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After reporting EPS yesterday, FAST had a gap-up day; climbing 7.5%. TPA sees this a positive signal for stocks on the whole given how closely the S&P500 tracks the price of FAST.

CNBC describes FAST this way: "Fastenal Company is engaged in the wholesale distribution of industrial and construction supplies. The Company is a distributor of threaded fasteners, bolts, nuts, screws, studs, and related washers, as well as miscellaneous supplies and hardware. Its customers are in the manufacturing and non-residential construction markets." In other words, FAST is involved in a broad spectrum of the economy. (Full description below).

Follow the charts below for TPA's argument.

1. After FAST reported earnings yesterday, it had a gap-up day. Gap-up days, when the low is higher than any previous days' price, are very positive signals.

FAST



2. The 3-year relative performance chart below shows that percentage moves in FAST and the S&P500 closely track each other.

FAST, S&P500 – RELATIVE PERFORMANCE 3 YEARS



3. The relative performance chart below shows how the top 3 stocks in the S&P500 (AAPL, MSFT, and AMZN) track with the S&P500. Note that the #236 stock in the S&P500 (FAST) tracks the index far better than the largest stocks. (Table of top 10 S&P500 stocks below).

RELATIVE PERFORMANCE – S&P500, AAPL, MSFT, AMZN, FAST – 3 YEARS



FAST - PROFILE

Fastenal Company is engaged in the wholesale distribution of industrial and construction supplies. The Company is a distributor of threaded fasteners, bolts, nuts, screws, studs, and related washers, as well as miscellaneous supplies and hardware. Its customers are in the manufacturing and non-residential construction markets. The manufacturing market includes sales of products for both original equipment manufacturing (OEM), where its products are consumed in the final products of its customers, and manufacturing, repair, and operations (MRO), where its products are consumed to support the facilities and ongoing operations of its customers. The non-residential construction market includes general, electrical, plumbing, sheet metal and road contractors. Other users of its products include farmers, truckers, railroads, oil exploration companies, oil production and refinement companies, mining companies, federal, state, and local governmental entities, schools, and certain retail trades.

<https://www.cnbc.com/quotes/FAST?qsearchterm=fast>

S&P500 – top 10 stocks by weight

S&P 500 Holdings							
#	Company	Symbol	Weight		Price	Chg	% Chg
1	Apple Inc	AAPL	7.19992	▲	181.94	2.14	(1.19%)
2	Microsoft Corp	MSFT	6.729707	▲	332.85	0.43	(0.13%)
3	Amazon.com Inc	AMZN	3.261481	▲	133.92	2.09	(1.59%)
4	Nvidia Corp	NVDA	3.150156	▲	473.49	5.43	(1.16%)
5	Alphabet Inc Cl A	GOOGL	2.272166	▲	140.86	0.31	(0.22%)
6	Meta Platforms Inc Class A	META	1.985597	▲	329.82	2.00	(0.61%)
7	Tesla Inc	TSLA	1.979074	▲	263.81	0.82	(0.31%)
8	Alphabet Inc Cl C	GOOG	1.948902	▲	141.97	0.27	(0.19%)
9	Berkshire Hathaway Inc Cl B	BRK.B	1.731661	▼	346.98	-1.45	(-0.42%)
10	Unitedhealth Group Inc	UNH	1.323106	▼	523.30	-0.83	(-0.16%)