

Three Buy Ideas from our Chart room

Here we feature technically attractive stocks , based on rising technical and fundamental momentum ,that may be supported by positive factors such insider buying, better than expected earnings , rising eps revisions and a significant discount to fair value.

Funko Inc, CLA (FNKO): recent price \$21.66 Fair value \$ 26.64



FNKO has been described as a “Public index of pop culture”. FNKO provide a pop culture merchandising solution for licensors, retailers and consumers. Core products are collector figures of pop culture influencer’s in sports, music, movies and gaming. Not hit driven, FNKO licenses and builds from a broad and diverse portfolio of hundreds of pop culture figure’s, with no character or campaign exceeding 6%, thus providing more consistent growth. Private equity firm Acon owns nearly 40%. Paul Allen Gropu

owns over 4%. Last quarter FNKO beat eps estimates by 28% up over 110% y/y, revenues by 17.7%, up over 38% y/y, beating estimates in five of the last six quarters. Management has increased guidance for 2019 to revenues of \$810-\$825 +18-20% and adjusted eps of \$1.05- \$15. FNKO just acquired board game creative leader Forest- Pruzan to develop new products leveraging FNKO's licensing franchise. Ecommerce is growing 45% y/y and now exceeds 15% of total revenues. Also, FNKO's low cost manufacturing in China & Vietnam drive superior operating and net profit margins at 2x the toy industry norms.

2-stage growth valuation model inputs : TTM eps .82 , Discount risk factor 11%, projected 5 year annual eps growth rate, 20%, PE 22 = Fair value \$26.64

OVERVIEW	FNKO		
Price March 2019)			\$21.66
Price Target			\$26.64
EPS	Growth Rate	Projected EPS	Discount
0.82	0.2	2.040	11%
Beta	Market Return	US Treasury	20
1.12	6%	3%	22

Greensky Inc. CL A (GSKY) : recent price \$ 13.32 Fair value: 17.31



Greensky Inc. is an emerging –rapid growth FIN-Tech company that provides real time point of sale financing technology that delivers review, approval, customer on boarding with in sixty seconds. It serves focused verticals of home improvement and elective health care, a total addressable market of \$600b in the US yet has only penetrated less than 2% of this market to date. It has currently has about 15,000 merchant relationships, helping them increase sales with promotional financing. It completes the financial process with no physical papers or signatures in a 100% digital format. Last quarter it surprised by 6% vs. consensus eps and by 5.8 % to revenue estimate. Revenues were up 22% last quarter, and analysts expect eps growth of 28% in 2019 and 28% in 2020.

2-stage growth model inputs: TTM eps: .58, discount risk factor 11%, projected 5 year annual eps growth rate 15%, PE 25 = Fair value \$17.31

OVERVIEW		GSKY	
Price March 2019)			\$13.32
Price Target			\$17.31
EPS	Growth Rate	Projected EPS	Discount
0.58	0.15	1.167	11%
Beta	Market Return	US Treasury	20
1.12	6%	3%	25

Upland Software Inc. (UPLD): recent price \$41.43 Fair value: \$48.01



Upland Software Inc. is a provider of cloud-based enterprise work management software. The Company provides a family of cloud-based enterprise work management software applications for the information technology, process excellence, finance, professional services and marketing functions within organizations. Its software applications serve a range of enterprise work management needs, from strategic planning to task execution. It services customers ranging from corporations and Government agencies to small- and medium-sized businesses. Its customers operate in a range of industries, including financial services, retail, technology, manufacturing, education, consumer goods, media, and telecommunications.

UPLD trades at a significant discount vs Peers based on consensus estimates

Mar-19 NTM	UPLD	Peers
PE	--	19.14 56.71
EV/EBITDA	14.01	29.73
EV/Sales	5.18	9.42

UPLD beat eps estimates last quarter by 18%. EPS estimates have risen by 10% for q1 2019. Last quarter eps growth accelerated from 52% the previous quarter to 57% and revenues also accelerated from 42% in q3 2018 to 62% in q4 2018.

2 stage growth valuation model inputs:

OVERVIEW	UPLD		
Price March 2019)			\$40.00
Price Target			\$48.01
EPS	Growth Rate	Projected EPS	Discount
1.7	0.2	4.230	12%
Beta	Market Return	US Treasury	20
1.31	6%	3%	20

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