

## VALUATION SUMMARY

Stocks Undervalued	60.22%	Stocks Overvalued	39.78%
Stocks Undervalued by 20%	35.49%	Stocks Overvalued by 20%	19.25%

ValuEngine currently finds the markets attractive with the majority of stocks covered undervalued according to the research.

## INDEX OVERVIEW

Index	Date	Last Close	MTD	QTD	YTD
S&P 500	9/17/2020	3,357.01	-4.09%	2.63%	3.91%
Dow 30	9/17/2020	27,901.98	-1.86%	5.58%	-2.23%
Nasdaq	9/17/2020	10,910.28	-7.35%	1.54%	21.60%
Russell 2000	9/17/2020	1,542.60	-1.23%	4.20%	-7.54%

## PERFORMANCE HISTORY



## SECTOR AVERAGE COMPARISON

Sector Name	Valuation	Momentum	P/E Ratio	Sharpe Ratio
Oils-Energy	31.78% undervalued	-26.80%	17.58	-0.3621
Utilities	12.96% undervalued	-5.67%	21.25	0.1618
Finance	11.30% undervalued	-7.46%	14.63	0.0723
Consumer Staples	8.03% undervalued	2.65%	25.81	0.0225
Business Services	1.93% undervalued	-5.16%	29.30	-0.0051
Aerospace	2.07% overvalued	-24.80%	23.08	0.0296
Industrial Products	3.10% overvalued	5.00%	24.02	0.1273
Transportation	4.62% overvalued	-12.23%	21.98	-0.1840
Construction	5.90% overvalued	7.83%	22.46	0.0845
Multi-Sector Conglomerates	6.00% overvalued	-18.99%	19.42	-0.1170
Medical	6.85% overvalued	23.58%	33.58	-0.1295
Computer and Technology	8.11% overvalued	19.49%	35.02	0.1601
Auto-Tires-Trucks	8.37% overvalued	0.12%	25.22	-0.0840
Consumer Discretionary	8.92% overvalued	-6.72%	29.45	-0.0856
Basic Materials	11.23% overvalued	37.24%	26.94	0.0876
Retail-Wholesale	14.11% overvalued	11.12%	31.41	-0.0534

## TOP INDUSTRIES

Industry Name	Valuation	Momentum	P/E Ratio	Sharpe Ratio	Market Cap (bil)
Medical Services	15.73%	26.02%	31.73	0.1024	3.3191
Solar	69.63%	126.99%	36.08	0.0662	2.6214
Comm Infrastructure	17.77%	42.77%	42.24	-0.0043	1.1356
Textile-Apparel Mfg	12.27%	-17.66%	27.70	-0.2360	11.6401
Retail-Mail Ord	-10.61%	9.16%	14.15	0.1957	1.2439
Mining-Non Ferrous	56.84%	40.57%	19.47	0.0349	2.6081
Medical Instruments	15.15%	15.39%	55.76	-0.0916	5.4214
Bldg-Cement/Concrt/Ag	-11.87%	0.71%	24.33	0.0632	5.6116
Auto/Truck-Replace Prts	-2.30%	-5.97%	25.86	-0.1705	3.3938
Advertising/Mktg Svcs	-28.90%	-21.10%	21.83	-0.3109	1.9819

## STOCK OF THE WEEK - DAL

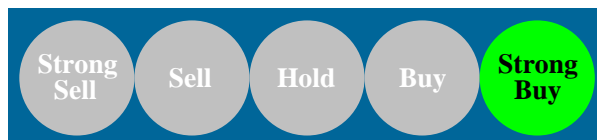
Company Name: Delta Air Lines

Sector: Transportation

Industry: Transportation-Airline

## ValuEngine Recommendation

ValuEngine recommendation covers more than 5000 companies. The recommendations are based on the proprietary ValuEngine one-year forecast return model output for each individual equity. ValuEngine's Five-Engine rating stocks have an averaged annual return of 11.58% since 2002.



## Data Summary

Trade Date: Sep 17, 2020	Last Close: \$33.96	Avg Volume: 25900216
1-Yr Forecast: 14.53%	Valuation: 64.15%	1-Yr Momentum: -42.80%
PEG Ratio: 0.13	Market Cap (bil): \$21.66	EPS Growth: 60.42%
Beta: 1.49	5-Yr Avg Return: -7.00%	Volatility: 37.03%
Sharpe Ratio: -0.19	P/S Ratio: 0.64	M/B Ratio: 2.49
Forward Dividend: \$1.61	Dividend Yield: 4.74%	Alpha: -0.90

## Forecast Analysis

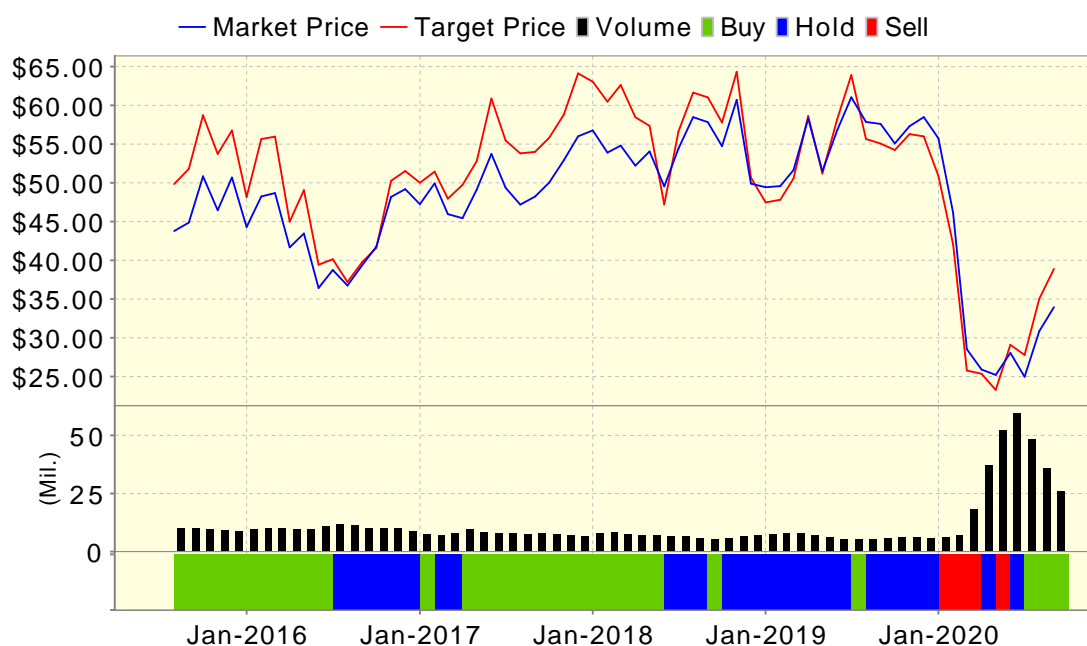
The predictive variables used in Valuengine's forecast model include both proprietary and well-established variables derived from credible financial studies and publications. We use a distinct forecasting model for each time horizon and apply the most advanced statistical/econometric techniques to ensure that our stock return forecasts are as reliable as possible.

	Target Price	Exp. Return
1-Month	\$34.37	1.20%
3-Month	\$35.19	3.62%
6-Month	\$35.89	5.70%
1-Year	\$38.89	14.53%
2-Year	\$37.13	9.34%
3-Year	\$32.54	-4.17%

[Click for more information on ValuEngine's models.](#)

## STOCK OF THE WEEK - DAL

### Price And Recommendation History



### ValuEngine Evaluation & Rankings

	Value	Ranking
1-Yr Forecast	14.53%	100
Valuation	64.15%	8
1-Yr Momentum	-42.80%	13
P/E Ratio		18
Market Cap(bil)	21.6617	93
EPS Growth	60.42%	75
5-Yr Avg Return	-7.00%	35
Volatility	37.03%	51
Sharpe Ratio	-0.1891	34
P/S Ratio	0.64	76
M/B Ratio	2.49	47
Surprise	10.30%	59

Just as important as the percentages shown for our predictive variables for each stock is the way they are ranked against @7000 stocks in our database. This is sometimes confusing to newcomers to ValuEngine. Each of these quantitative measurements is ranked on a scale of 1 to 100. Generally the higher the ranking, the more positive the influence each measurement has on the overall attractiveness of the stock. In other words a high rank is always better. For example:

- \* Forecast rank 100: 0% of stocks have higher forecast returns.
- \* Valuation rank 8: 92% of stocks are more undervalued.
- \* Momentum rank 13: 87% of stocks have higher momentum.
- \* P/E rank 18: 82% of stocks have lower P/E ratios.
- \* Size rank 93: 7% of stocks have higher market capitalization.
- \* Volatility rank 51: 49% of stocks have less volatility.

### Business Summary

Delta Air Lines, Inc. is a major American airline with its headquarters on the northern boundary of Hartsfield-Jackson Atlanta International Airport, within the city limits of Atlanta. Delta started operation by crop dusting and flying mail and then introduced passenger service. Delta's business is focused on making global connections, flying people and cargo throughout the United States and around the world. Delta Air Lines offers customers service to more destinations than any global airline with Delta and Delta Connection carrier service. Delta Air Lines and the Delta Connection carriers offer service to nearly 370 destinations on six continents. Delta has added more international capacity than all other U.S. airlines combined and is the leader across the Atlantic.

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- Other customized services

**Please call (321) 325-0519 or contact [support@valuengine.com](mailto:support@valuengine.com)**

## VALUENGINE'S METHODOLOGY

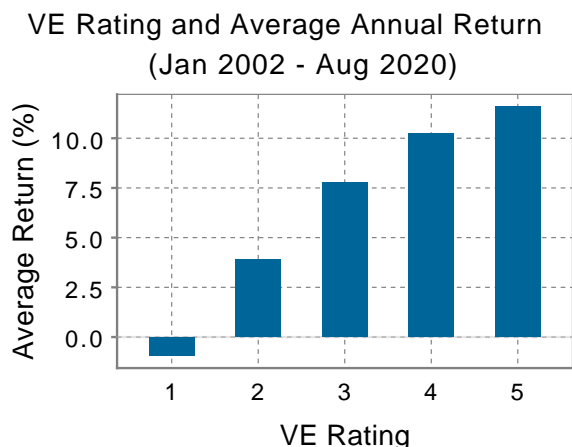
ValuEngine's research combines the most advanced academic concepts with real world Wall Street practice. The result is state-of-the-art fair market valuation and price forecasting technologies.

ValuEngine's stock valuation employs a sophisticated, three-factor approach. Fundamental variables, such as a company's trailing 12-month Earnings-Per-Share (EPS), the analyst consensus estimate of the company's future 12-month EPS, and the 30-year Treasury yield, are all used to create a more accurate reflection of a company's fair value. Together with eleven additional variables, ValuEngine paints a detailed picture of a company's fair value, represented by the model price.

ValuEngine's stock forecasts capture several important tendencies that stock prices consistently exhibit over six time horizons to ensure forecasts are established relative to a stock's proper peer groups. Advanced statistical/econometric techniques are used to run thousands of simulations estimating the probability of a double in stock price, as well as the probability of meeting and exceeding any given portfolio or stock investment target.

VE Engine Rating is an assessment of a stock's overall attractiveness. It is based on the one year forecast target price, which is the final evolution of VE's equity modeling. On average, only 2 percent of ValuEngine's 5,500 stocks under coverage achieve a 5 rating. 5 and 4 rated stocks are expected to outperform the overall markets, 3 rated to roughly match market performance, and 2 and 1 rated are expected to underperform.

For additional information about ValuEngine's financial research and financial modeling, please click [www.valuengine.com](http://www.valuengine.com)



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ValuEngine offers equity recommendations and related return estimates to investors and their advisors. It uses a three-class Buy-Hold-Sell rating system. This is a consolidated version of the firm's five class rating system: most favorable and favorable ratings are buys; neutral ratings are holds and the categories unfavorable and most unfavorable are sells.

**STOCK RATINGS:** The terms below are used to rate a stock's 12-month performance:

1. Buy: Expected to outperform the SP500 producing above average returns.
2. Hold: Expected to perform in line with the SP500 with average returns.
3. Sell: Expected to underperform the SP500 producing below-average returns.

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