

Stock	Buy / Sell	Thesis	Current Price	Target Price
ABT	BUY	<p>Since 2001 Abbott has made 18 acquisitions, some of which the firm has since re-sold to other businesses. The variation in these arrangements is a testament to the management team's commitment to improving the company's market share in many fields but also to innovation. The management team is willing to make bold moves that place Abbott in advantageous positions within the healthcare marketplace. Abbott is currently in talks with Alere Incorporated to acquire the point-of-care giant. This move would not only improve shareholder value for both firms immediately, it will also set Abbott up for significant synergies in the coming years.</p>	\$ 44.08	\$ 49.16
GILD	BUY	<p>In the past years, Gilead Sciences (NASDAQ:GILD) has outperformed most of the earnings estimate due to their increasing revenue streams and efficient pipeline. Currently, the company has several products under Phase 3 that will soon be introduced in the market in order to strengthen their revenue. Furthermore, the company has shown stable financial results and has efficiently managed their important debt. As a sign of confidence to the investors, Gilead Sciences' management has triggered a vast wealth distribution to shareholders composed of a dividend payout and a stock repurchase program. As the leader of the biotechnology industry, Gilead was not spared by the political environment of the last years. With the threat of a regulation on drug prices, the firm has suffered an important fall in their stock value until recently due to the fear of a reduction of their margins. Gilead Sciences has a strong customer base and a healthy product pipeline that might generate an increase in stock price in the next year.</p>	\$ 101.93	\$ 114.83
KTOS	BUY	<p>Kratos has the necessary demand and proper business strategy to begin an upward trend as a growing company with a more affordable focus. Macroeconomic factors are positively boosting the potential for the defense industry and Kratos is focused on the correct war-fighting capabilities most recently requested by the United States Department of Defense. Kratos will experience organic growth in many of its business segments and has set expectations really low for 2016 in an effort to remain conservative.</p>	\$ 5.39	\$ 7.53

MBUU	BUY	<p>Malibu Boats Inc. is a designer, manufacture and marketer of performance sports boats. Malibu Boats in the best of its class of any of the boat manufacture companies. With 32% market share in 2014, Malibu Boats has successfully been able to take market share away from its competitors. This has been done through better boat quality as well as personalization through the extensive technology that they possess. Malibu Boats is looking to gain market share as they aim to enter the premium luxury segment of boats with their M235 series.</p> <p>Though the boat industry took a huge hit during the recession, it has been picking up steam of late. This along with the Federal Reserve wanting to raise interest rates will be key drivers in individuals buying more boats. At the price of \$17.20, Malibu Boats is considered a BUY. With a 1-year target of \$23.06, Malibu Boats has an upside potential of 25%.</p>	\$ 17.20	\$ 23.06
MIK	BUY	<p>In the beginning of February 2016, Michaels acquired Lamrite West. Lamrite West is a wholesaler in the arts and crafts industry. The acquisition was for \$150 million. The market reacted very well to the announcement of the event. Since the acquisition, the stock price increase from \$22.08 all the way to its 52 week high of \$29.56. Investors believe that there is a lot of value to be created from acquiring Lamrite West. Michaels has effectively cut out a link in the supply chain and should be able to show improved margins in the near future.</p> <p>One aspect of the company that has investors worried is their high amount of debt. They currently have about \$2.7 billion in debt which is fairly large considering that their revenue is \$4.9 billion in comparison. On the positive note, they have shown consistent improvements within the last two years. In 2014, the amount of debt was totaled at \$3.6 billion and in just two years they have been able to shrink their debt by 25%.</p>	\$ 28.28	\$ 48.08

COL	BUY	<p>Rockwell Collins' fundamentals are in the top range of its industry. The company is showing strong and improving margins over the years with strong expectations over the next ten years, especially regarding the growth rate. While competitors are expected to grow at 3% over the next years, COL is expected to grow between 3% and 5%. The very large portfolio of the company is offering a great diversification of customers and risks, and give the company more potential for growth in the long run. The outlook for the overall industry is offering better growth rates than the forecast global GDP growth rate, which is going to improve the top-line growth of the company. Based on its excellent fundamentals, plus its large portfolio and R&D investments, the company is still better prepared than competitors for future growth, and better margins. Based on the stock chart analysis, the company is also offering a positive alpha compared to the aerospace & defense industry. The 5% drop will soon be erased as it offers an opportunity to buy the stock at a cheap price, and may be able to pass the \$100 barrier over the next months.</p>	\$ 90.01	\$ 108.00
WSM	BUY	<p>WSM is a company with an increasing presence inside and outside the USA. Due to a weak 2015 growth, expectations have been lowered for the company, but chances are those expectations are actually wrong. The company can benefit from the diversification and quality of its products as well as its partnerships and a bullish housing market to secure a higher growth than forecasted. While 2015 have shown different WSM problems such as the distribution of their products, the company has made the necessary changes that will drive its growth in 2016 and 2017.</p>	\$ 59.52	\$ 68.96
WTW	SELL	<p>Although Weight Watchers still holds the largest market share in the weight loss services industry, WTW has consistently been declining in revenue, and will soon lose its hold as the industry's leader. The industry outlook is favorable in the sense of obesity and population metrics, however, increased competition is a serious threat. In addition to growing companies such as Nutrisystem, Medifast, and GNC, advancements in technology, such as phone applications, are making Weight Watchers less appealing. The partnership of Oprah Winfrey has driven the stock price up, but Q4 financials have indicated that she is not effecting growth, and as a result, the stock is largely overvalued.</p>	\$ 14.62	\$ 6.20