

IBD's Take On The Market

AAIL LA Chapter April 15, 2023 Meeting, Skirball Center

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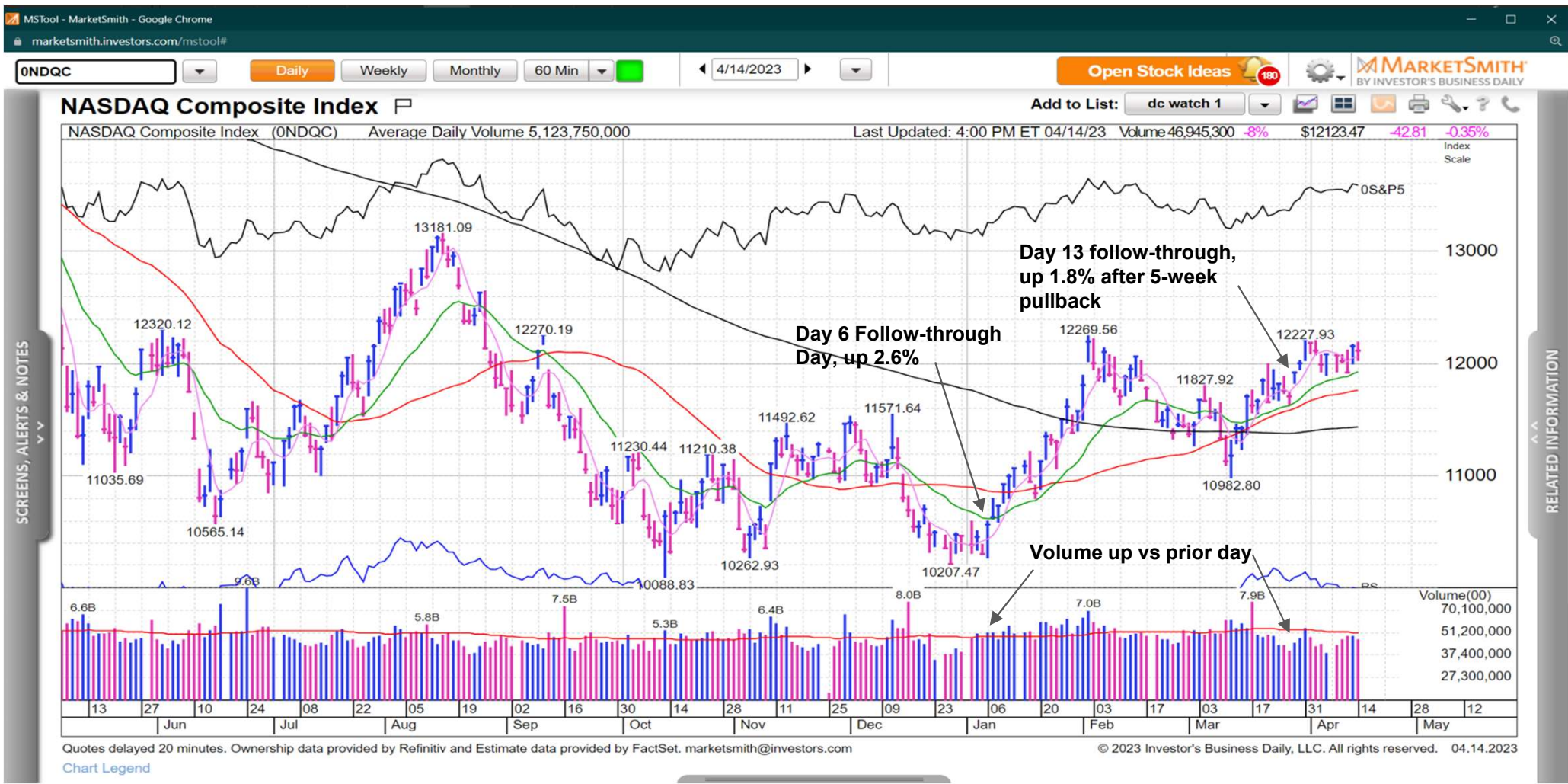
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Current Outlook: New Confirmed Uptrend, March 29



How 2023 Is Already Different From 2022

1. *Oil and gas stocks no longer outright leaders.* (Still true!)
2. *Could more money flow into the “dis-inflation sectors?”* (Yes! Check out consumer discretionary, semiconductors, enterprise software)
3. *Watch the moving averages of the indexes.* (S&P 500 vs S&P 600)
4. **Near The End Of The Fed’s Rate Hike Campaign? As US dollar cools, gold and silver rebound; cryptocurrencies top all investments so far in 2023.**
5. **Dave’s Top 11 Stocks To Watch**

This David's Top 11 Stocks

- 1) **ONON**: Athletic and 'business-casual' shoe maker; backed by Roger Federer; Sept 2021 IPO
- 2) **LULU**: In IBD Sector Leaders (fully automated list of CAN SLIM stocks up 22% YTD on price-weighted basis!)
- 3 & 4) **ANET, LNTH**: They also currently make the IBD Sector Leaders stock screen
- 5 & 6) **META, GOOGL**: Consumer spending plays; generative AI; tech bear market recovery?
- 7) **NVDA**: Top class stock in IBD's Fabless Semiconductor group, No. 1 among 197 industries

This David's Top 11 Stocks



By: Rachel Fox • Apr. 3

🏆 Stock of the Day

Taser Maker Holding Near All-Time Highs

Axon Enterprise

AXON

\$224.27
-0.59 (-0.26%)

Volume % Change: **-51%**

IBD's Composite Rating: **99**

Industry Group Rank: **11**

Chart Pattern: **Consolidation**

Why AXON?

Axon (AXON) is a supplier of Tasers, body cameras and cloud-based software to law enforcement agencies.

📌 **Leading Industry Group:** The firm is part of the security software industry group, which currently ranks a lofty No. 11 out of IBD's 197 groups. Tech stocks have been leading the market higher as the bank blowup forces the Federal Reserve to take it easier on interest-rate hikes. This has certainly helped firms like Axon.

🚀 **New Product Boosts Sales:** In January, the company received a nice boost in sales momentum after Axon unveiled its **new Taser 10 weapon**. The product nearly doubles its prior range up to 45 feet. It offers dramatic improvements in accuracy and effectiveness.

During the Q4 earnings call on March 2, Axon CEO Rick Smith said he's "never seen demand this strong in a new Taser launch."

Fundamental Analysis:

- Even before the Taser 10, Axon had seen revenue-growth acceleration.
- Its Q4 sales shot up 54.5% to \$336.1 million.
- Profit growth accelerated 52% year over year to 70 cents a

This David's Top 11 Stocks

- 8) **AXON**: CEO Rick Smith's moonshot goal
- 9) **MTD**: In IBD Long-Term Leaders; 95 Composite Rating, 90 Relative Strength; very stable earnings, steady profit growth seen in 2023, 2024.
- 10) **DXCM**: IBD Big Cap 20 profile (consider NVO's long-term success)
- 11) **TSLA**