Volume

1,892,139

Annual Div.

\$2.12

Mkt Cap (mn)

\$355,266.10

S2 Week Range

\$276.87

Day Range

\$374.33

Avg. Volume (3m)

\$379.55 2,599,118

Div. Yield

0.56%

Beta

1.11

YTD 1M 3M 6M 1Y 3Y Max



Yearly Quarterly



Adobe (ADBE)

Adobe Inc. (ADBE) - Software—Infrastructure

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

Adobe Inc., together with its subsidiaries, operates as a diversified software company worldwide. It operates through three segments: Digital Media, Digital Experience, and Publishing and Advertising. The Digital Media segment offers products, services, and solutions that enable individuals, teams, and enterprises to create, publish, and promote content; and Document Cloud, a unified cloud-based document services platform. Its flagship product is Creative Cloud, a subscription service that allows members to access its creative products. This segment serves content creators, students, workers, marketers, educators, enthusiasts, communicators, and consumers. The Digital Experience segment provides an integrated platform and set of applications and services that enable brands and businesses to create, manage, execute, measure, monetize, and optimize customer experiences from analytics to commerce. This segment serves marketers, advertisers, agencies, publishers, merchandisers, merchants, web analysts, data scientists, developers, and executives across the C-suite. The Publishing and Advertising segment offers products and services, such as e-learning solutions, technical document publishing, web conferencing, document and forms platform, web application development, and high-end printing, as well as Advertising Cloud offerings. The company offers its products and services directly to enterprise customers through its sales force and local field offices, as well as to end users through app stores and through its website at adobe.com. It also distributes products and services through a network of distributors, value-added resellers, systems integrators, software vendors and developers, retailers, and original equipment manufacturers. The company was formerly known as Adobe Systems Incorporated and changed its name to Adobe Inc. in October 2018. Adobe Inc. was founded in 1982 and is headquartered in San Jose, California.

Latest Price (May 3, 2023, 3:00:04 PM)

\$345.25 ▼ (-\$23.41) (-6.35%)

Last Close

\$368.66

Open

\$363.49

Volume

6,700,789

Annual Div.

N/A

Mkt Cap (mn)

\$158,366.17

S2 Week Range

\$274.73

Day Range

\$451.35

Avg. Volume (3m)

\$244.24 \$365.96

Div. Yield

N/A

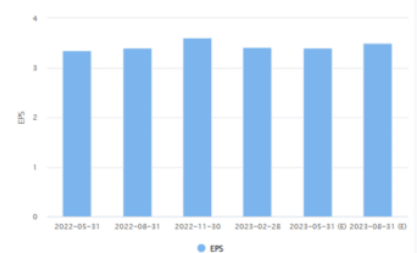
Beta

1.31

YTD 1M 3M 6M 1Y 3Y Max



Yearly Quarterly



Zoetis (ZTS)

Zoetis Inc. (ZTS) - Drug Manufacturers—Specialty & Generic

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

Zoetis Inc. discovers, develops, manufactures, and commercializes animal health medicines, vaccines, and diagnostic products in the United States and internationally. It commercializes products primarily across species, including livestock, such as cattle, swine, poultry, fish, and sheep and others; and companion animals comprising dogs, cats, and horses. The company also offers parasiticides; vaccines; anti-infectives; other pharmaceutical products; dermatology; and medicated feed additives. In addition, the company provides animal health diagnostics, including point-of-care diagnostic products and laboratory; and other non-pharmaceutical products. It markets its products to veterinarians, livestock producers, and pet owners. The company was founded in 1952 and is headquartered in Parsippany, New Jersey.

Latest Price (May 3, 2023, 3:04:14 PM)
\$177.73 ▲ (\$0.83) (0.47%)

Last Close
 \$176.90

Open
 \$178.99

Volume
 2,492,569

Annual Div.
 \$1.30

Mkt Cap (mn)
 \$82,210.61

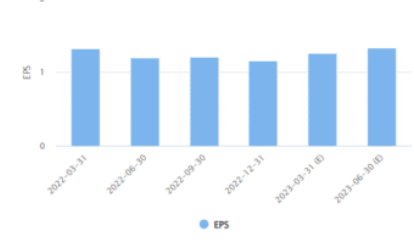
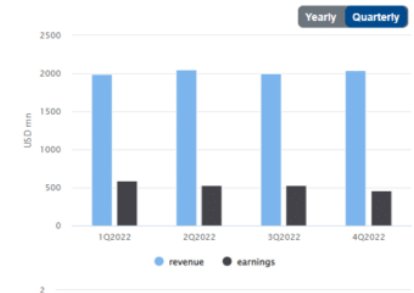
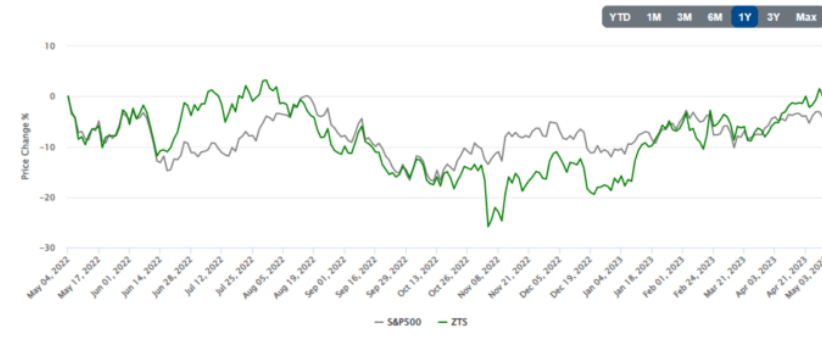
52 Week Range
 \$124.15

Day Range
 \$183.01
 \$177.29

Avg. Volume (3m)
 1,845,570

Div. Yield
 0.73%

Beta
 0.76



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.