3rd Quarter Stock Study by the Northern Lights Chapter

The NLC (Northern Lights Chapter of BetterInvesting®) conducts quarterly stock studies. You can find previous stock studies on our website at: https://www.betterinvesting.org/chapters/northern-lights/news-articles

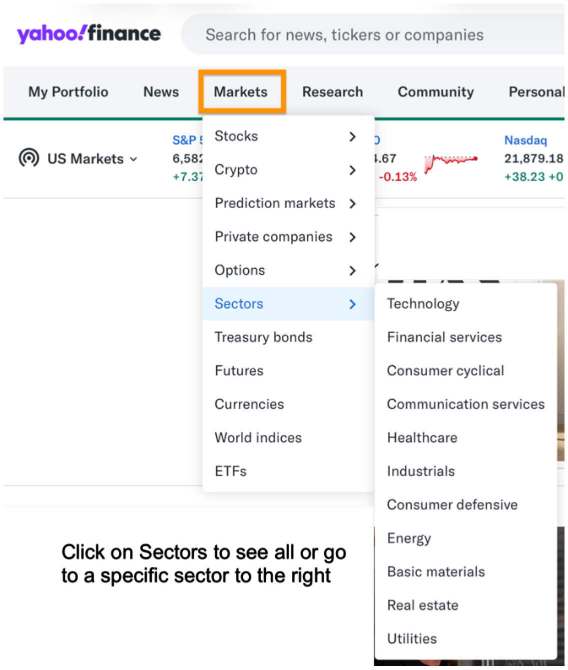
Before we look for a new company to study, let's take a look at where we have been in our past studies. If we were creating a portfolio, this is what we previously investigated:

Sector	Industry	Company	Size	Date of Study
Financial Services	Insurance - Property & Casualty	KNSL	medium	July 2024
Consumer Cyclical	Restaurant	CMG	medium	October 2024
Consumer Cyclical	Footwear & Accessories	DECK	medium	January 2025
Consumer Defensive	Beverages - Non-Alcholic	MNST	medium	April 2025
Technology	Electronic Components	FN	medium	July 2025
Communication Services	Advertising Agencies	TTD	medium	October 2025
Communication Services	Internet Content & Information	EVER	small	January 2026
Energy	Oil & Gas E&P	VIST	medium	May 2026
Energy	Oil & Gas Midstream	HESS	Medium	May 2026

Portfolio

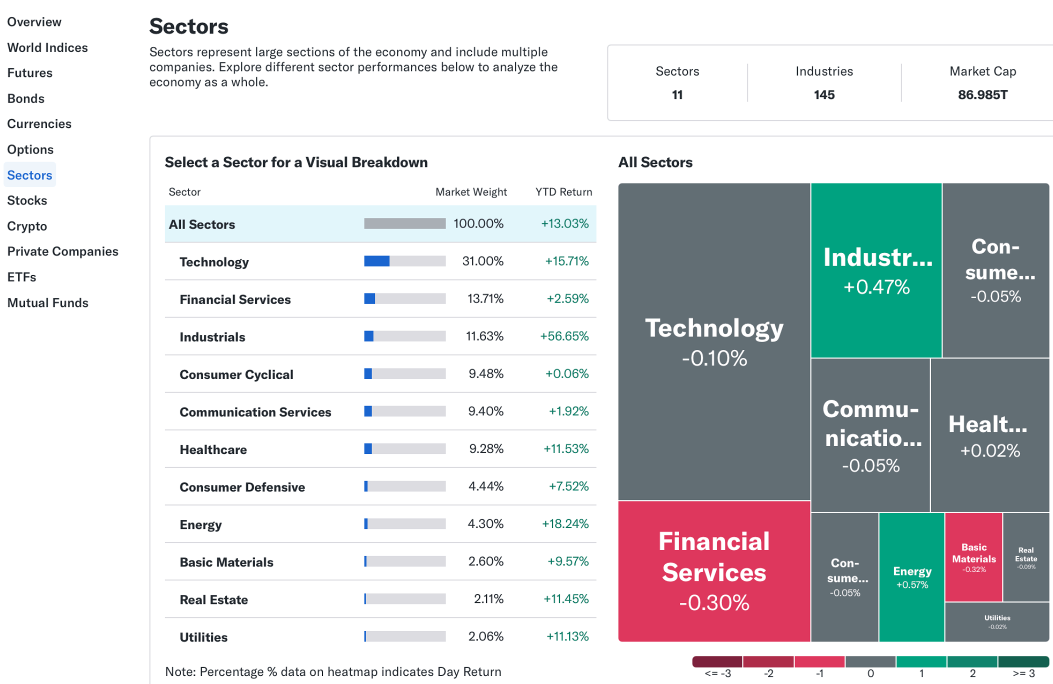
Looks like a lot of medium-sized companies. More small-sized or large-sized companies would be nice. That is where we have been.

For this quarterly stock study, we start where we always do, with Relative Strength (RS). RS in the stock market is a strategy that compares a stock's or security's performance against a benchmark, such as a market index (e.g., the S&P 500). It helps investors identify which securities are outperforming or underperforming relative to the market. If our portfolios are not outperforming the market, we can save ourselves a lot of time and effort by just investing in an ETF (exchange-traded fund) like the SPY. I encourage you to compare your portfolio's annualized return on investment (AROI) with the S&P 500's AROI or another index of your choice. We will be using finance.yahoo.com since they use the same data source as BetterInvesting®, the Morningstar Global Equity Classification System.

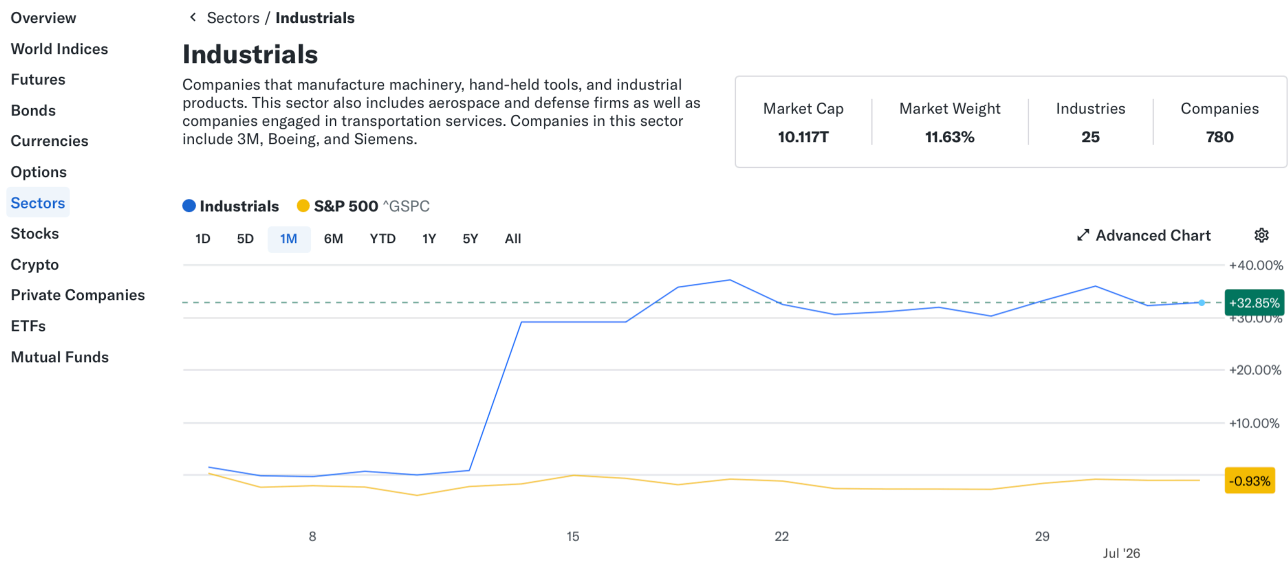


Click on Sectors to see all or go to a specific sector to the right

At Yahoo, click on Markets and go to Sectors. You can click on a specific sector, but I want to see all eleven, so I click on Sectors. Below we see a definition of Sectors, the Market Weight of each sector, and the YTD Return for each. Note that the heat map represents only the day's return. When choosing a sector to start your research, be sure it fits your portfolio's diversification. With only 11 sectors, there can be more than one holding per sector, but be careful not to overweigh a sector. Clicking a sector in the Heat Map will default to a 6-month chart showing that sector and its RS compared to the S&P 500. Click 1M and 5D to view RS on a more recent time frame. We get a description of the sector and the number of Industries and Companies within the sector.



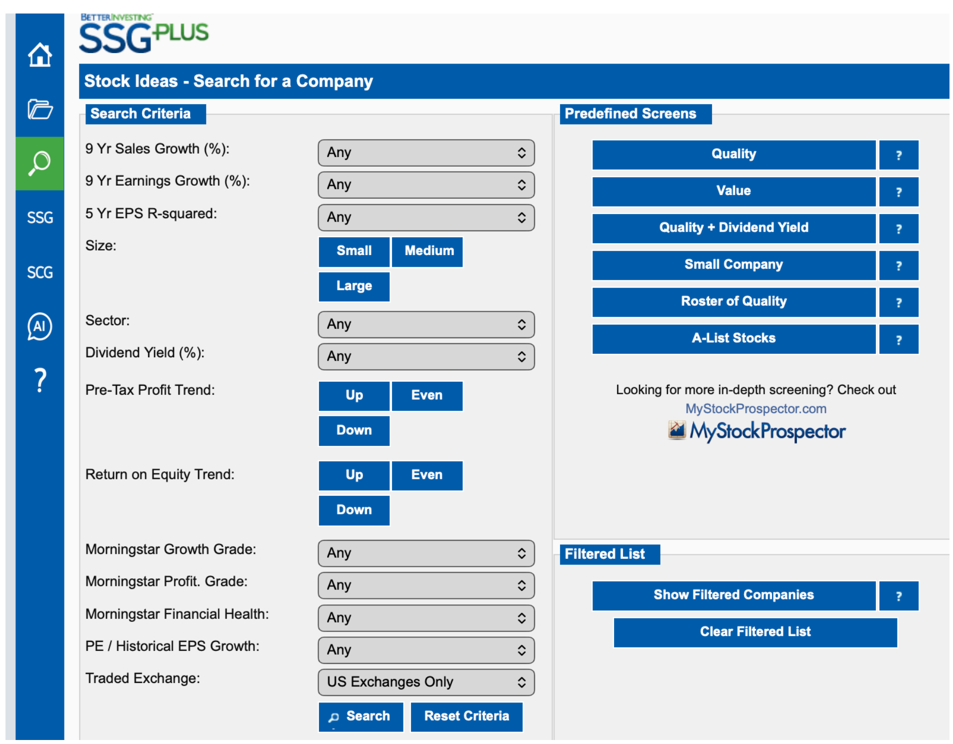
All Sectors



Industrials Sector

On July 1st, five of the eleven sectors outperformed the S&P 500 over the 5-day timeframe: Industrials, Consumer Cyclical, Communication Services, Healthcare, and Financial Services. Based on our portfolio above, we will focus on the Industrials and Healthcare sectors.

Our next stop will be BetterInvesting (BI) and their Search for Stocks tool. BI has six Predefined Screens:



Stock Ideas

Click on the Quality Predefined Screen and sort the results by Sector by clicking on that column heading in the Results section. Make a list of those companies in the Industrials and Healthcare sectors. Do so with the other five Predefined Screens. On July 1st, there were 10 companies in the Healthcare sector and 11 companies in the Industrials sector.

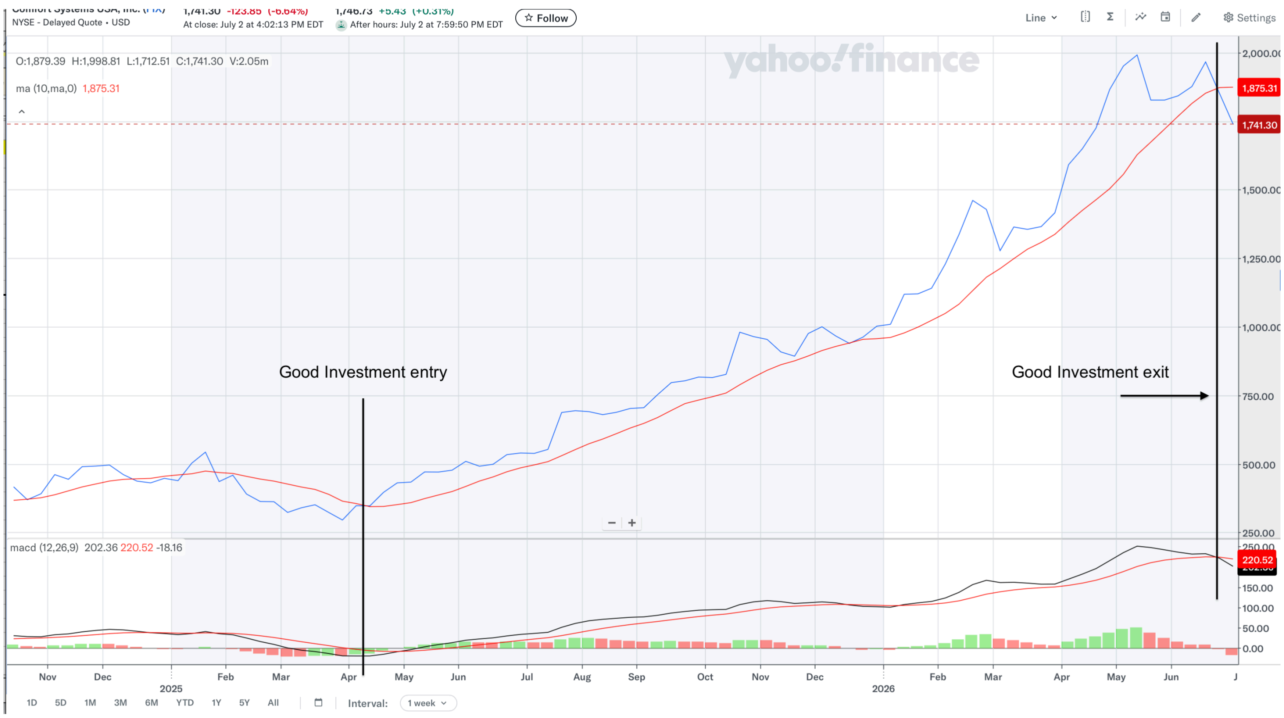
companyname	ticker	sector	industry	size	salesgrowth	epsgrowth	epsr2	currentpe	pehisteps	gradegrowth	gradeprofit	gradefinancial
Addus HomeCare Corp	ADUS	Healthcare	Medical Care Facilities	M	15.1	20.1	0.95	17.9	0.9	C	C	B
DexCom Inc	DXCM	Healthcare	Medical Devices	M	27	159.8	0.92	30	0.2	B	B	B
Ensign Group Inc	ENSG	Healthcare	Medical Care Facilities	M	13	24.4	0.84	26.6	1.1	B	C	B
IDEXX Laboratories Inc	IDXX	Healthcare	Diagnostics & Research	M	10.5	20.1	0.86	40.6	2	C	B	A
Medpace Holdings Inc	MEDP	Healthcare	Diagnostics & Research	M	22.8	45.7	0.98	33.1	0.7	B	A	C
Neurocrine Biosciences Inc	NBIX	Healthcare	Drug Manufacturers - Specialty & Generic	M	57.7	144.4	0.99	26	0.2	B	B	A
Novo Nordisk AS	NVO	Healthcare	Drug Manufacturers - General	L	12.9	14.6	0.92	11.3	0.8	B	B	N/A
ResMed Inc	RMD	Healthcare	Medical Instruments & Supplies	M	12.2	17.2	0.94	19.3	1.1	B	B	A
TG Therapeutics Inc	TGTX	Healthcare	Biotechnology	S	193.6	118.4	0.92	19.5	0.2	A	F	B
Veeva Systems Inc	VEEV	Healthcare	Health Information Services	M	22.1	26.1	0.95	30.5	1.2	B	C	A
AMETEK Inc	AME	Industrials	Specialty Industrial Machinery	M	7.2	11.7	0.95	35.9	3.1	C	C	A
Cintas Corp	CTAS	Industrials	Specialty Business Services	L	8	17.5	1	36.3	2.1	B	A	A
Comfort Systems USA Inc	FIX	Industrials	Engineering & Construction	M	20.5	34.8	0.98	53.5	1.5	A	A	B
Copart Inc	CPRT	Industrials	Specialty Business Services	M	16.2	21.3	0.99	19	0.9	B	C	A
EMCOR Group Inc	EME	Industrials	Engineering & Construction	L	9.3	26.9	0.97	26.8	1	B	A	B
Fastenal Co	FAST	Industrials	Industrial Distribution	M	8.3	10.4	0.85	41.3	4	C	A	A
Federal Signal Corp	FSS	Industrials	Farm & Heavy Construction Machinery	M	11.6	18.7	0.99	28.5	1.5	B	C	B
Navios Maritime Partners LP	NMM	Industrials	Marine Shipping	M	31.7	316.9	0.99	5.8	0	C	C	B
Quanta Services Inc	PWR	Industrials	Engineering & Construction	L	14.6	18.8	0.93	94.4	5	N/A	N/A	B
Sterling Infrastructure Inc	STRL	Industrials	Engineering & Construction	M	14.1	98.9	0.97	72	0.7	B	A	C
Westinghouse Air Brake Technologies Corp	WAB	Industrials	Railroads	L	15	10.3	0.98	38.1	3.7	B	C	A

Results

Before doing our fundamental research on these companies using BI's Stock Selection Guide (SSG) tool to see if they are a Good Company, we are going to look at their price chart at finance.yahoo.com to see if they are currently a Good Investment. We can look at the monthly graph or, better, the weekly graph to potentially enter earlier.

MPLX at Yahoo

Our goal is to reduce the number of companies we have to study. In the Industrials sector, three companies out of twelve appeared to be Good Investments using the weekly charts (CTAS, FAST, FSS). In the Healthcare sector, all ten companies appeared to be Good Investments. This might suggest that investors are rotating out of the Industrials sector. Below is a chart showing a good time to enter and a good time to exit based on the company being a Good Investment:



Good Investment

Our next step is to do a quick SSG on these companies to reduce our need for in-depth study. Some of the companies are in the same industry (see the Predefined Screens results). We want to find the better company so there is only one company per industry.

After my quick SSGs on the Healthcare candidates, I end up with these two: ENSG and RMD. For the three Industrials companies, CTAS is the only one I have in my Buy zone.

Our final step is to conduct a thorough SSG study of these three candidates. As of July 13th, 2026, all three are in my Buy zone. Please conduct your own study and come to your own conclusions. Thank you - Barry Detloff, detlo001@umn.edu