



Welcome to Week 10!

Meet the Pros: Investment Officers

with Damian Howard of Security National Bank

Attendance instructions: Navigate to “Events” tab on website, find today’s post
www.unlbric.com

Agenda

- Market Update
- Portfolio Update
- Meet the Pros Presentation
- Portfolio Management Presentation: Perficient, Inc.



Market Update
April 14th, 2021

Technology Underperforms Rest of Market

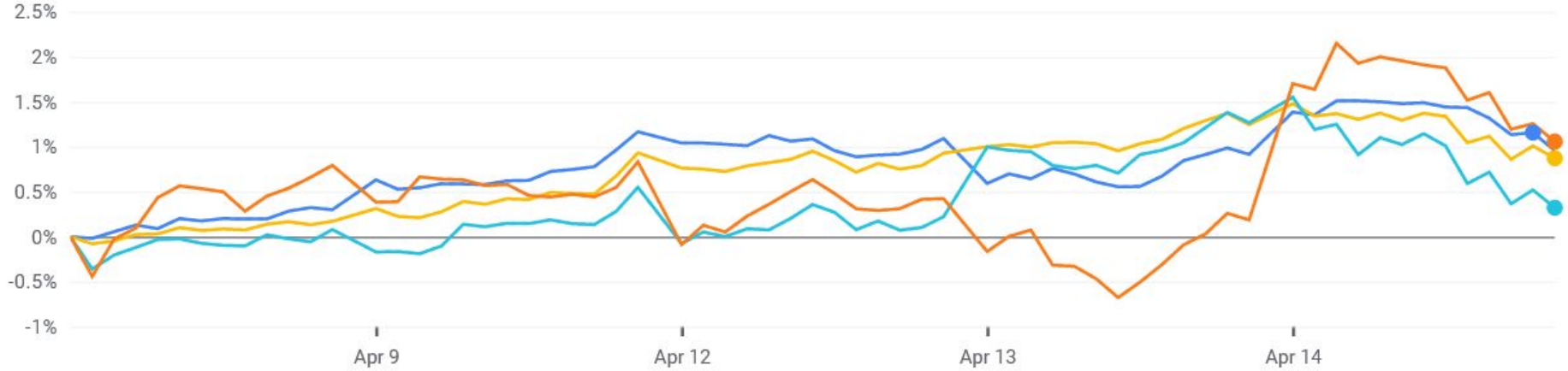
Dow Jones 1.16%
33,774.36 +386.20

S&P 500 0.87%
4,126.16 +35.70

Nasdaq 0.32%
13,863.75 +44.53

Russell 1.06%
2,248.02 +23.52

1D 5D 1M 6M YTD 1Y 5Y MAX



Other Important Returns

VIX

16.99 ↑ 2.66% +0.44 5D

BTC / USD

62,599.90 ↑ 7.76% +4,507.30 5D

DAX PERFORMANCE-INDEX

15,209.15 ↓ 0.13% -19.94 5D

Nikkei 225

29,620.99 ↑ 0.24% +70.94 5D

Amazon.com, Inc.

\$3,333.00 ↑ 0.67% +22.06 5D

Apple Inc

\$132.03 ↑ 2.39% +3.08 5D

Tesla Inc

\$732.23 ↑ 8.05% +54.55 5D

FTSE 100 Index

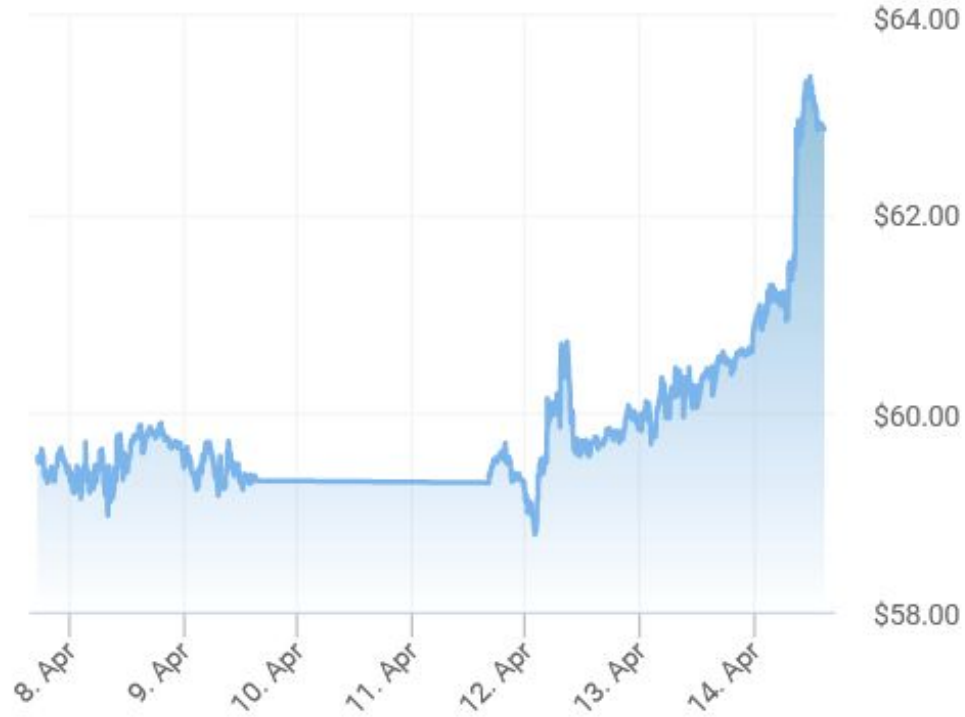
6,939.58 ↑ 0.79% +54.26 5D

Oil has a Good Week

WTI Crude

(May Contract)

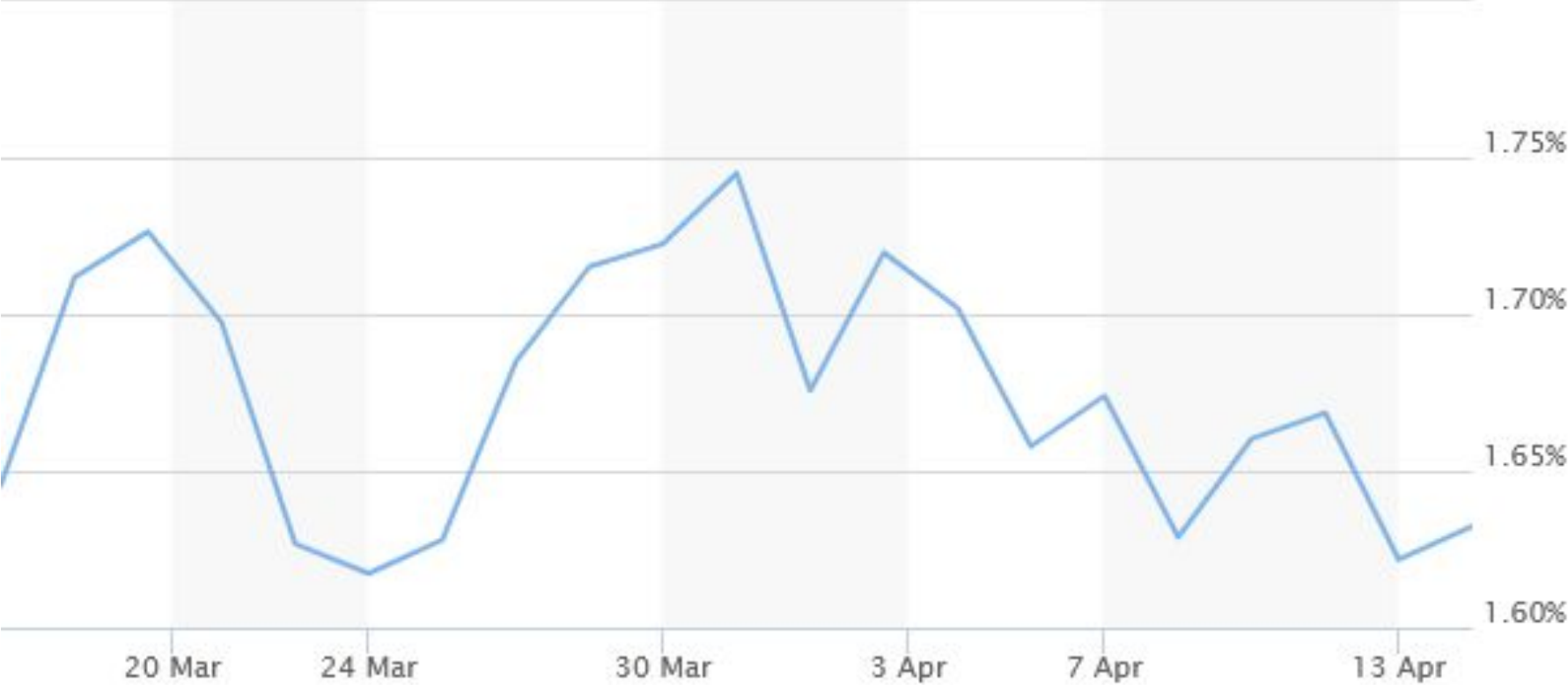
62.86 +4.45%



Gold Prices - \$1,736.13 - Up ~\$10 from last week

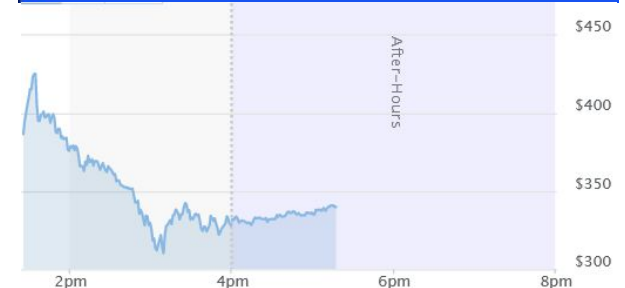


10 Year Treasury Note - 1.632%



Coinbase IPO Briefly Results In Market Cap of 100 Billion

- Explosive growth with revenue soaring 847% Q1 to \$1.8 billion and 56 million users.
- Price guidance was \$250 a share
- Went as high \$429.54 and closed at \$328.28
- NDAQ Market Cap - \$26.03 B
- ICE Market Cap \$66.81 B
- CBOE Market Cap \$10.91 B
- CME Market Cap \$74.24 B
- Morgan Stanley Market Cap \$93.09 B
- Coinbase Market cap At Close \$85.8 B



Fed Will Follow 2013-2014 Playbook When Tapering Asset Purchases.

- Jerome Powell said that the fed will follow the example of what occurred during the 2013-2014 QE taper.
- This taper will occur well before an increase in interest rates.
- The fed has been buying \$120 billion a month since last summer to keep market afloat.



Senate Wants to Expand Unemployment Benefits

- Senate bill wants to give \$250 a week to gig workers for up to six months if unemployed.
- This would increase the social safety net to fit the modern economy.
- This is a permanent proposal



Google Users Wonder, When will the Housing Market Crash?

The question: “When is the housing market going to crash?” had spiked 2,450% in the past month.

- 42% of homes are selling for more than listing.
- Prices are up 10.4% year over year in February.
- This is the Largest jump since 2006



One Trillion In Taxes May Go Uncollected

- IRS Commissioner Charles Rettig told lawmakers Tuesday that up to a trillion a year is uncollected for taxes.
- Largely due to foreign-source income and crypto currencies
- Outside estimates suggest the gap is 7.5 trillion over the next decade.
- IRS does not have the resources to go after many tax cheats.
- Estimated that for every dollar spent, the IRS brings in \$5-7 in revenue.
- IRS wants more funding with deficit at a record \$1.7 trillion in the first half of this ear.



Quote of the week

“When the goals conflict and it comes to calling for tough trade-offs, to me, a wise and humane policy is occasionally to let inflation rise even when inflation is running above target.”

- Janet Yellen in 1995



Portfolio Update

- View our Portfolio dashboard under the “Education” tab on the website!

\$483,862.35 Total Holdings

- Up 0.93% over past week
- Beat S&P 500 by 0.04%; underperformed Russell 2000 by 0.08%
- Pursuing a sell-half on PRFT position tonight
- Investopedia Competition Top 3: Sam Gilbert, G. Nuss, Brent Miller

CURRENT RANK	PREVIOUS DAY'S RANK	ACCOUNT VALUE (USD)	TODAY'S CHANGE IN VALUE	OVERALL%
1. sgilbert19 (history) 📄	1	\$119,971.65	-\$7.42 ↓	+19.97% ↑
2. gnuss2000 (history) 📄	3	\$105,076.00	+\$1066.00 ↑	+5.08% ↑
3. millerbrent50 (history) 📄	2	\$105,028.05	+\$774.70 ↑	+5.03% ↑

Meet the Pros: Investment Officers



Damian Howard

Senior Investment Officer

Security National Bank

PERFICIENT®

vision. execution. value.

Investment Summary



MARKET SELL

NASDAQ: PRFT

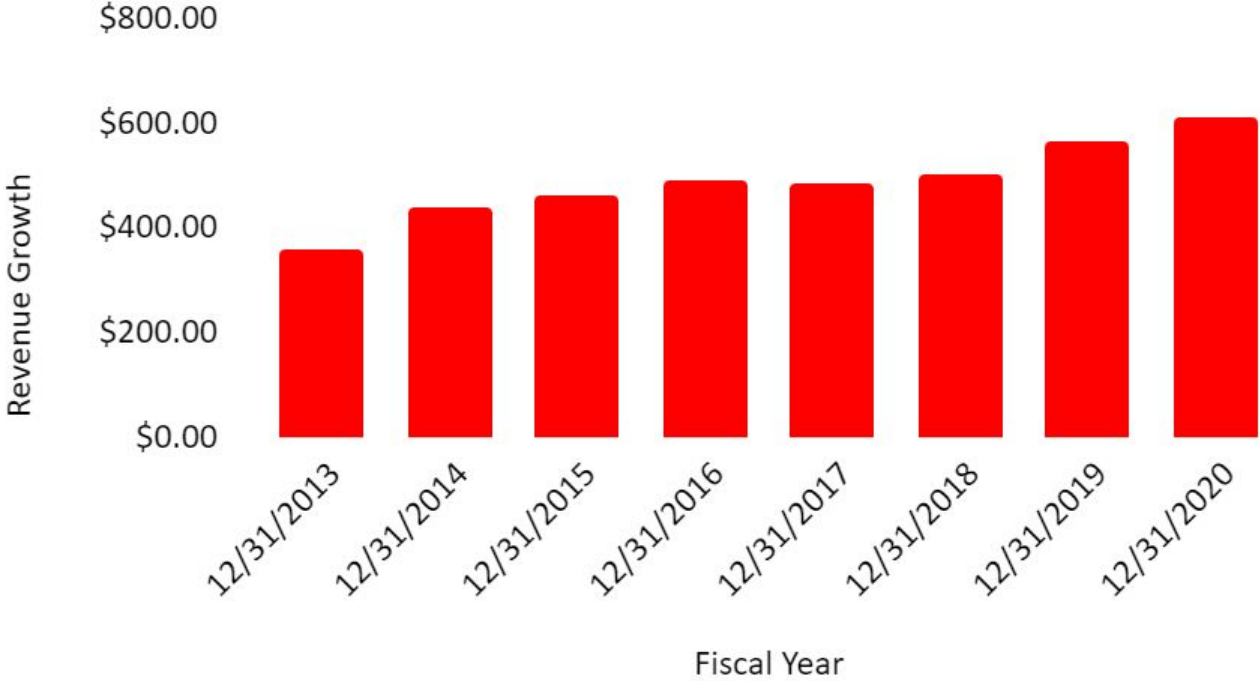
Current Price: \$63.65

Target Price: \$54.13

- Declining Financial Health
- More Efficient Capital Allocation Opportunities
- 36% Unrealized Gain

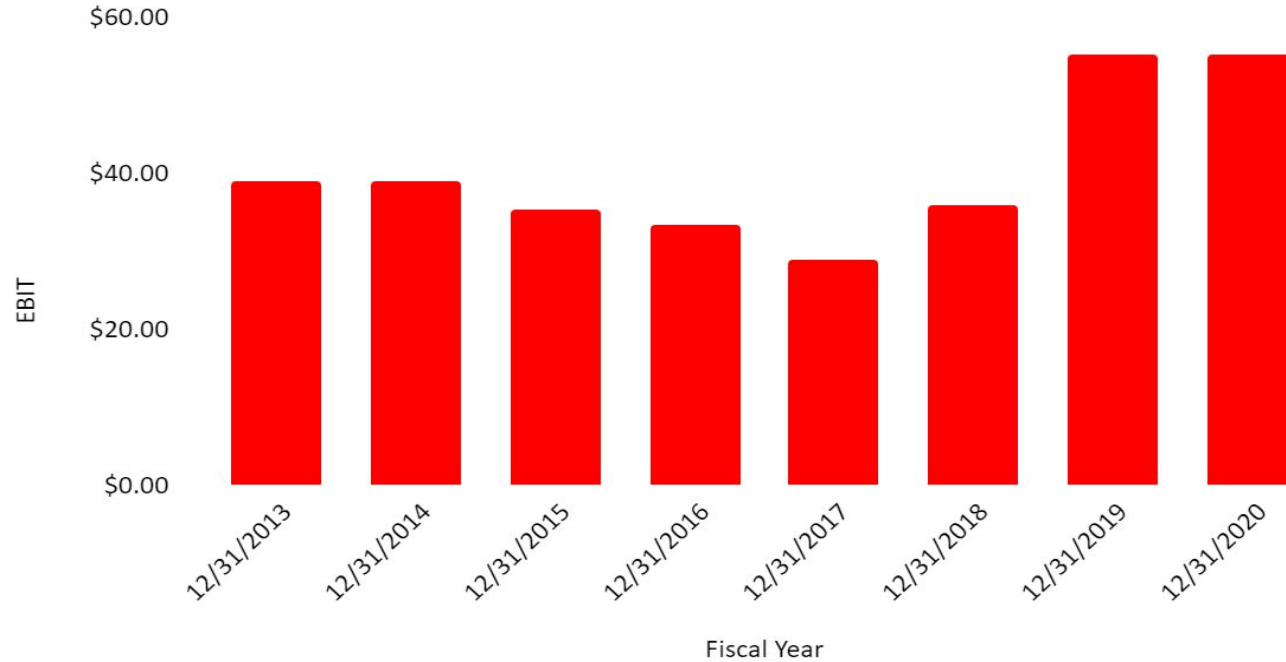
Previous Financial Performance (Revenue)

Revenue 2013-2020



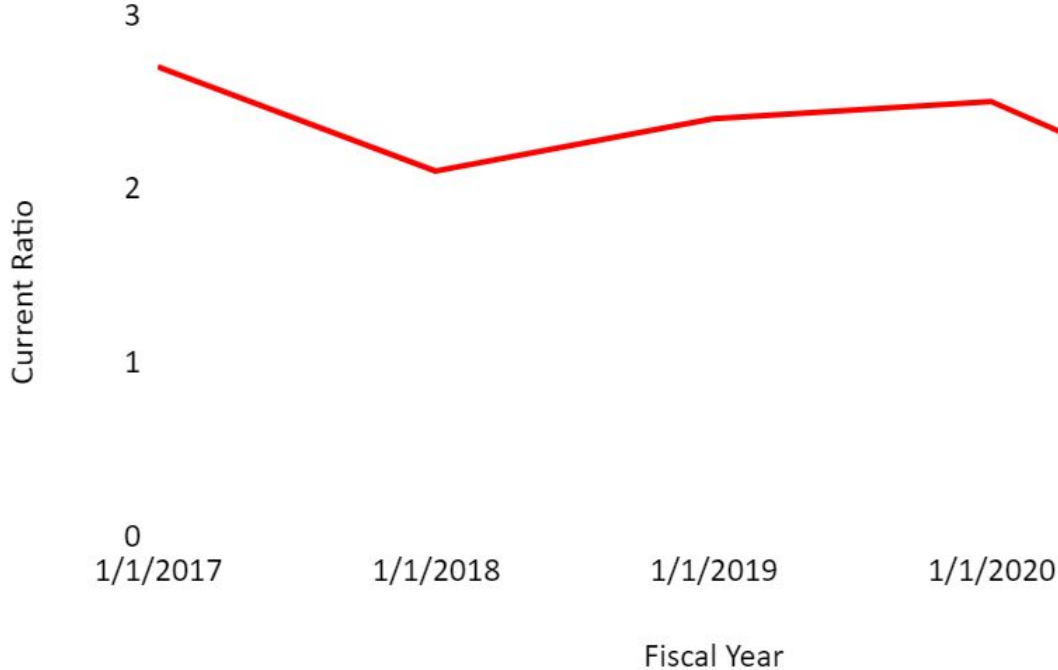
Previous Financial Performance (EBIT)

EBIT 2013-2020



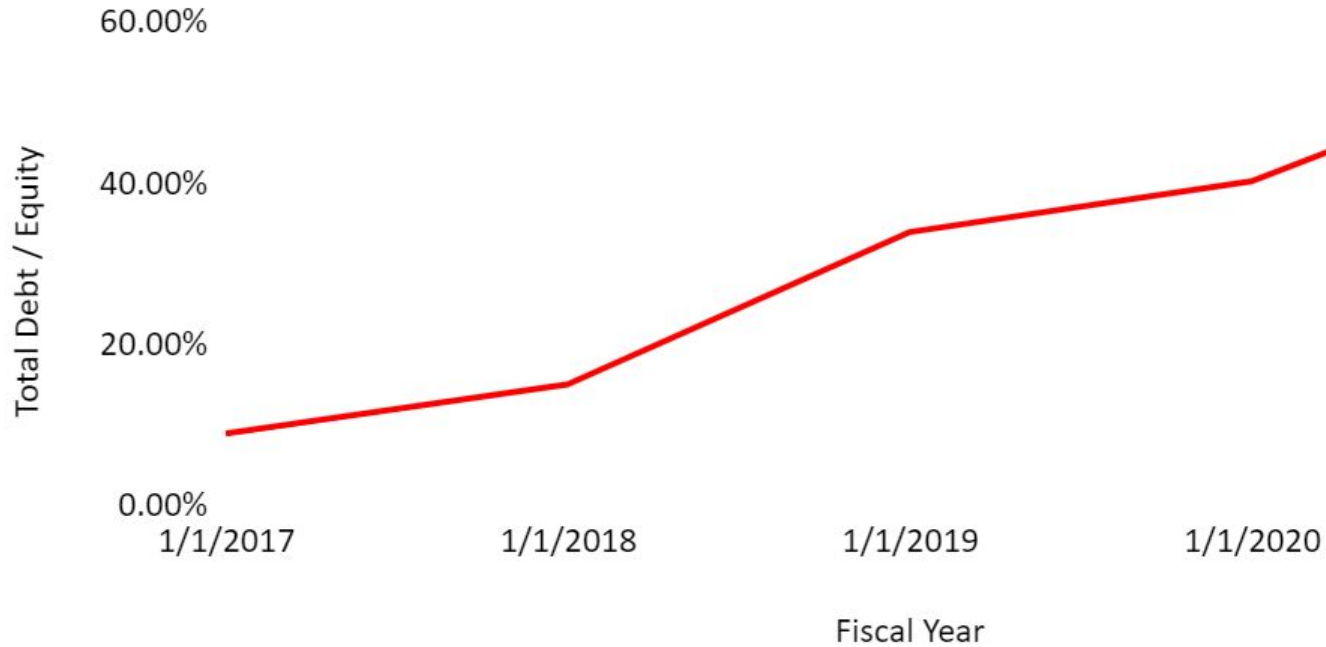
Financial Health Decline

Current Ratio



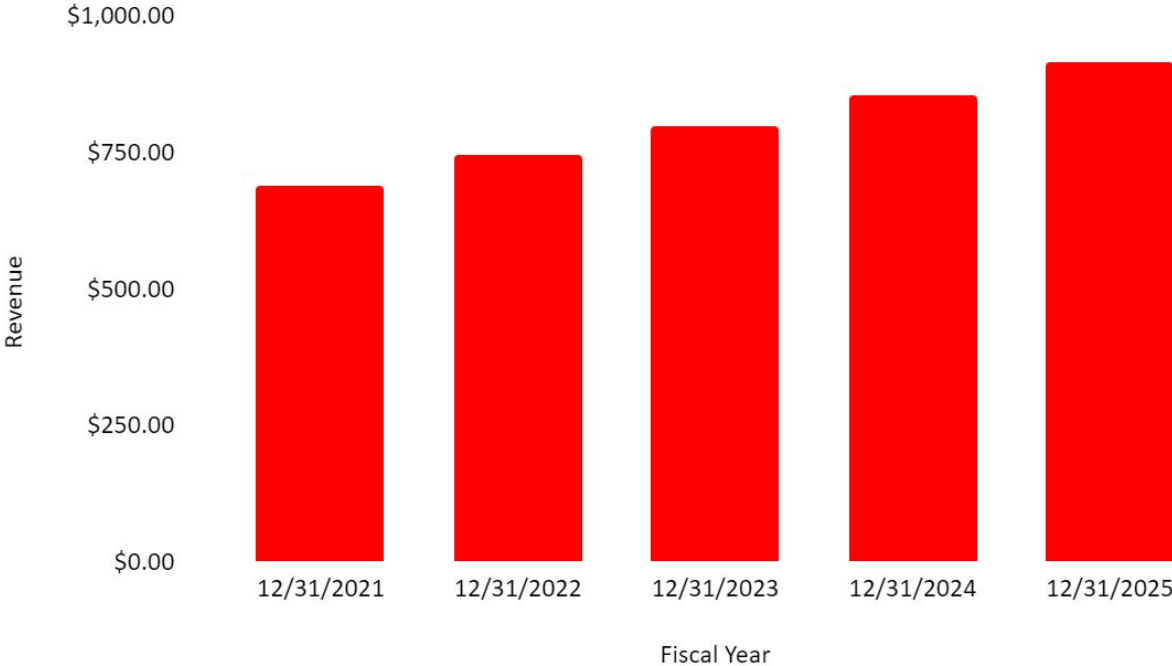
Financial Health Decline

Total Debt / Equity



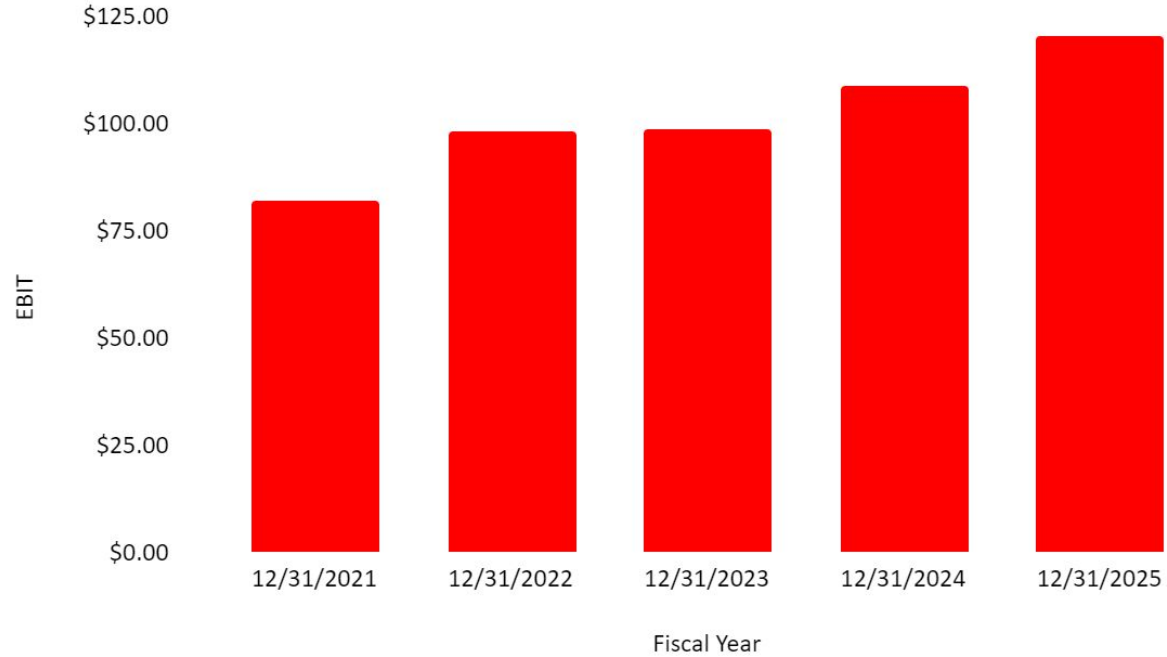
Revenue Projections

Revenue Projections



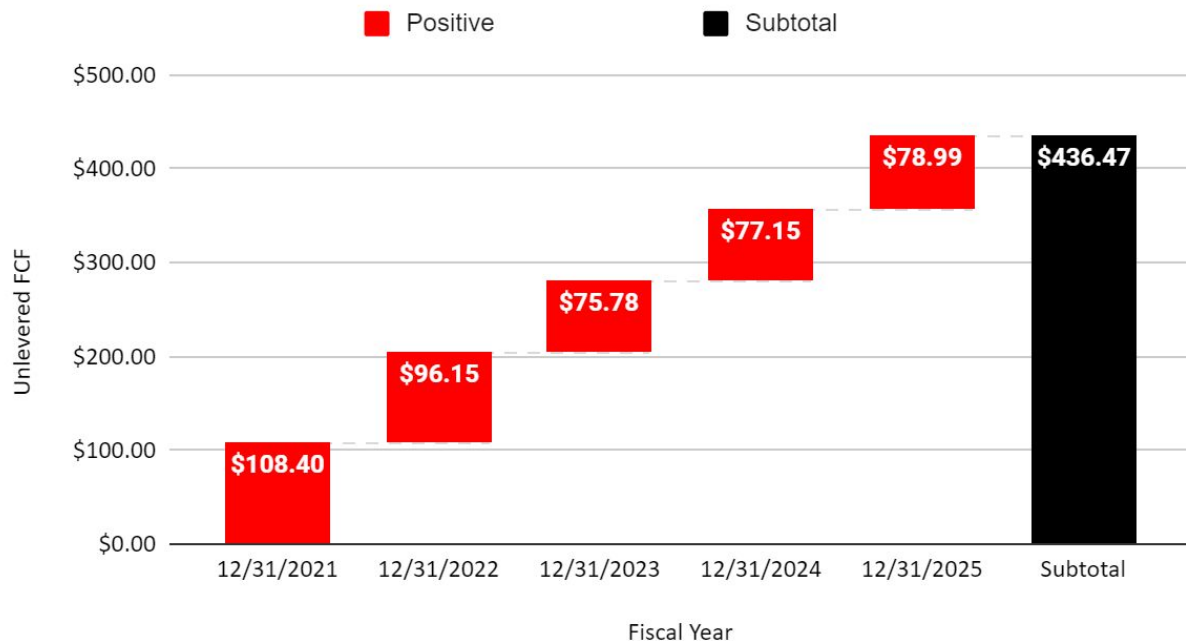
EBIT Projections

EBIT Projections



DCF Valuation

PV of FCF



DCF Value Calculation	
LTG	2.5%
PV FCF Sum	436.47
PV TV	1,229.83
H-Model	1,866.38
Net Debt	100.42
EQV	1,565.88
Shares Outstanding	33.03
Price Per Share	\$47.41
Downside	-25%

Sensitivity Analysis

Terminal EBIT

Revenue Growth

	6.98%	
9.17%		\$13.47
11.17%		\$28.60
13.17%		\$47.41
15.17%		\$69.89
17.17%		\$96.05

Relative Valuation

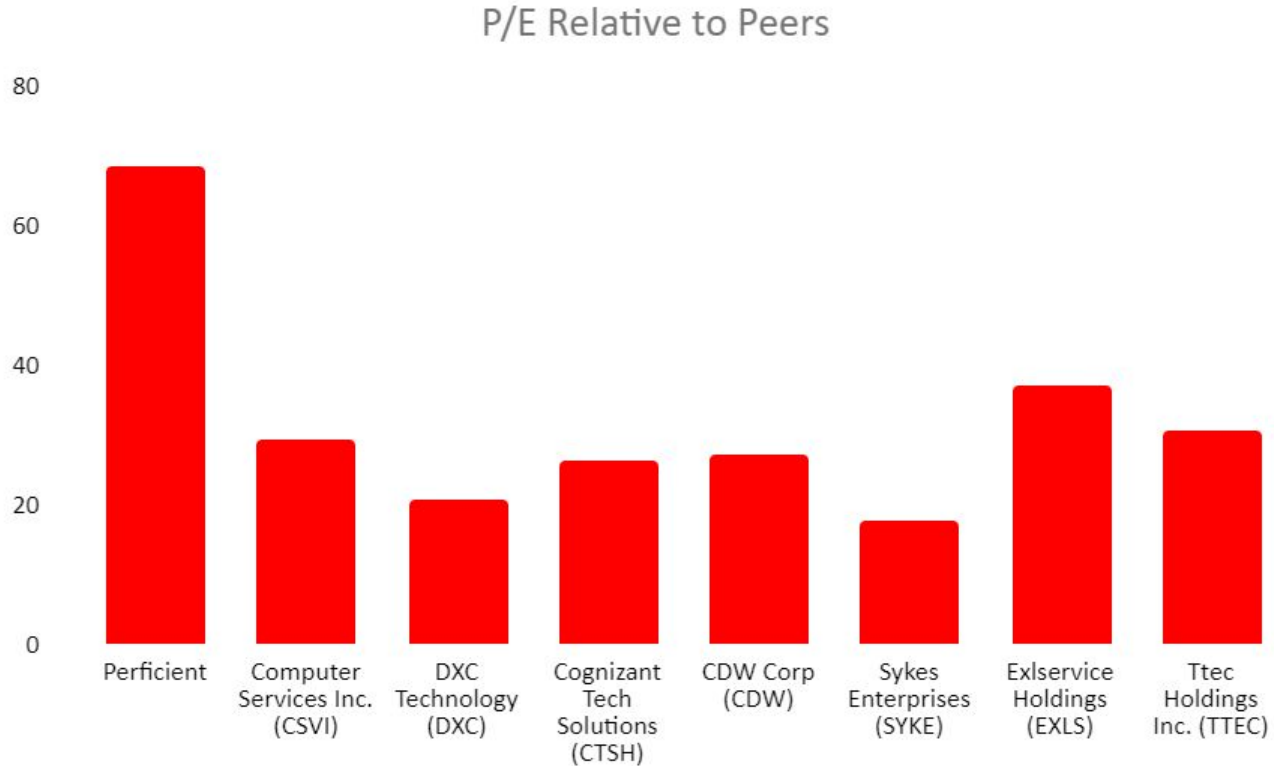
Operating Metrics								
Companies	Current Price	Market Cap (In Millions)	P/E	P/B	PEG	P/S	EV/EBITDA	
Computer Services Inc	\$ 60.03	\$ 1,710.00	29.24x	6.36x	N/A	5.75x	N/A	
Unisys Corp (UIS)	\$ 25.30	\$ 1,690.00		N/A	.82	.79x	N/A	
DXC Technology (DXC)	\$ 26.46	\$ 6,740.00	20.93x	1.19x	N/A	.3x	(20.76x)	
Cognizant Tech Soluti	\$ 76.23	\$ 40,450.00	26.44x	3.73x	1.77	.37x	2.58x	
Conduent Inc. (CNDT)	\$ 6.38	\$ 1,350.00		1.12x	N/A	.3x	N/A	
CDW Corp (CDW)	\$ 156.06	\$ 22,000.00	27.27x	17.07x	1.72	1.21x	14.9x	
Sykes Enterprises (SYK)	\$ 42.99	\$ 1,700.00	17.86x	1.9x	1.13	1.01x	8.23x	
Exlservice Holdings (E)	\$ 85.66	\$ 2,870.00	37.15x	4.x	2.1	3.06x	14.23x	
Ttec Holdings Inc. (TTI)	\$ 93.59	\$ 4,370.00	30.73x	9.84x	1.37	2.24x		
Median		\$ 2,870.00	27.27x	3.73x	1.13x	1.01x	1.29x	
Mean		\$ 9,208.89	27.09x	5.02x	.99x	1.67x	2.4x	
Min		\$ 9,208.89	17.86x	N/A	N/A	.3x	(20.76x)	
Max		\$ 9,208.89	37.15x	17.07x	2.1x	5.75x	14.9x	

Perficient	\$ 63.56	\$2,099.45	68.48x	4.81x	1.43x	3.07x	14.99x
-------------------	-----------------	-------------------	---------------	--------------	--------------	--------------	---------------

Multiples Prices	P/E	PEG	P/S	EV/EBITDA
Peers	\$ 69.27	\$	3.92	\$ 20.91
Industry	\$ 97.13	\$	4.62	\$ 205.79
Market	\$ 97.85	\$	2.23	\$ 55.07

Target Price	\$ 66.61
Upside	4.79%

P/E Relative to Peers



Conclusion

PERFICIENT®

vision. execution. value.

MARKET SELL HALF OF PRFT

- Declining Financial Health
- More Efficient Capital Allocation Opportunities
- 36% Unrealized Gain

Announcements

- Next Week's General Session:
 - Elections!
 - Make sure you complete your application by MIDNIGHT on APRIL 18
 - Sunday at 11:59PM
 - Complete through the website

- Check social media for Executive Spotlights to learn more about positions!

CONTACT US



unlbric@gmail.com



[@unlbric](https://www.instagram.com/unlbric)



[@unlbric](https://twitter.com/unlbric)



UNL Big Red Investment Club



Big Red Investment Club



www.unlbric.com