

AlphaScreens: the quest for quality

27 September 2021

Plenty of quality shares have built up momentum

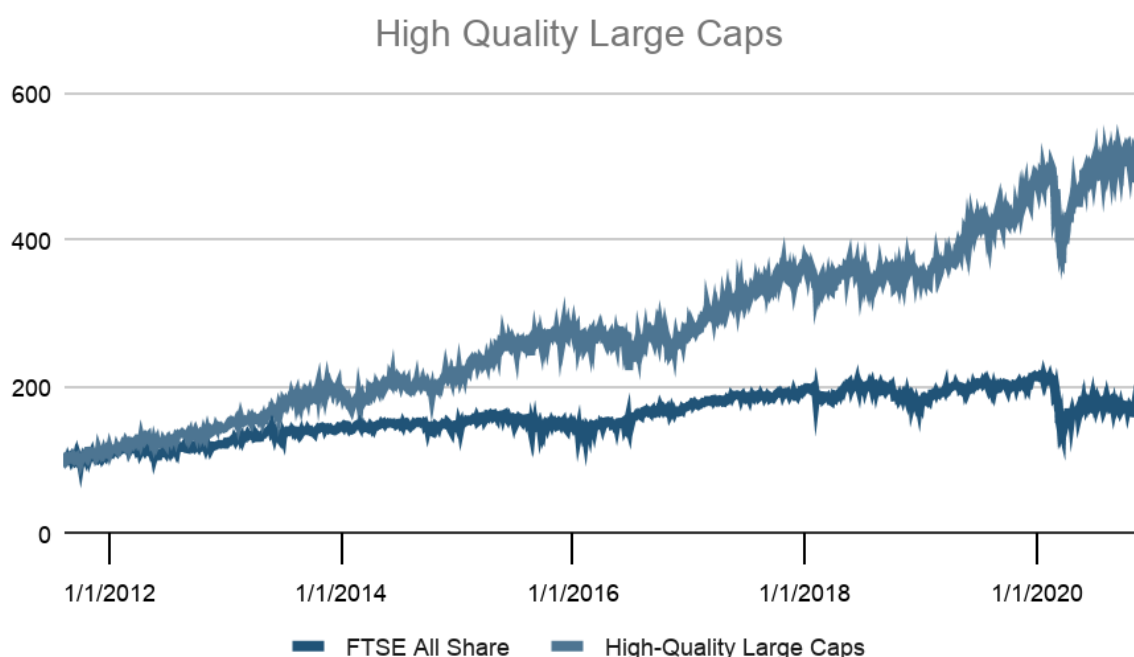
The holy grail for buy-and-hold investors is to find a business that is capable of generating a high return on capital and sustaining it while reinvesting profits. This screen looks for shares that display these quality characteristics and can potentially deliver significant compounded returns over time

Comment by Alpha editor:

- Several of the top ranking FTSE All Share companies according to our quality screen have also enjoyed positive recent share price momentum. Three companies pass 9/9 tests: data and credit scoring business Experian (EXPN); Spirent Communications (SPT) a specialist in new generation internet, data and mobile connectivity; and Hikma Pharmaceuticals (HIK). The first two companies have made double-digit share price gains in the last three months.
- Other companies that don't quite pass all our tests but have been popular with investors over the summer include IT consulting and solutions business Kainos Group (KNOS), which is up 37 per cent in three months. It does now fail our genuine value test based on a price to earnings growth ratio, which is a factor to pause for thought over.
- Games Workshop (GAW) now fails the same test and its share price momentum has flatlined somewhat in the last three months.
- Other quality stocks that have had strong positive momentum include specialty chemicals business Croda (CRDA), although it now fails our return on equity (ROE) and margin growth requirements. Halma (HLMA) the manufacturer of essential products for industry, agriculture and medical use fails the same two tests. Again, although this is a brilliant company, investors should examine growth prospects carefully.

The dream company

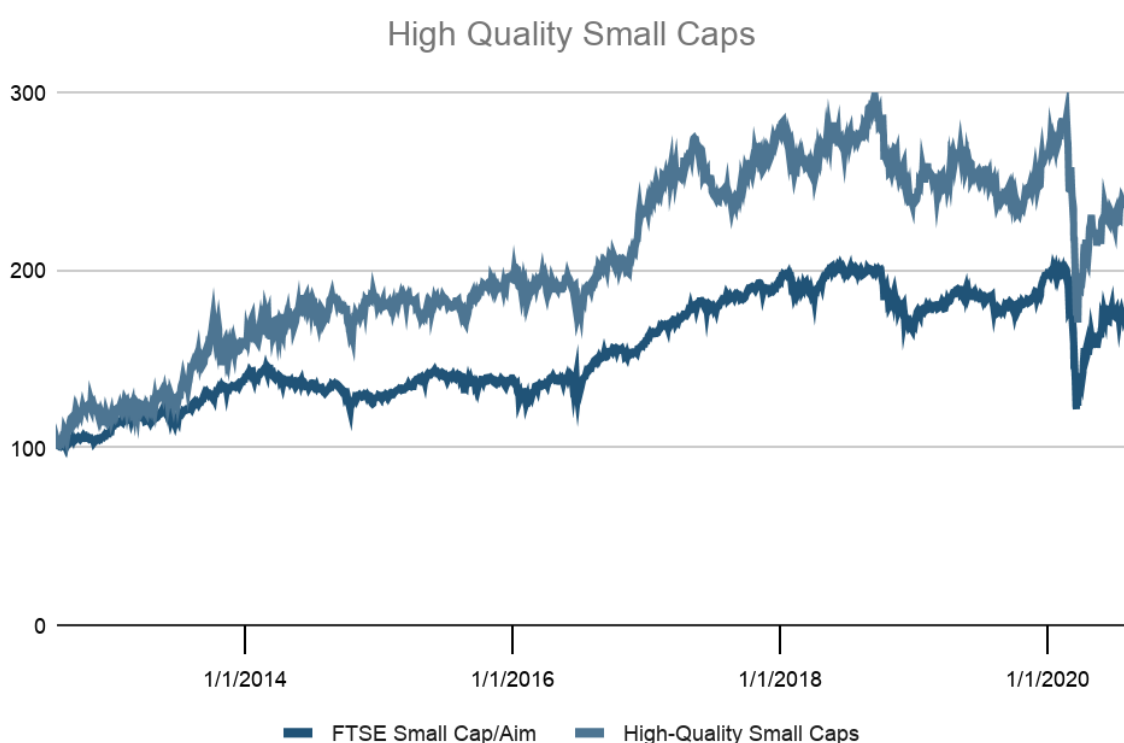
The holy grail for buy-and-hold investors is to find a business that is capable of generating high returns on its capital and is able to reinvest all its profits for decades to come, while maintaining those returns. The compounding effect of such an investment is what every long-term investor's dreams should be made of. A company making a consistent 15 per cent post-tax return on its equity and reinvesting all its profits would experience a near-30-fold (28.6 to be precise) growth in its equity base over 25 years, and after 50 years it would be a mind-boggling 1,084 times bigger than when it started. For a patient investor convinced that they have found such a situation, valuation should not act as a major impediment to a purchase.



Source: Refinitiv, Investors' Chronicle

Unfortunately, this kind of dream company is extremely rare and stock screens are too crude to provide the depth of analysis needed to provide confidence that a business may be the real deal. In particular, it is inevitable that some of the shares highlighted by our Alpha Quality screen will be cyclical companies that are enjoying a good run rather than companies that are well placed to sustain high returns through many business cycles to come. What our screen does do, however, is attempt to find pointers for companies that may have the potential to go some way to filling the dream brief. What's more, buying shares in companies that look attractive based on quality metrics can often prove a

profitable strategy, even if many of the shares picked fall short of the buy-and-hold ideal.



Source: Refinitiv, Investors' Chronicle

Alpha Quality screening criteria

Our Alpha Quality screen uses two key measures of quality: operating margins and return on equity. We are mindful that debt can flatter a company's return on equity, so we aim to reduce this risk from the screening results by introducing interest cover tests, to eliminate companies that are aggressively gearing up their balance sheet. The screen uses two key measures of quality, which are operating margins and return on equity (RoE).

The advantage of using RoE to measure the quality of a company is that it focuses on the returns that are ultimately of most significance to shareholders: after-tax earnings. However, RoE can be boosted by a company if it increases the amount of debt it carries. That means a high and rising RoE can sometimes simply reflect a reduction in the quality of the company's balance sheet and little improvement, or even a deterioration, in the quality of its operations. The screen attempts to counter this with its interest cover test, which should help it avoid companies with very aggressively 'geared' balance sheets. Focusing on

operating margins also provides an assessment of quality at the operating level – i.e. before the impact of debt.

- An operating margin higher than the median average (mid-ranking) stock in each of the past three years (i.e. quality that shows some signs of persistence).
- A return on equity (RoE) higher than the median average (mid-ranking) stock in each of the past three years (i.e. again, quality that shows some signs of persistence).
- RoE higher than it was two years ago (i.e. quality is improving as well as persistent).
- Operating margin higher than it was two years ago (i.e. quality is improving as well as persistent).
- A dividend-and-debt adjusted price/earnings growth (PEG) ratio below the top fifth of stocks screened (ie stocks must not be too egregiously expensive for the growth on offer).
- A price/earnings (PE) ratio above the bottom 10 per cent of stocks screened and below the top 10 per cent (i.e. not a suspiciously cheap or dangerously expensive valuation).
- Interest cover of more than five (i.e. high RoE is not overly dependent on the use of debt).
- Forecast earnings growth for each of the next two financial years.
- Positive forecast free cash flow.

The Alpha Quality screen is conducted separately on constituents of the FTSE All-Share, FTSE All-Small and FTSE Aim All-Share indices, with the results from each screen reported in separate tables.

Not many stocks pass such a stringent list of criteria. The ones that pass all the tests are listed at the top of the table, followed by those failing one test, then those failing two tests as detailed in the 'Tests passed' column. All stocks must pass the test for three-year, higher-than-average RoE and margin to feature in the table. While the primary ranking of the stocks is based on the number of tests they pass, inside each of these groupings stocks are ordered according to their attractiveness based on operating margin and three-month share price momentum.

Stock screen and methodology by Algy Hall

Large-cap quality selection (passing at least 7 of 9 tests)

Name	TIDM	Mkt cap	Price	Fwd NTMPE	DY	Fwd EPS grth FY+1	Fwd EPS grth FY+2	3-mth mom.	Net cash/debt(-) in £	Cur	Tests passed (out of 9)	Test failed
Experian	EXPN	£30,262m	3,281p	35	1.0%	22.4%	12.9%	16.3%	-1,606m	USD	9	na
Spirent Communications	SPT	£1,795m	293p	24	1.5%	11.4%	7.2%	19.2%	63m	USD	9	na
Hikma Pharmaceuticals	HIK	£5,523m	2,386p	16	1.6%	14.9%	13.7%	0.1%	-495m	USD	9	na
Kainos	KNOS	£2,456m	1,990p	51	1.1%	1.7%	7.2%	37.1%	8m	GBP	8	/PEG/
Spirax-Sarco	SPX	£11,803m	16,000p	47	0.8%	28.2%	5.1%	18.2%	18m	GBP	8	/RoE grth/
Dunelm	DNLM	£2,963m	1,462p	20	6.8%	12.8%	5.5%	9.1%	-107m	GBP	8	/RoE grth/
IMI	IMI	£4,838m	1,820p	19	1.3%	11.5%	11.2%	5.7%	-376m	GBP	8	/RoE grth/
Oxford Instruments	OXIG	£1,372m	2,380p	29	0.7%	6.1%	2.4%	3.0%	-46m	GBP	8	/PEG/
Diageo	DGE	£81,246m	3,484p	26	2.1%	10.5%	10.9%	-0.1%	-4,272m	GBP	8	/Marg grth/
Games Workshop	GAW	£3,560m	10,860p	27	1.9%	5.1%	8.3%	-3.6%	41m	GBP	8	/PEG/
BHP	BHP	£39,449m	1,868p	7	11.7%	11.1%	-26.4%	-11.7%	-835m	USD	8	/Fwd EPS grth/
Britvic	BVICO	£2,414m	903p	16	3.1%	8.1%	23.4%	-4.5%	-474m	GBP	8	/RoE grth/
Ferrexpo	FXPO	£1,869m	318p	3	22.5%	102.1%	-41.7%	-28.7%	-19m	USD	8	/Fwd EPS grth/
Croda Int'l	CRDA	£12,333m	8,840p	35	1.1%	34.1%	8.4%	22.5%	-239m	GBP	7	/RoE grth/Marg grth/
PayPoint	PAY	£489m	711p	13	4.5%	140.6%	5.3%	22.6%	-182m	GBP	7	/RoE grth/Marg grth/
Avast	AVST	£5,916m	572p	20	2.0%	7.5%	7.1%	15.3%	-327m	USD	7	/PEG/RoE grth/
Howden Joinery	HWDN	£5,679m	958p	22	1.4%	70.9%	1.0%	16.0%	38m	GBP	7	/RoE grth/Marg grth/
Halma	HLMA	£11,564m	3,046p	47	0.6%	4.9%	11.0%	11.9%	-114m	GBP	7	/PEG/RoE grth/
Rightmove	RMV	£6,145m	719p	31	1.0%	75.2%	9.5%	8.2%	74m	GBP	7	/RoE grth/Marg grth/
888 Holdings	888	£1,705m	458p	20	2.6%	8.3%	13.9%	14.9%	-77m	USD	7	/RoE grth/PE/
Coats	COA	£1,039m	72p	14	1.9%	164.0%	14.2%	6.7%	-210m	USD	7	/RoE grth/Marg grth/
Rotork	ROR	£3,126m	360p	27	2.4%	0.8%	8.5%	4.0%	65m	GBP	7	/PEG/RoE grth/
A.G. BARR	BAG	£593m	529p	19	0.0%	20.2%	4.1%	4.8%	4m	GBP	7	/RoE grth/Marg grth/
Diploma	DPLM	£3,787m	3,040p	33	1.4%	48.7%	8.6%	3.8%	96m	GBP	7	/RoE grth/PE/
Taylor Wimpey	TW	£6,035m	166p	9	5.0%	170.2%	9.3%	2.3%	-188m	GBP	7	/RoE grth/Marg grth/
Bellway	BVWY	£4,205m	3,408p	9	2.5%	8.6%	7.7%	2.4%	-904m	GBP	7	/RoE grth/Marg grth/
Imperial Brands	IMB	£14,613m	1,544p	6	8.9%	-2.6%	1.5%	-1.1%	-10,699m	GBP	7	/PEG/Fwd EPS grth/
Auto Trader	AUTO	£5,823m	611p	25	0.8%	76.2%	13.2%	-5.6%	21m	GBP	7	/RoE grth/Marg grth/
Mondi	MNDI	£9,053m	1,865p	14	2.8%	7.2%	18.8%	-1.4%	-893m	EUR	7	/RoE grth/Marg grth/
Persimmon	PSN	£8,766m	2,747p	10	8.6%	14.4%	5.9%	-7.1%	359m	GBP	7	/RoE grth/Marg grth/
Anglo American	AAL	£35,209m	2,598p	6	6.8%	216.7%	-29.2%	-11.1%	-1,139m	USD	7	/RoE grth/Fwd EPS grth/
Berkeley	BKG	£5,052m	4,495p	12	0.2%	7.4%	2.7%	-11.1%	-254m	GBP	7	/RoE grth/Marg grth/
QinetiQ	QQ	£1,903m	329p	14	2.1%	1.3%	6.1%	-3.4%	-236m	GBP	7	/PEG/RoE grth/
Rio Tinto	RIO	£60,279m	4,831p	6	10.2%	90.2%	-28.4%	-19.5%	1,061m	USD	7	/RoE grth/Fwd EPS grth/
Polymetal Int'l	POLY	£6,152m	1,299p	7	7.4%	-2.3%	16.0%	-19.5%	-180m	USD	7	/PEG/Fwd EPS grth/
Intertek Group plc	ITRK	£8,254m	5,114p	25	2.1%	11.6%	12.1%	-8.5%	-547m	GBP	7	/RoE grth/Marg grth/
ITV	ITV	£4,412m	110p	8	3.0%	16.3%	5.6%	-13.7%	-736m	GBP	7	/RoE grth/Marg grth/
Smith & Nephew	SN	£11,716m	1,333p	18	2.0%	36.8%	20.4%	-14.5%	54m	USD	7	/RoE grth/Marg grth/
Trealt	TET	£555m	930p	34	0.7%	43.2%	6.8%	-20.9%	-8m	GBP	7	/RoE grth/FCF/

Source: FactSet, 27 September 2021

Small-cap quality selection (passing at least 7 of 9 tests)

Name	TIDM	Mkt cap	Price	Fwd NTMPE	DY	Fwd EPS grth FY+1	Fwd EPS grth FY+2	3-mth mom.	Net cash/debt(-) in £	Cur	Tests passed (out of 9)	Test failed
PayPoint	PAY	£489m	711p	13	4.5%	140.6%	5.3%	22.6%	-182m	GBP	7	/RoE grth/Marg grth/
Goodwin	GDWN	£294m	3,825p	-	2.7%	-	-	30.8%	-30m	GBP	7	/PEG/Fwd EPS grth/
Porvair	PRV	£319m	690p	27	0.7%	9.5%	11.6%	20.0%	-13m	GBP	7	/PEG/RoE grth/
A.G. BARR	BAG	£593m	529p	19	0.0%	20.2%	4.1%	4.8%	4m	GBP	7	/RoE grth/Marg grth/
RM	RM	£205m	244p	13	1.9%	15.8%	34.6%	6.6%	-59m	GBP	7	/RoE grth/Marg grth/
Severfield	SFR	£241m	78p	10	3.7%	14.7%	12.1%	0.0%	-60m	GBP	7	/RoE grth/Marg grth/
Norccros	NXR	£241m	298p	9	2.8%	3.4%	5.4%	-3.9%	-76m	GBP	7	/PEG/RoE grth/
Up Global Sourcing	UPGS	£182m	204p	15	2.2%	32.9%	32.9%	-4.7%	-24m	GBP	7	/RoE grth/Marg grth/
Zotefoams	ZTF	£202m	415p	23	1.5%	0.6%	26.2%	-11.3%	-23m	GBP	7	/PEG/RoE grth/

Source: FactSet, 27 September 2021

Aim quality selection (passing at least 7 of 9 tests)

Name	TIDM	Mkt cap	Price	Fwd NTMPE	DY	Fwd EPS grth FY+1	Fwd EPS grth FY+2	3-mth mom.	Net cash/debt(-) in £	Cur	Tests passed (out of 9)	Test failed
Water Intelligence	WATR	£208m	1,275p	58	0.0%	43.9%	19.4%	47.4%	-3m	USD	9	na
Keystone Law	KEYS	£260m	830p	40	1.8%	28.3%	6.5%	25.8%	-8m	GBP	9	na
Science Group	SAG	£217m	475p	18	1.3%	34.6%	5.8%	15.0%	-1m	GBP	9	na
RWS Holdings	RWS	£2,523m	648p	23	1.4%	13.8%	22.4%	13.2%	-13m	GBP	9	na
CareTech	CTH	£740m	653p	12	2.0%	19.0%	10.8%	9.2%	-54m	GBP	9	na
MTI Wireless Edge	MWE	£69m	79p	22	1.8%	18.0%	12.5%	12.1%	0m	USD	9	na
Renew	RNWH	£633m	805p	15	1.6%	22.7%	5.7%	16.8%	-197m	GBP	9	na
Steppe Cement	STCM	£97m	45p	8	7.9%	44.2%	4.2%	3.5%	-3m	USD	9	na
Caledonia Mining	CMCL	£108m	900p	4	3.7%	23.3%	34.2%	-3.7%	7m	USD	9	na
Pan African Resources	PAF	£320m	17p	5	4.2%	23.6%	1.8%	-5.1%	-51m	USD	9	na
Gamma Communications	GAMA	£1,722m	1,790p	27	0.7%	19.0%	12.6%	-9.0%	-21m	GBP	9	na
Cerillion	CER	£226m	765p	48	0.8%	24.7%	3.6%	-11.0%	-2m	GBP	9	na
Alumasc	ALU	£83m	230p	10	4.1%	0.4%	5.9%	-11.5%	-19m	GBP	9	na
boohoo	BOO	£3,284m	260p	21	0.0%	22.2%	26.4%	-16.9%	-10m	GBP	9	na
Kape Technologies	KAPE	£939m	418p	16	0.0%	67.2%	65.5%	43.6%	-22m	USD	8	/Marg grth/
EMIS	EMIS	£902m	1,424p	26	2.4%	4.9%	7.7%	23.6%	-10m	GBP	8	/PEG/
Judges Scientific	JDG	£476m	7,540p	34	0.8%	20.6%	6.9%	26.1%	-7m	GBP	8	/RoE grth/
Gateley	GTLY	£305m	258p	18	2.9%	6.5%	10.2%	20.9%	-13m	GBP	8	/RoE grth/
Team17	TM17	£1,025m	780p	38	-	4.4%	10.3%	11.1%	44m	GBP	8	/PEG/
Learning Technologies	LTG	£1,738m	221p	39	0.4%	15.0%	21.5%	19.1%	6m	GBP	8	/PEG/
Keywords Studios	KWS	£2,298m	3,030p	41	0.0%	32.2%	8.8%	20.9%	11m	EUR	8	/RoE grth/
Watkin Jones	WJG	£621m	243p	14	4.1%	5.9%	10.0%	14.1%	14m	GBP	8	/RoE grth/
Alliance Pharma	APH	£574m	107p	17	1.5%	8.9%	14.0%	8.6%	-1m	GBP	8	/RoE grth/
Craneware	CRW	£817m	2,300p	40	1.2%	13.6%	8.0%	7.0%	135m	USD	8	/RoE grth/
Mattioli Woods	MTW	£410m	810p	15	2.6%	25.1%	18.5%	9.1%	-3m	GBP	8	/RoE grth/
SigmaRoc	SRC	£695m	109p	17	0.0%	31.3%	22.0%	13.5%	-23m	GBP	8	/RoE grth/
Frontier Developments	FDEV	£974m	2,475p	33	0.0%	34.3%	19.4%	3.8%	24m	GBP	8	/RoE grth/
Fonix Mobile	FNX	£151m	152p	20	1.1%	8.6%	9.2%	5.2%	-21m	GBP	8	/FCF/
Knights Group	KGH	£363m	435p	19	0.0%	20.2%	12.9%	5.3%	-36m	GBP	8	/RoE grth/
Solid State	SOLI	£86m	1,010p	17	1.6%	9.2%	-1.3%	11.0%	-9m	GBP	8	/Fwd EPS grth/
CVS Group	CVSG	£1,805m	2,550p	32	0.0%	4.8%	8.3%	8.1%	-65m	GBP	8	/PEG/
FRP Advisory	FRP	£313m	129p	17	3.2%	3.3%	7.3%	-0.4%	-	GBP	8	/Marg grth/
Clinigen Group	CLIN	£849m	639p	11	1.2%	3.1%	12.1%	3.2%	-90m	GBP	8	/PEG/
Finsbury Food	FIF	£123m	95p	9	0.0%	19.2%	0.5%	3.8%	-57m	GBP	8	/Marg grth/
Alpha Financial Mkts	AFM	£390m	348p	20	2.0%	15.6%	13.7%	-2.0%	4m	GBP	8	/RoE grth/
Sureserve	SUR	£134m	83p	11	1.2%	69.2%	18.2%	3.7%	-38m	GBP	8	/Marg grth/
Michelmersh Brick	MBH	£125m	132p	16	2.8%	61.6%	8.7%	-6.4%	-2m	GBP	8	/RoE grth/
Springfield Properties	SPR	£155m	151p	10	3.8%	5.7%	15.0%	-7.6%	-71m	GBP	8	/RoE grth/
Franchise Brands	FRAN	£131m	137p	22	1.0%	27.6%	19.3%	-10.5%	-1m	GBP	8	/RoE grth/
Sylvania Platinum	SLP	£235m	86p	3	4.6%	28.4%	1.9%	-28.8%	67m	USD	8	/PE/
IG Design	IGR	£447m	462p	16	1.9%	52.7%	9.5%	-17.5%	-87m	USD	8	/RoE grth/
Somero Enterprises	SOM	£303m	540p	12	5.4%	73.8%	8.6%	20.0%	17m	USD	7	/RoE grth/Marg grth/
Instem	INS	£198m	893p	33	0.0%	10.0%	38.9%	20.6%	13m	GBP	7	/PEG/RoE grth/
M.P. Evans	MPE	£435m	796p	13	3.4%	160.8%	-21.7%	11.6%	-32m	USD	7	/Marg grth/Fwd EPS grth/
Cake Box	CBOX	£138m	345p	25	1.6%	34.9%	13.3%	11.3%	0m	GBP	7	/RoE grth/Marg grth/
Tracsis	TRCS	£302m	1,030p	30	0.0%	26.8%	11.3%	12.0%	1m	GBP	7	/RoE grth/Marg grth/
Next Fifteen Comm.	NFC	£1,043m	1,125p	21	0.6%	22.0%	8.6%	22.5%	-85m	GBP	7	/RoE grth/PE/
K3 Capital	K3C	£263m	360p	17	1.9%	20.1%	23.3%	7.5%	-	GBP	7	/RoE grth/Marg grth/
Volex	VLX	£724m	456p	23	0.7%	-10.9%	11.4%	20.8%	-86m	USD	7	/PEG/Fwd EPS grth/
Advanced Medical Sol.	AMS	£657m	305p	30	0.6%	71.5%	13.4%	8.2%	39m	GBP	7	/RoE grth/Marg grth/
James Halstead	JHD	£1,137m	546p	28	3.0%	11.1%	3.5%	7.1%	16m	GBP	7	/RoE grth/Marg grth/
GB Group	GBG	£1,761m	894p	44	0.7%	-23.1%	12.2%	6.9%	-69m	GBP	7	/PEG/Fwd EPS grth/
James Latham	LTHM	£255m	1,280p	-	1.7%	-	-	12.8%	-7m	GBP	7	/PEG/Fwd EPS grth/
Wynnstay	WYN	£111m	550p	14	2.7%	37.5%	3.3%	20.9%	-38m	GBP	7	/RoE grth/Marg grth/
Netcall	NET	£120m	81p	50	0.3%	35.1%	22.1%	9.5%	-6m	GBP	7	/Marg grth/Int Cov/
Epwin	EPWN	£168m	116p	14	2.4%	79.2%	25.5%	8.4%	-66m	GBP	7	/RoE grth/Marg grth/
Atalaya Mining	ATYM	£428m	310p	4	0.0%	275.2%	4.9%	-0.3%	-77m	EUR	7	/RoE grth/PE/
SDI	SDI	£207m	208p	35	0.0%	11.4%	-24.1%	1.7%	-12m	GBP	7	/PEG/Fwd EPS grth/
RBG Holdings	RBGP	£133m	139p	14	2.5%	5.1%	38.4%	3.0%	8m	GBP	7	/PEG/Marg grth/
Central Asia Metals	CAML	£422m	240p	7	6.7%	86.0%	0.0%	-3.0%	-14m	USD	7	/RoE grth/Fwd EPS grth/
Begbies Traynor	BEG	£212m	139p	15	2.2%	32.1%	10.7%	2.3%	-31m	GBP	7	/RoE grth/PE/

Continued...

Aim quality selection (passing at least 7 of 9 tests)

Name	TIDM	Mkt cap	Price	NTMPE	Fwd DY	Fwd EPS grth FY+1	Fwd EPS grth FY+2	3-mth mom.	Net cash/debt(-) in £	Cur	Tests passed (out of 9)	Test failed
Anexo	ANX	£164m	142p	9	1.1%	28.8%	18.9%	-2.1%	-41m	GBP	7	/RoE grth/FCF/
Concurrent Tech.	CNC	£67m	91p	19	2.9%	25.3%	-	-2.2%	8m	GBP	7	/RoE grth/Fwd EPS grth/
Spectra Systems	SPSY	£73m	163p	19	4.1%	0.2%	2.5%	-4.7%	8m	USD	7	/PEG/Int Cov/
Dewhurst	DWHT	£94m	1,970p	-	0.7%	-	-	-2.5%	8m	GBP	7	/PEG/Fwd EPS grth/
Arcontech	ARC	£20m	153p	20	1.8%	0.8%	19.4%	-7.6%	4m	GBP	7	/PEG/RoE grth/
ECO Animal Health	EAH	£218m	322p	29	0.3%	-18.0%	28.0%	-7.5%	1m	GBP	7	/PEG/Fwd EPS grth/
Midwich	MIDW	£536m	604p	24	1.0%	94.8%	23.7%	4.1%	-125m	GBP	7	/RoE grth/Marg grth/
Nichols	NICL	£513m	1,390p	26	1.3%	70.5%	33.2%	-3.3%	26m	GBP	7	/RoE grth/Marg grth/
Anpario	ANP	£139m	600p	27	1.5%	3.0%	2.8%	-7.7%	11m	GBP	7	/PEG/RoE grth/
Mission	TMG	£69m	76p	10	1.1%	500.0%	43.3%	0.7%	-43m	GBP	7	/RoE grth/Marg grth/
Eleco	ELCO	£103m	124p	39	0.5%	-11.8%	-33.9%	-9.2%	-2m	GBP	7	/PEG/Fwd EPS grth/
Anglo Asian Mining	AAZ	£137m	120p	-	4.9%	-	-	-12.7%	14m	USD	7	/PEG/Fwd EPS grth/
Cohort	CHRT	£227m	555p	16	2.0%	2.9%	10.5%	-6.2%	-26m	GBP	7	/PEG/RoE grth/
SEC Newgate SpA	SECN	£24m	96p	16	0.5%	37.9%	11.6%	-6.3%	-8m	EUR	7	/RoE grth/Int Cov/
Gooch & Housego	GHH	£331m	1,320p	32	0.3%	22.8%	11.6%	-8.0%	-5m	GBP	7	/RoE grth/Marg grth/
Aferian	AFRN	£128m	151p	15	1.9%	28.9%	10.2%	-8.5%	-13m	USD	7	/RoE grth/Marg grth/
Dewhurst Class A	DWHA	£94m	613p	-	2.2%	-	-	-12.5%	8m	GBP	7	/PEG/Fwd EPS grth/
Breedon	BREE	£1,684m	100p	17	0.5%	70.1%	27.7%	-9.2%	-283m	GBP	7	/RoE grth/Marg grth/
iEnergizer Ltd	IBPO	£496m	261p	14	5.4%	-5.8%	10.0%	-16.9%	11m	USD	7	/PEG/Fwd EPS grth/
Crimson Tide	TIDE	£20m	3p	-	0.0%	-	0.0%	-14.1%	0m	GBP	7	/PEG/Fwd EPS grth/
Griffin Mining	GFM	£146m	84p	6	0.0%	279.9%	12.7%	-20.1%	-19m	USD	7	/RoE grth/Marg grth/
Distil	DIS	£14m	2p	-	0.0%	-	-	-10.9%	1m	GBP	7	/PEG/Fwd EPS grth/
Time Finance	TIME	£22m	24p	7	0.0%	56.8%	65.5%	-14.6%	-	GBP	7	/RoE grth/Marg grth/
Xpediator	XPDI	£91m	64p	14	2.4%	11.5%	6.2%	-10.8%	-63m	GBP	7	/RoE grth/FCF/
Eckoh	ECK	£137m	54p	-	1.1%	-	-	-18.8%	-7m	GBP	7	/PEG/Fwd EPS grth/
Character	CCT	£121m	568p	14	1.6%	123.6%	0.2%	-17.2%	-11m	GBP	7	/RoE grth/Marg grth/
ASOS	ASC	£3,260m	3,265p	21	0.0%	18.3%	1.5%	-31.3%	-447m	GBP	7	/RoE grth/Marg grth/
Appreciate	APP	£55m	30p	8	3.4%	195.0%	35.3%	-22.5%	-11m	GBP	7	/RoE grth/Marg grth/

Source: FactSet, 27 September 2021

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