

Five for Friday: Quality Hiding Places

This week we put our twist on a MarketWatch stock screen offering quality earnings with a high dividend yield. The screen looks at companies in the S&P 500 with relatively lower betas, higher dividend yields, and good prospects for 2024 sales and earnings growth. We take MarketWatch's top 22 screen results and further refine the criteria for value to arrive at our five stocks.

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As we have noted previously, using our factor tracker, high dividend yield stocks are the best-performing factor YTD. After the recent bounce from new bear market lows, it may be time to start thinking about shelter in case of another leg lower.

Screen Criteria

- 12-Month Beta < 1
- Dividend yield > 3.5%
- 2024 EPS Growth > 4%
- 2024 Sales Growth > 4%
- Forward P/E < 12

Ticker	Market Cap. (\$b)	12-Month Beta	Forward P/E	2024 Expected Sales Growth	2024 Expected EPS Growth	Dividend Yield
VFC	\$12.7	0.98	10.3	6%	9%	6.3%
INTC	\$116.4	0.86	10.5	5%	8%	5.3%
OMC	\$13.8	0.73	10.1	4%	8%	4.2%
MS	\$145.7	0.94	10.7	4%	13%	3.9%
CSCO	\$172.3	0.77	11.0	4%	6%	3.6%

Screen Results

The stocks we chose are all trading in value territory on a forward P/E basis. The outsized dividend yields on VFC and INTC are partly the product of poor performance YTD relative to the other companies on the list. OMC, however, is down less than 10% YTD and still carries a 4.2% dividend yield. While a high dividend yield can be attractive, it's not guaranteed. Evaluating the relative safety of the dividend is important in most cases.

Company Summaries (all descriptions courtesy SimpleVisor)

V.F. Corp. (VFC)

V.F. Corporation (VFC) - Apparel Manufacturing

Description

V.F. Corporation, together with its subsidiaries, engages in the design, procurement, marketing, and distribution of branded lifestyle apparel, footwear, and related products for men, women, and children in the Americas, Europe, and the Asia-Pacific. It operates through three segments: Outdoor Active, and Work. The company offers outdoor, men's wear and other natural fibers based, lifestyle and casual apparel, footwear, equipment, accessories, outdoor inspired, performance based, youth-culture/active sports inspired, footwear, and protective work footwear, handbags, luggage, backpacks, and hats, and work and work inspired lifestyle apparel and footwear. It provides its products under the North Face, Timberland, Smartwool, Icebreaker, Afta, Yarn, Sagemo, Kipling, Ruggieri, Targay, Jantport, Dickies, and Timberland PRO brand names. The company sells its products primarily to specialty stores, department stores, national chains, and mass merchants, as well as sells through direct to consumer operations, including retail stores, concession-retail stores, and e-commerce sites, and other digital platforms. V.F. Corporation was founded in 1991 and is headquartered in Denver, Colorado.

Latest Price (2023-10-27, AMT:1500)

\$31.59 ▼ (-0.01%) (-0.01%)

52 Week Range

\$28.27

Last Close

\$31.76

Day Range

\$29.45

Open

\$31.24

Volume

1,201,074

Avg. Volume (3M)

1,541,562

Annual Div.

\$1.09

Div. Yield

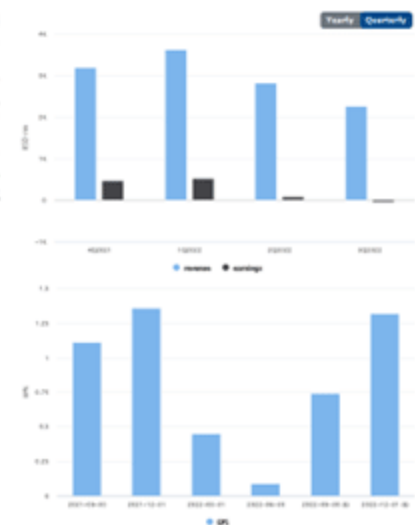
6.27%

Mkt Cap (MM)

\$2,270.58

Beta

1.39



Overview

Givonson Group Inc., together with its subsidiaries, provides advertising, marketing, and corporate communications services. It provides a range of services in the areas of advertising, customer relationship management, public relations, and healthcare. The company's services include advertising, branding, content marketing, corporate social responsibility consulting, crisis communications, custom publishing, data analytics, database management, digital/influencer marketing, digital transformation, entertainment marketing, experiential marketing, field marketing, financial/corporate business-to-business advertising, graphic artist/lighting, healthcare marketing and communications, and in-store design services. Its services also comprise interactive marketing, investor relations, marketing research, media planning and buying, merchandising and point-of-sale, mobile marketing, multi-cultural marketing, non-profit marketing, organizational communications, package design, product placement, promotional marketing, public affairs, retail marketing, sales support, search engine marketing, shopper marketing, social media marketing, and sports and event marketing services. It operates in the United States, Canada, Puerto Rico, South America, Mexico, Europe, the Middle East, Africa, Australia, Greater China, India, Japan, Korea, New Zealand, Singapore, and other Asian countries. The company was incorporated in 1944 and is based in New York, New York.

Latest Price: \$66.07 ▼ (-1.1%)
\$2 Week Range: \$60.38 - \$69.07
Last Close: \$66.07
Open: \$65.75
Volume: 582,657
Avg. Volume (3M): 1,340,026
Annual Div: \$2.80
Div. Yield: 4.25%
Mkt Cap (MM): \$15,523.96
Beta: 0.85

Price Change: YTD 1M 3M 6M 1Y 3Y Max

Price Target: — BMC — S&P500

Revenue vs Earnings: Quarterly

EPS: 2021-09-30 2021-12-31 2022-03-31 2022-06-30 2022-09-30

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Morgan Stanley is a financial holding company providing various financial products and services to corporations, governments, financial institutions, and individuals in the Americas, Europe, the Middle East, Africa, and Asia. It operates through Institutional Securities, Wealth Management, and Investment Management segments. The Institutional Securities segment offers capital raising and financial advisory services, including services related to the underwriting of debt, equity, and other securities, as well as advice on mergers and acquisitions, restructurings, real estate, and project finance. This segment also provides sales and trading services, such as sales, financing, prime brokerage, and market-making services in equity and fixed income products consisting of foreign-exchange and commodities, corporate and commercial real estate loans, which provides secured lending facilities and financing for sales and leasing customers, and asset-backed and mortgage lending and wealth management services, investment, and research services. The Wealth Management segment offers financial advisor-led brokerage and investment advisory services, self-directed brokerage services, financial and wealth planning services, workplace services, including stock plan administration, annuity and insurance products, securities-based lending, residential real estate loans, and other lending products, banking, and retirement plan services to individual investors and credit to middle-sized businesses and institutions. The Investment Management segment provides equity, bond, currency, liquidity, and alternative/inferior products to benefit/benefit contribution plans, foundations, endowments, government entities, coverage wealth funds, insurance companies, and third-party fund sponsors and investors through institutional and intermediary channels. Morgan Stanley was founded in 1864 and is headquartered in New York, New York.

Latest Price (Nov 1, 2023) \$62.79 ▼ (\$1.26) (-1.94%)

Last Close \$63.57

Open \$63.03

Volume 5,235,952

Annual Div. \$2.88

P/E Rat. 15.57

\$2 Week Range \$59.75 - \$66.75

Day Range \$61.33 - \$63.06

Avg. Volume (3M) 3,785,390

Div. Yield 4.6%

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

Revenue

Earnings

Revenue

Earnings

Cisco Systems (CSCO)

Cisco Systems, Inc. (CSCO) - Communication Equipment

Description

Cisco Systems, Inc. designs, manufactures, and sells Internet Protocol-based networking and other products related to the communications and information technology industry in the Americas, Europe, the Middle East, Africa, the Asia Pacific, Japan, and China. The company also offers switching portfolio encompassing campus switching as well as data center switching, enterprise routing portfolio interconnects public and private wireless and mobile networks, delivering highly secure, and reliable connectivity to campus, data center and branch networks; wireless products include wireless access points that are standalone, controller appliance based, switch-converged, and Meraki cloud-managed offerings, and compute portfolio including the Cisco Unified Computing System, Hyperflex, and software management capabilities, which combine computing, networking, and storage infrastructure management and virtualization. In addition, it provides Internet for the future product consists of routed optical networking, 5G, vision, and optics solutions, collaborative products, such as meetings, collaboration devices, calling, contact center, and communication platform as a service; and to-end security product consists of network security, cloud security, security endpoints, unified threat management, and zero trust, and optimized application experience products including full stack observability and cloud-native platform. Further, the company offers a range of service and support options for its customers, including technical support and advanced services and training services. It serves businesses of various sizes, public institutions, governments, and service providers. The company sells its products and services directly, as well as through systems integrators, service providers, other resellers, and distributors. Cisco Systems, Inc. was incorporated in 1986 and is headquartered in San Jose, California.

Latest Price (as of 5/20/2023, 16:20:00 UTC)

\$41.89 ▲ (\$0.07) (0.17%)

52 Week Range

\$39.00

Last Close

\$41.82

Day Range

\$41.40

Open

\$41.53

High

\$42.10

Volume

5,796,890

Avg. Volume (3M)

9,201,775

Annual Div.

\$1.50

Div. Yield

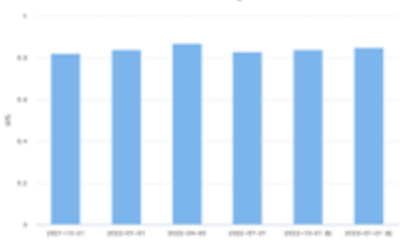
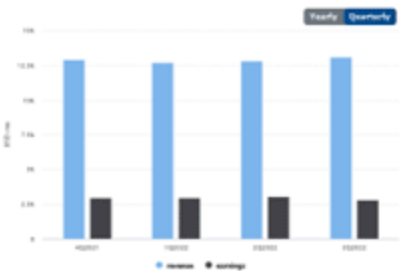
3.59%

500 Cap (M)

\$172,534.30

Beta

0.94



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.