



## Webinar: “How a Reverse Discounted Cash Flow (DCF) Model Works” – Hosted by Interactive Brokers

We presented “How a Reverse Discounted Cash Flow (DCF) Model Works” on the Interactive Brokers Education platform on June 18, 2019. Attendees included advisors and investors from over 27 countries. Download the slides from the presentation [here](#).

[Watch the replay](#)

Rather than trying to predict the future, we use our DCF model to quantify the cash flow expectations baked into stock prices. Instead of guessing about the future, we evaluate Mr. Market’s guesses as reflected in stock prices.

*This article originally published on [June 18, 2019](#).*

*Disclosure: David Trainer and Sam McBride receive no compensation to write about any specific stock, style, or theme.*

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Ratings & screeners on 3000 stocks, 450 ETFs and 7000 mutual funds help you make prudent investment decisions.

New Constructs leverages the latest in machine learning to analyze structured and unstructured financial data with unrivaled speed and accuracy. The firm's forensic accounting experts work alongside engineers to develop proprietary NLP libraries and financial models. Our investment ratings are based on the best fundamental data in the business for stocks, ETFs and mutual funds. Clients include many of the top hedge funds, mutual funds and wealth management firms. David Trainer, the firm's CEO, is regularly featured in the media as a thought leader on the fiduciary duty of care, earnings quality, valuation and investment strategy.

### ***To fulfill the Duty of Care, research should be:***

1. **Comprehensive** - All relevant publicly-available (e.g. 10-Ks and 10-Qs) information has been diligently reviewed, including footnotes and the management discussion & analysis (MD&A).
2. **Un-conflicted** - Clients deserve unbiased research.
3. **Transparent** - Advisors should be able to show how the analysis was performed and the data behind it.
4. **Relevant** - Empirical evidence must provide [tangible, quantifiable correlation](#) to stock, ETF or mutual fund performance.

### ***Value Investing 2.0: Diligence Matters: Technology is Key to Value Investing With Scale***

Accounting data is only the beginning of fundamental research. It must be translated into economic earnings to truly understand profitability and valuation. This translation requires deep analysis of footnotes and the MD&A, a process that our [robo-analyst technology](#) empowers us to perform for thousands of stocks, ETFs and mutual funds.



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