# What is covered in each section of the one pager?

This note sets out the structure of what might normally be included in the ‘key drivers’ sections of the one pager. For individual stocks there may well be other factors. Not every item below needs to covered for every stock.

# Growth. This section is looking primarily at the expected ‘long term’ growth rate in the appropriate measure of profit per share. The long term growth rate is a prospective one (typically looking 5 years forward) and should look through any cyclical influences or recovery element. The expected long term growth rate should be at least 10%p.a. to be considered meaningfully ‘above average’.

An assessment of the long term growth prospects will generally include considering the factors below. The text in the one pager should focus on the more important ones for the company concerned.

* Long term growth prospects for the industry
* Competitive position within industry
* Management’s ability to deliver future growth
* Historic record of generating profits growth and shareholder value
* Expected organic sales growth
* Scope for margin expansion

# Business momentum. This section focuses on whether the prospects for the company are currently improving or deteriorating. An assessment of this will generally include the factors below. Again only the more important ones should be covered in the text.

* Changes in industry prospects
* Changes in competitive position
* Effect of changes in the macroeconomic enviroment
* Recent results
* Estimate revisions
* Change in return on invested capital

# Consistency. This section looks at how stable the future profits progression is likely to be. It should always include a comment on the level of economic sensitivity and may include the more relevant of the following:

* Level of pricing power
* Scope for major changes in competitive position
* Earnings visibility
* Free cash flow generation
* Interest cover
* Balance sheet strength
* Historic earnings stability