

These Opportunities Could See 50% Upside

Over the past several weeks, we have highlighted many opportunities.

Despite some market hiccups along the way, each of them has done well thus far.

- Charles Schwab (SCHW) ran from \$38.70 to \$42.46
- E-Trade Financial (ETFC) ran from \$38.85 to \$43.13
- Ameritrade (AMTD) moved slightly higher from \$36.05 to \$39.20
- Amazon (AMZN) ran from \$1,715 to \$1,810.50
- Ulta Beauty (ULTA) slipped from \$236.08 to \$233.56
- UPS (UPS) ran from \$114.10 to \$120.63
- Keurig Dr. Pepper (KDP) ran from \$27.50 to \$28.16 so far
- Planet Fitness (PLNT) ran from \$60.15 to \$61.75
- Johnson & Johnson (JNJ) popped from \$129.50 to \$131.61 so far
- **Interactive Brokers (IBKR) did pull back from \$48 to \$46.75 so far**
- **Aphria Inc. (APHA) ran from \$5 to \$5.25 so far**
- **Qualcomm (QCOM) ran from \$81.15 to \$85.65 and running**

As I've already said, we find opportunities just like these all the time. It's because investors tend to overreact to news. We have found three more trades to own now.

Beyond Meat Inc. (NASDAQ:BYND)

The stock plummeted the other day even though the company posted great earnings, had a positive operating margin, and raised its full-year guidance.



The company earned a profit of \$4.1 million, or six cents a share on sales of \$92 million. That's up

substantially from a loss of \$9.3 million on sales of \$26.43 million year over year. Analysts were looking for four cents on \$82.2 million in sales. Then, the company increased its annual revenue forecast for the second consecutive quarter, now expecting full year sales of between \$265 million and \$275 million.

However, even with all of that great news, the stock dropped nearly 20% on the day thanks in part to lock-up expiration, allowing insiders to sell. One insider with no intention of selling is CEO Ethan Brown, who noted he's not touching his shares and is focused on growing the company to a \$40 billion company. The pullback may lead to opportunity.

General Electric (GE)

You may remember Harry Markopolos claimed the company was hiding its financial problems and would need to significantly raise insurance reserves. However, it appeared Wall Street wasn't taking those claims too seriously – and the stock began to move higher.



In addition, the company has strong earnings with adjusted EPS of 15 cents, as compared to forecasts for 11 cents. Total revenue came in at \$23.26 billion, as compared to forecasts for \$22.93 billion. "Our results reflect another quarter of progress in the transformation of GE. We are encouraged by our strong backlog, organic growth, margin expansion, and positive cash trajectory amidst global macro uncertainty," CEO Larry Culp, as quoted by Yahoo Finance.

Expecting higher highs in GE, we believe it's another great opportunity to add here.

Mattel Inc. (NYSE:MAT)

Shares of Mattel are back in the headlines after great earnings and on news it's putting its accounting investigation behind it. The company earned 26 cents a share on sales of \$1.48 billion. Analysts were looking for 19 cents on \$1.44 billion in sales.



The company also completed an independent investigation into accounting allegations from a whistleblower in August 2019. “The errors were non-cash, did not affect operating income or EBITDA [earnings before interest, tax, depreciation, and amortization], and had no impact on Mattel's full-year financial results for 2017 or subsequent periods,” the company said its news release, as quoted by Barron’s.