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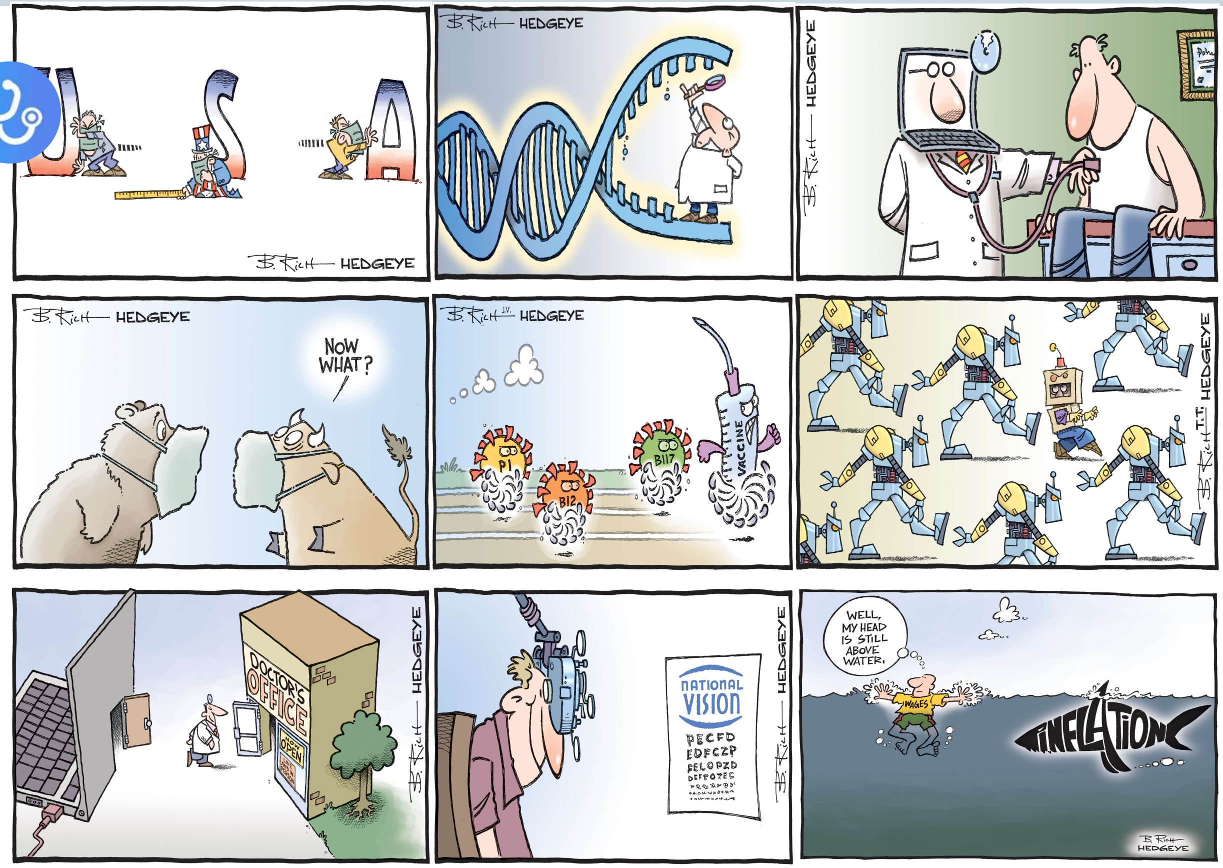
Hedgeye Health Care: Weekly Sector Distillation

For the week ending Dec. 31, 2021

January 3, 2022



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MICROQUAD RESULTS

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.

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Health Care Position Monitor

For Week of January 3, 2022: No Changes

Best Ideas - Longs LONG		Price	Mkt Cap ($B)	Trend	Tail
Active Longs					
NTRA	Natera, Inc.	$ 93.39	$8.8B	√	√
LFST	Lifestance Health Group, Inc.	$ 9.52	$3.6B	√	√
AMN	AMN Healthcare Services, Inc.	$ 122.33	$5.8B	√	√
ONEM	1Life Healthcare, Inc.	$ 17.57	$3.4B	√	√
DGX	Quest Diagnostics Incorporated	$ 173.01	$21.2B	√	√
DRIO	DarioHealth Corp.	$ 12.97	$0.2B	√	√
ATIP	ATI Physical Therapy, Inc. Class A	$ 3.39	$0.7B	√	√
Long Bias					
CTKB	Cytek Biosciences, Inc.	$ 16.32	$2.2B		
GDRX	GoodRx Holdings, Inc. Class A	$ 32.68	$14.8B		
DOCS	Doximity, Inc. Class A	$ 50.13	$3.1B		
TXG	10x Genomics Inc Class A	$ 148.96	$13.6B		
EYE	National Vision Holdings, Inc.	$ 47.99	$4.0B		
NVTA	Invitae Corp.	$ 15.27	$3.5B		
GH	Guardant Health, Inc.	$ 100.02	$10.2B		
BFLY	Butterfly Network, Inc. Class A	$ 6.69	$1.1B		
NEO	NeoGenomics, Inc.	$ 34.12	$4.2B		

Best Ideas - Shorts SHORT		Price	Mkt Cap ($B)	Trend	Tail
Active Shorts					
ACHC	Acadia Healthcare Company, Inc.	$ 60.70	$5.5B	×	×
TDOC	Teladoc Health, Inc.	$ 91.82	$14.7B	×	×
EXAS	Exact Sciences Corporation	$ 77.83	$13.4B	×	×
XHS	SPDR S&P Health Care Services ETF	$ 106.01	$0.1B	×	×
ARKG	ARK Genomic Revolution ETF	$ 61.24	$5.1B	×	×
Short Bias					
UHS	Universal Health Services, Inc. Class B	$ 129.66	$9.5B		
AMWL	American Well Corporation Class A	$ 6.04	$1.4B		
ME	23andMe Holding Co Class A	$ 6.66	$0.8B		

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 | Model vs Backtest

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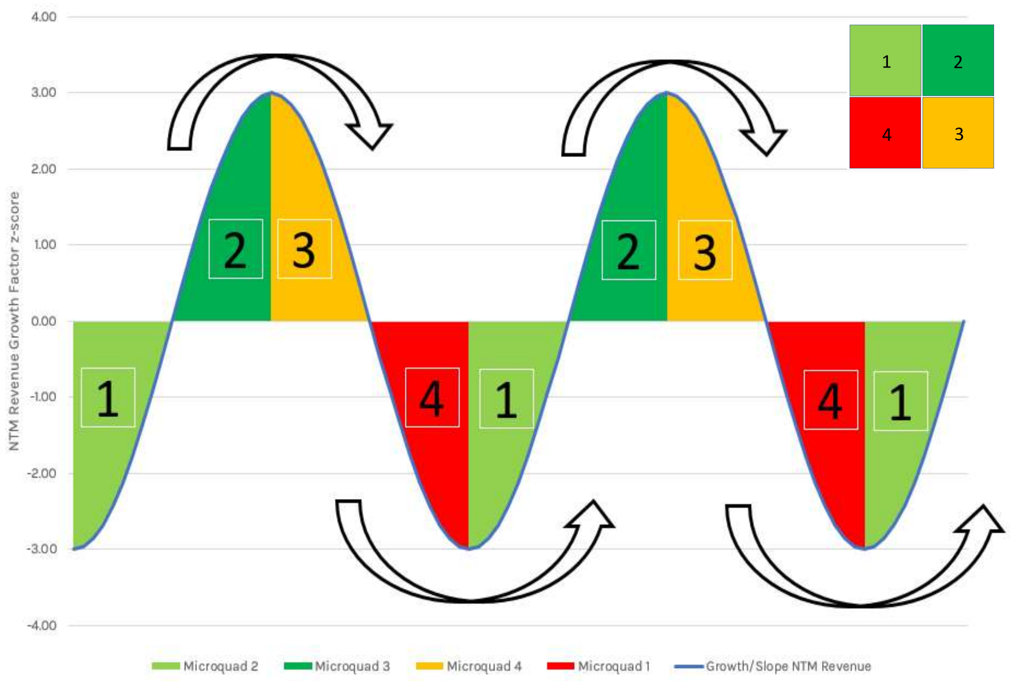
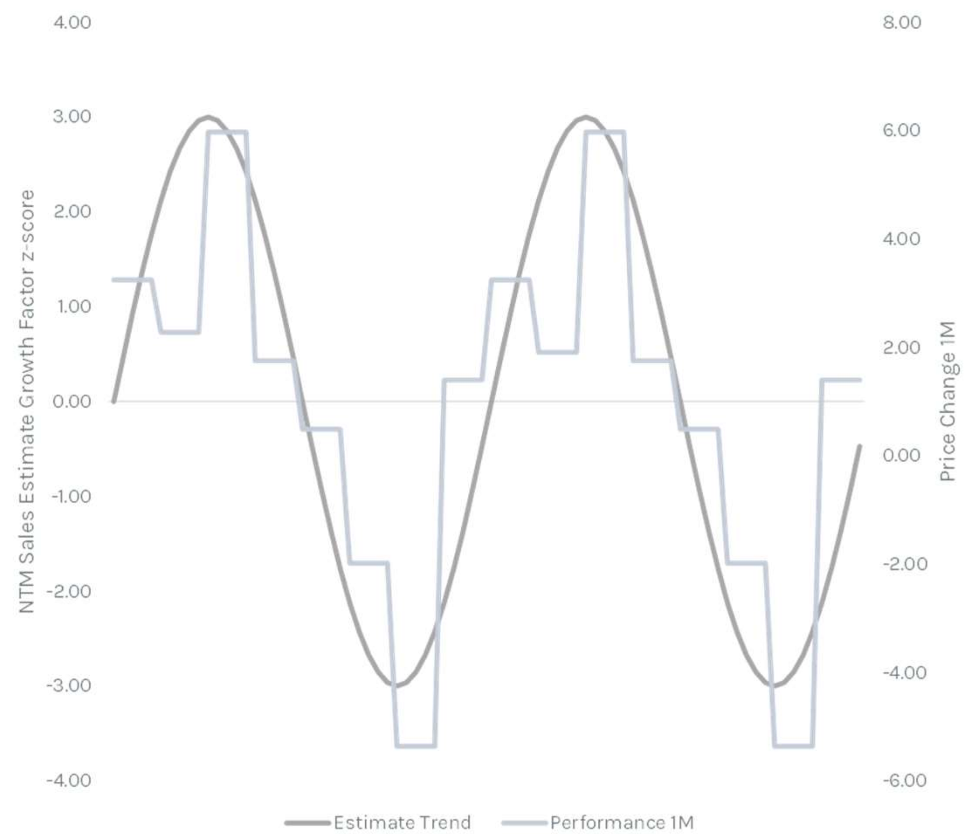
MicroQuad – Generic Growth Curve Progression



Historical 1M Performance vs MicroQuad Curve



MicroQuad Results Stats Through Dec. 31

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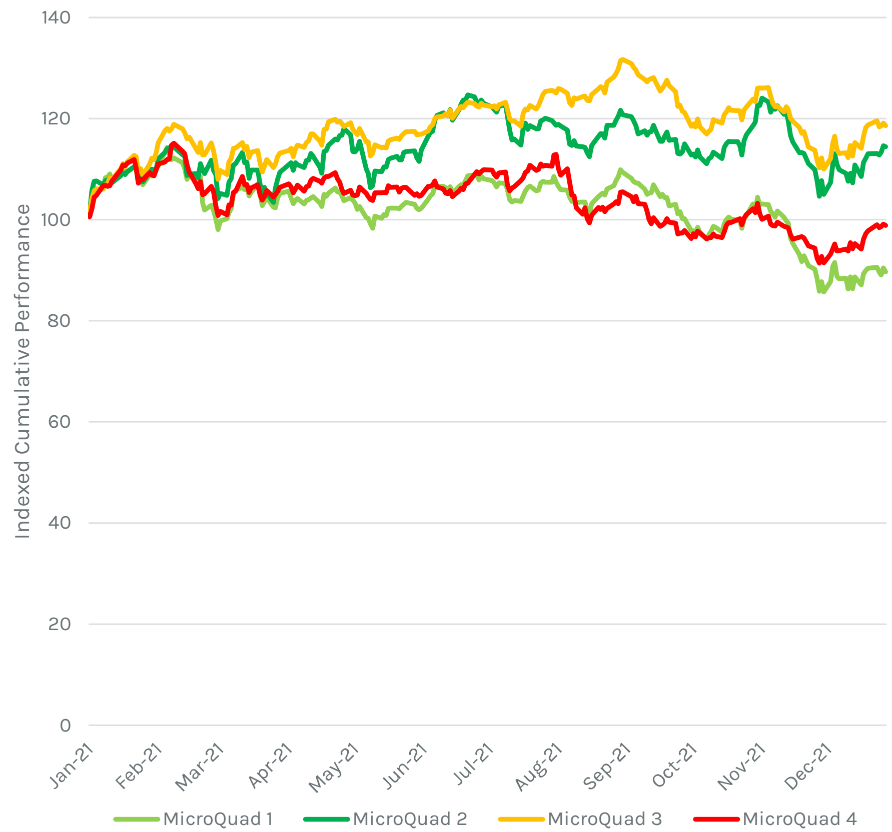
MicroQuad – Percentage Change

Average Performance (%)					
MicroQuad	1WK	1M	3M	6M	12M
1	-0.85	1.95	-7.59	-16.15	-20.28
2	1.30	6.67	2.02	-5.97	5.20
3	-0.96	6.39	0.23	-3.14	7.54
4	-0.13	6.14	2.26	-8.00	-11.98

Batting Average					
MicroQuad	1WK	1M	3M	6M	12M
1	0.444	0.528	0.481	0.470	0.482
2	0.481	0.533	0.487	0.479	0.493
3	0.498	0.568	0.518	0.505	0.515
4	0.564	0.605	0.529	0.509	0.499

Slugging Percentage					
MicroQuad	1WK	1M	3M	6M	12M
1	-0.379	1.030	-3.649	-7.592	-9.781
2	0.627	3.555	0.983	-2.861	2.562
3	-0.481	3.631	0.119	-1.585	3.881
4	-0.072	3.717	1.195	-4.075	-5.979

Percentage Change – 1Y Index by MicroQuad



Estimate Revision Trend | December 31, 2021

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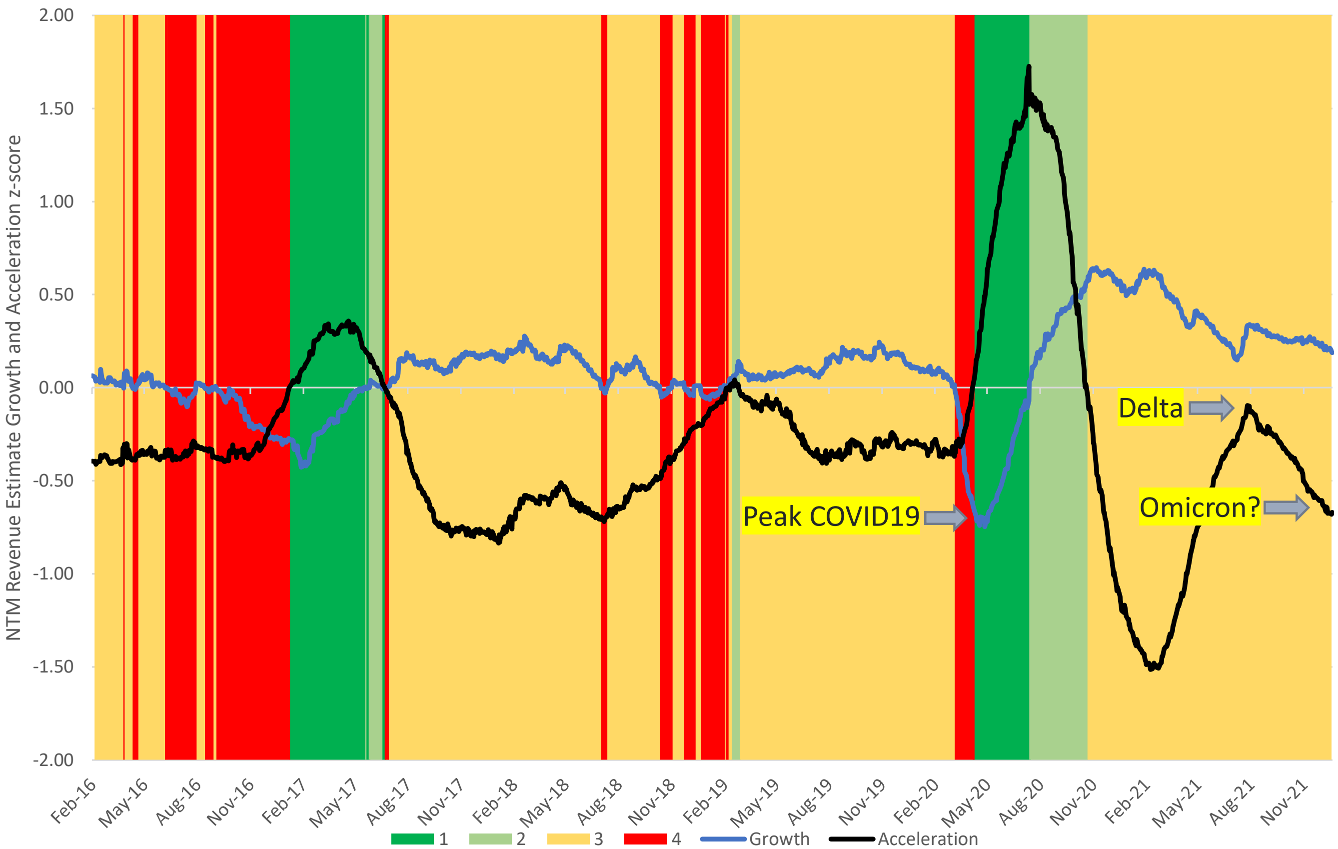
Revision trend rate of change: Growth deteriorating, but holding +, Acceleration pullback continues.



Data updated through 12/31/2021. We thought that the **estimate trend slope had largely put COVID-19 behind it**, but it's now clear that the Omicron + labor/staffing crisis have prevented an inflection.

The media continues to have a field day with Omicron (B.1.1.529), but we continue to believe that hospitalizations are the key metric to watch. Specifically, the low rate of hospitalizations relative to exploding case counts and prior waves is encouraging. The IHME forecast (below) calls for a January 27th peak.

In aggregate, our universe remains in MicroQuad 3, and we'll have to see if NTM estimates can accelerate when cases roll over.

Estimate Revision Trend | December 31, 2021

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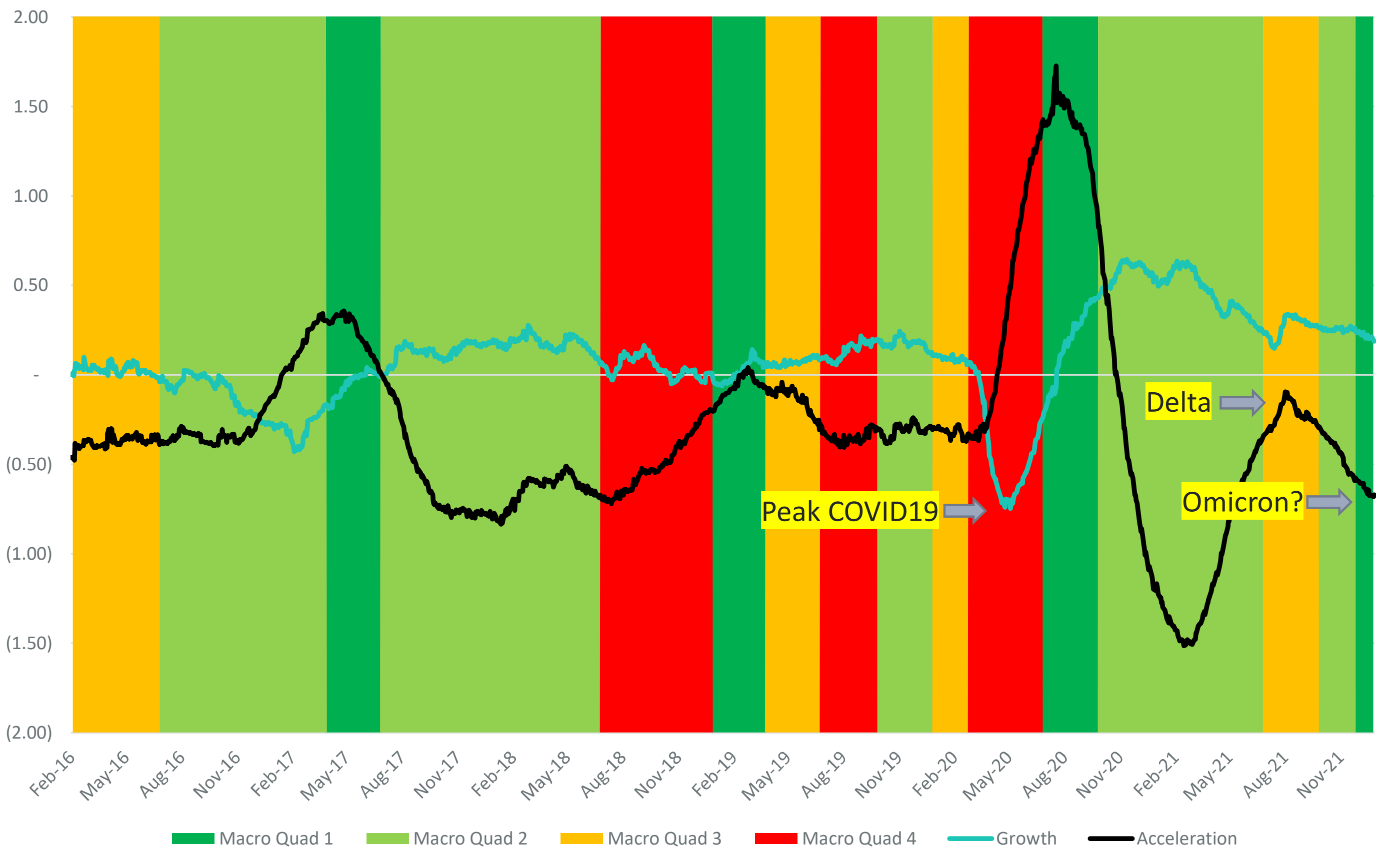
Revision trend rate of change w/ Macro Quad backdrop…



Same growth and acceleration trends as the previous slide, but this time with a Macro Quad backdrop.

The data here go back 5 years, and it looks like mid-Quad 2 there's a shift that pushes the acceleration higher, and then in Macro Quad 4, there's a meaningful uptick as well (while growth – the blue line) falters.

We're taking what does and doesn't work in the new regime(s) into consideration because the call was Macro Quad 1 (as of 11/30), but the Macro Team is seeing a rising probability of a Macro Quad 4 (growth and inflation slowing).

Estimate Trend | Down and to the right, for now…

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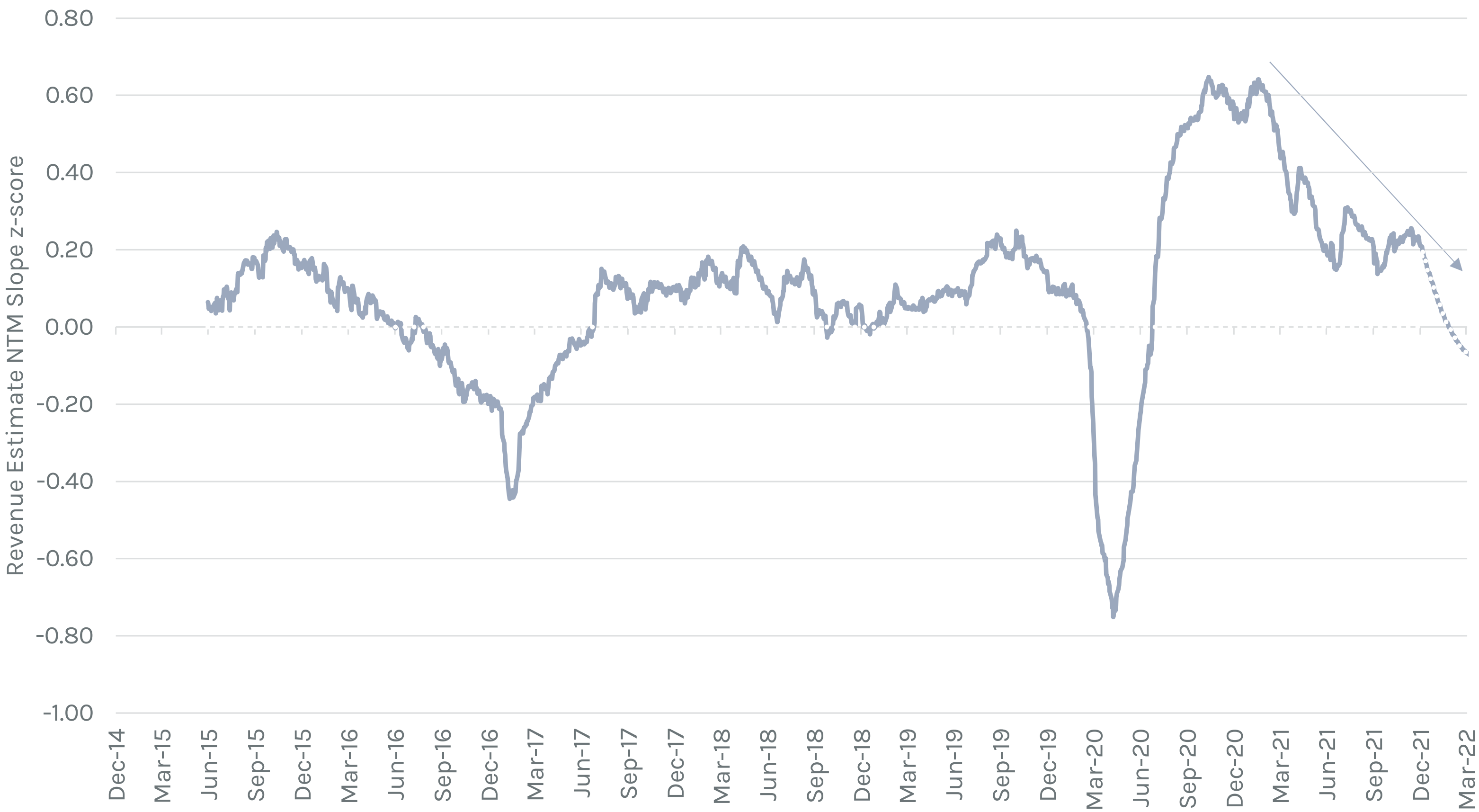
It still looks like there's going to be a bottom toward the end of 1Q22, possibly early 2Q22…



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 stalled and multiples have contracted (especially stocks with high EV/Sales multiples).

Based on the current forecast trends, it looks like we'll see a bottom/cycle turn in April.

MicroQuad Screen | Dec 31, 2021

Active Long | Active Short
Bench Long | Bench Short

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MicroQuad1

ABT	SYK
AMED	TDOC
BAX	TFX
CRL	
EHC	
GKOS	
MASI	
GH	
HOLX	
NEO	
OPK	
PODD	

MicroQuad2

BDX
CERN
CHNG
ENSG
HRC
LHCG
LLY
FLGT
SGRY
TXG

MicroQuad3

ABMD	IART	PEN	WAT
ALGN	ICUI	Q	MRK
AMN	ILMN	QDEL	PFE
ATRC	INOV	RCM	ZTS
BSX	IRTC	RGEN	IQV
CNMD	ISRG	RMD	EYE
COO	MEDP	SEM	PHR
DXCM	MMSI	STAA	PCRX
GMED	MOH	TECH	TWST
HCA	MTD	TMO	PRSC
HCAT	NTRA	VCRA	**OMCL**
MDT	NVTA	UNH	

MicroQuad4

A	STE
ABC	TNDM
ANTM	VEEV
BIO	WST
CHE	JNJ
DGX	ABBV
DHR	AMGN
EXAS	VRTX
IDXX	OPCH
LH	MRNA
MCK	HUM
PKI	

MicroQuad 2 Screen

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We continue to look for longs here – revenue estimates rising at an accelerating rate...

MIcroQuad 2														Sales MicroQuad								
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
BDX	Becton, Dickinson and Company	$253.26	2.19	6.80	3.03	88,931	71,486	0.17	1.77	0.84	19,681	5,582	$12.74	1	1	1	1	3	2	2	2	2
CERN	Cerner Corporation	$93.14	1.47	32.21	32.08	28,784	27,126	0.00	4.49	0.53	6,088	2,067	$3.68	3	3	2	2	2	2	2	2	2
ENSG	Ensign Group, Inc.	$83.71	1.91	9.67	11.78	5,773	4,656	1.12	6.92	0.93	2,888	370	$3.93	3	1	1	1	2	2	2	2	2
FLGT	Fulgent Genetics, Inc.	$101.64	-2.42	8.68	13.00	2,622	2,925	0.63	4.49	0.95	594	292	$6.30	4	4	1	1	1	1	#N/A	#N/A	#N/A
HRC	Hill-Rom Holdings, Inc.	$155.96	0.00	0.30	3.97	12,288	#N/A	0.01	#N/A	0.87	3,157	702	$6.71	3	3	3	3	2	2	2	2	2
LHCG	LHC Group, Inc.	$138.61	5.02	20.82	-11.66	4,914	4,403	2.11	2.27	0.75	2,459	288	$6.03	2	2	2	2	2	2	2	2	2
SGRY	Surgery Partners, Inc.	$53.28	1.68	20.11	25.84	8,292	4,723	2.76	4.62	0.62	2,468	369	$0.29	3	3	4	2	2	2	3	3	3
TXG	10x Genomics Inc Class A	$150.88	3.12	-1.26	3.64	15,605	13,320	1.34	4.10	0.85	683	5	-$0.30	2	2	2	2	2	2	2	2	2
CHNG	Change Healthcare, Inc.	$21.42	2.29	5.62	2.29	11,431	6,496	0.53	9.09	0.61	3,603	1,127	$1.64	2	2	2	2	3	2	2	2	2
LLY	Eli Lilly and Company	$277.25	4.03	11.78	20.00	258,239	257,089	1.05	1.56	0.90	27,890	9,857	$8.39	1	1	1	4	2	2	2	2	2

MQ2 has thinned out to just 10 stocks this week. FLGT moved over to MQ2 from MQ1, and TXG remains.

Please note, the sales MicroQuad is the average for the month, which is why the box for Dec may reflect a different Quad (MASI).

MicroQuad 3 Screen

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Slowing, with some deteriorating further in 4Q21, but these stocks are still Longs…

MIcroQuad 3															Sales MicroQuad								
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
ABMD	ABIOMED, Inc.	$362.06	5.43	15.02	11.23	15,825	16,328	1.41	4.47	0.56	1,141	306	$4.81	2	2	2	3	3	3	3	3	3
ALGN	Align Technology, Inc.	$662.22	2.53	8.29	-0.48	50,083	50,797	1.77	1.97	0.90	4,803	1,463	$13.49	3	3	3	3	3	3	3	3	3
AMN	AMN Healthcare Services, Inc.	$121.80	0.39	6.83	6.14	6,437	5,625	0.65	2.81	0.92	3,647	519	$6.08	3	3	4	4	3	3	3	4	4
ATRC	AtriCure, Inc.	$68.52	-4.10	8.08	-1.48	3,164	3,201	1.91	3.29	0.85	322	-3	-$0.94	2	2	3	3	3	3	3	3	4
BSX	Boston Scientific Corporation	$42.99	1.97	12.92	-0.92	68,682	60,869	0.96	1.64	0.89	12,952	3,658	$1.87	2	2	3	3	3	3	3	4	4
CNMD	CONMED Corporation	$143.32	2.46	9.02	9.55	5,265	4,168	1.30	9.57	0.93	1,105	233	$3.74	2	2	2	3	3	3	4	4	4
COO	Cooper Companies, Inc.	$424.02	4.79	12.63	2.59	22,598	20,783	0.81	4.04	0.88	3,210	1,089	$14.44	3	3	2	2	3	3	3	3	3
DXCM	DexCom, Inc.	$541.31	-5.50	-3.78	-1.01	51,236	50,197	1.61	2.94	0.96	2,985	604	$3.56	1	2	3	3	3	3	3	4	4
GMED	Globus Medical Inc Class A	$72.51	1.20	15.79	-5.36	7,086	5,778	0.98	1.90	0.89	1,049	375	$2.23	2	2	2	3	3	3	3	4	4
HCA	HCA Healthcare Inc	$258.11	2.40	14.42	6.34	117,280	78,572	0.96	2.14	0.88	61,616	12,923	$18.65	2	3	3	3	3	3	3	4	4
IART	Integra LifeSciences Holdings Corporation	$68.38	0.32	6.93	-0.15	6,982	5,749	0.85	12.38	0.59	1,629	444	$3.42	2	2	2	2	2	3	3	3	3
ICUI	ICU Medical, Inc.	$239.24	1.51	5.76	2.51	4,542	4,919	0.64	4.09	0.56	1,309	284	$7.68	3	3	3	3	3	3	3	3	3
ILMN	Illumina, Inc.	$384.24	1.44	5.18	-5.27	59,147	59,124	1.02	1.44	0.88	4,868	1,002	$4.25	3	3	3	3	3	3	3	3	3
INOV	Inovalon Holdings, Inc. Class A	$41.06	0.00	0.00	1.91	7,044	#N/A	0.00	#N/A	0.78	885	311	$0.00	3	3	3	3	3	3	3	3	3
IRTC	iRhythm Technologies, Inc.	$117.39	-1.75	11.16	100.46	3,378	3,516	0.34	3.18	0.63	364	-46	-$3.23	1	1	3	2	3	3	3	4	4
ISRG	Intuitive Surgical, Inc.	$363.30	0.30	12.01	-63.46	126,601	127,140	1.53	1.47	0.68	6,417	2,747	$5.57	3	3	3	3	3	3	3	4	4
MDT	Medtronic Plc	$104.47	3.09	-2.09	-16.66	157,578	141,326	0.70	1.23	0.70	33,576	10,531	$6.02	2	2	2	2	3	4	3	1	2
MEDP	Medpace Holdings, Inc.	$219.08	-1.22	5.63	15.74	7,573	7,498	0.98	4.96	0.92	1,436	274	$5.48	4	2	2	3	3	3	4	4	4
MMSI	Merit Medical Systems, Inc.	$63.99	1.65	1.80	-10.88	3,938	3,584	1.23	3.74	0.51	1,124	226	$2.38	1	2	3	3	3	3	3	4	4
MOH	Molina Healthcare, Inc.	$320.68	1.36	12.45	18.20	16,143	18,119	1.37	2.69	0.89	30,578	1,517	$16.89	3	3	3	3	3	3	4	4	4
MTD	Mettler-Toledo International Inc.	$1,702.53	6.08	12.44	23.61	39,951	37,772	0.88	3.03	0.91	3,909	1,218	$37.61	3	3	3	3	3	3	4	4	4
NTRA	Natera, Inc.	$93.15	-0.77	1.85	-16.41	7,481	8,298	1.36	5.85	0.92	760	-427	-$4.98	3	3	3	3	3	3	3	3	4
NVTA	Invitae Corp.	$15.66	-8.10	-7.88	-44.92	3,825	3,473	1.36	6.21	0.76	651	-499	-$2.83	2	2	2	3	3	3	3	3	3
OMCL	Omnicell, Inc.	$181.71	2.16	2.66	22.42	8,719	7,876	0.31	6.84	0.96	1,289	286	$4.12	3	2	2	2	2	2	3	3	3
PEN	Penumbra, Inc.	$286.50	5.69	16.63	7.50	10,490	10,518	1.23	10.10	0.91	862	86	$1.22	3	3	3	3	3	3	3	3	3
PRSC	ModivCare Inc.	$149.09	-0.73	8.80	-17.91	2,933	2,041	1.27	6.97	0.87	2,347	217	$7.49	4	1	1	1	3	2	3	3	3
Q	IQVIA Holdings Inc	$282.61	2.11	9.06	17.98	63,586	51,516	1.03	2.56	0.93	14,879	3,317	$10.12	3	3	3	3	3	3	3	4	4

It's important to keep an eye on the forward forecast with MQ3 stocks – keep in mind that the last 3 columns are Jan '22, Feb '22, and Mar '22. There's usually higher volatility and the batting average is lower with MicroQuad 3 stocks, but they are smaller allocations on the long side in the model portfolio.

MicroQuad 3 Screen Con't

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Slowing, with some deteriorating further in 4Q21

MIcroQuad 3														Sales MicroQuad								
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
QDEL	Quidel Corporation	$133.10	-19.94	-9.80	-5.70	5,200	5,531	-1.13	7.94	0.78	958	487	$7.21	1	1	1	1	1	3	3	4	4
RCM	R1 RCM Inc	$25.20	4.22	5.79	14.49	8,739	6,948	0.64	5.45	0.87	1,699	407	$0.64	2	2	2	3	3	3	3	3	3
RGEN	Repligen Corporation	$260.98	-3.22	-8.91	-9.69	14,265	14,044	0.39	4.73	0.97	798	259	$3.13	3	3	3	3	3	3	4	4	4
RMD	ResMed Inc.	$261.99	0.11	2.80	-0.59	38,363	37,397	0.89	1.70	0.96	3,941	1,364	$6.66	2	2	3	3	3	3	4	4	4
SEM	Select Medical Holdings Corporation	$29.82	3.94	11.06	-17.56	8,502	3,971	1.70	2.91	0.72	6,288	937	$2.93	2	2	3	3	3	3	3	3	4
STAA	STAAR Surgical Company	$93.67	-2.09	-1.60	-27.12	4,391	4,381	1.56	5.31	0.88	294	53	$0.97	3	3	3	3	3	3	3	3	3
TECH	Bio-Techne Corporation	$508.80	3.90	7.79	5.00	20,500	19,429	1.06	2.65	0.98	1,164	469	$8.35	3	3	3	3	3	3	3	3	3
TMO	Thermo Fisher Scientific Inc.	$665.45	2.11	5.15	16.47	264,332	252,778	0.58	1.87	0.98	39,932	11,159	$21.34	1	1	1	1	3	3	3	4	4
UNH	UnitedHealth Group Incorporated	$504.43	2.08	13.55	29.10	502,567	465,830	0.66	1.54	0.94	316,330	30,334	$21.63	3	3	3	3	3	3	3	3	3
VCRA	Vocera Communications, Inc.	$64.00	-4.51	9.70	39.86	2,300	2,277	-0.08	12.20	0.84	265	46	$0.82	3	3	3	3	3	3	3	3	3
WAT	Waters Corporation	$372.01	3.03	13.39	4.12	23,396	22,045	0.97	5.24	0.89	2,906	1,001	$11.80	3	3	3	3	3	3	3	4	4
MRK	Merck & Co., Inc.	$77.14	1.29	2.98	2.70	209,788	192,527	-0.07	1.37	0.74	56,599	23,967	$7.20	1	1	1	4	2	3	3	3	4
PFE	Pfizer Inc.	$58.40	-1.93	8.69	35.78	337,298	320,439	-0.82	1.40	0.66	95,113	41,172	$6.03	3	3	4	4	3	3	3	4	4
ZTS	Zoetis, Inc. Class A	$245.16	1.49	10.41	26.28	114,868	110,645	0.61	1.58	0.97	8,398	3,638	$5.22	3	3	3	3	3	3	4	4	4
IQV	IQVIA Holdings Inc	$282.61	2.11	9.06	17.98	63,586	51,516	1.03	2.56	0.93	14,879	3,317	$10.12	3	3	3	3	3	3	3	4	4
EYE	National Vision Holdings, Inc.	$48.55	3.28	1.06	-14.48	5,258	4,016	1.02	6.39	0.60	2,215	281	$1.33	2	2	2	3	3	3	4	4	4
PHR	Phreesia, Inc.	$42.44	-0.21	-26.42	-31.22	1,766	2,164	1.01	1.92	0.83	259	-122	-$3.64	-	3	3	3	3	3	3	3	3
HCAT	Health Catalyst, Inc.	$40.56	6.76	-6.52	-18.90	1,706	2,082	1.53	10.25	0.75	292	-2	-$0.45	-	2	3	3	3	3	3	3	2
PCRX	Pacira Biosciences, Inc.	$60.89	0.91	15.72	8.73	2,666	2,749	0.61	12.46	0.69	709	266	$4.03	2	2	3	3	3	3	3	3	3
TWST	Twist Bioscience Corp.	$78.59	-8.46	-17.71	-26.53	3,498	4,025	2.38	6.45	0.80	202	-232	-$4.72	-	3	3	3	3	3	3	3	3

Will a[nother] blowout quarter for **AMN** lead to + estimate revisions? MDT and HCAT are the only MicroQuad 3 stocks with a positive forecast outlook as of this moment.

MicroQuad 4 Screen

HEDGEYE

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

MIcroQuad 4														Sales MicroQuad								
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.	$160.88	2.62	6.61	2.13	48,989	46,877	1.06	2.53	0.93	6,798	1,939	$4.92	3	3	3	3	3	4	4	4	4
ABC	AmerisourceBergen Corporation	$133.77	4.66	15.57	11.99	33,035	27,372	0.63	1.92	0.82	240,777	3,572	$10.87	3	3	3	3	3	4	4	4	4
ANTM	Anthem, Inc.	$467.15	2.92	15.00	25.31	130,779	110,964	0.79	1.68	0.87	152,990	10,295	$28.58	4	4	4	4	4	4	4	4	4
BIO	Bio-Rad Laboratories, Inc. Class A	$758.65	1.99	0.72	1.70	20,778	21,670	0.63	2.36	0.94	2,844	618	$13.11	4	3	3	3	3	4	4	4	4
CHE	Chemed Corporation	$529.86	2.65	13.83	13.92	8,326	7,980	0.80	2.48	0.98	2,215	468	$19.74	1	4	3	3	4	4	-	-	-
DGX	Quest Diagnostics Incorporated	$171.34	2.13	15.24	17.91	24,263	20,100	0.40	2.92	0.77	8,848	1,848	$8.45	1	1	1	1	4	4	4	4	4
DHR	Danaher Corporation	$328.47	2.75	2.12	7.89	253,293	225,056	0.55	1.92	0.96	30,787	10,512	$10.16	3	3	3	3	4	4	4	4	4
EXAS	Exact Sciences Corporation	$77.89	-2.82	-8.76	-18.40	14,894	13,736	1.22	6.68	0.78	1,983	-375	-$3.38	1	1	1	1	1	4	4	1	1
HUM	Humana Inc.	$466.28	2.25	11.10	19.82	67,321	59,011	0.47	1.83	0.90	92,774	4,801	$23.99	1	2	3	3	3	3	4	4	4
IDXX	IDEXX Laboratories, Inc.	$661.32	3.33	8.76	6.34	55,109	53,212	1.31	2.29	0.96	3,539	1,159	$9.46	3	3	3	3	3	3	4	4	4
LH	Laboratory Corporation of America Holdings	$313.34	3.00	9.82	11.33	33,381	28,642	0.68	2.48	0.88	14,357	2,756	$17.46	1	1	1	1	4	4	4	4	4
MCK	McKesson Corporation	$248.90	5.25	14.83	24.84	44,214	37,558	0.70	1.57	0.64	256,251	4,889	$22.19	1	1	1	1	4	4	4	4	4
PKI	PerkinElmer, Inc.	$199.56	4.20	9.55	15.16	26,937	24,288	0.59	3.39	0.95	4,295	1,192	$6.49	1	1	1	1	3	4	4	4	4
STE	STERIS Plc	$245.17	4.40	12.19	20.02	27,430	24,001	1.00	2.31	0.84	4,919	1,419	$8.47	3	3	3	3	3	4	4	4	4
TNDM	Tandem Diabetes Care, Inc.	$151.88	-0.62	18.18	27.22	9,323	9,416	1.44	4.64	0.94	827	127	$0.75	3	3	3	3	3	4	4	4	4
VEEV	Veeva Systems Inc Class A	$260.01	-0.47	-7.99	-9.77	39,291	35,460	1.47	1.09	0.96	2,142	842	$3.96	3	3	3	3	3	4	4	1	1
WST	West Pharmaceutical Services, Inc.	$471.34	3.91	6.48	11.02	33,526	33,042	0.74	2.87	0.91	3,080	987	$9.04	3	3	3	3	3	4	4	4	4
JNJ	Johnson & Johnson	$172.31	2.61	10.50	6.69	458,034	447,910	0.15	1.89	0.86	98,208	35,717	$10.38	3	3	3	4	4	4	4	4	4
ABBV	AbbVie, Inc.	$135.93	2.94	17.91	26.01	306,564	236,843	0.25	2.21	0.71	59,706	31,989	$13.95	4	4	4	4	4	4	4	4	4
AMGN	Amgen Inc.	$226.47	2.23	13.87	6.50	152,606	126,436	0.49	3.69	0.84	27,070	16,374	$17.98	1	1	1	1	1	4	4	4	4
VRTX	Vertex Pharmaceuticals Incorporated	$222.45	-0.14	19.00	22.64	50,813	55,707	-0.21	1.36	0.72	8,188	4,437	$13.56	4	4	4	4	4	4	4	4	4
OPCH	Option Care Health Inc	$28.43	1.64	12.33	17.19	6,078	5,015	1.36	2.69	0.70	3,688	318	$0.92	1	1	1	4	4	4	4	4	4
MRNA	Moderna, Inc.	$251.60	0.10	-28.61	-34.63	92,651	94,332	0.05	1.25	0.92	20,821	14,830	$27.17	4	4	4	4	4	4	4	4	4

This “bin” remains relatively full of COVID-comp stocks. We’re keeping a close eye on DGX (bi-weekly COVID testing update is tomorrow, 1/4)**, and MRNA and LH remain. EXAS is on the edge but remains in MQ4.**

MicroQuad 1 Screen

HEDGEYE

Who can make the turn?

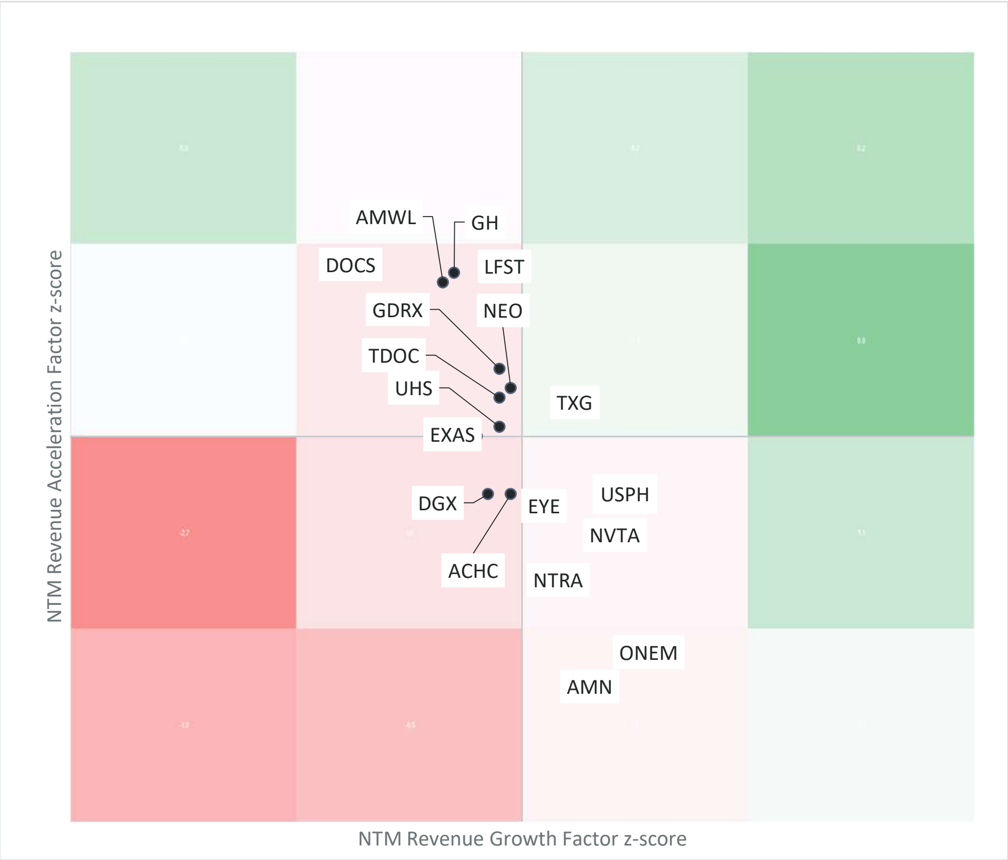
					MIcroQuad 1									Sales MicroQuad								
Ticker	Name	Price	1W	1M	3M	EV	MCAP	Beta	Days to Cover	Sales Corr	Sales	EBITDA	EPS	J-21	A-21	S-21	O-21	N-21	D-21	J-22	F-22	M-22
ABT	Abbott Laboratories	$141.00	1.45	12.11	19.36	255,322	243,548	0.54	1.80	0.96	39,921	11,516	$4.74	1	1	1	1	1	1	1	3	2
AMED	Amedisys, Inc.	$164.13	3.51	17.53	10.08	5,832	5,321	1.86	1.66	0.90	2,374	303	$5.95	1	1	1	1	1	1	1	3	2
BAX	Baxter International Inc.	$86.45	1.32	15.93	7.48	46,753	43,073	0.41	2.09	0.74	13,143	3,287	$3.91	3	3	3	1	1	1	1	2	2
CRL	Charles River Laboratories International, Inc.	$375.88	1.71	2.74	-8.92	21,473	18,090	1.10	1.87	0.91	3,918	1,016	$11.48	3	3	3	3	4	1	1	1	1
EHC	Encompass Health Corporation	$66.01	3.61	14.56	-12.03	10,294	6,511	0.90	2.10	0.75	5,496	1,081	$4.42	3	3	3	3	4	1	4	2	2
GH	Guardant Health, Inc.	$100.23	0.74	-4.65	-19.82	10,070	10,161	0.98	4.40	0.77	474	-365	-$4.40	2	3	3	3	4	1	1	3	2
GKOS	Glaukos Corp	$45.84	0.42	6.53	-4.84	2,187	2,123	1.23	2.49	0.64	270	-21	-$1.51	3	1	1	1	1	1	3	2	2
HOLX	Hologic, Inc.	$76.62	-0.78	2.53	3.81	21,180	18,593	0.60	2.60	0.85	3,937	1,407	$3.77	1	1	1	1	1	1	4	2	2
MASI	Masimo Corporation	$297.23	2.53	6.87	9.80	15,684	15,614	1.05	6.41	0.97	1,348	410	$4.37	4	3	4	4	3	3	4	4	4
NEO	NeoGenomics, Inc.	$34.15	-2.48	-0.32	-29.21	4,221	4,170	1.20	5.65	0.94	560	-8	-$0.49	1	1	1	4	4	1	1	2	2
OPK	OPKO Health, Inc.	$4.84	4.99	23.16	32.60	3,243	3,290	1.56	11.98	0.62	1,347	120	$0.05	1	1	1	1	1	1	1	2	2
PODD	Insulet Corporation	$269.57	0.07	-6.54	-5.16	19,275	18,669	1.76	4.55	0.98	1,277	242	$1.36	3	3	2	2	4	1	3	2	2
SYK	Stryker Corporation	$270.69	2.51	14.39	2.64	113,016	101,134	1.07	2.80	0.96	18,339	5,383	$10.19	1	1	1	1	1	1	1	1	1
TDOC	Teladoc Health, Inc.	$94.35	-0.03	-6.81	-25.60	15,222	14,819	1.41	5.31	0.72	2,575	353	-$1.74	4	1	1	1	1	1	1	1	1
TFX	Teleflex Incorporated	$330.89	0.82	11.25	-12.13	17,525	15,639	1.16	1.78	0.90	2,950	912	$14.27	2	2	2	2	1	1	3	2	2

GH, TDOC, and NEO remain. We're watching to see if/when estimates move and larger-cap stocks like **SYK and ABT** can rotate back to MicroQuad 2. Also, we are keeping an eye on **HOLX** here.

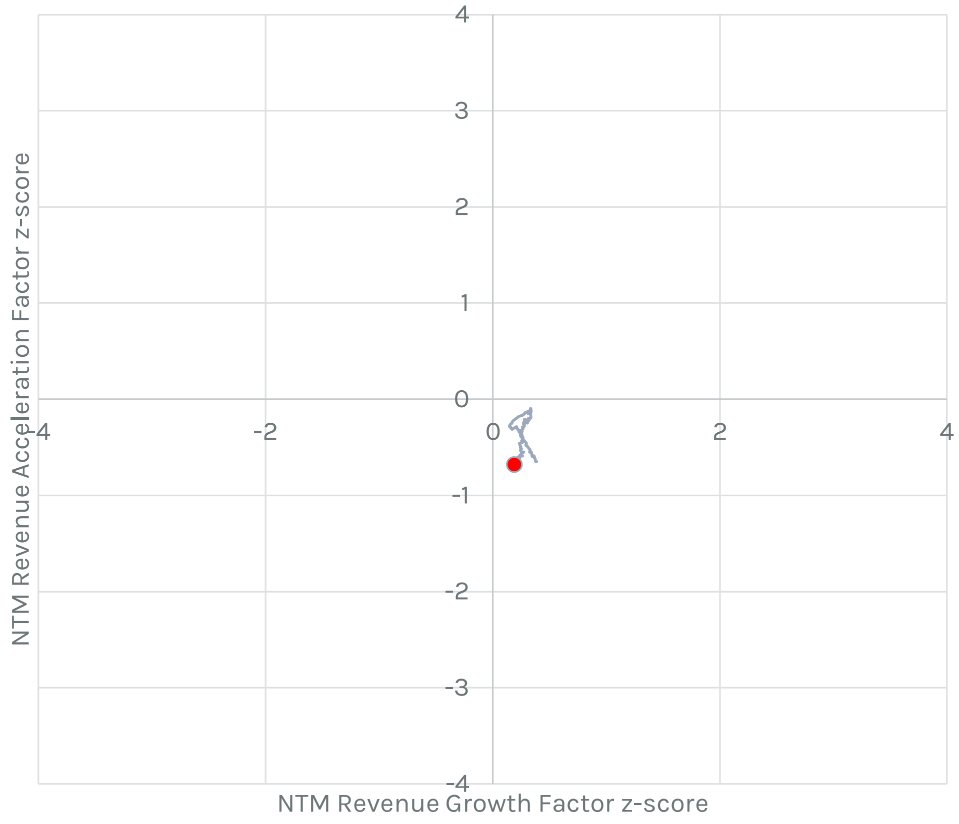
Position Monitor | December 31, 2021

HEDGEYE

Sigma Positioning – Current Position Monitor



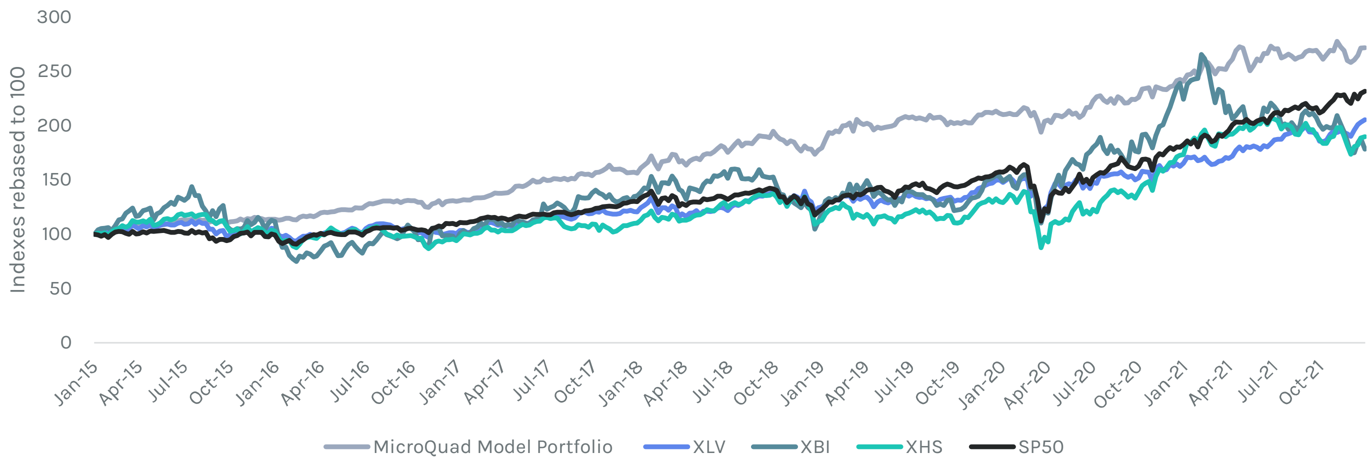
Sigma Positioning –Universe Average



MicroQuad Model Portfolio

HEDGEYE

Wrap up for the week of 12/31/2021



Particulars	MQ1	MQ2	MQ3	MQ4
Number of Tickers	16	10	46	23
Average % Change	-0.15%	1.15%	-0.35%	1.42%
Batting Avg.	37.5%	80.0%	13.0%	8.7%
Average Weeks	15.60	17.50	27.39	9.04
Contribution to the weekly P&L	0.04%	0.46%	-0.24%	-0.14%

Particulars	WoW	MoM	YTD	YoY	Since 2015
Model Portfolio	0.1%	5.2%	12.7%	12.7%	15.3%
XLV	1.1%	8.1%	24.2%	24.2%	10.8%
XBI	-5.3%	2.2%	-20.5%	-20.5%	8.6%
XHS	0.6%	9.4%	9.5%	9.5%	9.6%
SP50	0.9%	5.0%	26.9%	26.9%	12.7%

For the week ending 12/31/2021, the model portfolio was up 5.2% MoM and +0.1% week/week, with MicroQuads 2 and 4 having the greatest impact.

The allocation for each MicroQuad is based on the Macro Quad 1 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%