

Hello –

The US economy is divided into eleven sectors. I use Relative Strength to see how the sectors are performing compared to SPY. www.stockcharts.com is my go-to website for Relative Strength. The Communications Services sector has been **underperforming** the SPY (ETF for the S&P 500) since the beginning of October 2025 (see graphic). I am trying to find Good Companies that may be beaten down for this quarter's stock study. Now that we have our sector chosen, it is time to find a company to study.



My second step is to go to www.betterinvesting.org and use their search tool to find all companies in this sector. The results show 279 companies. I click on Export as CVS found at the top of the Results section. This file is then opened in Excel (see graphic).

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Stock Ideas - Search for a Company

Search Criteria

9 Yr Sales Growth (%): Any

9 Yr Earnings Growth (%): Any

5 Yr EPS R-squared: Any

Size: Small Medium Large

Sector: Communication Services

Dividend Yield (%): Any

Pre-Tax Profit Trend: Up Even Down

Return on Equity Trend: Up Even Down

Morningstar Growth Grade: Any

Morningstar Profit. Grade: Any

Morningstar Financial Health: Any

PE / Historical EPS Growth: Any

Traded Exchange: US Exchanges Only

Search Reset Criteria

Predefined Screens

Quality ?

Value ?

Quality + Dividend Yield ?

Small Company ?

Roster of Quality ?

A-List Stocks ?

Looking for more in-depth screening? Check out [MyStockProspector.com](#)

Filtered List

Show Filtered Companies ?

Clear Filtered List

Ticker Heat Map

A resource of stock ideas based on the top 100 studies created by members in the last 90 days.

Results

Show 100 entries Export as CSV

Actions	Company	Ticker	Sector	Industry	Size	Sales Growth (%)	Earnings Growth (%)	EPS R2	Current P/E	PI HI
	1stdibs.com Inc	DIBS	Communication Services	Internet Content & Information	S	3.4	0	0	0	0
	36KR Holdings Inc	KRKR	Communication Services	Advertising Agencies	S	2.7	-9	0	0	0

My third step this quarter is to sort these companies by Industry. There are seven Industries in this Sector. I copied each Industry into its own worksheet. In the end, I have one Workbook with seven Worksheets. For each Industry, I sort by size and remove those companies not growing Sales at the rate we expect for their size. Large-size companies are expected to grow sales by 5% to 7%; medium-size companies are expected to grow sales by 7% to 12%; small-size companies are expected to grow sales by 12% or better. I do the same for EPS, and I have the same expectations regarding size and growth. Finally, I want to see current p/e to be greater than zero and less than 51. Those companies that have passed these tests are combined into a new worksheet in this Excel workbook. I now have 28 companies in this sector that are ready for the next step.

Our fourth step is to do a quick SSG for these 28 companies, removing those that don't pass the 'sniff test'. Here is the NLC short list for this quarter: NTES, GOOGL, META. EVER, OPRA, UPWK, CXDO. The first three are large-sized companies, and the last four are small-sized companies. The 'sniff test' for the small-sized companies was more liberal.

Our fifth step is to do a more thorough SSG. Doing so removed OPRA, UPWK, CXDO.

Our last step is to pick one company of the four for our 1st quarter stock study. While all those companies that completed our fifth step deserve your attention, I chose EVER because this is a small-sized company, and many clubs have a hard time finding these.

Please check out the Audit tab in our SSG and remember to do your own due diligence. Thanks, and watch for our April stock study. Contact me if you have any questions regarding the above procedure.

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