

Five for Friday- Going For Growth

Following our three-part series on dividends and value, it's time to switch gears and search from a different perspective. We're going for growth this week by screening the constituents of Cathy Wood's ARKK ETF. The ETF's theme is "disruptive innovation"- per ARK's webpage:

ARK defines "disruptive innovation" as the introduction of a technologically enabled new product or service that potentially changes the way the world works.

Companies within ARKK include those that rely on or benefit from the development of new products or services, technological improvements, and advancements in scientific research relating to the areas of:

- **DNA Technologies and the "Genomic Revolution"**
- **Automation, Robotics, and Energy Storage**
- **Artificial Intelligence and the "Next Generation Internet"**
- **Fintech Innovation**

Thus, the stocks in our initial scanning populations have already garnered expectations for high growth. Our objective is to identify five constituents offering growth at a (somewhat) reasonable price. We utilize the r-squared of 5y sales growth to check for consistency in sales growth. The closer to 1, the more consistent growth was over the period.

Screening Criteria

We considered the following factors when screening:

- Sales Growth past 5y > 25%
- P/S < 5
- EPS Growth past 5y > 0%

The screen criteria seem simple but recall that ARKK is a portfolio of high growth stocks. We filtered out those stocks with lofty valuations and insufficient historical data and arrive at the five stocks shown below.

Ticker	Sector	Industry	Market Cap. (\$M)	P/S	5y Sales Growth (Ann.)	5y Sales Growth R ²	5y EPS Growth (Ann.)
NVTA	Healthcare	Diagnostics & Research	\$583	1.1	79.0%	97.1%	9.9%
ROKU	Comm. Services	Entertainment	\$7,056	2.3	47.3%	99.3%	42.1%
SQ	Technology	Software - Infrastructure	\$46,218	2.7	59.5%	95.7%	21.6%
CERS	Healthcare	Biotechnology	\$531	2.8	32.4%	92.2%	12.5%
ZM	Comm. Services	Telecom Services	\$20,741	4.8	132.1%	92.4%	141.5%

Company Summaries

Invitae Corporate (NVTA)

Invitae Corporation (NVTA) - Diagnostics & Research

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

Invitae Corporation, a medical genetics company, integrates genetic information into mainstream medicine to improve healthcare of people in the United States, Canada, and internationally. The company offers genetic tests in various clinical areas, including hereditary cancer, cardiology, neurology, pediatrics, oncology, metabolic conditions, and rare diseases; digital health solutions; and health data services. It serves patients, healthcare providers, biopharma companies, and other partners. The company was formerly known as Livent Development Inc. and changed its name to Invitae Corporation in 2017. Invitae Corporation was incorporated in 2010 and is headquartered in San Francisco, California.

Latest Price (Feb 1, 2023, 9:43:40 AM)

\$2.38 ▲ (\$0.02) (0.64%)

Last Close

\$2.36

Open

\$2.36

Volume

581,717

Annual Div.

N/A

Mkt Cap (mn)

\$576.88

Div. Yield

N/A

Beta

1.80

52 Week Range

\$1.67

Day Range

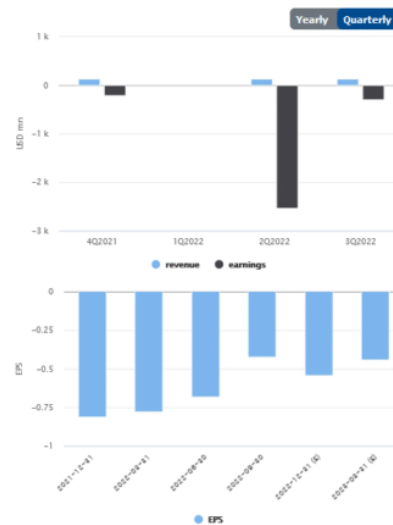
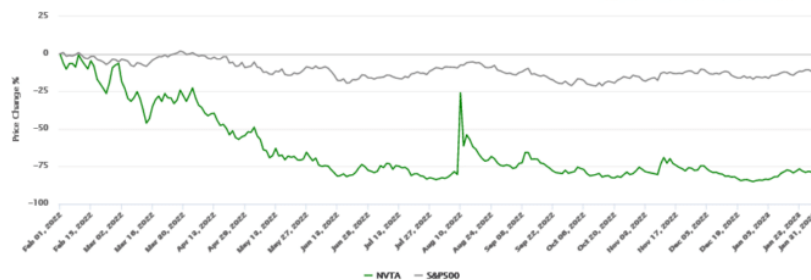
\$12.04

\$2.34

Avg. Volume (3m)

8,248,263

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



ROKU, Inc (ROKU)

Roku, Inc. (ROKU) - Entertainment

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

Roku, Inc., together with its subsidiaries, operates a TV streaming platform. The company operates in two segments, Platform and Player. Its platform allows users to discover and access various movies and TV episodes, as well as live TV, news sports, shows, and others. As of December 31, 2021, the company had 60.1 million active accounts. It also provides digital and video advertising, content distribution, subscription, and billing services, as well as other commerce transactions, and brand co-promotion and monetization and manufacturing, sales, and licenses smart TVs under the Roku TV name. In addition, the company offers streaming devices and audio products and accessories under the Roku brand name and sells branded channel.

Latest Price (Feb 1, 2023, 9:43:40 AM)

\$57.28 ▼ (-\$0.22) (-0.39%)

Last Close

\$57.50

Open

\$54.65

Volume

723,524

Annual Div.

N/A

Mkt Cap (mn)

\$7,976.69

Div. Yield

N/A

Beta

1.70

52 Week Range

\$38.26

Day Range

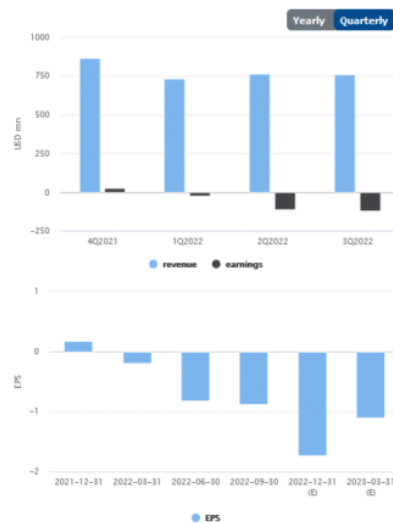
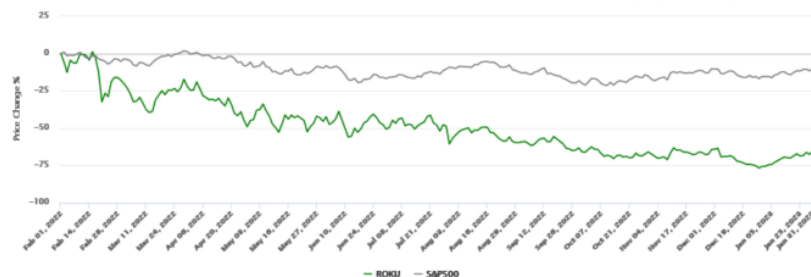
\$177.96

\$56.42

Avg. Volume (3m)

7,724,320

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



Block, Inc. (SQ) ? Formally known as Square

Block, Inc. (SQ) - Software—Infrastructure

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

Block, Inc., together with its subsidiaries, creates tools that enables sellers to accept card payments and provides reporting and analytics, and next-day settlement. It provides hardware products, including Magstripe reader, which enables swiped transactions of magnetic stripe cards; Contactless and chip reader that accepts Europay, MasterCard, and Visa (EMV) chip cards and Near Field Communication payments; Square Stand, which enables an iPad to be used as a payment terminal or full point-of-sale solution; Square Register that combines the hardware point-of-sale software and payments technology; Square Terminal, a payments device and receipt printer in a rugged traditional keyboard terminal, which accepts tap, pin, and swipe.

Latest Price (Feb 1, 2023, 9:41:58 AM)
\$81.36 ▼ (-\$0.36) (-0.45%)

Last Close
\$81.72

Open
\$80.88

Volume
437,918

Annual Div.
N/A

Mkt Cap (mn)
\$48,656.06

52 Week Range
\$51.34

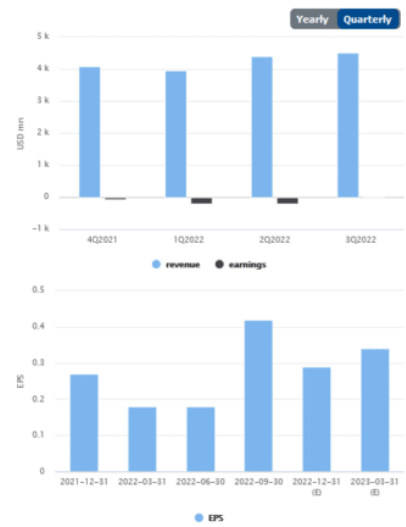
Day Range
\$149.00

Day Range
\$81.29

Avg. Volume (3m)
12,773,621

Div. Yield
N/A

Beta
2.28



Cerus Corporation (CERS)

Cerus Corporation (CERS) - Medical Devices

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

Cerus Corporation operates as a biomedical products company. The company focuses on developing and commercializing the INTERCEPT Blood System to enhance blood safety. Its INTERCEPT Blood System, a proprietary technology for controlling biological replication that is designed to reduce blood-borne pathogens in donated blood components intended for transfusion. The company offers INTERCEPT Blood Systems for platelets and plasma, which is designed to inactivate blood-borne pathogens in platelets and plasma donated for transfusion; INTERCEPT Blood System for red blood cells to inactivate blood-borne pathogens in red blood cells donated for transfusion; and INTERCEPT Blood System for Cryoprecipitation that treat the

Latest Price (Feb 1, 2023, 9:44:30 AM)
\$3.25 ▲ (\$0.10) (3.34%)

Last Close
\$3.14

Open
\$3.02

Volume
116,872

Annual Div.
N/A

Mkt Cap (mn)
\$575.73

52 Week Range
\$2.53

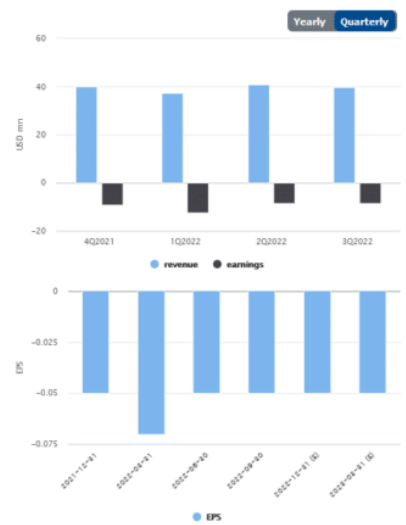
Day Range
\$6.00

Day Range
\$3.13

Avg. Volume (3m)
1,343,793

Div. Yield
N/A

Beta
1.02



Zoom Video Communications (ZM)

Zoom Video Communications, Inc. (ZM) - Software—Application

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

Zoom Video Communications, Inc. provides unified communications platform in the Americas, the Asia Pacific, Europe, the Middle East, and Africa. The company offers Zoom Meetings that offers HD video, voice, chat, and content sharing through mobile devices, desktops, laptops, telephones, and conference room systems; Zoom Phone, an enterprise cloud phone system; and Zoom Chat enables users to share messages, images, audio files, and content in desktop, laptop, tablet, and mobile devices. It also provides Zoom Events, a software-based conference room system; Zoom Workplace-as-a-Service allows users to access video communication technology from third-party equipment; Zoom Conference Room Connector is software for

Latest Price (Feb 1, 2023, 9:44:28 AM)

\$74.94 ▼ (-\$0.06) (-0.08%)

Last Close

\$75.00

Open

\$73.50

Volume

135,245

Annual Div.

N/A

Mkt Cap (mn)

\$21,906.61

52 Week Range

\$63.55

Day Range

\$74.60

\$75.77

Avg. Volume (3m)

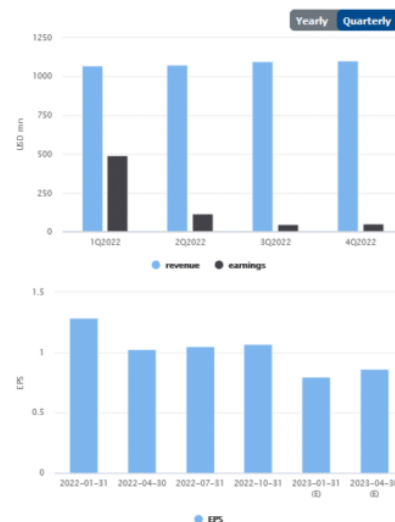
3,714,308

Div. Yield

N/A

Beta

-0.26



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.