PRIVATE CLIENT GROUP

NAVELLIER Calculated Investing

ZOMBIES ARE REAL

Authored by Jason Bodner,
Contributor to Marketmail, Navellier & Associates, Inc.

JULY 2019

Navellier & Associates, Inc.
One East Liberty, Suite 504
Reno, Nevada 89501

800-887-8671
info@navellier.com

www.navellier.com

NCD-19-753

ZOMBIES ARE REAL

They say: "It's better to be lucky than smart." But is it actually better to be dead than alive? I think most would agree that the answer is a definitive no. But when it comes to being a dead investor versus a living one, there is evidence out there that suggests we should all aspire to be zombie investors.

You see, there was a supposed study a few years back that sealed the proverbial nail in the coffin for the argument against living investors. We'll get to that in a moment, but just so we're clear, **zombies are real**. Maybe not so much in the *Walking Dead* sense, but as usual, we humans see things from our myopic, human-centric point of view.

True zombies aren't like the ones in horror movies. But they do exist in the animal kingdom. These animals don't come back from the dead, but sadly are doomed to die. Some of them have little control over their actions.

For instance, there's a zombie ant that roams the forest. Suddenly, it freezes, and a stalk grows from its head. The stalk then spews out spores that spread and turn other ants into zombies. The stalk is really a fungus. The spores infect more ants, perpetuating the zombie cycle.[1]

There aren't just ants, there are zombie spiders too. A wasp larva lives on its back and controls the spider's brain. It forces it to spin a special web which protects the larva as it matures to an adult wasp.[1]

Zombie fish flop around the water's surface, inviting birds to eat them. Zombie crickets, beetles, and praying mantises voluntarily drown in water. Zombie rats are drawn to the smell of cats waiting to devour them.1I'm not here to gross you out… well, maybe I am. But I am just pointing out that there are actual real zombies out there. This helps my case of why you should want to become a zombie investor. And if you're going to tell me that you're human, well there's actually evidence of human zombies too. Check out this invasion in Brooklyn.[2] Granted, that was an instance of self-inflicted zombie-ism through smoking too much marijuana, so maybe it's not a convincing example of human zombies.

But then there's the curious case of E. Wade Davis. He is an anthropologist whose real story inspired the 1988 Wes Craven movie *The Serpent and the Rainbow.* Davis went to Haiti to investigate the story of Clairvius Narcisse, who was supposedly a real zombie. One day back in 1962, Clairvius felt

1 https://www.sciencenewsforstudents.org/article/zombies-are-real
2 https://stm.sciencemag.org/content/9/375/eaam6048

unwell and checked into a local hospital. When he got there, things turned south quickly. He developed a fever, breathing issues, and he was convinced bugs were crawling all over his skin. Things took a turn for the worse and 2 American doctors pronounced him dead soon after. Sadly, Clairvius was buried a few days later.

The story should have ended there but let's fast forward to 1981. One day, Angelina Narcisse, Clairvius's sister, just saw him walking down the street. Narcisse had returned home to his village after 18 years of being dead. Interesting, to say the least.

Naturally, there's an explanation. Davis, through his research believed that Clairvius was given tetrodotoxin powder. It's pufferfish toxin that could have put Clairvius into a comatose state which might have fooled doctors into thinking he was dead. After his "death," the body was recovered and then given *Datura*, a powerful hallucinogen. Davis concluded that tetrodotoxin was key in simulating a victim's initial death, but it was Datura which brought amnesia and delirium. This kept him as a zombie for decades.[3] [4]

Clairvius Narcisse

Realunexplainedmysteries

THE ZOMBIE INVESTOR

So - what the heck do zombies have to do with investing?

Well, remember that I mentioned there was a supposed study done to prove why we want to be zombies? Supposedly, Fidelity once did a study to see which of their accounts performed the best over time[5]. They took all kinds of data into the study. In the end, they found there were 2 clear groups of clients

3 https://en.wikipedia.org/wiki/Wade_Davis_(anthropologist)
4 http://www.the13thfloor.tv/2016/02/17/real-zombies-the-true-story-that-inspired-the-film-serpent-and-the-rainbow/
5 https://www.businessinsider.com/forgetful-investors-performed-best-2014-9

that outperformed on a massive scale. Of the 2 groups, what they found was:

1. The top performing group was all deceased.
2. The 2nd top performing group hadn't logged in for 5 years+.

Boom! Case closed! And if you think about it, intuitively it makes sense. We all know inherently, that buy-and-hold is tough to beat long-term. All we have to do is look at the decades-long success of an investor like Warren Buffett. Of course Fidelity's best investors were dead! Only the living would make bad emotional decisions that would chew up their portfolios and vaporize returns. The dead-icy calm of being an unemotional buy-and-hold investor can only come from being, well - dead and icy. I told you we should all aspire to be zombies! Or at least we should forget our passwords for at least a few years.

Only there's a problem. The Fidelity study apparently never took place. No one at Fidelity acknowledged any such research, public or internal. Let's be honest, it's not likely that anyone there would forget a study showing that their best investors were dead.[6]

Disappointing as that may be, it doesn't negate the logic and intuitive sense in playing dead as an investor. In my own investing journey, I came to a similar approach to stock investment selection as Louis Navellier through a totally separate route. That's ultimately what brought us together. I noticed, when a stock is isolated for having certain traits, it continues winning over time. Superior sales and earnings growth, low debt, high profit margins, leadership in its business segment, and institutional support are among other things I look for. We have a saying in my research firm: TAGU. They All Go Up. Sifting through thousands of stocks, when we focus on ones with these superior traits, they tend to go up over time.

And time is what it takes. Time requires patience, and patience is typically the enemy of human nature. It's not innate to be patient and it definitely gets harder when money is involved.

Conceptually, it all makes sense. Start with all stocks, pick out the best ones (only a handful), buy those and then forget about them for 5, 10, 20 years, or more. Invest and then pretend you're dead.

I know this is a sure recipe to long-term wealth. Louis Navellier knew it before me. But let's ask the question anyway: Is it really smart to be a zombie investor?

---

6 http://financialuproar.com/2016/08/30/remember-fidelity-study-said-dead-investors-best/

Let's find out…

There are countless studies arguing both for and against buy and hold investing. Clearly, it's impractical to go over them all and it's well beyond the scope of this study. But one in particular does echo the mythical Fidelity study.

Michaela Pagel, assistant professor of finance and economics at Columbia Business School, basically says you should be a zombie. When looking at your retirement portfolio anyway. Her view is: the best thing you can do is forget about it.

"*Recent evidence suggests that investors either are inattentive to their portfolios or undertake puzzling rebalancing efforts,*" Pagel writes in her research study. "*History has shown us that the stock market is a relatively safe bet over the long term because it has typically grown. Investors would be wise to keep this in mind, because those that check their portfolio too often and are driven by the daily or hourly fluctuations in the market may make decisions that have a negative impact on their long-term financial prospects.*"[7]

Then if time is the enemy of the impatient man but it is the friend of the successful investor, we should search for our answer from a successful investor. Who better to ask than Louis Navellier?

This is a man who has spent 40+ years publishing equity research. By now you know his accomplishments well: He has an historically long string of successful newsletters. He has a multi-billion-dollar investment firm. He's been on CNBC countless times as millions want to know his view on stocks and the market. In short - the man knows how to pick stocks, but he's also an excellent zombie. He takes the universe of 4000 stocks and runs them through his proprietary screening process that looks for strong fundamental and quantitative characteristics to find the cream of the crop. His theory is, when you buy the cream of the crop you can be a zombie investor.

I asked him to tell me about the biggest winners he recalls in his 4+ decade career. He gave me four examples of stocks he spent time analyzing and he says they have certain things in common. He says: "*The stocks appreciating over time have been innovative, monopolistic companies that dominated their respective businesses. Essentially, these companies invented new markets and dominated their respective businesses until competition finally arrived.*"

---

7 https://www.thestreet.com/story/13014879/1/for-best-retirement-savings-results-ignore-your-investments.html

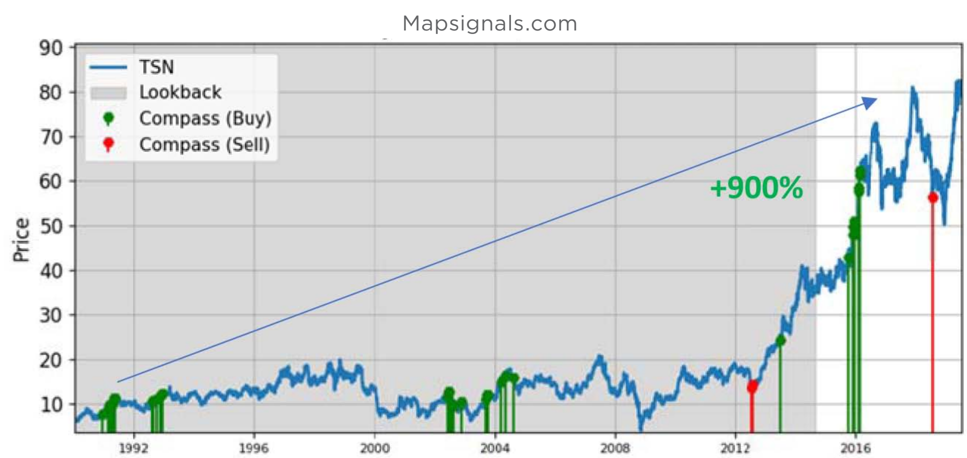
THE CHICKEN ZOMBIE

Tyson Foods was originally the supplier for McDonald's and figured out a new way to eat chicken 30+ years ago via McNuggets, which were initially made with high quality, chicken breast. In Canada, McNuggets were so popular, that chicken breasts were hard to find in the supermarkets. Supply was short because McDonald's was buying up all that were available.

In the U.S., where Tyson dominated the source of chicken breast to make McNuggets, the company started marketing "Chicken Chunks" which were basically some white meat with byproducts. These were not as high quality as the McNuggets made from chicken breasts that Tyson supplied to McDonald's. Between being the original McNuggets supplier and its own Chicken Chucks, Tyson invented a new way to eat chicken that persists to this day.

Tyson's dominance of the processed chicken nugget business eventually met with competitors. However, it was first to market and dominated the segment for four years. During that time, Tyson ruled the chicken nugget business. What's important is that its operating margins expanded and created windfall earnings. and Eventually, competition arrived, operating margins came under compression, so I recommended selling Tyson stock when the chicken nugget monopoly ended. The company had a competitive edge, and innovative product, and pole position in the market. There were ups and downs along the way, but until that leadership was jeopardized, there was no reason to exit the stock -- even if a bad news story came out one day and pressured the stock price. Being a zombie chicken nugget paid off in this case. In the chart below, you can see the power of staying committed when the conditions are right. Louis Navellier first mentioned TSN as a buy in a 2/1/1991 newsletter article.. By the time conditions changed and were not as favorable, the stock appreciated about 900%.

'Tyson Foods, Inc. Class A'



NAVELLIER'S PRIVATE CLIENT GROUP
www.navellier.com | info@navellier.com | 800-887-8671

THE HAIR DRYER ZOMBIE

Conair was Louis Navellier's newsletter recommendation and biggest winner of the 80s.

The company invented the handheld hair dryer business back in the early 1980s when "big hair" was the fashion. An investor who had participated in the IPO in 1972 would have netted +3,427% when it went private through the first leveraged buyout in 1985[8]. The proposed buyout price was around $24.50 per share[9]. That's one lucky zombie, but Navellier said Conair appeared on his radar later but between then and the buyout, the stock appreciated considerably.

Now, old handheld hair dryers were fragile, and frequent replacement helped keep sales figures healthy. As with any product, improvements also breed premium features and new models. Big hair meant more wattage. Power needs for the hair dryers rose from 800 watts through to 1,800 and more! The more powerful hair dryers got- the more expensive they got. And soon all kinds of "big hair" attachments were available at a premium. Conair was king of the hair-hill as everyone was upgrading to the latest and greatest big hair device. A turnaround began from prior ups and downs[10]. This fueled Conair's earnings explosion and the company had a nice monopoly. This lasted until competition arrived a few years later.

The truth is, being first to market on something that goes viral, means you can make a lot of money! Conair and Tyson Foods are prime examples of this.

THE CHINESE INTERNET RETAILING ZOMBIE

Louis talked to me about VIPS:

"Vishop Holdings is an online discount retailer in China that returned approximately 100% for clients in 2013/2014.The company initially beat Alibaba in discount clothing retailing and has tremendous customer loyalty. Vishop's operating margins steadily expanded for the two years that I recommended the stock and I only decided to sell when its operating margins peaked and finally came under compression. So like Tyson Foods taught me, while a company's operating margins are expanding, its market dominance persists and only when competition arrives does its operating margins come under compression.

8 http://www.fundinguniverse.com/company-histories/conair-corporation-history/
9 https://www.nytimes.com/1984/12/13/business/leveraged-bid-for-conair.html
10 https://www.nytimes.com/1981/11/04/business/market-place-turnaround-at-conair.html

How do we know if a company's margins are expanding? Simply put, as long as a company's earnings are growing faster than sales, its operating margins are expanding. For example, a company with 15% annual sales growth and 30% annual earnings growth is characterized by expanding operating margins. However, a company with 15% annual sales growth and only 10% annual earnings growth is characterized by contracting operating margins.

This is important because Louis noticed years ago that companies with expanding operating margins are much more likely to post earnings surprises! So, when a company's operating margins start to contract, he will likely be more inclined to sell a stock. For Navellier, "Operating Margin Growth" is one of his eight essential fundamental criteria he uses to calculate the Fundamental Grade in Portfolio Grader. These fundamentals help gauge the underlying "health" of a stock.

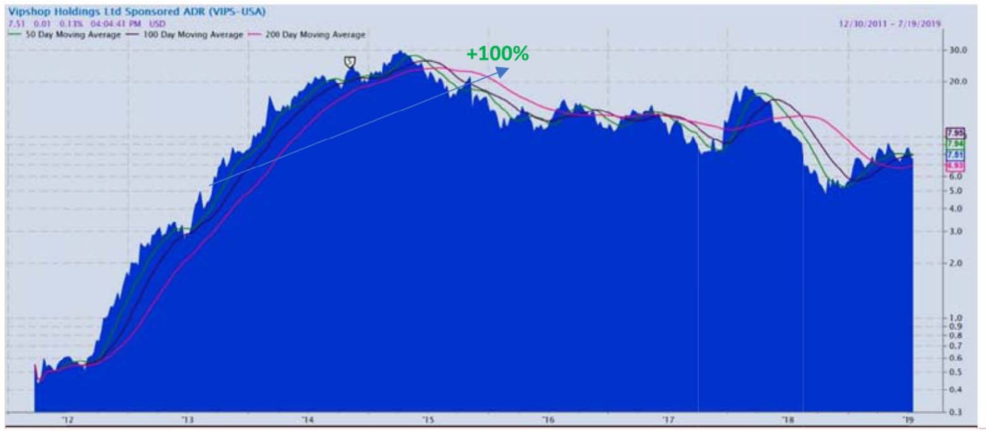
It's noteworthy that operating margins for the S&P 500 are contracting after expanding for three straight years. While a lot of companies are reporting impressive sales growth, earnings growth in excess of that is fleeting and now increasingly difficult to find.

Louis has a solution though: "*Fortunately, thanks to PortfolioGrader and the 4,000+ stocks that I screen and analyze each week, I have the resources to identify the crème de la crème that are still characterized by strong sales growth with expanding operating margins.*"

Remember what I said above: "*Conceptually, it all makes sense. Start with all stocks, pick out the best ones (only a handful), if you buy the best, then you can forget about them. Invest and then pretend you're dead.*"

Louis Navellier is a zombie investor.

Vipshop Holdings



THE ARTIFICIAL INTELLIGENCE ZOMBIE

This is the most exciting story since it is still underway. Navellier clients have seen profits on NVIDIA's stock from January 2016 to January 2019. NVIDIA dominates the graphic chip business.Its chips are very energy efficient, so they are ideal for mobile phones, tablets, and laptops. However, NVIDIA's artificial intelligence (AI) business has the potential to be much bigger long-term than its graphic chip business. This is why Navellier recommended the stock much earlier than most. He also believes investors should load up again in this stock just before Labor Day when its year over year comparisons will likely become much more favorable.

NVIDIA's big AI business breakthrough is in autonomous automotive technology. The company has been working with Audi and Stanford University to perfect self-driving cars.

Navellier loves cars and loves engineering even more. His son was an engineering student at Stanford when NVIDIA was perfecting self-driving cars. While visiting his boy, he spoke to a grad student working on an upgrade to ceramic brakes, since they will be slower to fade and easier to program.

The Artificially Intelligent Audi RS7, ROBBY, took Jay Leno around the Infineon Raceway in Sonoma, California. Leno was then allowed to drive the car and actually beat ROBBY's time! Leno's driving skills might inspire the final phase of the AI self-driving car programming for NVIDIA.

Navellier on NVDA: "*In the meantime, NVIDIA is now supplying Audi (VW Group), Mercedes, and other major car companies with all kinds of autonomous driving technology in vehicles that you can buy today. The latest autonomous* *driving developments on vehicles like the Audi e-tron are especially impressive, since the vehicle will stop for pedestrians that suddenly crossing the road. Unfortunately, these autonomous systems are not yet designed to protect passengers from deer or kangaroos jumping in front of cars, but when there is a deer/kangaroo proof system, I am betting that it will be developed by NVIDIA."*

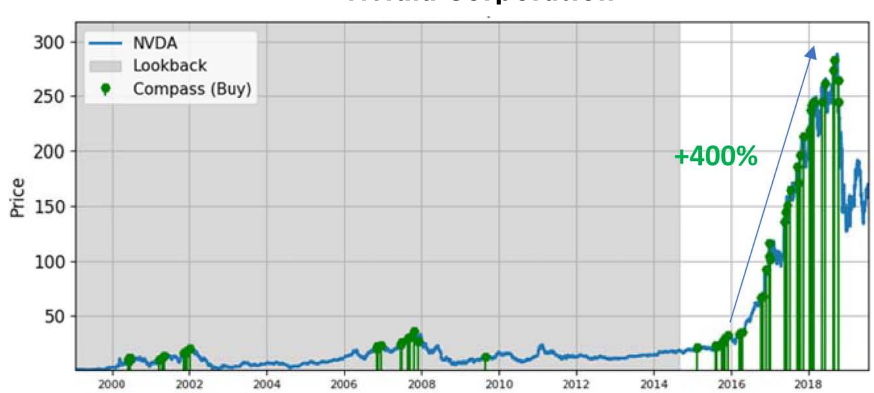
Long-term, NVIDIA's AI business will make driving much safer and will be standard equipment on virtually all vehicles. In the meantime, if you buy a premium Audi or Mercedes, NVIDIA is ready to help protect you and your passengers today. As a result, NVIDIA is by far the leader in AI and autonomous driving, so he expects that NVIDIA a decade from now will appreciate another 400% or more!

But again, the gains come over time and by understanding the big picture. Not becoming distracted is a big part of being a zombie. Identifying the big game-changers is the real analytical skill. But fortitude is the hard part. Being a zombie is one great way to sit back and let the magic happen.

Imagine if today you bought a chunk of stock in a leading innovator of AI technology proliferating through major car manufacturers. It's got growing sales, growing earnings, expanding operating margins, and a competitive edge. Then you became a zombie investor. If you woke up 18 years from now- where do you think a stock like that would be?

Please note: Navellier & Associates does not own VW Group in managed accounts and a sub-advised mutual fund. Louis Navellier and his family do not own VW Group, in personal accounts.

Nvidia Corporation



Mapsignals.com

SUMMARY

Navellier on how he finds potential game-changers:

"*There are some key factors to identifying the stocks that show profits of up to 1,000% over time. First, they must invent a new business/product and dominate that business for several years. Second, these monopolistic companies must be characterized by expanding operating margins; so, earnings growth faster than sales. Finally, these companies must build a great brand, so their customers know that they are market leaders and the experts in their respective fields.*

Essentially, we want to invest in the early innings of each company's monopolistic success story and monitor their market dominance. Thanks to PortfolioGrader, I am screening 4,000+ stocks each week and only come across these up and coming monopolistic companies every few years. I promise to keep you informed as I uncover new innovative, monopolistic companies as they emerge in PortfolioGrader."

There you have it, right from the zombie's mouth. It pays to be a zombie. Find the game-changers, buy 'em up, and then go "die" for a while…

Zombies have the luxury and advantage of time. When you're dead, you don't worry about dying. You don't really worry about anything I'd imagine. So I'm pretty certain you don't worry about your investments. And apparently that's just the stuff of a successful investor. Apathy and patience.

I wonder if Clarvius Narcisse emerged from his zombie fog a better investor. I can tell you one thing with near certainty: he would have crushed it. Let's assume he bought the S&P before his trip to the hospital in 1962. The S&P 500 close on Jan 1, 1962 was 69.07[11].

Sadly, the next day he died and then he wandered in his zombie fog for 18 years. When he awoke back in his village, the S&P 500 close on Jan 1, 1981 was 133.00[11].

11 https://www.multpl.com/s-p-500-historical-prices/table/by-year

S&P 500

DATE	S&P500	DATE	S&P 500 DIV YIELD	DIV REINVEST	RETURN %	$100 INVESTED
1-Jan-62	69.07	31-Dec-62	3.40%			
1-Jan-63	65.06	31-Dec-63	3.07%	67.27	-2.60%	$ 97.40
1-Jan-64	76.45	31-Dec-64	2.98%	78.80	21.11%	$ 117.96
1-Jan-65	86.12	31-Dec-65	2.97%	88.69	16.01%	$ 136.84
1-Jan-66	93.32	31-Dec-66	3.53%	96.09	11.58%	$ 152.69
1-Jan-67	84.45	31-Dec-67	3.06%	87.43	-6.31%	$ 143.05
1-Jan-68	95.04	31-Dec-68	2.88%	97.95	15.98%	$ 165.92
1-Jan-69	102	31-Dec-69	3.47%	104.94	10.41%	$ 183.20
1-Jan-70	90.31	31-Dec-70	3.49%	93.44	-8.39%	$ 167.83
1-Jan-71	93.49	31-Dec-71	3.10%	96.75	7.13%	$ 179.80
1-Jan-72	103.3	31-Dec-72	2.68%	106.50	13.92%	$ 204.83
1-Jan-73	118.4	31-Dec-73	3.57%	121.57	17.69%	$ 241.06
1-Jan-74	96.11	31-Dec-74	5.37%	99.54	-15.93%	$ 202.66
1-Jan-75	72.56	31-Dec-75	4.15%	76.46	-20.45%	$ 161.22
1-Jan-76	96.86	31-Dec-76	3.87%	100.88	39.03%	$ 224.14
1-Jan-77	103.8	31-Dec-77	4.98%	107.82	11.31%	$ 249.50
1-Jan-78	90.25	31-Dec-78	5.28%	94.74	-8.72%	$ 227.73
1-Jan-79	99.71	31-Dec-79	5.24%	104.97	16.32%	$ 264.89
1-Jan-80	110.9	31-Dec-80	4.61%	116.71	17.05%	$ 310.05
1-Jan-81	133	31-Dec-81	5.36%	139.13	25.46%	$ 388.98

SIMPLE RETURN	92.6%
COMPOUNDED DIV REINVESTED RETURN	**463.2%**

Source: multpl.com

Let's face it, a +93% return is not bad for a dead dude. But if he was a smart zombie who DRIPped his dividends (Dividend Re-Investment Plan), and compounded those returns, he would have had a +463% return. The original not-so-bad zombie average annual return of +5% would have become +25%/year. Now that's pretty awesome, *especially* for a dead dude.

Now just imagine he invested in stocks with superior sales and earnings growth and other aforementioned fundamentals... Rock Star Zombie!

Now we realize holding onto stocks over the long run treats us well. We saw it with a fake Fidelity study. We saw it with a real Columbia Business School study. We saw several compelling real-world examples from a great zombie investor, Louis Navellier.

We live in a world where an actual real-life human zombie Clairvius Narcisse could have crushed returns simply by being undead. Now we must revisit the question we began with. We all know it's better to be lucky than smart. But when it comes to investing - is it better to be alive or dead?

I'll be the zombie.

Every time.

IMPORTANT DISCLOSURES

The preceding commentary is the opinion of Jason Bodner and Navellier & Associates, Inc.

This communication has been provided to you for informational purposes only and may not be relied upon by you in evaluating the merits of investing in any Navellier investment strategy or composites. The net performance results portrayed include the reinvestment of all dividends and other earnings. Past performance is not indicative of future results, and there can be no guarantee as to the accuracy of market forecasts. *Opinions, estimates, and forecasts may be changed without notice. This material is not an offer, or a solicitation of an offer, to purchase any securities, including shares of any investment company. The views and opinions expressed are provided for general information only. The views and opinions expressed are those of Navellier at the time of publication and are subject to change. There is no guarantee that these views will come to pass. The statistical information presented in this communication is provided by Navellier Internal Research.*

Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. Investment in fixed income components has the potential for the investment return and principal value of an investment to fluctuate so that an investor's shares, when redeemed, may be worth less than their original cost. Dividend payments are not guaranteed. The amount of a dividend payment, if any, can vary over time and issuers may reduce dividends paid on securities in the event of a recession or adverse event affecting a specific industry or issuer.

One cannot invest directly in an index. Indices are unmanaged and index performance does not reflect deduction of fees, expenses, or taxes. Presentation of Index data does not reflect a belief by Navellier that any stock index constitutes an investment alternative to any Navellier equity strategy or is necessarily comparable to such strategies. Among the most important differences between the Indices and Navellier strategies are that the Navellier equity strategies may (1) incur material management fees, (2) concentrate its investments in relatively few stocks, industries, or sectors, (3) have significantly greater trading activity and related costs, and (4) be significantly more or less volatile than the Indices.

IMPORTANT NEWSLETTER DISCLOSURE: The performance results for investment newsletters that are authored or edited by Louis Navellier, including Louis Navellier's Growth Investor, Louis Navellier's Breakthrough Stocks, Louis Navellier's Accelerated Profits, and Louis Navellier's Platinum Club, are not based on any actual securities trading, portfolio, or accounts, and the newsletters' reported performances should be considered mere "paper" or proforma performance results. Navellier & Associates, Inc. does not have any relation to or affiliation with the owner of these newsletters. There are material differences between Navellier & Associates' Investment Products and the InvestorPlace Media, LLC newsletter portfolios authored by Louis Navellier. The InvestorPlace Media, LLC newsletters and advertising materials authored by Louis Navellier typically contain performance claims that do not include transaction costs, advisory fees, or other fees a client may incur. As a result, newsletter performance should not be used to evaluate Navellier Investment Products. The owner of the newsletters is InvestorPlace Media, LLC and any questions concerning the newsletters, including any newsletter advertising or performance claims, should be referred to InvestorPlace Media, LLC at (800) 718-8289.

Please note that Navellier & Associates and the Navellier Private Client Group are managed completely independent of the newsletters owned and published by InvestorPlace Media, LLC and written and edited by Louis

Navellier, and investment performance of the newsletters should in no way be considered indicative of potential future investment performance for any Navellier & Associates separately managed account portfolio. Potential investors should consult with their financial advisor before investing in any Navellier Investment Product.

Grader Disclosures: Investment in equity strategies involves substantial risk and has the potential for partial or complete loss of funds invested. The sample portfolio and any accompanying charts are for informational purposes only and are not to be construed as a solicitation to buy or sell any financial instrument and should not be relied upon as the sole factor in an investment making decision. As a matter of normal and important disclosure to you, as a potential investor, please consider the following: The performance presented is not based on any actual securities trading, portfolio, or accounts, and the reported performance of the A, B, C, D, and F portfolios (collectively the "model portfolios") should be considered mere "paper" or pro forma performance results based on Navellier's research.

Investors evaluating any of Navellier & Associates, Inc.'s, (or its affiliates') Investment Products must not use any information presented here, including the performance figures of the model portfolios, in their evaluation of any Navellier Investment Products. Navellier Investment Products include the firm's mutual funds and managed accounts. The model portfolios, charts, and other information presented do not represent actual funded trades and are not actual funded portfolios. There are material differences between Navellier Investment Products' portfolios and the model portfolios, research, and performance figures presented here. The model portfolios and the research results (1) may contain stocks or ETFs that are illiquid and difficult to trade; (2) may contain stock or ETF holdings materially different from actual funded Navellier Investment Product portfolios; (3) include the reinvestment of all dividends and other earnings, estimated trading costs, commissions, or management fees; and, (4) may not reflect prices obtained in an actual funded Navellier Investment Product portfolio. For these and other reasons, the reported performances of model portfolios do not reflect the performance results of Navellier's actually funded and traded Investment Products. In most cases, Navellier's Investment Products have materially lower performance results than the performances of the model portfolios presented.

This report contains statements that are, or may be considered to be, forward-looking statements. All statements that are not historical facts, including statements about our beliefs or expectations, are "forward-looking statements" within the meaning of The U.S. Private Securities Litigation

Reform Act of 1995. These statements may be identified by such forward-looking terminology as “expect,” “estimate,” “plan,” “intend,” “believe,” “anticipate,” “may,” “will,” “should,” “could,” “continue,” “project,” or similar statements or variations of such terms. Our forward-looking statements are based on a series of expectations, assumptions, and projections, are not guarantees of future results or performance, and involve substantial risks and uncertainty as described in Form ADV Part 2A of our filing with the Securities and Exchange Commission (SEC), which is available at www.adviserinfo.sec.gov or by requesting a copy by emailing info@navellier.com. All of our forward-looking statements are as of the date of this report only. We can give no assurance that such expectations or forward-looking statements will prove to be correct. Actual results may differ materially. You are urged to carefully consider all such factors.

This information is general and does not take into account your individual circumstances, financial situation, or needs, and is not presented as a personalized recommendation to you. This is for informational purposes only and should not be taken as an offer to buy or sell any financial instruments and should not be relied upon as the sole factor in your investment making decisions. Individual strategies discussed may not be suitable for you, and it should not be assumed they were or will be profitable. Investment in securities involves significant risk and has the potential for partial or complete loss of funds invested. Navellier & Associates, Inc. claims compliance with the Global Investment Performance Standard (GIPS) and has prepared and presented this commentary in compliance with GIPS standards. A copy of this verification report is available upon request. All investing is subject to risk, including the loss of your principal.

Navellier & Associates currently owns NVDIA but does not own Tyson, Vishop Holdings, or Conair in managed accounts and our sub-advised mutual fund. Jason Bodner does not own Tyson, Vishop Holdings, Conair, or NVDIA in personal accounts. Louis Navellier and his family own NVDIA in personal accounts but do not own Tyson, Vishop Holdings, or Conair. Navellier & Associates' ownership in Conair preceded GIPS compliance accounting.