



July 2026 Stock-Picking Accolades: #1 Ranking for 61 Straight Months

Our [proven-superior research](#)¹ earned us #1 rankings – [again](#) – on *SumZero* for July 2026.

For 61 consecutive months since [May 2021](#), our stock picks have ranked #1 in at least one category. 61 consecutive months of superior stock picking is no small feat, especially across so many categories:

- [#1 in Consumer Discretionary](#)
- [#2 in Industrials](#)
- [#4 in Large Cap](#)
- [#7 in Micro Cap](#)
- [#9 in Healthcare](#)

We select stocks for *SumZero* after we add them to our [Focus List Stocks: Long](#) and [Focus List Stocks: Short](#) Model Portfolios. Our research outperforms because we leverage proprietary data from our Robo-Analyst AI, which analyzes the footnotes and MD&A of financial filings to calculate [Core Earnings](#), a [proven superior measure of earnings](#).

Core Earnings also drives the New Constructs [Core Earnings Leaders Index](#) (ticker: [BCORET:IND](#)), which beat the S&P 500 Total Return by 897 basis points in 2025.

From January 2021 through 1Q26, the Focus List Stocks: Long Model Portfolio has outperformed the S&P 500² by [20%](#), and the Focus List Stocks: Short Model Portfolio has outperformed shorting the S&P 500 by [60%](#).

Get the latest Focus List Stocks: Long [here](#) and Short [here](#).

Professional members get updates to the Focus Lists in real time and get our research before syndication to *SumZero* and other platforms.

[Get Our Focus List Picks Before SumZero](#)

SumZero is an exclusive buy-side community with over 16,000 pre-screened professional portfolio managers that compete for these rankings.

Check Out the Indices Based on New Constructs Research

While we're writing about how our superior fundamental research finds winning stocks, we should highlight the indices we've developed with Bloomberg's Index Licensing Group. All three are outperforming the S&P 500 over the past five years. See Figures 1-3.

1. [Bloomberg New Constructs Core Earnings Leaders Index](#) (ticker: [BCORET:IND](#))
2. [Bloomberg New Constructs Ratings VA-1 Index](#) (ticker: [BNCVA1T:IND](#))
3. [Bloomberg New Constructs 500 Index](#) (ticker: [B500NCT:IND](#))

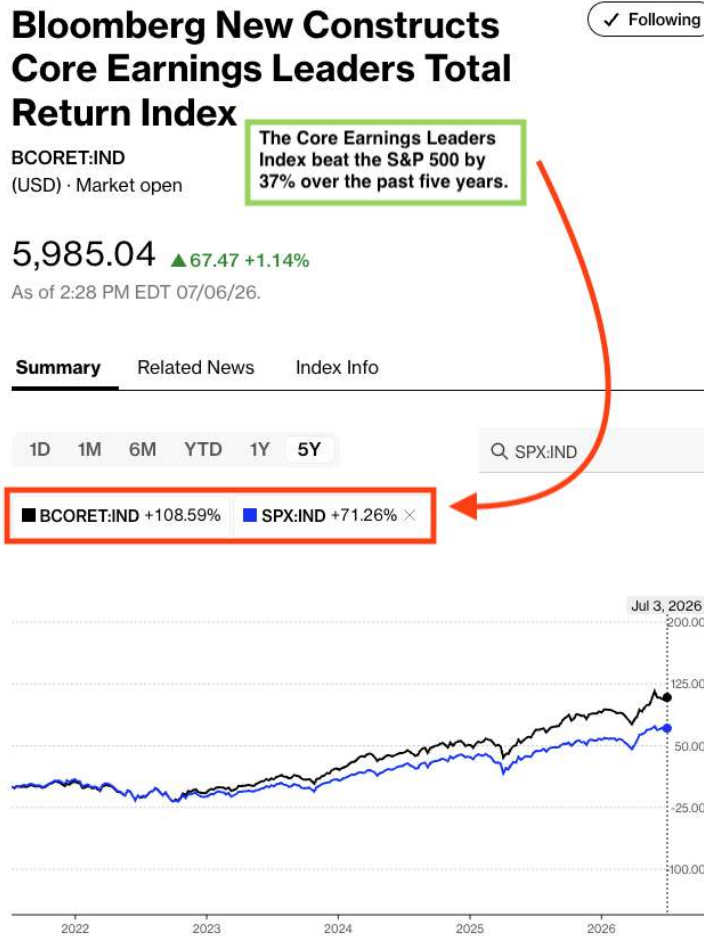
The Bloomberg New Constructs Core Earnings Leaders Index, which allocates based on Earnings Capture and Core Earnings, beat the S&P 500 by 37% over the past five years. The Index (ticker: [BCORET:IND](#)) was up 109% while the S&P 500 was up 71%.

¹ [The Journal of Financial Economics](#) features the superiority of our Core Earnings in [Core Earnings: New Data & Evidence](#).

² Stocks are in the Focus List Model Portfolios for different periods of time as we open and close positions during the year. When measuring outperformance of the Focus List Model Portfolios, we compare each stock's return to the S&P 500's return for the time each is in the Focus List Model Portfolios. This approach provides more of an apples-to-apples comparison of how each stock performed vs. the S&P 500.



Figure 1: Bloomberg New Constructs Core Earnings Leaders Index Outperforms S&P 500: Last 5 Years

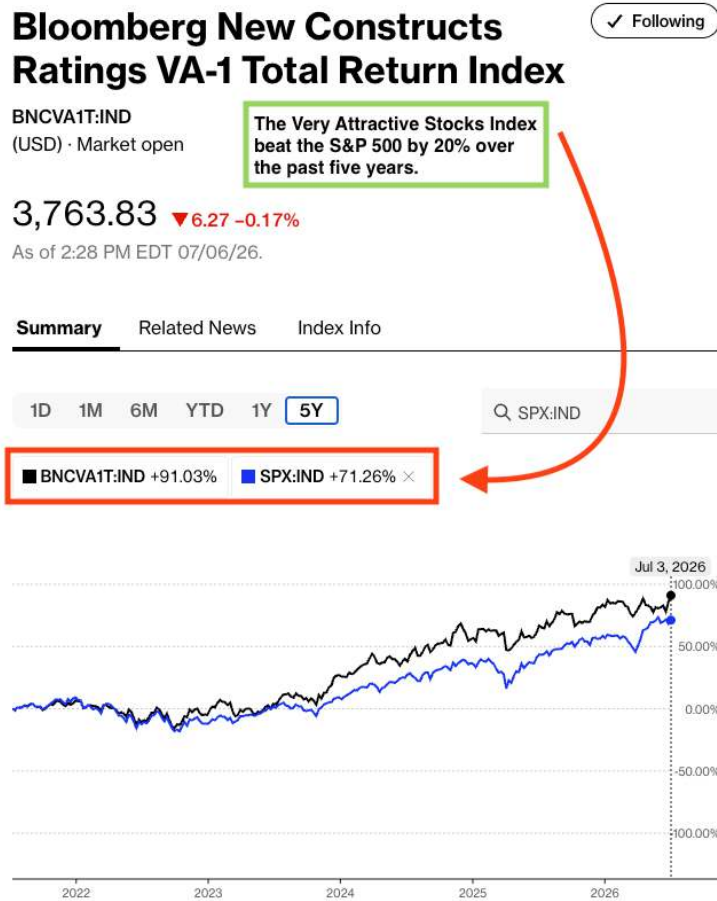


Sources: [Bloomberg](#) as of July 3, 2026
Note: Past performance is no guarantee of future results.

The “Very Attractive Stocks” Index, which allocates to stocks that get a Very Attractive rating by our AI Agent for Investing, beat the S&P 500 by 20% over the last five years. Bloomberg’s official name for the index is Bloomberg New Constructs Ratings VA-1Index (ticker: [BNCVAT1T:IND](#)). Figure 2 shows it was up 91% while the S&P 500 was up 71%.



Figure 2: Very Attractive-Rated Stocks Strongly Outperform the S&P 500: Last Five Years



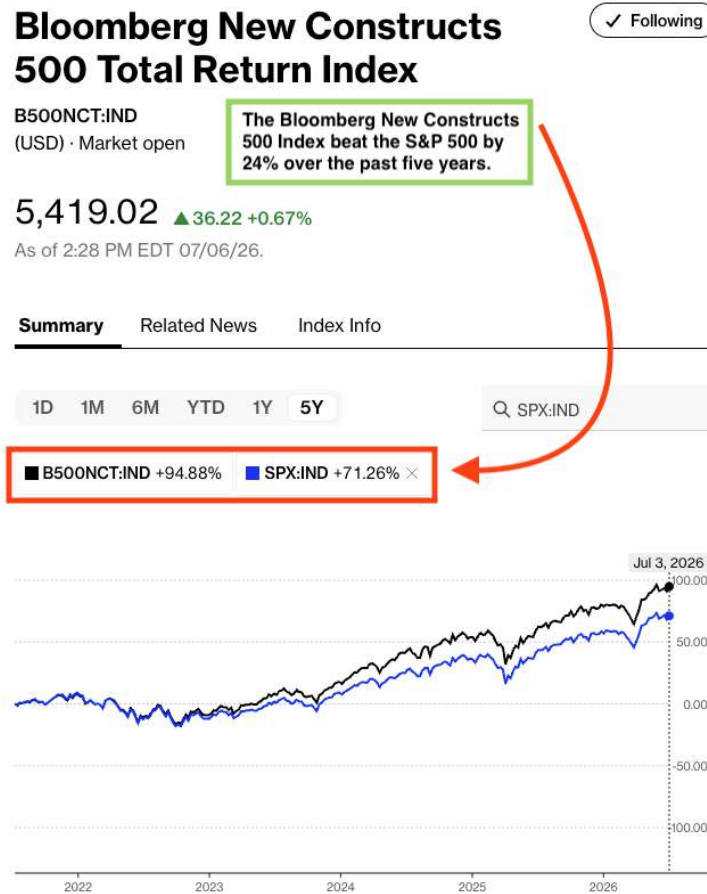
Sources: [Bloomberg](#) as of July 3, 2026

Note: Past performance is no guarantee of future results.

Our “Core-Earnings Weighted S&P 500” Index, which weights the largest 500 U.S. companies by Core Earnings instead of market cap, beat the S&P 500 by 24% over the past five years. Bloomberg’s official name for the index is Bloomberg New Constructs 500 Total Return Index (ticker: [B500NCT:IND](#)). Figure 3 shows it was up 95% while the S&P 500 was up 71%.



Figure 3: Bloomberg New Constructs 500 Index Strongly Outperforms the S&P 500: Last Five Years



Sources: [Bloomberg](#) as of July 3, 2026
Note: Past performance is no guarantee of future results.

Note that these indices are not available to the public. The only way to build strategies that achieve this kind of outperformance based on superior fundamental data is to be a New Constructs member.

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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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