

# Why It May Finally Be Time for the Zacks Earnings Certain Proxy



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August 2024

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Economic risks are rising – the probability of recession has increased significantly since the July nonfarm payrolls report

Market volatility is increasing

S&P 500 valuations are hovering near extreme readings

The Zacks Earnings Certain Proxy is built precisely for these environments to provide low-volatility durable earnings growth through all macro environments.



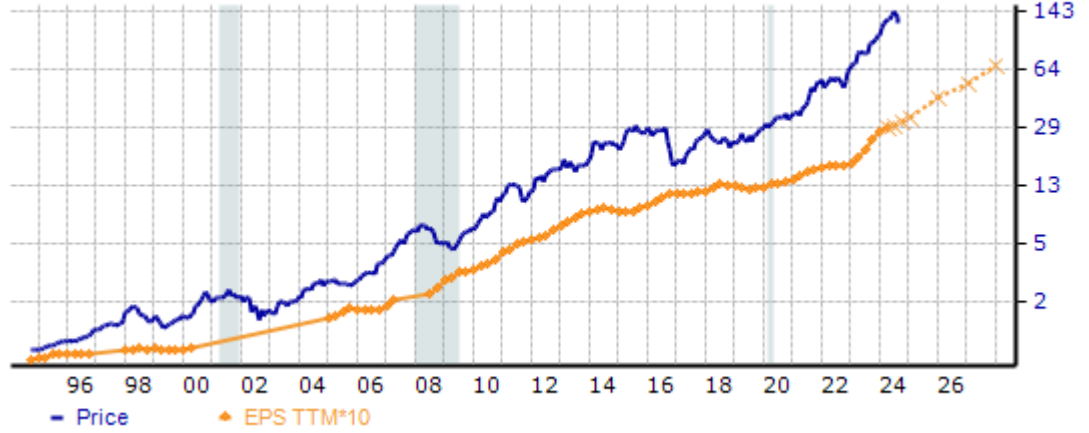
**Price & Earnings**  
**CHECK PT SOFTW (CHKP)**

Price \$ | EPS\*10



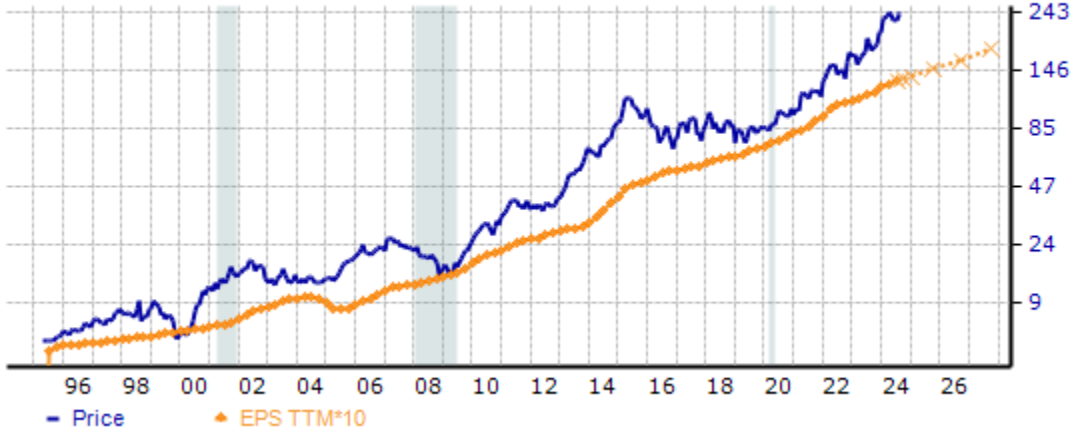
**Price & Earnings**  
**NOVO-NORDISK AS (NVO)**

Price \$ | EPS\*10



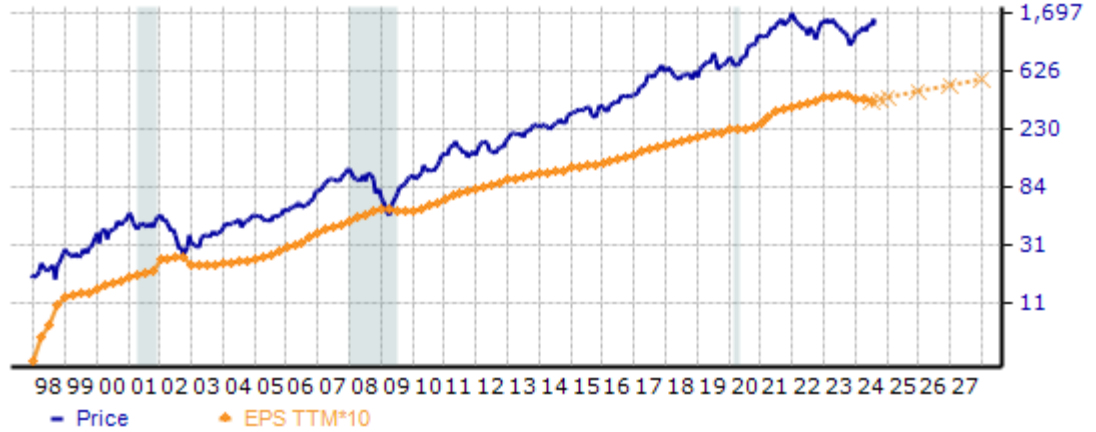
**Price & Earnings**  
**CENCORA INC**

Price \$ | EPS\*10



**Price & Earnings**  
**METTLER-TOLEDO (MTD)**

Price \$ | EPS\*10

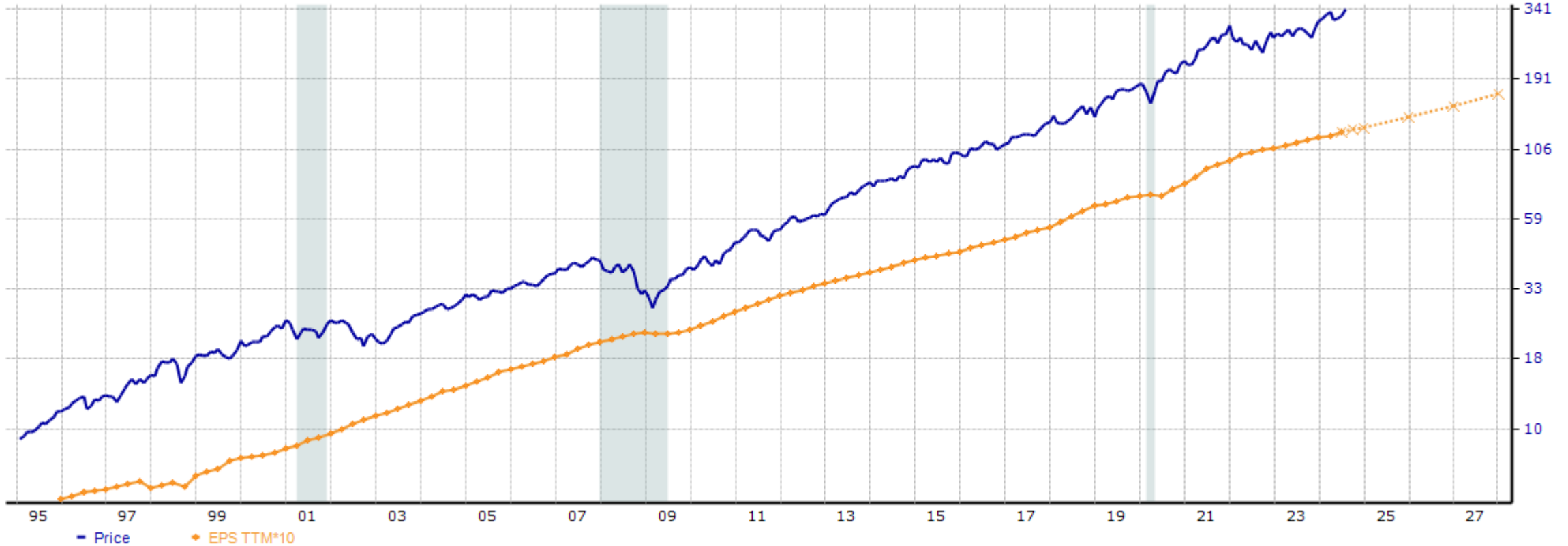


# Built for Long-Term Durability

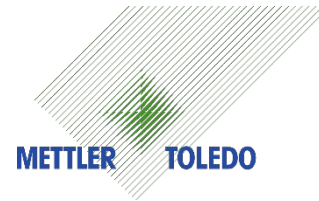


Price & Earnings  
ZacksEarningsCertainProxy (ZECPE) MN-Wtd

Price \$ | EPS\*10



# Zacks Earnings Certain Proxy: Recession-Resistant, Durable Moat-Protected, Low Volatility, Steady Compounders



# Principles of Quality



- EPS Linearity
- EPS Growth
- Returns on Invested Capital
- Free Cash Flow Conversion

# Earnings Growth Durability vs the S&P 500



Title	High	Low	Median	Current	Cumulative Return	Annualized Return	Start Date	End Date
<a href="#">S&amp;P 500 Composite Market ETF (SP5M) EPS BNRI ( 1-Yr % Chang</a>	51.78%	-34.41%	7.00%	8.61%	338.98%	7.28%	09-30-2004	06-30-2024
<a href="#">ZacksEarningsCertainProxy (ZECPE) EPS BNRI ( 1-Yr % Change )</a>	25.70%	0.72%	11.00%	8.24%	920.02%	11.66%	09-30-2004	06-30-2024





P/E - F12M  
ZacksEarningsCertainProxy (ZECPE) MN-Wtd vs. S&P 500 Composite Market ETF (SP5M)



Title	High	Low	Median	Current	Start Date	End Date
ZacksEarningsCertainProxy (ZECPE) relative to S&P 500 Composite Market ETF (SF)	1.40	1.02	1.23	1.20	08-31-2004	08-16-2024

# S&P 500 Cyclically Adjusted P/E At Extreme Reading



Title	High	Low	Median	Current	Start Date	End Date
S&P 500 (SPX)	38.59	10.88	22.55	31.39	08-31-1994	08-21-2024

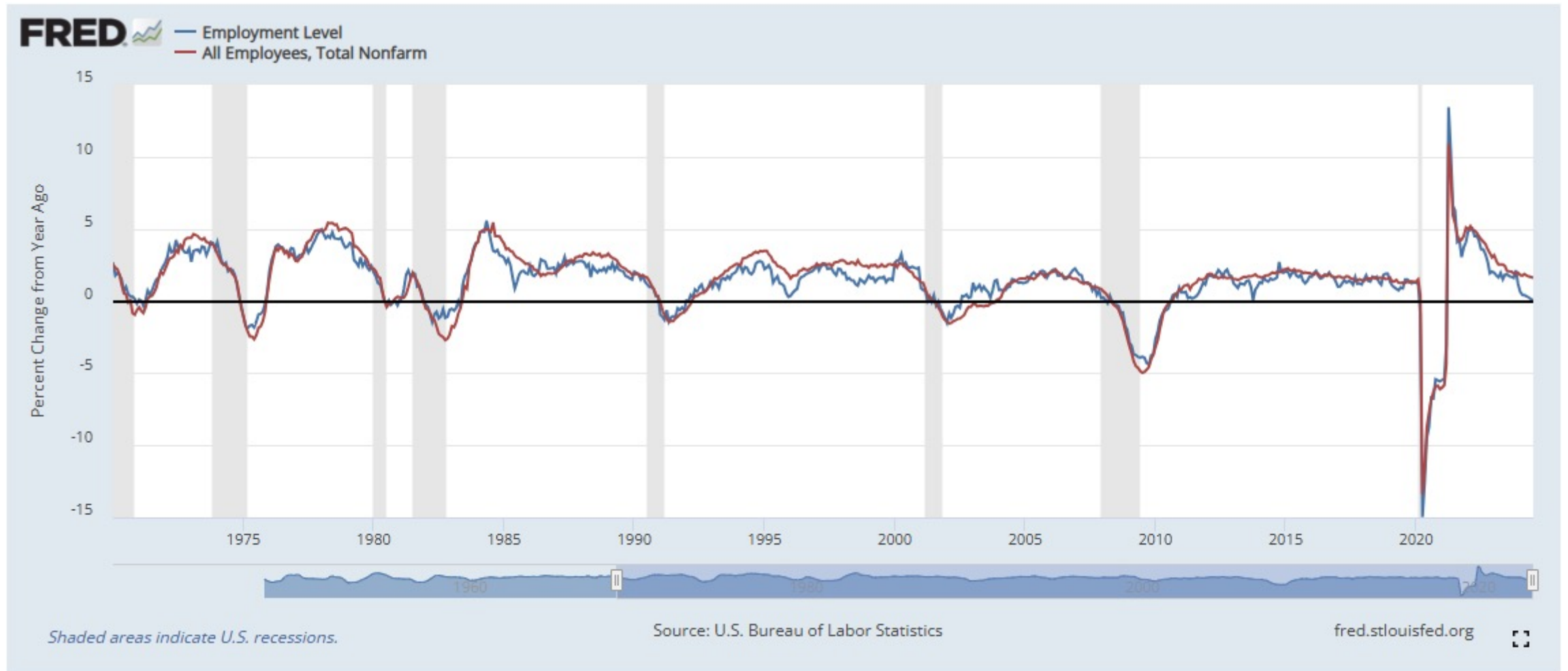


With the combination of:

1. Rising recession risk
2. Extreme valuations

I strongly believe now is the time to take a hard look at the Zacks Earnings Certain Proxy for alpha over the next 12-24 months.

# Household Employment Screeches to a Halt in July



# Unemployment Rate Well Above 3-Yr Moving Average



# Thank You for Attending!



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