

## Best Ideas

Interactive web-based models are available for our Best Ideas at [Trefis](#).

| Company and Industry                  | Morningstar Rating | Fair Value Estimate | Current Price | Uncertainty Rating | Moat Rating | Price / Fair Value | Market Cap (B) | Analyst    |
|---------------------------------------|--------------------|---------------------|---------------|--------------------|-------------|--------------------|----------------|------------|
| <b>Basic Materials</b>                |                    |                     |               |                    |             |                    |                |            |
| Cameco (CCJ)                          | ★★★★               | \$17                | \$10.6        | High               | Narrow      | 0.62               | 4.29           | Inton      |
| Compass Minerals International (CMP)  | ★★★★               | \$83                | \$67.65       | High               | Wide        | 0.82               | 2.29           | Goldstein  |
| Martin Marietta Materials (MLM)       | ★★★★               | \$265               | \$225.87      | High               | Narrow      | 0.85               | 14.22          | Inton      |
| <b>Communication Services</b>         |                    |                     |               |                    |             |                    |                |            |
| BT Group (BT.A)                       | ★★★★               | GBX 360             | GBX 217.65    | High               | Narrow      | 0.60               | 21.60          | C. Nichols |
| China Mobile (941)                    | ★★★★★              | HKD 102             | HKD 68.5      | Medium             | Narrow      | 0.67               | 1402.57        | Baker      |
| Comcast (CMCSA)                       | ★★★★               | \$42                | \$34.91       | Medium             | Wide        | 0.83               | 160.64         | Macker     |
| Telefonica (TEF)                      | ★★★★★              | \$13                | \$7.4         | High               | Narrow      | 0.57               | 38.44          | C. Nichols |
| Telstra (TLS)                         | ★★★★★              | AUD 4.4             | AUD 2.79      | Medium             | Narrow      | 0.63               | 33.18          | Han        |
| <b>Consumer Cyclical</b>              |                    |                     |               |                    |             |                    |                |            |
| Advance Auto Parts (AAP)              | ★★★★               | \$157               | \$143.37      | Medium             | Narrow      | 0.91               | 10.61          | Akbari     |
| Bayerische Motoren Werke (BMW)        | ★★★★               | EUR 117             | EUR 80.75     | High               | Narrow      | 0.69               | 52.49          | Hilgert    |
| Expedia Group (EXPE)                  | ★★★★               | \$180               | \$127.81      | High               | Narrow      | 0.71               | 19.19          | Wasiolek   |
| General Motors (GM)                   | ★★★★               | \$56                | \$39.31       | High               | None        | 0.70               | 55.41          | Whiston    |
| Great Wall Motor (2333)               | ★★★★★              | HKD 13.5            | HKD 5.44      | High               | None        | 0.40               | 81.51          | Su         |
| Hanesbrands (HBI)                     | ★★★★               | \$29                | \$22.2        | Medium             | Narrow      | 0.77               | 8.00           | Hottovy    |
| InvoCare (IVC)                        | ★★★★               | AUD 17              | AUD 13.86     | Medium             | Wide        | 0.82               | 1.53           | Ragonese   |
| Mattel (MAT)                          | ★★★★               | \$21.5              | \$16.04       | High               | Narrow      | 0.75               | 5.52           | Katz       |
| Norwegian Cruise Line Holdings (NCLH) | ★★★★               | \$69                | \$49.85       | High               | Narrow      | 0.72               | 11.20          | Katz       |
| Walt Disney (DIS)                     | ★★★★               | \$130               | \$112.13      | Medium             | Wide        | 0.86               | 166.71         | Macker     |
| WPP (WPP)                             | ★★★★               | GBX 1500            | GBX 1141      | Medium             | Narrow      | 0.76               | 14.40          | Mogharabi  |
| <b>Consumer Defensive</b>             |                    |                     |               |                    |             |                    |                |            |
| G8 Education (GEM)                    | ★★★★               | AUD 4               | AUD 2.46      | High               | None        | 0.62               | 1.12           | James      |
| General Mills (GIS)                   | ★★★★★              | \$59                | \$43.35       | Low                | Wide        | 0.73               | 25.72          | Vora       |
| Imperial Brands (IMB)                 | ★★★★★              | GBX 3900            | GBX 2905.5    | Low                | Wide        | 0.75               | 27.71          | Gorham     |
| Kao (4452)                            | ★★★★               | JPY 8800            | JPY 8247      | Low                | Wide        | 0.94               | 4019.76        | Wei        |
| Mondelez International (MDLZ)         | ★★★★               | \$51                | \$42.24       | Medium             | Wide        | 0.83               | 62.31          | Lash       |
| PepsiCo (PEP)                         | ★★★★               | \$123               | \$115.77      | Low                | Wide        | 0.94               | 163.74         | Vora       |
| Procter & Gamble (PG)                 | ★★★★★              | \$98                | \$78.73       | Low                | Wide        | 0.80               | 197.97         | Lash       |
| Reckitt Benckiser Group (RB.)         | ★★★★               | GBX 7300            | GBX 6444      | Low                | Wide        | 0.88               | 45.52          | Gorham     |
| <b>Energy</b>                         |                    |                     |               |                    |             |                    |                |            |
| Cenovus Energy (CVE)                  | ★★★★               | \$21                | \$13.51       | Very High          | None        | 0.64               | 16.60          | Gemino     |
| Enbridge (ENB)                        | ★★★★               | \$64                | \$46.74       | Medium             | Wide        | 0.73               | 79.68          | Gemino     |
| Enterprise Products Partners (EPD)    | ★★★★               | \$32.5              | \$29.06       | Low                | Wide        | 0.89               | 63.14          | Ellis      |
| Royal Dutch Shell (RDS.B)             | ★★★★               | \$78                | \$72.43       | Low                | None        | 0.93               | 290.68         | Good       |
| Total (TOT)                           | ★★★★               | \$74                | \$61.53       | Medium             | None        | 0.83               | 161.04         | Good       |
| <b>Financial Services</b>             |                    |                     |               |                    |             |                    |                |            |
| Agricultural Bank of China (601288)   | ★★★★               | CNY 4.2             | CNY 3.54      | High               | Narrow      | 0.84               | 1225.37        | Tan        |
| American International Group (AIG)    | ★★★★               | \$76                | \$53.85       | Medium             | None        | 0.71               | 48.34          | Horn       |
| Capital One Financial (COF)           | ★★★★               | \$127               | \$98.17       | Medium             | Narrow      | 0.77               | 46.39          | Plunkett   |
| Credit Suisse Group (CSGN)            | ★★★★               | CHF 22              | CHF 15.21     | High               | Narrow      | 0.69               | 38.64          | Scholtz    |
| Invesco (IVZ)                         | ★★★★★              | \$40                | \$25.69       | Medium             | Narrow      | 0.64               | 10.55          | Warren     |
| Mitsubishi UFJ Financial Group (8306) | ★★★★               | JPY 880             | JPY 662.6     | Medium             | None        | 0.75               | 8693.01        | Wu         |
| QBE Insurance Group (QBE)             | ★★★★               | AUD 12              | AUD 9.89      | High               | None        | 0.82               | 13.43          | Ellis      |
| Westpac Banking (WBC)                 | ★★★★               | AUD 35              | AUD 29.9      | Medium             | Wide        | 0.85               | 101.25         | Ellis      |

Source: Morningstar. As of July 20, 2018

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|--|--------------------|---------------------|---------------|--------------------|-------------|--------------------|----------------|------------|
| <b>Healthcare</b>                        |                    |                     |               |                    |             |                    |                |            |
| Allergan (AGN)                           | ★★★★★              | \$263               | \$173.39      | Medium             | Wide        | 0.66               | 58.79          | Waterhouse |
| McKesson (MCK)                           | ★★★★★              | \$210               | \$133.81      | Medium             | Wide        | 0.64               | 27.00          | Lekraj     |
| Medtronic (MDT)                          | ★★★★               | \$105               | \$88.42       | Medium             | Wide        | 0.84               | 119.52         | Wang       |
| Ramsay Health Care (RHC)                 | ★★★★★              | AUD 82              | AUD 56.94     | Medium             | Narrow      | 0.69               | 11.51          | Kallos     |
| Roche Holding (ROG)                      | ★★★★★              | CHF 337             | CHF 234       | Low                | Wide        | 0.69               | 200.54         | Andersen   |
| Shire (SHP)                              | ★★★★               | GBX 4890            | GBX 4444.5    | Medium             | Narrow      | 0.91               | 40.64          | Andersen   |
| <b>Industrials</b>                       |                    |                     |               |                    |             |                    |                |            |
| Allegion (ALLE)                          | ★★★★               | \$91                | \$78.68       | Medium             | Wide        | 0.86               | 7.47           | Bernard    |
| Anixter International (AXE)              | ★★★★★              | \$107               | \$66          | Medium             | Narrow      | 0.62               | 2.21           | Bernard    |
| Beijing Enterprises Holdings (392)       | ★★★★★              | HKD 58              | HKD 38.65     | Medium             | Narrow      | 0.67               | 48.78          | Song       |
| Brambles (BXB)                           | ★★★★               | AUD 11.2            | AUD 9.63      | Medium             | Wide        | 0.86               | 15.32          | Fleck      |
| CK Hutchison Holdings (1)                | ★★★★★              | HKD 125             | HKD 83.75     | Medium             | None        | 0.67               | 323.08         | Tan        |
| G4S (GFS)                                | ★★★★               | GBX 337             | GBX 270       | Medium             | None        | 0.80               | 4.19           | Field      |
| GEA Group (G1A)                          | ★★★★★              | EUR 47              | EUR 31.48     | Medium             | Wide        | 0.67               | 5.68           | Molina     |
| Grupo Aeroportuario del Pacifico (GAP B) | ★★★                | MXN 217             | MXN 187.58    | High               | Wide        | 0.86               | 105.23         | Higgins    |
| Guangshen Railway (525)                  | ★★★★               | HKD 6.8             | HKD 4.09      | High               | None        | 0.60               | 33.79          | Song       |
| Johnson Controls International (JCI)     | ★★★★               | \$53                | \$35.85       | High               | Narrow      | 0.68               | 33.20          | Bernard    |
| KION GROUP (KGX)                         | ★★★★               | EUR 90              | EUR 63.44     | Medium             | Narrow      | 0.70               | 7.49           | Molina     |
| Royal Philips (PHIA)                     | ★★★★               | EUR 42              | EUR 37.04     | Medium             | Narrow      | 0.88               | 35.21          | Vonk       |
| Sodexo (SW)                              | ★★★★               | EUR 110             | EUR 91.56     | Medium             | Narrow      | 0.83               | 13.58          | Field      |
| Stericycle (SRCL)                        | ★★★★               | \$86                | \$67.77       | High               | Narrow      | 0.79               | 5.80           | Young      |
| <b>Real Estate</b>                       |                    |                     |               |                    |             |                    |                |            |
| AVEO Group (AOG)                         | ★★★★               | AUD 2.8             | AUD 2.3       | Medium             | None        | 0.82               | 1.34           | Sherlock   |
| Sun Hung Kai Properties (16)             | ★★★★               | HKD 153             | HKD 117       | Medium             | Narrow      | NA                 | 338.95         | Zhong      |
| Welltower (WELL)                         | ★★★★               | \$74                | \$62.77       | High               | None        | 0.85               | 23.35          | Brown      |
| <b>Technology</b>                        |                    |                     |               |                    |             |                    |                |            |
| Intel (INTC)                             | ★★★★               | \$62                | \$51.98       | Medium             | Wide        | 0.84               | 242.23         | Davuluri   |
| KLA-Tencor (KLAC)                        | ★★★                | \$125               | \$108.49      | High               | Wide        | 0.87               | 16.88          | Davuluri   |
| Microchip Technology (MCHP)              | ★★★★               | \$112               | \$94.8        | Medium             | Wide        | 0.85               | 22.32          | Colello    |
| MYOB Group (MYO)                         | ★★★★               | AUD 3.82            | AUD 3.06      | Medium             | Narrow      | 0.80               | 1.83           | James      |
| Qualcomm (QCOM)                          | ★★★★               | \$75                | \$59.31       | High               | Narrow      | 0.79               | 87.95          | Davuluri   |
| Synaptics (SYNA)                         | ★★★★               | \$64                | \$50.11       | Very High          | None        | 0.78               | 1.73           | Davuluri   |
| TDK (6762)                               | ★★★                | JPY 12500           | JPY 11680     | High               | None        | 0.93               | 1474.54        | Ito        |
| Tencent Holdings (700)                   | ★★★★               | HKD 641             | HKD 376.6     | High               | Wide        | 0.59               | 3578.90        | Tam        |
| <b>Utilities</b>                         |                    |                     |               |                    |             |                    |                |            |
| Dominion Energy (D)                      | ★★★★               | \$84                | \$72          | Low                | Wide        | 0.86               | 47.00          | Fishman    |
| FirstEnergy (FE)                         | ★★★★               | \$40                | \$35.64       | Low                | Narrow      | 0.89               | 17.00          | Fishman    |
| Gas Natural SDG (NTGY)                   | ★★★                | EUR 23.5            | EUR 23.38     | Medium             | Narrow      | 0.99               | 23.38          | Fulop      |
| SCANA (SCG)                              | ★★★★★              | \$56                | \$40.2        | Medium             | Narrow      | 0.72               | 5.73           | Miller     |