

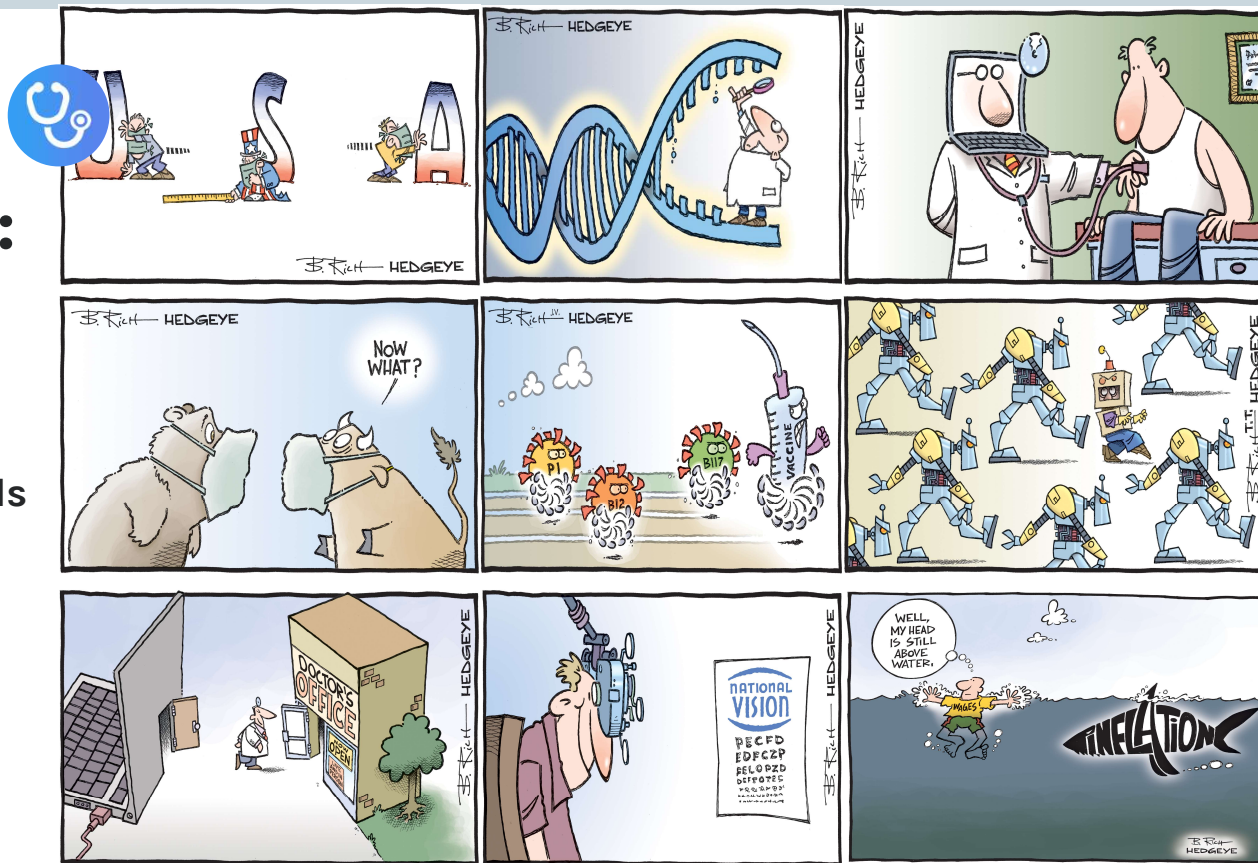
HEDGEYE

Hedgeye Health Care: Weekly Sector Distillation

MicroQuads & Estimate Revision Trends

For the week ending Nov. 5, 2021

November 9, 2021



Hedgeye Health Care

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While we have up to five (5) years of data on the securities in the MicroQuads model, not all securities in the model have five years of trading history, and while we make every effort to assure the accuracy of the data, we cannot guarantee its accuracy. The methodology used to arrive at the results displayed herein is proprietary to Hedgeye and involves aggregating the actual historical results for each security while it "resides" in the appropriate MicroQuad over the defined periods of time. These results do not include any consideration for trading costs, commissions, or other factors that could impact results, we make no representations or warranties that past results will or can be repeated, and the data have not been verified by a third-party.

PERFORMANCE MONITOR FORWARD/PROSPECTIVE PRICE CHANGES

The data for each security are based on historic price performance and average forward returns and are not a guarantee of future performance. We make every effort to assure the accuracy of the calculations and forecasts; however, we cannot guarantee their accuracy or that performance will be repeated.

Health Care Position Monitor

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For Week of November 8, 2021

Best Ideas - Longs						Best Ideas - Shorts					
LONG						SHORT					
		Price	Mkt Cap (\$B)	Trend	Tail			Price	Mkt Cap (\$B)	Trend	Tail
Active Longs						Active Shorts					
NTRA	Natera, Inc.	\$ 115.97	\$10.9B	✓	✓	TDOC	Teladoc Health, Inc.	\$ 146.24	\$23.4B	×	×
AMN	AMN Healthcare Services, Inc.	\$ 97.74	\$4.6B	✓	✓	EXAS	Exact Sciences Corporation	\$ 100.68	\$17.3B	×	×
DGX	Quest Diagnostics Incorporated	\$ 140.55	\$17.2B	✓	✓	ARKG	ARK Genomic Revolution ETF	\$ 77.95	\$7.5B	×	×
ONEM	1Life Healthcare, Inc.	\$ 22.88	\$4.4B	✓	✓						
EYE	National Vision Holdings, Inc.	\$ 64.95	\$5.3B	✓	✓						
DRIO	DarioHealth Corp.	\$ 18.71	\$0.3B	✓	✓						
ATIP	ATI Physical Therapy, Inc. Class A	\$ 3.14	\$0.6B	✓	✓						
Long Bias						Short Bias					
LFST	Lifestance Health Group, Inc.	\$ 13.39	\$5.0B			AMWL	American Well Corporation Class A	\$ 9.25	\$1.9B		
GDRX	GoodRx Holdings, Inc. Class A	\$ 43.75	\$14.8B			UHS	Universal Health Services, Inc. Class B	\$ 129.88	\$9.9B		
DOCS	Doximity, Inc. Class A	\$ 67.85	\$3.3B			ACHC	Acadia Healthcare Company, Inc.	\$ 64.22	\$5.8B		
TXG	10x Genomics Inc Class A	\$ 177.98	\$16.1B			ME	23andMe Holding Co Class A	\$ 13.25	\$1.2B		
NVTA	Invitae Corp.	\$ 26.32	\$5.7B								
GH	Guardant Health, Inc.	\$ 110.19	\$11.2B								
BFLY	Butterfly Network, Inc. Class A	\$ 10.43	\$1.7B								
NEO	NeoGenomics, Inc.	\$ 41.38	\$5.1B								

Note

Best Idea Longs/Shorts are high conviction ideas that we've either presented a Black Book for already or have one in the works (similar to other Hedgeye teams). Bias Ideas are ones in which we've done the bulk of the work, but there may be another question we need to answer to move it over the line. All active positions are higher conviction than bias ideas. We rank active versus active and bias versus bias.

Disclaimer

Hedgeye's "bias" represents Hedgeye's outlook on companies currently under Hedgeye's review, or for which timing is not right for greater coverage. Hedgeye may or may not provide further commentary on any or all companies represented on the bias and representation of a company on the bias does not forecast whether Hedgeye will or will not issue any additional material on that company.

MicroQuad Results Stats (as of November 5)

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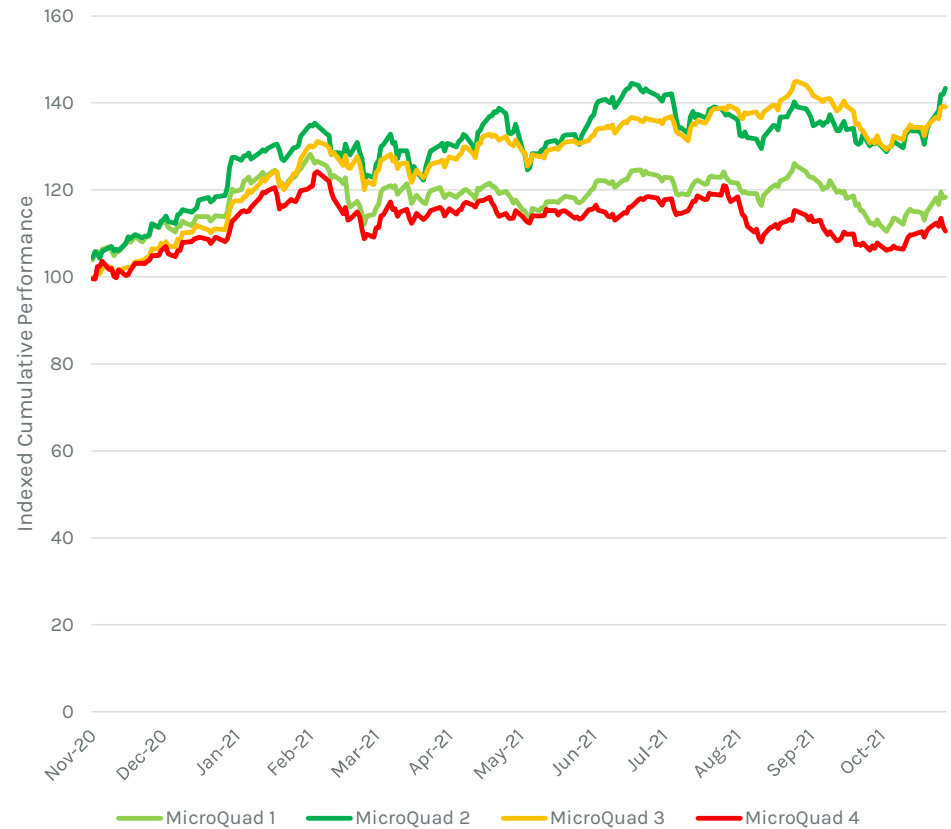
MicroQuad – Percentage Change

Average Performance (%)					
MicroQuad	1WK	1M	3M	6M	12M
1	0.14	6.26	-1.23	2.42	10.73
2	5.96	12.85	10.00	14.11	35.62
3	2.36	8.35	1.39	11.47	37.06
4	-1.86	3.16	-3.36	-3.57	10.18

Batting Average					
MicroQuad	1WK	1M	3M	6M	12M
1	0.565	0.520	0.485	0.497	0.501
2	0.591	0.525	0.503	0.503	0.510
3	0.597	0.558	0.516	0.526	0.529
4	0.567	0.551	0.499	0.486	0.502

Slugging Percentage					
MicroQuad	1WK	1M	3M	6M	12M
1	0.079	3.254	-0.598	1.200	5.380
2	3.522	6.741	5.035	7.095	18.180
3	1.407	4.665	0.717	6.034	19.610
4	-1.053	1.739	-1.678	-1.734	5.114

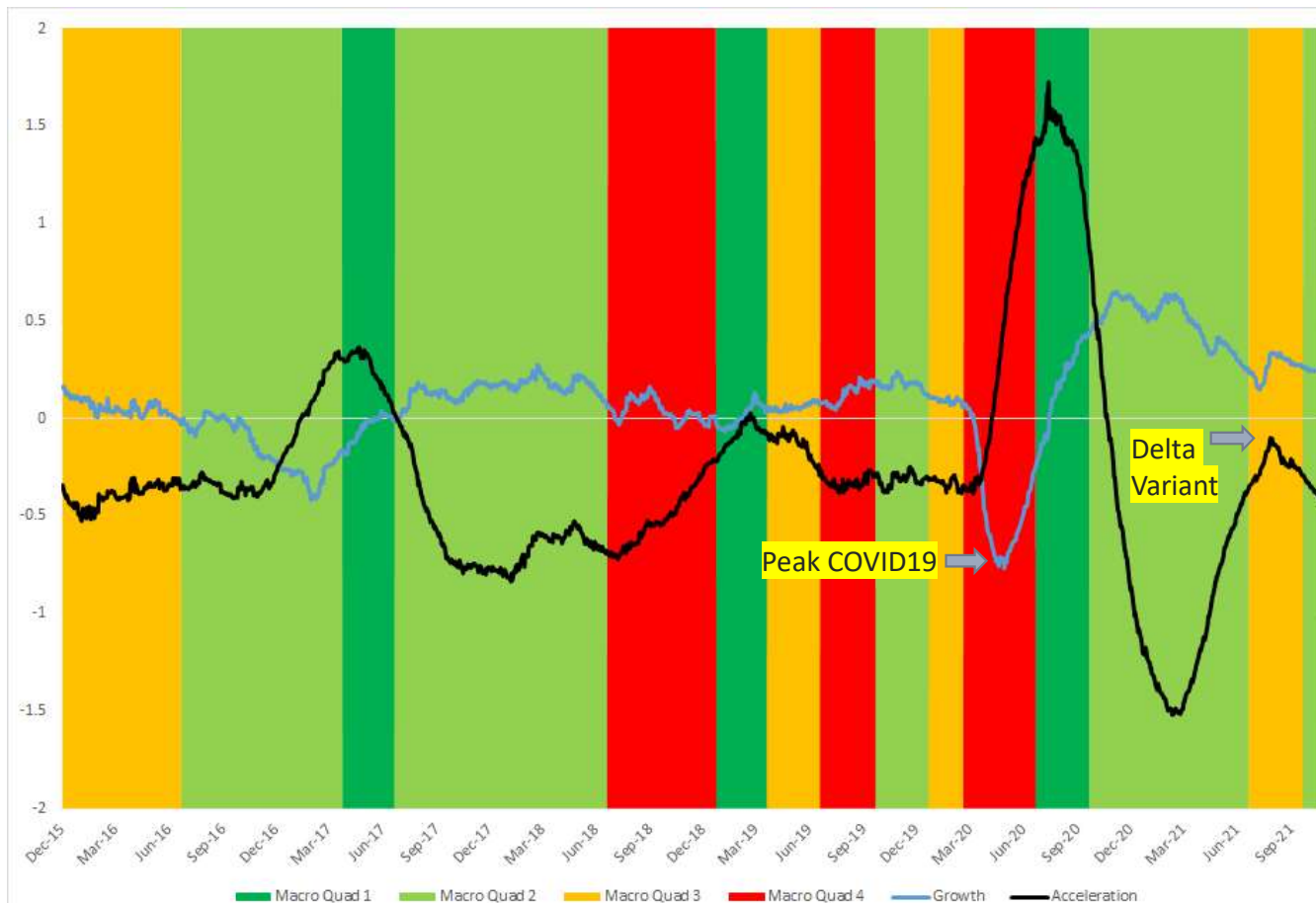
Percentage Change – 1Y Index by MicroQuad



Estimate Revision Trend | November 5, 2021

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Revision trend rate of change continues its correction...



Data updated through 11/5/2021. The estimate trend slope has been fighting against the **Delta Variant** since late July 2021 and after finally turning positive against the COVID-comp during 2Q21 earnings season.

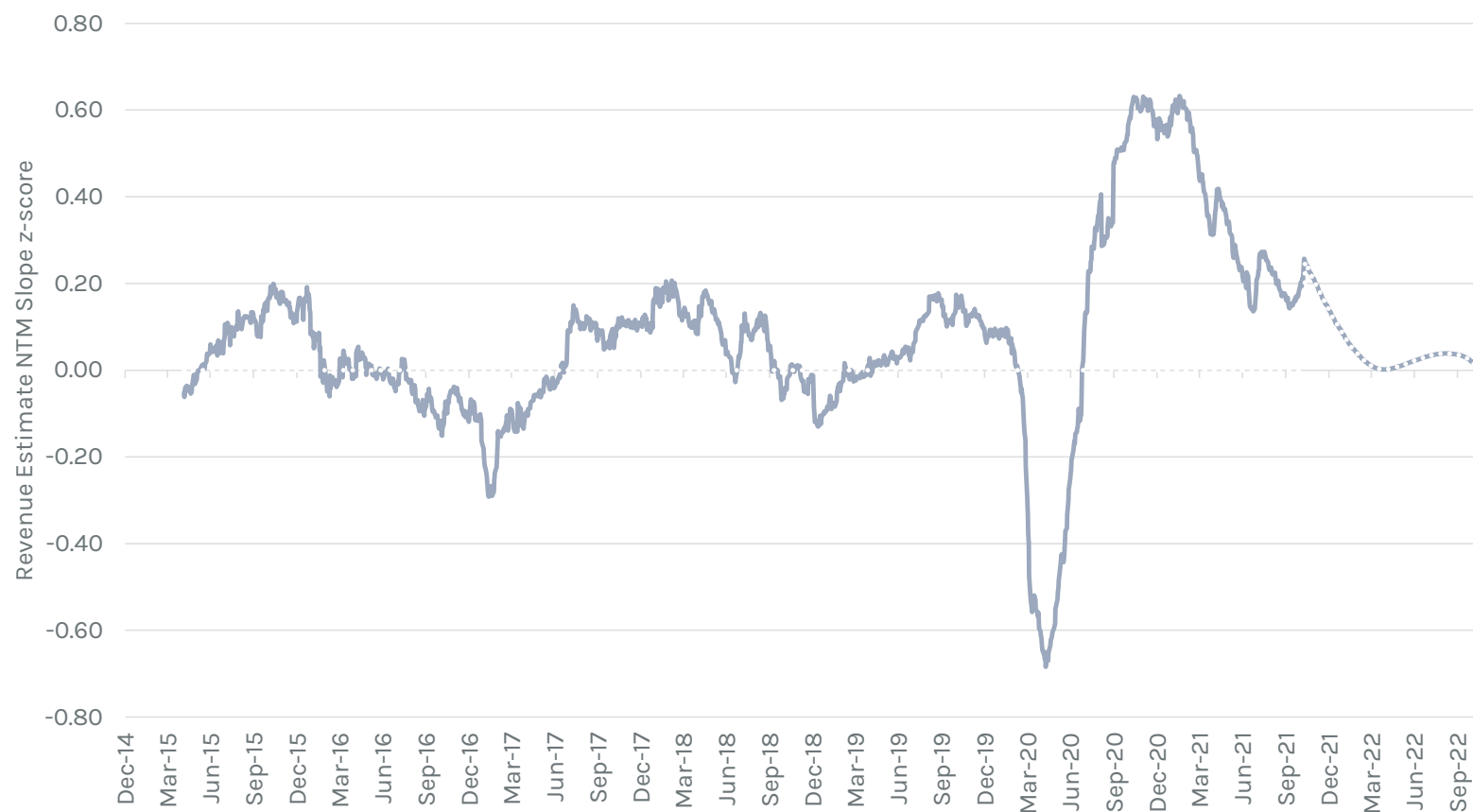
The number of new COVID cases has been falling nationally, leaving fewer hot spots across the United States. However, it's still over 70k per day and we're noticing an uptick in COVID-19 in some highly vaccinated states. This should be less of an issue due to lower CLI hospitalizations and new therapeutics (Pfizer's pill), but case counts remain elevated.

Also, 3Q21 earnings commentary has highlighted a new problem: labor-related concerns have replaced Delta Variant.

Estimate Trend | Down and then up again?

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The forecast is presently linking up with a potential Macro Quad 4 in early 2022.



Consensus revenue estimates began to turn negative at the end of February 2021, coincident with the beginning of a slide in performance across our Health Care universe. The recovery since then has stalled.

We've yet to see the sell side lift 2022 numbers. **We might have to wait longer.**

MicroQuad Screen | Nov 5, 2021

Active Long

Active Short

Bench Long

Bench Short

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MicroQuad1

ABT QDEL
 AMED SYK
 AMGN **TDOC**
 BAX TFX
 BDX
DOCS
EXAS
 FLGT
 GKOS
 HOLX
 OPK
 PRSC

MicroQuad2

CERN PKI
 CHNG PODD
 ENSG SGRY
 HAE **TXG**
 HRC
 IART
 LHCG
 LLY
 MDT
 MRK
 NSTG
 OMCL

MicroQuad3

A **EYE** MASI RCM WAT
 ABC GMED MCK RGEN WST
 ABMD HCA MEDP RMD ZTS
 ALGN HCAT MMSI SEM
AMN HUM MOH STAA
 ATRC ICUI MTD STE
 BIO IDXX **NTRA** TECH
 BSX IQV **NVTA** TMO
 CNMD IRTC PCRX TNDM
 COO ISRG PEN TWST
 DHR ILMN PHR UNH
 DXCM INOV Q VEEV

MicroQuad4

ABBV OPCH
 ANTM VRTX
 CHE
 CRL
DGX
 EHC
GH
 HSKA
 JNJ
 LH
 MRNA
NEO

MicroQuad 2 Screen

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High multiple, high beta, small cap, rising estimates...

Ticker	Name	Price	1W	1M	3M	EV	MCAP	Beta	Days to Cover	Sales Corr	Sales	EBITDA	EPS	J-21	A-21	S-21	O-21	N-21	D-21	J-22	F-22	M-22
CERN	Cerner Corporation	\$75.69	7.10	7.18	-5.39	23,296	21,908	0.85	5.25	0.58	6,048	2,039	\$3.62	3	3	2	2	2	2	2	2	3
ENSG	Ensign Group, Inc.	\$77.37	1.56	5.05	-8.88	5,616	4,504	1.38	9.28	0.93	2,849	365	\$3.89	3	1	1	1	2	2	2	2	3
HAE	Haemonetics Corporation	\$72.46	7.51	8.57	23.91	4,234	3,625	0.87	5.08	0.51	1,030	277	\$2.91	3	2	2	2	2	2	2	3	3
HRC	Hill-Rom Holdings, Inc.	\$155.09	0.17	2.54	15.06	11,812	10,218	0.03	6.10	0.86	3,077	720	\$6.50	3	3	3	3	2	2	2	3	3
IART	Integra LifeSciences Holdings Corporation	\$71.38	6.52	4.33	-0.07	7,382	6,146	1.30	18.10	0.62	1,616	434	\$3.38	2	2	2	2	2	2	2	2	3
LHCG	LHC Group, Inc.	\$135.49	0.77	-6.71	-28.08	5,137	4,628	1.66	3.20	0.78	2,405	292	\$6.13	2	2	2	2	2	2	2	3	3
MDT	Medtronic Plc	\$120.69	-0.48	-4.28	-6.18	182,411	165,562	1.16	1.88	0.70	33,956	10,506	\$6.01	2	2	2	2	2	2	2	3	3
NSTG	NanoString Technologies, Inc.	\$49.76	0.83	11.37	-18.24	2,141	2,299	1.45	3.89	0.88	179	-68	-\$2.20	2	2	2	2	2	2	2	2	3
OMCL	Omniceil, Inc.	\$177.34	2.78	11.42	12.31	8,732	7,816	0.81	7.54	0.95	1,266	281	\$4.09	3	2	2	2	2	2	2	3	3
PKI	PerkinElmer, Inc.	\$171.99	-3.01	1.02	-7.25	24,720	21,856	0.96	3.94	0.95	4,396	1,280	\$7.16	1	1	1	1	2	2	3	3	4
PODD	Insulet Corporation	\$301.61	-2.70	3.42	9.47	21,291	21,619	0.98	9.05	0.98	1,273	249	\$1.38	3	3	2	2	2	2	2	2	2
SGRY	Surgery Partners, Inc.	\$47.49	16.14	14.43	-5.64	7,871	3,972	2.28	4.52	0.56	2,425	363	\$0.22	3	3	4	2	2	2	3	3	3
TXG	10x Genomics Inc Class A	\$182.59	11.04	25.65	6.80	18,818	15,803	1.35	5.77	0.89	652	5	-\$0.28	2	2	2	2	2	2	2	2	2
CHNG	Change Healthcare, Inc.	\$21.50	0.14	2.23	0.89	11,592	6,637	0.48	10.16	0.58	3,559	1,115	\$1.62	2	2	2	2	2	2	2	2	2
MRK	Merck & Co., Inc.	\$90.54	4.61	12.25	20.02	228,047	209,294	0.96	0.84	0.78	54,919	22,648	\$6.98	1	1	1	4	2	2	3	3	3
LLY	Eli Lilly and Company	\$271.00	6.97	18.94	2.87	250,748	249,221	0.77	2.68	0.90	27,856	9,745	\$8.27	1	1	1	4	2	2	2	3	3

With a Macro Quad 2 backdrop, smaller market cap, high multiple, and high beta names are the play. There wasn't much change in MicroQuad 2 this past week, except for PCRX exiting -> MiroQuad 3. NSTG remains, OMCL and TXG reacted well to earnings, and it's interesting seeing MRK and LLY here.

MicroQuad 3 Screen

Slowing, with some deteriorating further in 4Q21

Ticker	Name	Price	1W	1M	3M	EV	MCAP	Beta	Days to Cover	Sales Corr	Sales	EBITDA	EPS	J-21	A-21	S-21	O-21	N-21	D-21	J-22	F-22	M-22
A	Agilent Technologies, Inc.	\$157.65	1.21	2.60	1.25	50,864	48,720	1.34	2.86	0.93	6,765	1,914	\$4.80	3	3	3	3	3	4	4	4	1
ABC	AmerisourceBergen Corporation	\$126.78	5.04	8.45	5.09	30,399	26,177	0.63	1.63	0.80	238,680	3,453	\$10.71	3	3	3	3	3	4	4	4	1
ABMD	ABIOMED, Inc.	\$363.07	5.81	7.64	4.97	15,865	16,367	1.83	4.30	0.59	1,117	289	\$4.71	2	2	2	3	3	3	3	2	2
ALGN	Align Technology, Inc.	\$679.26	7.51	4.40	-2.08	55,384	56,054	1.11	2.15	0.89	4,684	1,432	\$13.24	3	3	3	3	3	3	3	3	3
AMN	AMN Healthcare Services, Inc.	\$112.42	13.18	-4.89	5.46	5,710	4,863	-2.48	1.91	0.92	3,017	419	\$4.67	3	3	4	4	3	3	3	3	4
ATRC	AtriCure, Inc.	\$85.40	13.29	21.50	1.97	3,862	3,895	0.69	7.79	0.83	314	-4	-\$0.62	2	2	3	3	3	3	3	3	2
BIO	Bio-Rad Laboratories, Inc. Class A	\$783.22	-0.71	8.36	3.93	21,018	21,901	1.30	4.59	0.93	2,860	639	\$13.76	4	3	3	3	3	4	4	4	4
BSX	Boston Scientific Corporation	\$42.50	-1.71	-0.84	-4.92	68,859	61,773	1.71	4.07	0.90	12,777	3,627	\$1.82	2	2	3	3	3	4	4	4	1
CNMD	CONMED Corporation	\$154.57	6.10	13.49	19.80	5,684	4,550	1.98	9.05	0.93	1,091	228	\$3.66	2	2	2	3	4	4	4	1	1
COO	Cooper Companies, Inc.	\$420.66	0.94	1.45	1.85	23,268	21,280	0.78	7.17	0.92	3,105	1,044	\$14.66	3	3	2	2	3	3	3	3	3
DHR	Danaher Corporation	\$305.99	0.47	1.79	-0.42	243,405	215,338	0.60	2.51	0.95	30,476	10,406	\$10.09	3	3	3	3	4	4	4	4	1
DXCM	DexCom, Inc.	\$629.82	10.43	16.24	21.91	63,213	61,748	0.48	7.63	0.96	2,901	583	\$3.49	1	2	3	3	3	3	3	3	3
GMED	Globus Medical Inc Class A	\$77.35	0.64	-0.45	-3.90	7,568	6,127	0.92	3.90	0.90	1,026	364	\$2.19	2	2	2	3	3	3	4	4	1
HCA	HCA Healthcare Inc	\$247.41	-1.30	3.29	-1.08	115,661	77,019	0.81	2.16	0.87	61,204	12,881	\$18.49	2	3	3	3	3	3	4	4	4
HUM	Humana Inc.	\$453.55	-3.00	15.55	8.19	66,725	58,419	1.23	1.91	0.89	91,056	4,703	\$23.60	1	2	3	3	3	4	4	4	1
ICUI	ICU Medical, Inc.	\$241.00	4.67	2.07	24.68	4,731	5,143	0.40	3.76	0.64	1,302	280	\$7.61	3	3	3	3	3	3	3	3	3
IDXX	IDEXX Laboratories, Inc.	\$639.96	-2.00	3.69	-6.60	55,685	53,777	0.85	2.10	0.96	3,485	1,137	\$9.26	3	3	3	3	3	3	4	4	4
ILMN	Illumina, Inc.	\$421.83	2.00	7.35	-15.17	57,270	62,941	1.14	1.96	0.91	4,753	1,371	\$5.38	3	3	3	3	3	3	3	3	3
INOV	Inovalon Holdings, Inc. Class A	\$40.82	0.07	0.74	4.59	6,984	3,145	0.07	8.63	0.76	854	305	\$0.89	3	3	3	3	3	3	3	3	2
IRTC	iRhythm Technologies, Inc.	\$114.83	64.02	86.69	129.43	2,861	3,003	3.01	3.83	0.65	350	-74	-\$3.52	1	1	3	2	3	3	4	4	4
ISRG	Intuitive Surgical, Inc.	\$363.32	2.17	8.47	-64.73	129,996	130,445	1.33	2.10	0.83	6,298	2,721	\$5.48	3	3	3	3	3	3	4	4	1
MASI	Masimo Corporation	\$292.83	1.11	8.19	6.07	15,959	15,877	0.97	7.90	0.97	1,328	398	\$4.27	4	3	4	4	3	3	3	4	4
MCK	McKesson Corporation	\$223.09	8.81	12.55	11.58	40,201	33,625	0.79	3.20	0.59	259,154	4,897	\$21.84	1	1	1	1	3	4	4	4	4
MEDP	Medpace Holdings, Inc.	\$227.44	3.52	18.15	27.85	8,170	8,071	1.25	7.23	0.91	1,360	263	\$5.37	4	2	2	3	3	4	4	4	4
MMSI	Merit Medical Systems, Inc.	\$68.20	0.74	-5.30	0.77	4,295	3,921	0.01	5.02	0.54	1,114	225	\$2.35	1	2	3	3	3	3	4	4	1
MOH	Molina Healthcare, Inc.	\$303.05	1.99	12.03	14.33	15,838	17,814	0.89	5.82	0.88	29,741	1,473	\$16.32	3	3	3	3	3	3	4	4	4
MTD	Mettler-Toledo International Inc.	\$1,484.40	0.35	7.22	-2.45	37,807	35,669	1.52	4.46	0.90	3,812	1,161	\$35.62	3	3	3	3	3	3	4	4	4

It's important to keep an eye on the forward forecast with MQ3 stocks. There's usually higher volatility and the batting average is lower with these stocks, but they are longs in the model portfolio.

AMN flipped back to MQ3 from MQ4, which is a welcome development, but given it's estimate trend, you can see it teetering on the edge of MQ4 over coming months.

MicroQuad 3 Screen Con't

Slowing, with some deteriorating further in 4Q21

Ticker	Name	Price	1W	1M	3M	EV	MCAP	Beta	Days to Cover	Sales Corr	Sales	EBITDA	EPS	J-00	J-00	J-00	J-00	J-00	J-00	J-00	J-00	J-00
NTRA	Natera, Inc.	\$110.67	-5.57	-0.30	-5.65	10,091	10,952	2.02	11.53	0.94	733	-387	-\$4.51	3	3	3	3	3	3	3	4	1
NVTA	Invitae Corp.	\$26.58	-4.01	1.84	-10.38	7,140	5,710	1.91	16.82	0.83	644	-402	-\$2.46	2	2	2	3	3	3	3	3	2
PEN	Penumbra, Inc.	\$288.00	3.63	11.01	9.12	10,226	10,042	1.28	15.00	0.92	843	85	\$1.26	3	3	3	3	3	3	3	3	3
IQV	IQVIA Holdings Inc	\$253.86	-1.29	6.04	1.97	60,039	48,046	1.06	4.49	0.93	14,675	3,223	\$9.87	3	3	3	3	3	4	4	4	1
RCM	R1 RCM Inc	\$25.52	18.86	13.62	22.69	8,938	7,121	1.51	5.79	0.86	1,659	398	\$0.57	2	2	2	3	3	3	3	2	2
RGEN	Repligen Corporation	\$277.03	-4.48	3.39	10.52	15,372	15,111	2.55	4.05	0.96	773	253	\$3.09	3	3	3	3	3	3	4	4	4
RMD	ResMed Inc.	\$262.65	-2.24	2.53	-4.38	39,391	38,417	0.54	1.49	0.96	3,899	1,341	\$6.55	2	2	3	3	3	4	4	4	1
SEM	Select Medical Holdings Corporation	\$35.61	8.63	1.22	-4.27	8,960	4,640	1.42	5.22	0.72	6,174	931	\$2.84	2	2	3	3	3	4	4	4	1
STAA	STAAR Surgical Company	\$117.12	-1.31	-0.91	-21.40	5,649	5,588	2.18	4.70	0.89	285	52	\$0.96	3	3	3	3	3	3	3	3	2
STE	STERIS Plc	\$222.24	-4.59	4.73	2.75	26,197	22,946	0.51	2.04	0.80	4,886	1,402	\$8.37	3	3	3	3	4	4	4	4	1
TECH	Bio-Techne Corporation	\$495.23	-3.88	2.41	2.78	20,985	19,870	1.18	2.37	0.98	1,140	458	\$8.17	3	3	3	3	3	3	3	3	2
TMO	Thermo Fisher Scientific Inc.	\$639.76	3.18	11.15	18.87	257,595	246,071	0.54	2.38	0.97	38,474	11,144	\$21.45	1	1	1	1	3	3	4	4	4
TNDM	Tandem Diabetes Care, Inc.	\$132.51	-1.05	7.59	23.68	8,510	8,619	0.55	8.84	0.93	807	131	\$0.67	3	3	3	3	3	4	4	4	1
UNH	UnitedHealth Group Incorporated	\$456.76	0.29	15.86	10.03	472,036	435,719	1.48	1.91	0.94	307,235	29,749	\$21.21	3	3	3	3	3	3	3	3	3
VEEV	Veeva Systems Inc Class A	\$320.01	1.83	13.38	-5.55	49,953	44,433	1.68	2.51	0.97	2,100	847	\$3.96	3	3	3	3	3	4	4	4	1
WAT	Waters Corporation	\$346.48	-4.11	0.83	-12.39	22,699	21,358	0.55	4.14	0.88	2,885	994	\$11.67	3	3	3	3	3	3	4	4	1
WST	West Pharmaceutical Services, Inc.	\$433.07	2.84	4.79	1.31	31,036	30,615	0.82	2.90	0.89	3,039	970	\$8.96	3	3	3	3	3	4	4	4	4
ZTS	Zoetis, Inc. Class A	\$217.77	2.40	11.23	7.87	107,425	103,225	1.04	1.99	0.96	8,256	3,645	\$5.10	3	3	3	3	3	3	4	4	4
IQV	IQVIA Holdings Inc	\$253.86	-1.29	6.04	1.97	60,039	48,046	1.06	4.49	0.93	14,675	3,223	\$9.87	3	3	3	3	3	4	4	4	1
EYE	National Vision Holdings, Inc.	\$64.42	6.48	12.07	18.64	6,766	5,251	2.95	11.29	0.57	2,215	289	\$1.37	2	2	2	3	3	3	4	4	1
PHR	Phreesia, Inc.	\$74.31	7.24	23.89	8.62	3,361	3,810	2.19	6.97	0.90	231	-29	-\$1.47	-	3	3	3	3	3	3	3	2
HCAT	Health Catalyst, Inc.	\$52.84	2.07	10.11	-6.92	2,266	2,639	2.27	12.28	0.84	282	-1	-\$0.38	-	2	3	3	3	3	3	2	2
PCRX	Pacira Biosciences, Inc.	\$56.29	8.06	15.07	-7.62	2,541	2,626	-0.32	7.71	0.70	670	259	\$3.74	2	2	3	3	3	3	3	3	3
TWST	Twist Bioscience Corp.	\$135.46	11.34	40.30	22.29	6,033	6,532	1.90	8.18	0.84	179	-153	-\$3.16	-	3	3	3	3	3	3	2	2

NTRA, EYE, and NVTA are here in MQ3. After NVTA's 3Q21 earnings, we'll have to see if it stays or if the estimate trend deteriorates and the stock slips to MQ4.

MicroQuad 4 Screen

HEDGEYE

Good reasons to be short some of these names...

Ticker	Name	Price	1W	1M	3M	EV	MCAP	Beta	Days to Cover	Sales Corr	Sales	EBITDA	EPS	J-21	A-21	S-21	O-21	N-21	D-21	J-22	F-22	M-22
ANTM	Anthem, Inc.	\$422.61	-2.48	14.19	11.37	123,254	103,540	1.60	2.21	0.86	150,445	10,142	\$28.15	4	4	4	4	4	4	4	4	4
CHE	Chemed Corporation	\$487.43	9.04	13.79	4.42	8,059	7,713	0.62	2.07	0.98	2,204	466	\$19.65	1	4	3	3	4	4	4	4	1
CRL	Charles River Laboratories International, Inc.	\$379.24	-13.57	-7.01	-7.14	22,266	18,867	0.20	1.79	0.90	3,869	1,000	\$11.27	3	3	3	3	4	4	4	1	1
DGX	Quest Diagnostics Incorporated	\$143.81	-1.39	1.04	-1.90	21,560	17,447	0.85	2.81	0.79	9,029	1,956	\$9.03	1	1	1	1	4	4	4	4	4
EHC	Encompass Health Corporation	\$61.48	-3.65	-14.36	-23.88	10,294	6,511	0.79	3.42	0.81	5,444	1,079	\$4.43	3	3	3	3	4	4	1	1	4
GH	Guardant Health, Inc.	\$114.80	-2.87	7.96	0.65	10,793	11,226	2.41	2.88	0.80	481	-312	-\$3.20	2	3	3	3	4	1	1	1	3
HSKA	Heska Corporation	\$182.94	-19.29	-29.37	-30.10	1,871	2,087	0.84	5.85	0.91	283	38	\$0.64	3	3	3	3	4	4	4	4	1
LH	Laboratory Corporation of America Holdings	\$284.24	-0.35	3.21	-4.70	31,567	26,854	0.76	2.63	0.88	14,453	2,891	\$18.30	1	1	1	1	4	4	4	4	4
NEO	NeoGenomics, Inc.	\$38.35	-16.65	-10.77	-17.97	5,412	5,367	2.87	4.40	0.95	562	15	-\$0.28	1	1	1	4	4	1	1	1	2
UNJ	Johnson & Johnson	\$164.60	1.07	2.93	-4.92	438,588	428,771	0.71	2.60	0.87	97,507	35,058	\$10.29	3	3	3	4	4	4	4	4	4
ABBV	AbbVie, Inc.	\$117.06	6.74	7.08	2.28	274,738	205,180	0.65	1.74	0.69	59,181	32,064	\$13.72	4	4	4	4	4	4	4	4	1
VRTX	Vertex Pharmaceuticals Incorporated	\$194.21	6.71	7.35	-3.22	43,835	48,875	0.75	3.00	0.76	8,066	4,438	\$13.32	4	4	4	4	4	4	4	4	4
OPCH	Option Care Health Inc	\$27.43	1.48	11.19	24.29	5,981	5,031	1.28	4.74	0.68	3,655	312	\$0.88	1	1	1	4	4	4	4	4	1
MRNA	Moderna, Inc.	\$284.02	-18.37	-6.08	-31.35	90,843	99,205	1.49	0.94	0.92	20,680	15,252	\$28.22	4	4	4	4	4	4	4	4	1

NEO is now joined by DGX, and both are “stuck” here; however, the outlook for NEO looks materially better than the comp set. Our skepticism about the outlook for GH was warranted - the stock has slipped into the MQ4 short basket.

MicroQuad 1 Screen

HEDGEYE

Who can make the turn?

Ticker	Name	Price	1W	1M	3M	EV	MCAP	Beta	Days to Cover	Sales Corr	Sales	EBITDA	EPS	J-21	A-21	S-21	O-21	N-21	D-21	J-22	F-22	M-22
ABT	Abbott Laboratories	\$129.09	1.08	10.82	5.66	235,766	224,219	0.41	1.96	0.95	40,150	11,588	\$4.76	1	1	1	1	1	2	2	3	3
AMED	Amedisys, Inc.	\$174.01	1.78	22.70	-9.06	6,481	5,964	1.98	2.07	0.92	2,364	307	\$6.07	1	1	1	1	1	1	1	4	2
BAX	Baxter International Inc.	\$78.31	-0.38	-3.15	4.65	43,066	39,425	0.17	2.89	0.77	13,050	3,205	\$3.85	3	3	3	1	1	1	1	3	2
BDX	Becton, Dickinson and Company	\$244.08	2.27	-0.48	1.26	86,847	70,439	0.36	1.56	0.86	19,555	5,511	\$12.57	1	1	1	1	3	2	2	2	3
EXAS	Exact Sciences Corporation	\$98.58	1.89	7.36	-3.35	18,145	16,994	0.82	9.52	0.81	1,948	-387	-\$3.34	1	1	1	1	1	1	1	1	1
FLGT	Fulgent Genetics, Inc.	\$85.49	1.06	10.00	-19.17	2,125	2,372	-0.28	6.15	0.95	599	0	\$6.95	4	4	1	1	1	1	1	4	4
GKOS	Glaukos Corp	\$55.01	20.24	20.40	7.82	2,444	2,503	1.93	1.71	0.67	273	10	-\$1.44	3	1	1	1	1	2	2	2	3
HOLX	Hologic, Inc.	\$71.83	-1.14	0.69	-5.41	20,328	18,031	0.82	2.52	0.87	3,916	1,400	\$3.72	1	1	1	1	1	3	2	2	3
OPK	OPKO Health, Inc.	\$4.14	12.81	12.20	8.66	2,814	2,841	0.99	24.72	0.59	1,398	121	\$0.05	1	1	1	1	1	3	2	3	3
PRSC	ModivCare Inc.	\$174.48	8.05	1.90	-1.89	2,493	2,226	0.63	3.97	0.88	2,153	194	\$6.43	4	1	1	1	1	2	2	3	3
QDEL	Quidel Corporation	\$136.14	2.62	0.67	8.90	4,888	5,243	-0.55	6.98	0.79	953	489	\$7.38	1	1	1	1	4	2	2	3	3
SYK	Stryker Corporation	\$270.06	0.60	2.40	2.86	115,871	103,948	1.61	3.12	0.96	18,170	5,319	\$10.06	1	1	1	1	1	1	3	2	3
TDOC	Teladoc Health, Inc.	\$150.00	0.55	18.76	0.50	23,779	23,411	2.07	9.61	0.77	2,491	358	-\$1.82	4	1	1	1	1	4	2	3	3
TFX	Teleflex Incorporated	\$346.46	-0.26	-8.52	-9.04	18,406	16,509	0.87	2.15	0.92	2,930	906	\$14.14	2	2	2	2	1	1	2	2	2
AMGN	Amgen Inc.	\$214.93	3.75	2.36	-6.61	145,139	119,058	1.06	3.92	0.84	26,981	16,269	\$17.87	1	1	1	1	1	1	4	4	4
DOCS	Doximity, Inc. Class A	\$72.67	5.00	-15.65	38.79	12,433	3,471	0.46	4.18	0.59	351	121	\$0.41	-	1	1	1	1	1	1	1	1

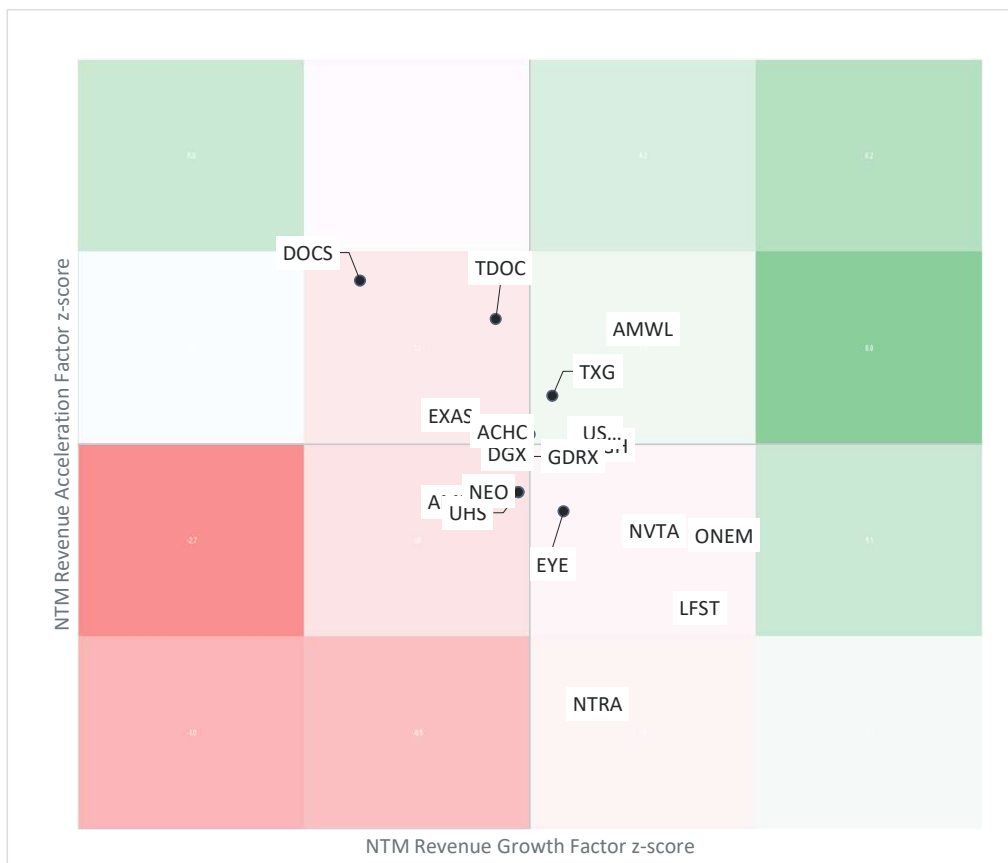
Watch for the stocks that could rotate over to MQ2 vs. fading back to MQ4.

EXAS & TDOC remain, DOCS joined them here in MQ1.

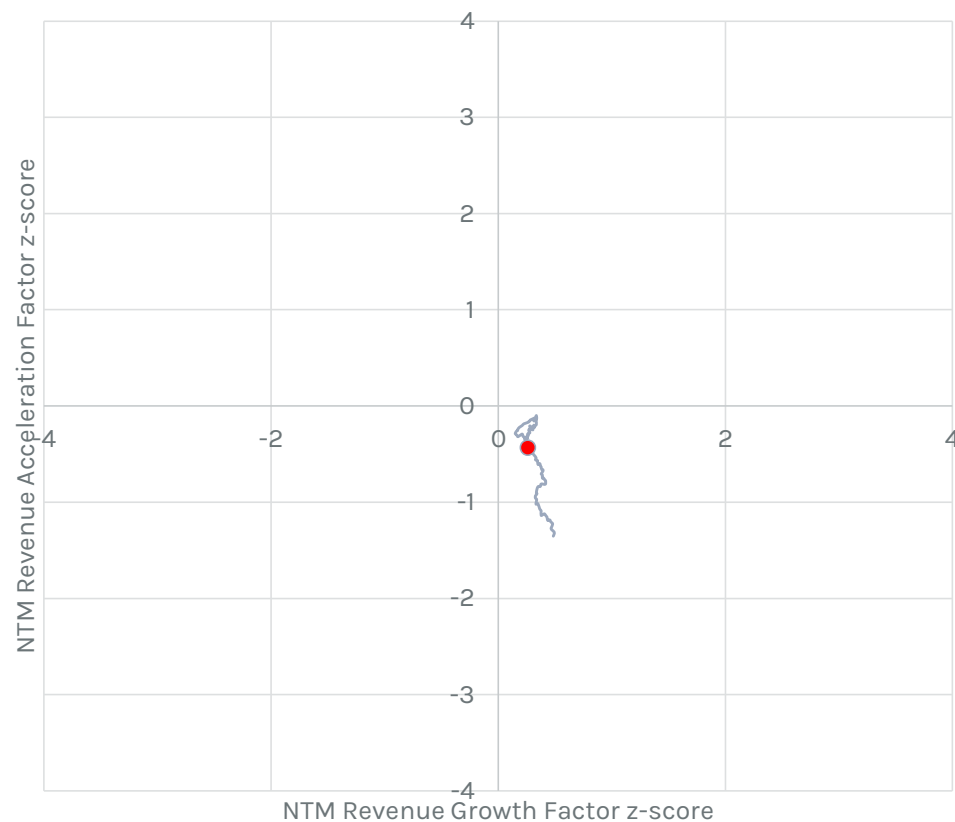
Position Monitor | October 29, 2021

HEDGEYE

Sigma Positioning – Current Position Monitor



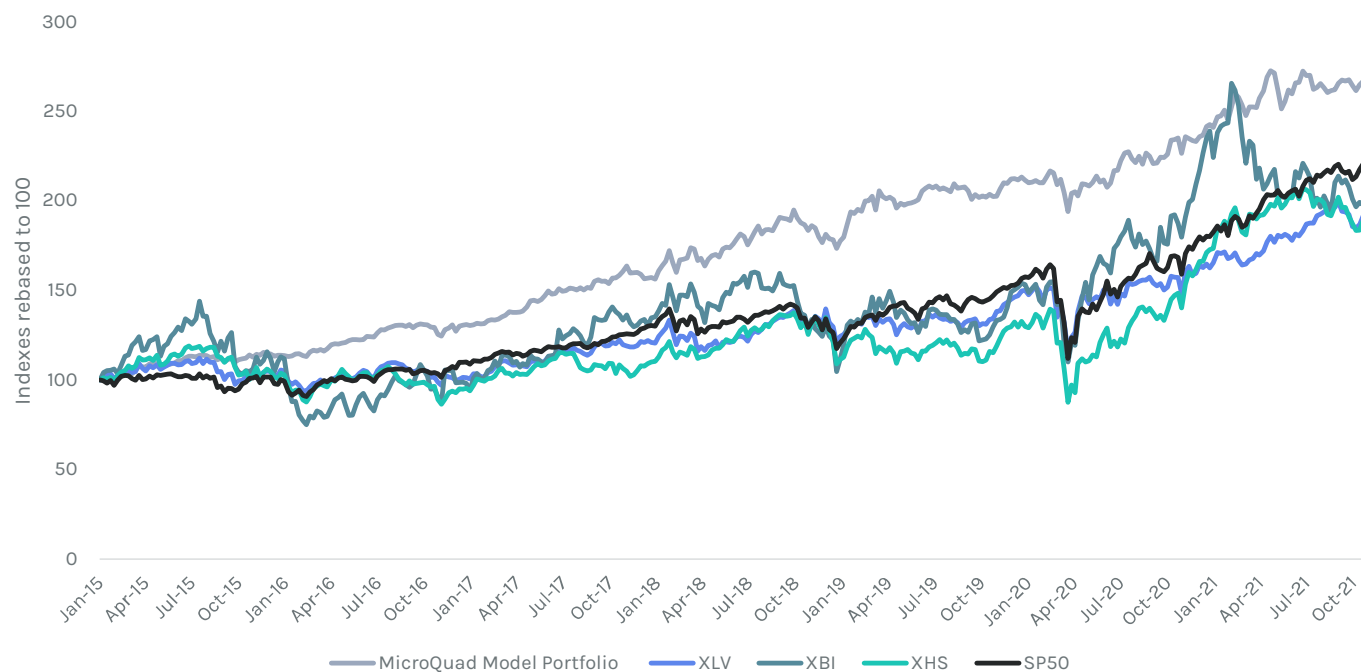
Sigma Positioning – Universe Average



MicroQuad Model Portfolio

HEDGEYE

Wrap up for the week of 10/29/2021



For the week ending 11/5/2021, the model portfolio was up +2.7% week over week. There were 64 longs and 31 shorts, not much changed in terms of names and allocations. The batting average by MicroQuad was 55.2% overall with the longs in MQ2 and MQ3 at 50% and 68.4%, respectively, and the shorts in MQ4 and MQ1 at 54.5% and 55.6%, respectively.

The allocation for each MicroQuad is based on the Macro Quad 3 allocations listed in the table below.

		Micro Quad			
		1	2	3	4
Macro Quad	1	-30%	80%	30%	-10%
	2	-40%	80%	30%	-10%
	3	-50%	70%	20%	-10%
	4	-60%	70%	20%	-10%

Particulars	MoM	YTD	YoY	Since 2015
MicroQuad Model Portfolio	4.2%	13.1%	15.6%	15.7%
XLV	4.7%	17.1%	20.9%	10.1%
XBI	6.4%	-6.7%	9.6%	11.3%
XHS	8.0%	14.3%	29.2%	10.5%
SP50	7.1%	25.2%	34.0%	12.8%

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