



Free Stock Pick from the Very Attractive Stocks Index in 1Q26

Large language models (LLMs) [can't](#) pick good stocks.

It's not because they don't have enough data, but rather, they don't have the right data.

To pick good stocks, and outperform the market, you need superior fundamental data, not the same stuff sourced from the internet by everyone else. How do we know?

Our [Core Earnings](#) data powers market-beating stock picking. We're able to empirically prove the accuracy and reliability of our data because it is based on:

- [Publicly available data](#) in financial filings,
- Systematically gathering data into a clear ontology that supports sophisticated research, and
- [Metrics](#) and [signals](#) whose accuracy can be measured objectively by [stock market performance](#).

There is no better proof that our Core Earnings data works than the novel alpha delivered via the outperformance of the Very Attractive Stocks Index, officially known as the [Bloomberg New Constructs Ratings VA-1 Index](#) (ticker: [BNCVA1T:IND](#)). This index holds the stocks in the Bloomberg US 1000 that get our Very Attractive rating. Thus, we refer to it as the Very Attractive Stocks Index. You can access our Core Earnings research [directly on our site](#) or through [FinSights](#), our AI built on and by Google Cloud,

Below, we share one of the stocks in the Index along with a brief overview of why we think Very Attractive stocks provide quality risk/reward. Enjoy this free stock pick. Feel free to share it with friends and family. We are proud of our work and want more people to see it.

Featured Stock from Bloomberg New Constructs Ratings VA-1 Index: Interactive Brokers (IBKR)

Interactive Brokers (IBKR: \$75/share) earns an overall Very Attractive rating, with Very Attractive ratings in four of the five criteria that drive our overall [Stock Rating](#). See Figure 1.

Figure 1: Interactive Brokers' Stock Rating

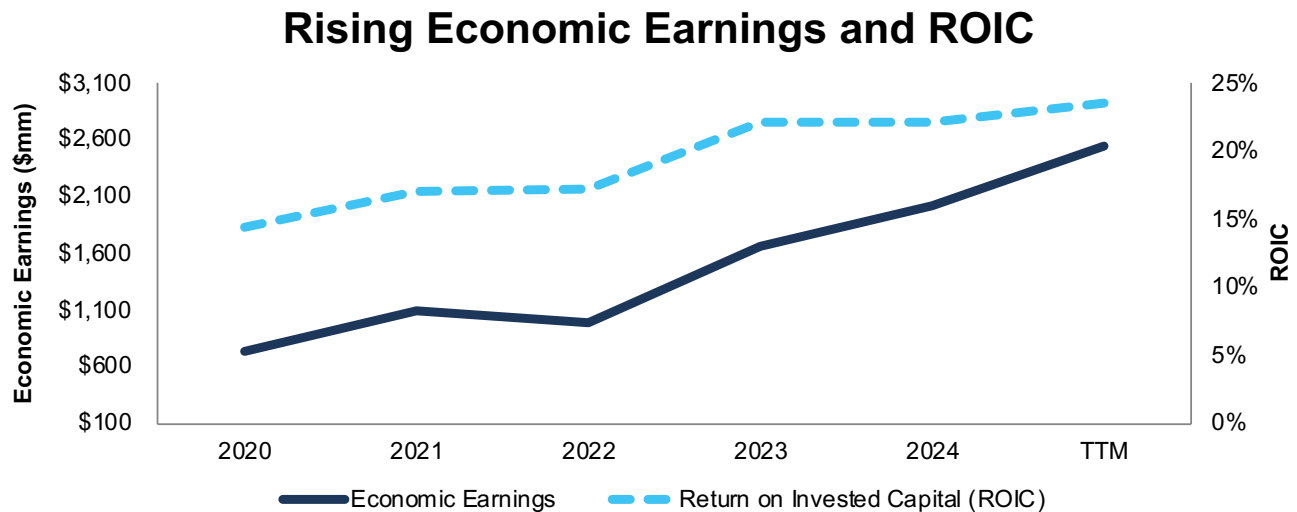
Risk/Reward Rating ?	Quality of Earnings ?		Valuation ?		
	Economic vs Reported EPS ?	ROIC ?	2 yr Avg FCF (excl cash) Yield ?	Price to EBV ?	Market-Implied GAP ?
Very Unattractive	Misleading Trend	Bottom Quintile	< -5%	> 3.5 or -1 < 0	> 50
Unattractive	False Positive	4th Quintile	-5% < -1%	2.4 < 3.5 or < -1	20 < 50
Neutral	Neutral EE	3rd Quintile	-1% < 3%	1.6 < 2.4	10 < 20
Attractive	Positive EE	2nd Quintile	3% < 10%	1.1 < 1.6	3 < 10
Very Attractive	Rising EE	Top Quintile	> 10%	0 < 1.1	0 < 3

Sources: New Constructs, LLC and company filings

Quality of Earnings Analysis

Interactive Brokers earns a Very Attractive Economic vs. Reported Earnings rating and a Very Attractive top-quintile return on invested capital ([ROIC](#)) rating.

We like to see companies grow their [economic earnings](#), the true cash flows of a business. Interactive Brokers has grown its economic earnings from \$739 million in 2020 to \$2.5 billion over the trailing-twelve-months (TTM), or 30% compounded annually. The company has improved its ROIC from 14% to 24% over the same time. See Figure 2.

**Figure 2: Interactive Brokers' Economic Earnings and ROIC: 2020 – TTM**

Sources: New Constructs, LLC and company filings

IBKR Is Undervalued

Interactive Brokers has a 2-year average FCF (excl. cash) yield between -1% and 3%, which earns a Neutral rating. However, the stock's price-to-economic book value ([PEBV](#)) and market-implied growth appreciation period ([GAP](#)) both earn Very Attractive ratings.

More specifically, at its current price of \$75/share, IBKR has a PEBV ratio of 1.1. This ratio means the market expects Interactive Brokers' NOPAT to grow by just 10% over the remaining life of the company. This expectation seems overly pessimistic for a company that has grown NOPAT by 30% compounded annually since 2020 and 26% compounded annually since 2015.

The low expectations baked into Interactive Brokers' stock price, along with strong quality of earnings, drive its Very Attractive Overall Stock Rating.

Background on our Stock Ratings

Five criteria drive our stock ratings. We divide those criteria into two categories: quality of earnings and valuation.

Quality of earnings criteria:

1. Economic vs. Reported EPS: compares both the level and trend of [Economic Earnings](#), the true cash flows of the business, vs. reported earnings.
2. Return on Invested Capital ([ROIC](#)): measures how much profit a company generates for every dollar invested in the company.

Valuation criteria:

1. [2-year Average Free Cash Flow \(excluding cash\) Yield](#): measures the true cash yield of a company.
2. [Price to Economic Book Value](#): measures the growth expectations implied by the company's stock price.
3. [Market-Implied Growth Appreciation Period \(GAP\)](#): measures the number of years of future profit growth required to justify the current valuation of the stock.

Stocks that get an overall Very Attractive rating are poised to outperform in any market.

Real-Time Proof of Superior Stock Ratings

The strong outperformance of the Very Attractive Stocks Index proves the superiority of our Stock Ratings. BNCVA1T outperformed the S&P 500 by 36% over the last 5 years, rising 114% compared to the S&P 500 rising 79% through January 30, 2026. See Figure 3.



Figure 3: Very Attractive-Rated Stocks Strongly Outperform the S&P 500 Over the Last Five Years

Bloomberg New Constructs Ratings VA-1 Total Return Index



BNCVA1T:IND
(USD) · Market closed

The Very Attractive Stocks Index beat the S&P 500 by 36% over the last five years.

3,688.95 ▲36.36 +1.00%

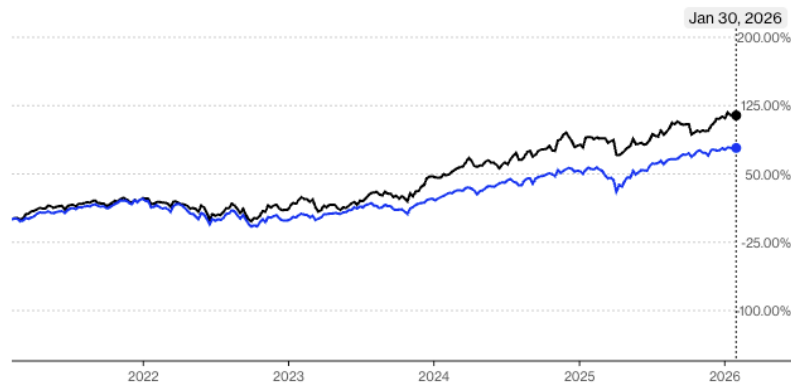
As of 4:15 PM EST 02/04/26.

Summary Related News Index Info

1D 1M 6M YTD 1Y 5Y

Q SPX:IND

■ BNCVA1T:IND +114.24% ■ SPX:IND +78.53% ×



Sources: [Bloomberg](#) as of January 30, 2026

Note: Past performance is no guarantee of future results.

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Disclosure: David Trainer and Kyle Guske II receive no compensation to write about any specific stock, style, or theme.

Questions on this report or others? Join our [online community](#) and connect with us directly.



It's Official: We Deliver the Best Fundamental Data in the World

Many firms claim their research is superior, but none of them can prove it with independent studies from highly-respected institutions as we can. Three different papers from both the public and private sectors show:

1. The stock market is missing footnotes – and only we have that critical data.
2. Legacy fundamental datasets suffer from significant inaccuracies, omissions, and biases.
3. Our proprietary drives novel alpha. Our measures of [Core Earnings](#) and [Earnings Distortion](#) materially improve stock picking and forecasting of profits.

Best Fundamental Data in the World

In [The Journal of Financial Economics](#), a top peer-reviewed journal, [Core Earnings: New Data & Evidence](#) proves our Robo-Analyst technology overcomes material shortcomings in legacy firms' data collection processes to provide superior [fundamental data](#), [earnings](#) models, and [research](#). More [details](#).

Key quotes from the paper:

- “[New Constructs’] *Total Adjustments* differs significantly from the items identified and excluded from Compustat’s adjusted earnings measures. For example... 50% to 70% of the variation in *Total Adjustments* is not explained by S&P Global’s (SPGI) *Adjustments* individually.” – pp. 14, 1st para.
- “A final source of differences [between New Constructs’ and S&P Global’s data] is due to data collection oversights...we identified cases where Compustat did not collect information relating to firms’ income that is useful in assessing core earnings.” – pp. 16, 2nd para.

Superior Models

Ernst & Young features the superiority of our ROIC, NOPAT and Invested Capital research to Capital IQ & Bloomberg’s in [Getting ROIC Right](#). See the [Appendix](#) for direct comparison details.

Key quotes from the paper:

- “...an accurate calculation of ROIC requires more diligence than often occurs in some of the common, off-the-shelf ROIC calculations. Only by scouring the footnotes and the MD&A [as New Constructs does] can investors get an accurate calculation of ROIC.” – pp. 8, 5th para.
- “The majority of the difference...comes from New Constructs’ machine learning approach, which leverages technology to calculate ROIC by applying accounting adjustments that may be buried deeply in the footnotes across thousands of companies.” – pp. 4, 2nd para.

Superior Stock Ratings

Robo-Analysts’ stock ratings outperform those from human analysts as shown in this [paper](#) from Harvard Business School. Bloomberg features the paper [here](#).

Key quotes from the paper:

- “the portfolios formed following the buy recommendations of Robo-Analysts earn abnormal returns that are statistically and economically significant.” – pp. 6, 3rd para.
- “Our results ultimately suggest that Robo-Analysts are a valuable, alternative information intermediary to traditional sell-side analysts.” – pp. 20, 3rd para.

Our mission is to provide the best fundamental analysis of public and private businesses in the world and make it affordable for all investors, not just Wall Street insiders.

We believe every investor deserves to know the whole truth about the profitability and valuation of any company they consider for investment. More details on our cutting-edge technology and how we use it are [here](#).



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