TEMATICA INVESTING

THEMATIC COMMENTARY, EQUITY RESEARCH & INVESTING STRATEGIES

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Tematica Investing, a weekly publication by Chris Versace, is designed for the experienced or professional investor, providing in-depth information on real-time developing thematic strategies, economic outlook, investment trading ideas, and analysis of the most pressing developments for the market, as well as forces that drive both our thematic perspectives and thematic recommendations.

Economics & Expectations

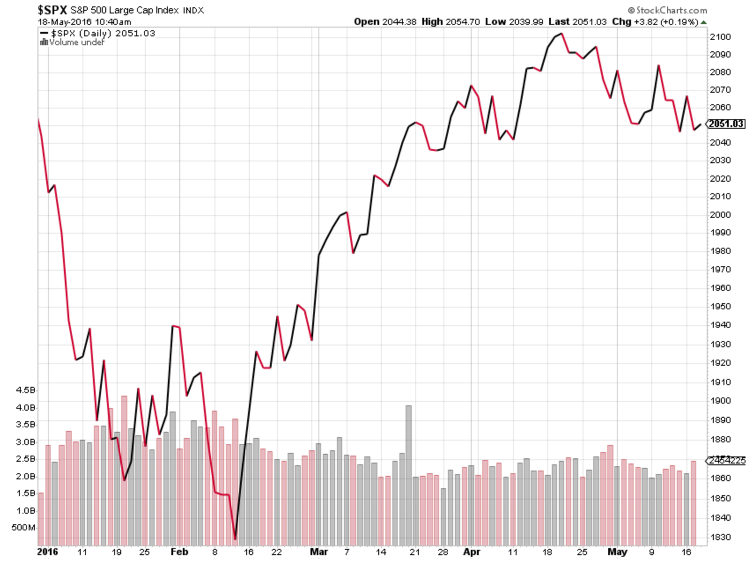
Our cautious stance was affirmed by the weak May Empire Manufacturing Report, which confirmed that the domestic manufacturing and industrial economy remains weak. The April Consumer Price Index report, which showed a stronger than expected 0.4 percent jump (and its strongest move in over 3 years) led to renewed speculation that the Fed could be more aggressive in boosting rates this year. Rate futures, based on the CME's Fedwatch, moved to price-in a 70 percent chance of a rate hike by December, with a 50 percent chance of a move priced-in by September. The chance of a hike in June was around 15 percent, up from around 4 percent before the data was released.

Let's remember, the headline CPI figure includes food and gas prices, and we all know gas prices have been climbing higher over the last several weeks. Excluding food and gas, April's core CPI came in at up 0.2 percent, as expected. We'd note that year on year in March, core CPI was up 2.2, but that drifted to 2.1 percent in April.

In our view, all of these data points serve as an important reminder that despite what the market is saying, it's crucial that we listen to the data. What the data tells us is the inflation metric, which the Fed is likely to focus on, was as expected. This market reaction serves as a reminder as to how skittish investors currently are, in that just one data point would have such a dramatic impact. That's especially the case when the core CPI reading was in-line. What it does mean is we can expect wide swings to happen, and the coming weeks will likely remain volatile as we approach the Fed's June FOMC meeting.

If we had "gone along to get along" with the market, it might have meant we'd be feeling the pain of sharp drop in **Red Robin Gourmet Burgers (RRGB)** shares, which are down just over 25 percent the last few days. The same might be said with **Target (TGT)**, whose shares are down 9 percent on disappointing earnings.

Rest assured we will remain loyal to our disciplined and thematic approach.



While the market has retreated almost 3 percent over the last several weeks, it's still up significantly from the early February lows. In other words, valuations for the market — as measured by the S&P 500 — are still stretched relative to 2016 earnings growth expectations.

We will continue to be prudent when it comes to adding to the Tematica Select List, making sure to check and double-check the net upside to be had in new position. As a reminder, we define net upside as the upside to be had in a company's shares less the potential downside; we like to see at least 15 percent net upside before initiating a position.

Staying patient with Costco Wholesale Shares

As we discussed in this week's Monday Morning Kickoff, the rash of bad news over the last several days spinning out of **Macy's (M), Gap (GPS), Nordstrom (JWN)**, and **Kohl's (KSS)** has weighed heavily on retailers. The silver lining for us is that when that commentary is paired with Friday's April retail sales report, it puts some helpful context around Costco's April same-store-sales results. Compared to department stores that saw April sales fall year over year and other general merchandise stores that saw April sales edge up just 0.5%, Costco's April same-store sales when in the opposite direction and rose 2% (excluding gas and foreign currency). This tells us that Costco continues to take share as consumers keep looking to stretch their shopping dollars.

We suspect the soon-to-be-launched new credit card with **Visa (V)** will kick-start membership marketing and could lead to larger average sales tickets. Considering the impact of Costco's membership fees on overall income and earnings, a potential membership price hike also would serve to boost the company's bottom. We do not expect any such bump until after the Visa credit card transition, which means nothing until late 2016 at the soonest.

We will continue to be awash in retailer earnings this week and next, with Costco set to report its earnings on May 26. As we approach that date, we will continue to watch the $140 price level at which we would add to the COST position on the *Tematica Select List*.

Just doing it with Nike shares

Several weeks ago in the [March 30 issue of Tematica Investing] we shared our preliminary view on shares of the athletic apparel and footwear giant known as **Nike (NKE)**. You'll recall that while we liked the longer-term prospects with this ***Rise & Fall of the Middle Class*** theme candidate, as well as benefits from our ***Fattening of the Population*** theme too, we were not enamored with the risk-to-reward ratio with the shares trading at $62. With upside to $66 per share and potential downside to $48, our conclusion back in March was that we would wait for NKE shares to drift lower. That they have, falling 8 percent over the last six weeks.

Last week's Debbie Downer commentary from retailers last week helped pushed NKE shares lower. From our perspective that was a good thing. Why? Because it affords us one of those rare instances of a mismatch between the move lower in the shares despite favorable data.

In digging into last Friday's April retail Sales Report, well below the headline mind you, the "Sporting Goods, Hobby, Book & Music" stores, which was up 4.2 percent year over year. Through the first four months of 2016, the category is up more than 7 percent, up more than double overall Retail Sales for the same period. The bottom line is, even though consumers are moving away from big box retailers and department stores, and shifting increasingly to digital commerce (online and mobile) that is part of our ***Connected Society*** investing theme, they continue to buy athletic apparel and footwear.

We expect more clarity on the appetite for athletic

NIKE, Inc

NYSE: **NKE**

Theme: ***Rise & Fall of Middle Class***

Price on 05/17/16: **$56.86**

- NIKE, Inc., together with its subsidiaries, designs, develops, markets, and sells athletic footwear, apparel, equipment, and accessories for men, women, and kids worldwide.
- The company offers products in eight categories, including running, basketball, football, men's training, women's training, sportswear, action sports, and golf under the NIKE and Jordan brand names.
- NIKE, Inc. sells its products to footwear stores; sporting goods stores; athletic specialty stores; department stores; skate, tennis, and golf shops; and other retail accounts through NIKE-owned retail stores and Internet Websites (direct to consumer operations), as well as a mix of independent distributors and licensees.
- The company was formerly known as Blue Ribbon Sports, Inc. and changed its name to NIKE, Inc. in 1971
- NIKE, Inc. was founded in 1964 and is headquartered in Beaverton, Oregon.

Shares Outstanding	1.33B
Avg. Volume	9,250,690
Market Cap	95.84B
EPS: '15 / '16 / '17	$1.85 / $2.16 / $2.46
Cash (mrq): $US	5.11B
Debt (mrq): $US	2.11B
Net Cash (mrq)	3.0B
Revenue (ttm)	31.91B
Enterprise Value to Revenue (ttm)	2.92
Dividend Per Share	0.64
Dividend Yield	1.12%

apparel and footwear later this week when we hear from several key retailers including **Dick's Sporting Goods (DKS), Hibbett Sports (HIBB)** and **Foot Locker (FL)**. Both Foot Locker and Dick's are key customers of Nike, and their respective commentary and outlook is something we will be focusing on. Based on the probability of a favorable outlook given the underlying Retail Sales data, new footwear introductions and product surrounding the upcoming Olympics, prospects for Nike look bright.

At the same time, the global adoption of "athleisure" will help drive both domestic and international demand for athletic apparel over the coming quarters. Nike also has the added benefit of the more than 11 percent year over year drop in cotton prices. Nothing like falling input costs to help drive margin improvement.

That said, we are issuing a BUY on NKE shares today.

At the end of the trading day on May 17, 2016, Nike traded at $57.10, and we are using the recent price weakness to add them to the *Tematica Select List*. Given the prospect of favorable customer commentary later this week, which could pop the shares and we'd certainly be kicking ourselves if we missed that opportunity. When coupled with the quarterly dividend of $0.16 per share, our $66 price target offers 17 percent upside from current levels. As we navigate through the last round of retail company commentary, we could see the shares trend lower, but we would be inclined to use that to build out our positions size and improve our overall cost basis. As such, we are not setting a protective stop loss at this time. We would be comfortable adding NKE shares up to $59.

Bottomline on
(NKE) Nike Inc. Shares:

- **We are adding Nike, Inc. shares at the Tematica Select List.**
- **NKE closed yesterday at $57.10, as we are comfortable adding shares up to $59.**
- **At this time, we are not setting a protective stop loss.**

This theme refers to the improving socio-economic landscape and better lifestyles in a number of countries, like China, India and other emerging market economies. As disposable incomes improve and quality of life rises, this new middle class spurs demand for goods and services that previously had not been there. Clothing and other textiles, cosmetics and other sundries, food and energy, electronics, and so on.

On the positive side, this middle class upswell will drive incremental demand for goods and services; on the downside it will raise the competitive landscape for limited or scarce resources. While there may only be so much water and oil on this planet, the ability to increase crop size for cotton, beef and other commodities takes time. But on the downside, we are witnessing the risk in developed economies where there is the combination of slower growth but also comparatively higher prices compared to just a few years ago.

This investing theme looks to identify and profit from those companies with meaningful operating profit generation associated with products and services consumed in emerging market economies. Over the coming years, those economies are slated to experience significant population and disposable income growth, the combination of which is slated to drive a measurable pick up in consumption as well as result in greater competition for scarce or limited resources.

Adding EPR Properties (EPR) Shares to the Contender List

One of the evolving landscapes that we monitor closely as part of our thematic strategy is "psychographics." We can't tell you how many times after uttering that word we get a perplexed look from the people we're talking with, be it a one on one conversation or speaking to an audience of hundreds of people.

Simply put, psychographics are kind of like demographics, but rather than just age and other population related data, psychographic data consist of information about a person's values, attitudes, interests and personality traits. In essence, compiling psychographic data builds a profile about how a person views the world, the things that interest them and what triggers motivate them to action. It also points to where or how they will spend, and yes the same is true for businesses as well.

In tearing into recent Retail Sales and other reports, we've noticed the accelerated shift in not only how and where people are spending, but also in what they are spending on. As we saw with Disney's recent quarterly earnings as well, as those from **Cedar Fair (FUN)** and **Comcast (CMCSA)**, consumers are spending on what is referred to as the "Experience Economy."

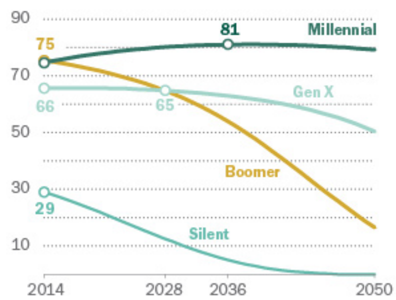
Those are but some examples, and as you might suspect Millennials are leading the charge in the Experience Economy. A recent report published by Evenbrite showed that:

- More than 3 in 4 Millennials (78%) would choose to spend money on a desirable experience or event over buying something desirable
- 55% of Millennials say they're spending more on events and live experiences than ever before.
- Nearly 8 in 10 (77%) Millennials say some of their best memories are from an event or live experience they attended or participated in.
- 69% believe attending live events and experiences make them more connected to other people, the community, and the world.

Psychographics at work.

Projected Population by Generation

In millions



Note: Millennials refers to the population ages 18 to 34 as of 2015.
Source: Pew Research Center tabulations of U.S. Census Bureau population projections released December 2014

PEW RESEARCH CENTER

Adding an Experience Economy Player to our Contender List

As we add Nike shares to the ***Tematica Select List***, we'll fill in their vacancy on our Contender List with shares of **EPR Properties (EPR)**. EPR is a REIT that operates in three businesses:

- **Entertainment** —consists of investments in megaplex theatres, entertainment retail centers, family entertainment centers and other retail parcels.
- **Education** — consists of investments in 69 public charter school properties, 19 early education centers and three private school properties. The Company's portfolio of owned education properties consisted of 4.3 million square feet and was 100% leased.
- **Recreation and Other** — includes investments in 11 metro ski parks, five waterparks and 19 golf entertainment complexes. The Company's portfolio of owned recreation properties was 100% leased.

On a combined basis, Entertainment and Recreation account for 74 percent of EPR's rental and mortgage/ financing revenue during the March quarter. That, along with the company's top 10 customer list that includes our own **Regal Entertainment Group (RGC)**, makes EPR shares a ***Content is King*** play. We also like the 5.5 percent dividend yield that reflects the monthly dividend income stream, that currently sits at $0.32 per share. We'd also like that EPR looks like an upcoming dividend dynamo company as it has increased it dividend each year over the last six years. Candidly, that's something we'd expect from a growing REIT.

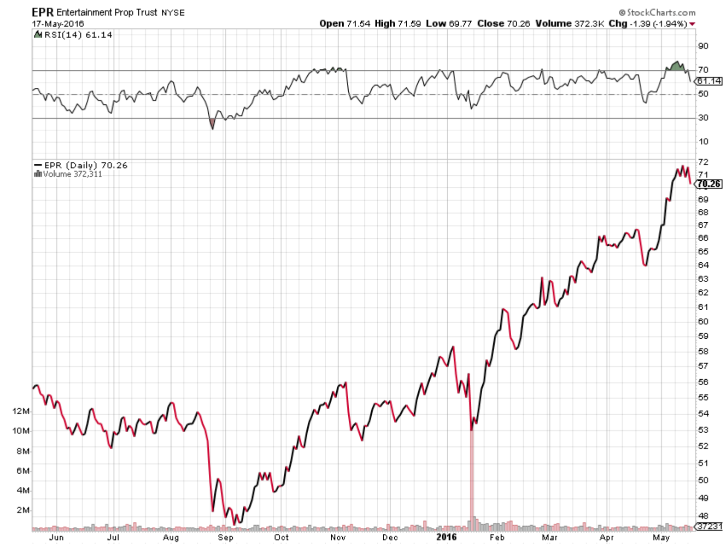
The one draw back that has us not pulling the trigger today is the strong move in the shares as of late. The early February to mid-April market melt up was very good to EPR shares and up until recently that has placed them in an over bought situation. (see chart right)

We'll look for the shares to either cool off and pull back, or re-evaluate on any upward move in the monthly dividend before adding them to the ***Tematica Select List***. As we mentioned above, with the market mood once again shifting toward the view that we could see the Fed hike rates "soon", that might give us an opportunity to make a move on EPR shares in the coming weeks.

EPR Properties - Top 10 Customers by Revenue from Continuing Operatins, 1Q 2016

	Company	Asset Type	Revenue ($US Million)	Percentage of Total Revenue
1	**AMC Theatres**	Entertainment	21.769	18%
2	**Regal Cinema Group**	Entertainment	10.619	9%
3	**TopGolf**	Recreation	9.218	8%
4	**Cinemark**	Entertainment	8.387	7%
5	**Imagine Schools**	Education	5.747	5%
6	**Carmike Cinemas**	Entertainment	4.887	4%
7	**Cameback Resort**	Recreation	4.705	4%
8	**Schlitterbahn**	Recreation	3.362	3%
9	**Peak Resorts**	Recreation	3.187	3%
10	**Southern Theaters**	Entertainment	3.146	2%
			75.027	63%

Source: Company reports



Tematica Contenders

As we roll up our sleeves each week we add companies and discard others to our list of ***Tematica Select Contenders***. These are companies that we're doing more work on and in some cases we're waiting for the risk to reward tradeoff to reach more appetizing levels.

AHS	AMN Healthcare Services	***Aging Population / Scarce Resources***
AMZN	Amazon.com	***Connected Society***
CHGG	Chegg Inc.	***Tooling & Retooling***
SCOR	Comscore	***Connected Society***
GLW	Corning Inc.	***Disruptive Technologies***
EPR	EPR Properties	***Content is King***
IMMR	Immersion Corp.	***Disruptive Technologies***
KIM	Kimco Realty	***Rise & Fall of the Middle Class***
LOCK	Lifelock	***Safety & Security***
MKC	McCormick & Co.	***Cashstrapped Consumer / Middle Class***
MRK	Merk & Co.	***Aging of the Population***
NLSN	Nielson NV	***Connected Society***
PANW	Palo Alto Networks	***Safety & Security***
SYNA	Synaptics Inc.	***Disruptive Technologies***
SBUX	Starbucks Inc.	***Rise & Fall the Middle Class***
UNFI	United Natural Foods	***Foods with Integrity***
VZ	Verizon Communications	***Content is King / Connected Society***
XYL	Xylem, Inc	***Scare Resources***

Quick Updates

Some quick nuggets that have emerged on some of the ***Tematica Select List*** companies over the last few days:

AT&T (T)

DA Davidson boosted its price target on AT&T, up from $42 to $44, following the announced acquisition of Quickplay Media, which should bolster its DirecTV OTT offerings. Quickplay is a leading provider of "Over the Top" content and has been a partner with AT&T for its U-Verse service as well to other companies, including **Verizon(VZ)** and **Samsung (SSNLF)**. We see this move pointing to a "digital bundle" that could bring reluctant potential customers to AT&T's pay TV, especially as it's paired with unlimited mobile data.

We continue to like the consumer staple aspect of the company's business and its enviable dividend yield. Given our $42 price target, we will continue to keep T shares on the ***Tematica Select List*** with an eye to building the position out if the shares happen to dip down into the mid-$30s.

PetMeds Express (PETS)

Last night on Mad Money, Jim Cramer gave a ringing endorsement for PetMeds Express (PETS) as "a group that continues to roar as Americans spend seemingly endless amounts of money on their pets." It sounds to us that Cramer has been thinking much like we have. **We will continue to keep PETS on the Tematica Select List with a $22 price target. We'd look to scale into the position closer to $17.**

Regal Entertainment Group (RGC) and Disney (DIS

The box office continues to be a smash this year, with *Captain America: Civil War* still going strong. The latest Disney/Marvel film has propelled the Marvel Cinematic Universe to more than $10 billion at the box office. That's good for both of these ***Content is King*** positions, and we feel increasingly comfortable with our decision to add to our position in DIS last week. **Our price target on DIS remains $125, while we still see RGC shares worth at least $24.**

Ask Tematica

Our subscriber question this week concerns the issue of dual class shares, and if given the choice when adding a company to the ***Tematica Select List***, which would we choose.

> *I see that Under Armour (UA) recently issued UA.C shares? What's the difference between those shares and UA listed shares? If you were inclined to buy Under Armour shares, which ones would you opt for?*

In the case of Under Armour's two classes of shares, the original UA shares come with voting rights, while the other UA.C shares lack voting rights, but are equivalent in all other ways. A voting right provides a stockholder with a vote on matters of corporate policy and who will make up the board of directors. As such, voting shares tend to trade at a modest premium to non-voting shares. Given the choice, our bent as active investors would have us inclined to buy the shares that include voting rights. In the case of Under Armour that would be the UA shares.

Thematic Signals

After taking last week off, we're back at it again pulling "ripped from the headlines" data points and other pearls of wisdom that lend credence to our investing themes. Without further ado, here we go…

Affordable Luxury

"On our last earnings call, we said that we did not expect sale levels for the full year 2016 to reach the annual held levels of 2014 or 2015. And as of right now our view remains unchanged…Of course our most significant data points for the second quarter kicked off tonight, with a number of important auctions to follow in the coming days so the next two weeks should provide all of us with a lot of good market intelligence."

Southeby's (BID) CEO Tad Smith

Cash Strapped Consumer

Each year, America Saves Week has a corresponding survey to study the savings needs and habits of America, and releases the results of the previous survey at the beginning of the next America Saves Week. This year, the survey shows that a majority of Americans are struggling to meet their savings needs. Only 40% of respondents considered their progress toward their savings requirements to be either good or excellent.

"…let me start with a few comments on credit…For grades D through G, as we have previously shared, we have identified pockets of under performance…These population segments were mainly characterized by high indebtedness and increased propensity to accumulate debt and lower credit scores."

LendingClub (LC) COO Scott Sanborn

Cashless Consumption

Remember MCX CurrentC, the QR-code based mobile payment system that attempted to take on Apple Pay? Launched two years ago, it immediately started creating waves when it required its retail members to switch off Apple Pay or be fined. If that weren't bad enough, it was quickly hacked. In a statement to TechCrunch, MCX said that it had decided to focus 'on other aspects of our business,' that it would 'postpone' the nationwide rollout of CurrentC and was sacking 30 employees.

Meanwhile, **Apple's (AAPL)** Apple Pay adds more than two dozen additional banks across the United States. Apple Pay first launched back in October 2014 with just a handful of bank partners and only in the United States. Since then over a thousand banks and credit unions have signed on and the service has expanded to the UK, Canada, Australia, China, and Singapore. Canada was initially limited to just American Express credit cards but recently received the full roll out. Kohl's also recently integrated its rewards program with Apple Pay.

A new survey published by Public Policy Polling of 500 working Americans conducted February 16-17 found that roughly 90% are worried about their or their family's finances. More than half said their stress level was either moderate or significant, a 7 percentage point jump from only a year ago.

Connected Society

By the year 2018, eMarketer predicts that one in five Americans won't subscribe to a cable TV package. That doesn't mean that they won't be watching TV, they will just have more ways of accessing what they want to see.

Connected Society (cont.)

According to data from Rakuten Marketing, purchases from smartphones that originated from a display ad on a computer increased by 52% between the third and fourth quarter of 2015. During that time tablet purchases that resulted from a display ad on a computer grew by 125%. For the full year 2015, there was a 106% increase year-over-year revenue attributed to mobile campaigns. The beauty & personal care vertical benefited most with a 383% year-over-year increase. Average mobile campaign performance improved 283%. In comparison, social campaign performance rose 46%.

Content is King

"This weekend, our 2016 box office total crossed $1 billion domestically, $2 billion internationally and $3 billion globally, reaching those milestones faster than any studio in history…I'm actually kind of surprised that after almost 45 minutes of questioning, we didn't get one question about our Studio. But I just want to reiterate that the Studio's results were up tremendously"

Disney (DIS) CEO Robert Iger

Economic Acceleration/Deceleration

"Global economic growth for the first quarter was weak, setting up another sub-par year…For our commodity influenced businesses, we're beginning to see clients reevaluate projects through studies and pre-feeds. Going forward, we do expect clients to continue to take a cautious, disciplined approach when they make their capital investment decisions"

Fluor Corp. (FLR) CEO Dave Seaton

Guilty Pleasure

"Moving now to China, China beer industry volumes declined by around 4% in the first quarter due to economic headwinds. Our own volumes were down just over 1% in the quarter versus the tough first quarter last year, wherein our volumes grew by 4.7%."

AB Inbev (BUD) CEO Carlos Brito

According to TechSci Research report "United States Chocolate Market By Type, By Age Group, By Point of Sale, Competition Forecast and Opportunities, 2011-2021", chocolate market in the US is projected to cross US $30 billion by 2021, on account of increasing product offerings by private label brands at affordable prices coupled with shifting consumer preference towards chocolates with health benefits.

Rise and Fall of the Middle Class

"Orlando generates about 30-or-so percent of its attendance from international guests…Brazil is the lion's share of that when you compare it to the other countries, so it's significant for us. We're seeing some softness in others, but Brazil really stands out, obviously, because of the currency, the currency difference."

SeaWorld (SEAS) CEO Joel Manby

"While the quarter started stronger, the business weakened considerably versus our expectations beginning in mid-March, and that trend continued through April…we are seeing weakness in consumer spending levels in apparel and related categories. The number of transactions declined 7% in the quarter, which is far worse than what was experienced last year."

Macy's (M) CFO Karen Hoguet

Rise and Fall of the Middle Class (cont.)

According to the DynamicAction Retail Index: Spring 2016, released at the inaugural Shoptalk conference in Las Vegas, retailers did the following in the first quarter:

- Retailers sold less at full price in Q1 2016 vs. a year ago, with full-price sales down 4% for the quarter and orders using a promotion up 63%. March was an especially promotional month, with an 86% increase in orders using promotions compared to 2015.
- Retailers found it harder to convert first-time buyers into second-time buyers, with those conversions down 6% compared to last year.
- While revenues were up 10% in the first quarter compared to 2015, retailers' ability to control profit has been unstable in early 2016. Retail profits were up an average 5.2%, however most gains occurred in January, with increasing volatility in February and March.

What We're Enjoying

As all the rain has started to subside, we've finally been able to do some work outside the investing world and in the real world. Even we at Tematica need to clear away the shrubs and spiff up the place, which means more than a few trips to **Home Depot (HD)** or **Lowe's (LOW).**

The big thing we're enjoy this week, and it may see a little out of the norm, is paint and other coatings. Nothing makes a wall or the floor of a deck look significant better than a fresh coat of paint or an added layer of stain. There are a number of great products out there, but if we had to choose we would stick with those from Benjamin Moore. The sad fact is Benjamin Moore is not a public company, and before someone asks the obvious question, we'll share it's one of the companies inside **Berkshire Hathaway's (BRK.A)** portfolio.

The only one we like more inside that bunch is See's Candy, but that's something for another day.

TEMATICA SELECT LIST PERFORMANCE

as of market close May 17, 2017

(AGNC) AMERICAN CAPITAL AGENCY CORP

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
7/17/15	$18.98	$19.05	$1.60	$17.00	8.80%	$23.00	(BUY)

(XLY) CONSUMER DISCRETIONARY SPDR (ETF) — *Content is King*

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
4/20/16	$79.57	$77.71	--	--	-2.34%	--	(BUY)

(CMG) CHIPOTLE MEXICAN GRILL — *Foods with Integrity*

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
5/11/16	$452.66	$446.08	--	$390.00	-1.45%	$550.00	(BUY)

(COST) COSTCO WHOLESALE CORPORATION — *Cashstrapped Consumer*

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
4/13/16	$152.83	$143.57	--	$140.00	-6.06%	$170.00	(BUY)

(DIS) THE WALT DISNEY CO. — *Content is King*

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
4/20/16	$102.16	$99.94	--	$87.00	-1.81%	$125.00	(BUY)
5/11/16	$101.78	$99.94	--	$87.00	-2.17%	$125.00	(BUY)

(DOC) PHYSICIANS REALTY TRUST — *Aging of Population*

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
6/27/14	$14.33	$18.95	$1.80	$16.00	43.23%	$18.00	(HOLD)

(SH) PROSHARES SHORT S&P 500 (ETF)

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
1/14/16	$22.55	$20.46	--	--	-9.27%	$24.00	(BUY)
3/23/16	$20.56	$20.46	--	--	-0.49%	$24.00	(BUY)

(RGC) REGAL ENTERTAINMENT GROUP — *Content is King*

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
11/23/15	$18.51	$20.74	$0.44	$19.00	14.42%	$24.00	(BUY)

(T) AT&T, INC. — *Connected Society*

DATE ADDED	ADD PRICE	CURRENT PRICE	DIVIDENDS	STOP PRICE	RETURN (%)	TARGET	RATING
7/21/15	$34.67	$39.10	$0.95	$36.00	15.52%	$42.00	(BUY)

COMPANIES MENTIONED

AB Inbev (BUD)
Apple (AAPL)
AT&T (T)
Cedar Fair (FUN)
Comcats (CMCSA)
Costco Wholesale (COST)
Dicks's Sporting Goods (DKS)
Disney (DIS)
EPR Properties (EPR)
Fluor Corp. (FLR)
Foot Locker (FL)
Gap (GPS)
Hibbett Sports (HIBB)
Home Depot (HD)
Kohl's (KSS)
LendingClub (LC)
Lowes (LOW)
Macy's (M)
Nike (NKE)
Nordstrom (JWN)
PetMeds Express (PETS)
Red Robin Gourmet Burgers (RRGB)
Regal Entertainment Group (RGC)
Samsung (SSNLF)
SeaWorld (SEAS)
Southebys (BID)
Target (TGT)
The Walt Disney Co. (DIS)
Under Armour (UA)
Verizon(VZ)
Visa (V)

Analyst Positions

At the time of publication, Mr. Versace, Chief Investment Officer of Tematica Research had no positions in the shares of companies mentioned in this issue.

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