

# Cheap Stocks Right Now are the Exception Not the Rule

## Identifying the Rare Firms With Big Profits, Low Prices and a History Of Flying Higher

### Cheap Stocks Right Now are the Exception Not the Rule

Note: only the ones in bold are picks from the current month.

#### Exhibit 1: Flying Fortress – December 2021 Portfolio

Ticker	Company Name	Market Cap (\$m)	FCF/EV	Ticker	Company Name	Market Cap (\$m)	FCF/EV
PRDO	PERDOCEO EDUCATION CORP	691	69.1%	TNET	TRINET GROUP INC	6,594	9.8%
SWBI	SMITH & WESSON BRANDS INC	1,093	33.2%	WSM	WILLIAMS-SONOMA INC	14,501	9.1%
<b>SIG</b>	<b>SIGNET JEWELERS LTD</b>	<b>5,148</b>	<b>31.1%</b>	IMKTA	INGLES MARKETS INC -CL A	1,458	8.8%
<b>HZO</b>	<b>MARINEMAX INC</b>	<b>1,162</b>	<b>31.0%</b>	GOLF	ACUSHNET HOLDINGS CORP	4,010	8.7%
HOLI	HOLLYSYS AUTOMATION TECH LTD	947	28.7%	DGX	QUEST DIAGNOSTICS INC	18,288	8.5%
<b>LPX</b>	<b>LOUISIANA-PACIFIC CORP</b>	<b>5,896</b>	<b>25.5%</b>	SCVL	SHOE CARNIVAL INC	1,104	8.5%
INVA	INNOVIVA INC	1,162	24.7%	ARCB	ARCBEST CORP	2,636	8.2%
<b>MOH</b>	<b>MOLINA HEALTHCARE INC</b>	<b>16,540</b>	<b>23.7%</b>	VSTO	VISTA OUTDOOR INC	2,502	7.7%
<b>BCC</b>	<b>BOISE CASCADE CO</b>	<b>2,550</b>	<b>19.2%</b>	ABC	AMERISOURCEBERGEN CORP	24,086	7.7%
<b>XPER</b>	<b>XPERI HOLDING CORP</b>	<b>1,873</b>	<b>18.2%</b>	HIBB	HIBBETT INC	1,177	7.3%
<b>DDS</b>	<b>DILLARDS INC -CL A</b>	<b>5,670</b>	<b>17.4%</b>	PHM	PULTEGROUP INC	12,756	7.3%
OSK	OSHKOSH CORP	7,318	15.9%	WMK	WEIS MARKETS INC	1,693	6.3%
<b>RGR</b>	<b>STURM RUGER &amp; CO INC</b>	<b>1,262</b>	<b>13.7%</b>	MYRG	MYR GROUP INC	1,868	5.8%
<b>BKE</b>	<b>BUCKLE INC</b>	<b>2,342</b>	<b>13.6%</b>	FIX	COMFORT SYSTEMS USA INC	3,419	5.4%
NRG	NRG ENERGY INC	8,817	13.0%	BBY	BEST BUY CO INC	26,426	5.0%
<b>MOV</b>	<b>MOVADO GROUP INC</b>	<b>1,028</b>	<b>12.1%</b>	NTGR	NETGEAR INC	796	5.0%
<b>ASIX</b>	<b>ADVANSIX INC</b>	<b>1,274</b>	<b>11.7%</b>	LZB	LA-Z-BOY INC	1,476	4.8%
<b>MGY</b>	<b>MAGNOLIA OIL &amp; GAS CORP</b>	<b>3,380</b>	<b>11.5%</b>	HUM	HUMANA INC	53,947	2.9%
OC	OWENS CORNING	8,620	11.4%	PII	POLARIS INC	6,786	2.6%
<b>ZUMZ</b>	<b>ZUMIEZ INC</b>	<b>1,170</b>	<b>11.4%</b>	NUS	NU SKIN ENTERPRISES -CL A	2,198	2.5%
<b>MCK</b>	<b>MCKESSON CORP</b>	<b>33,095</b>	<b>11.1%</b>	FLWS	1-800-FLOWERS.COM	1,940	2.4%
<b>QDEL</b>	<b>QUIDEL CORP</b>	<b>6,149</b>	<b>11.1%</b>	ACA	ARCOSA INC	2,472	0.8%
<b>WLK</b>	<b>WESTLAKE CHEMICAL CORP</b>	<b>11,877</b>	<b>11.0%</b>	IRBT	IROBOT CORP	2,046	0.7%
<b>HPQ</b>	<b>HP INC</b>	<b>40,661</b>	<b>10.8%</b>	MTH	MERITAGE HOMES CORP	4,238	-2.4%
HOLX	HOLOGIC INC	18,955	10.4%	DHT	DHT HOLDINGS INC	925	-3.5%
<b>OXM</b>	<b>OXFORD INDUSTRIES INC</b>	<b>1,614</b>	<b>10.4%</b>	REGI	RENEWABLE ENERGY GROUP INC	2,402	-6.5%
VSH	VISHAY INTERTECHNOLOGY INC	2,950	10.2%	EURN	EURONAV	1,910	-8.5%

Source: Kailash Capital, LLC; Data from 11/30/2021

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