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| **Stock** | **Buy/ Short** | **Thesis** | **Current Price** | **Target Price** |
| AeroVironment, Inc$AVAV | Buy | AeroVironment is a multi-disciplinary technology innovator; currently the company provides 86% of all unmanned aircraft system (UAS) in U.S Department of Defense (DoD) also known in the general public as drone. AVAV is also a leader in the deployment of Electrical Vehicle charging systems in North America. The company vision is clear and is on the alignment of positive outlook trends in both of its segments. AeroVironment understood the customer’s need for the long run by providing Networked Information and Communication with high quality innovative products and service to customers around the world. The company is also in a long run trend of providing alternative transportation fuel solutions, a segment that is in term of economic cycle in a trough time. The electrical vehicle are experimenting the starting point of the growth in term of industry life cycle. AVAV will increase its R&D by more than 50% in the coming year for their own internal research and continue to receive an increasing number of clients shared R&D financing by customers. The company works closely with the U.S DoD for a technology transfer with India; the Cheel is a joint project between AVAV and Dynamatic’s an Indian engineering company to provide small UAS military equipment for the Indian army growing needs. The company will increase its internal funded R&D by over 50%. The company is in a moving phase when they have to allocate scarce resources to multiply high productivity activity. The cash position of the company is more than a third of its market capitalization and an increase number of international clients in AVAV portfolio makes the stock undervalued with the potential of increasing margin that are already at 43% and a guidance for the final year range between 250-270 million by the management. The next two-quarter would be surpassingly attractive in term of contracts and in technology advancement that would ultimately attract attention of individual investors and not only institutional investors. The investment represents a long-term investment because of the lack of exposure due to classified program that are not providing enough advancement in term of innovation and the current analyst that do not deliver guidance publicly | $25.98 | $34.04 |
| Chesapeake Energy Corporation$CHK | Buy  | Chesapeake Energy Corporation is a company that hasbeen greatly oversold over the past year, bringing it to a very attractive price. Chesapeake intends to continue cutting cost in an effort to become more efficient,improving their margins. Recently, there has been a lot of insider activity with insiders increasing their positions within the company, implying Chesapeake may have reached its bottom. Data is showing an increase indemand for natural gas in the future which will fuel revenue growth and demand for Chesapeake’s natural gas resources. The company also has improvingfinancials with an increased cash balance and liquidity. | $15.11 | $20.20 |
| CSX Corp$CSX | Buy | The CSX Corp is a dominant force in the eastern United States railroad industry. With the transportation sector showing strong results in the near term these types of companies should be considered for all well diversified portfolios. The Bjorkland Investment Fund currently does not own a stock in the transportation sector, but should consider CSX as it has outperformed its peers and is poised to do the same in the near term. The firm has a number of initiatives in the works to drive down costs and boost top line growth, all while keeping its three tier shareholder value creating framework in mind. For these reasons I am initiating a BUY at $32.86 with a one year price target of $46.2. | $32.86 | $46.2 |
| Kinder Morgan Inc$KMI | Buy | Kinder Morgan, North America’s largest energy infrastructure company, largest midstream, and third largest energy company is a BUY with a one year price target of $56.72. The bullishness towards Kinder Morgan can be attributed to its consistent dividend growth, its ability to identify lucrative acquisitions, and its ability to separate from peers that have felt a negative impact from recent changes in commodity prices. | 43.68 | $56.72 |
| Krispy Kreme Doughnuts, inc$KKD | Buy | Krispy Kreme Doughnuts, Inc. operates as a branded retailer and wholesaler of doughnuts, beverages, and treats and packaged sweets. The company has anaggressive growth strategy both in the U.S. and internationally. It has a strong brand recognition and seems to draw a better image than its competitors,Starbucks (SBUX) and Dunkin Donuts (DNKN). The company relies on word to mouth advertising and same store sales growth will be driven by menu expansion,strategic promotions, and customer engagement through mobile apps. The recent implementation of a new ERP system recently impacted the company’s operatingmargins, to which the market overreacted. Finally, operating margins for their biggest but less profitable segment will increase during Fiscal Year 2016, which willdrive an increase in Krispy Kreme’s stock price. Although the company has many strengths and is largely able to gain market share, its stock’s valuation is notparticularly attractive for value investors. However, investors looking for a growth play may want take a look at Krispy Kreme. | $18.99 | $22.00 |
| Kennedy Wilson Holdings, Inc.$KWI | Buy | KW oversees $18 B in assets under management, diversified into: commercial, residential, and hotel properties. The company specializes in distressed assets, searching for properties to renovate in order to create value. Over the course of the past year, KW took full advantage of low interest rates in order to acquire as many properties as possible. Following the restructuring and spinoff of the company’s European subsidiary (KWE), Kennedy Wilson is very different than it has ever been in the past. Although the company’s high increase in liabilities is concerning, the management team’s approach towards restructuring this debt will become increasingly more effective as the company’s new scale of operations bring the company to profitability.  | $23.83 | $38.75 |
| Proto Labs Inc$PRLB | Buy | In today’s business environment, fast is everything. The cold hard truth is that companies are most likely to be defined by their ability to get new, innovative products to market than by any other part of their business. This reality is most pressing for many technology and medical device providers, whose product lifecycles are often, at best, 6 to 12 months. You would have to be deaf, dumb, and blind to not recognize this as an opportunity. Fortunately for a small quick-turn manufacturer like Proto Labs, they’ve heard the call of an underserved market, envisioned a future full of opportunity, and have done an amazing job of communicating that vision through real, tangible results today. What we are looking at is a company that has achieved incredible growth year-over-year, while achieving cash efficiency unrivaled by peers and the industry, doing so with minimal debt, and throughout, maintaining highly stable margins. Since coverage of this stock was initiated 2 weeks ago, the stock has surged past it’s 1-year target of $76.00, for an 11% gain, and as some would say, “has tapped out all the value there was,” but this stock is certainly still undervalued and has in the short term potential to climb to $85 and beyond. | $78.16 | $85.00 |
| Sears Holding Corp$SHLD | Short | Sears Holdings Corporation has been struggling financially and it is a surprise to still see them sticking around. For the past five years, the corporation has been on a decline in sales and has been forced to close down stores and sell other assets over the past several years. Management has taken a compensation cut to keep the company alive. Overall, the story looks like a fiasco. | $43.50 | $20.00 |
| Tech Target Inc$TTGT | Buy | TechTarget, Inc. is a growing company that looks to create value with continued improvement in margins and free cash flows. The firm is in an industry where barriers to entry are high due to a unique content model. The company provides many services to companies that are in the information technology buying process and need help choosing the right products. TechTarget, Inc.’s vast assortment of content is unrivaled by any other company in its industry. Combine that with a large audience and the result is a company with a bright future of value creation. The market does not yet realize the potential of this company because there is no company like it and the firm has not yet hit its prime. There is a serious opportunity to capitalize on the low price of the stock at $11.46. | $11.25 | $13.91 |
| Yelp Inc$YELP | Buy | Yelp has been oversold in the recent quarter based on investor concerns about future growth, risk coming from the Google algorithm dependency, and operating leverage. Growth is underestimated and should be faster than estimates. Recent acquisitions allowed the company to reduce its costs and allowed Yelp to introduce new services to enhance consumer experience, drive daily engagement in key restaurants vertical which means an increase of loyalty from customers and a more consistent revenue stream. Sales and Marketing expenses represent the major costs for the company. However, these expenses already are decreasing significantly as a percentage of revenue and will decrease in the future, increasing considerably EBITDA margins and creating value for shareholders. The recommendation is a buy with a target price of $62 based on the proforma presented on the last page of this report, a potential increase of 25.13%. | $49.57 | $62.00 |