

Interview with Ronnie Moas of Standpoint Research

Posted on 02/02/10 at 12:29pm by Ryan Glosier



Ronnie Moas, of Standpoint Research, is starting to make a name for himself as one of Wall Street's top analysts. He has made multiple appearances on Bloomberg, and has been quoted in The Wall Street Journal, The New York Times, BusinessWeek and Barron's. Ronnie founded Standpoint Research in 2003 after spending several years developing a proprietary 155-variable valuation and diagnostic model to assist him in generating equity investment recommendations. In addition to his quantitative model, Ronnie also uses proven fundamental and subjective overlays in his research.

His results speak for themselves. For the four years ending 12/31/09, Investar's has Standpoint Research ranked # 1 versus 75 financial institutions. Standpoint was also ranked # 1 versus 119 financial institutions in 2009 according to www.gainerstoday.com and # 5 versus 180 financial institutions in 2009 according to www.fool.com. Need more proof? Standpoint Research has beaten the S&P-500 by an average of 300 basis points for seven years in a row! Even more impressive is that he has accomplished this while staying fully diversified and not making big bets on specific sectors. So, on a risk-adjusted basis, these returns are extremely impressive.

I had the pleasure of interviewing Ronnie last week and we talked about his computer model, his historical performance, his future plans for Standpoint Research, as well as some specific stock selections and his views on the markets in 2010. When speaking with Ronnie, it becomes quite apparent that he is very passionate about what he does. I think that this is one of the reasons he is able to deliver consistent results year in and year out. He said that from a young age he was very good with numbers and that he is driven by the challenge of beating the market. For him, finance was a natural career choice.

Prior to founding Standpoint, Ronnie spent many years building, testing and refining his 155-variable model. This stock screening system combines fundamental, technical, valuation, accounting and proprietary variables. Standpoint's reports to clients highlight how a particular company's stock scores on each of these variables, but their relative significance is not disclosed. Other than that, the reports are very transparent. One important thing that Ronnie stressed to me was that he does not view his model as a fail-safe stock picking application. He said that Standpoint performs rigorous subjective and fundamental research on the securities that the computer model recommends before issuing weekly reports to clients that run several pages in length.

Standpoint's screening application is run on all 10 sectors of the market on a continuous basis and shows the most attractive stocks from each sector. Although the weight that Ronnie assigns to each variable is proprietary, I can give away one piece of interesting information of the model considers strong relative strength to be a contrarian indicator. If you would like to learn more about Ronnie Moas and his market beating performance over the last seven years, please visit www.standpointresearch.com. In the second half of our interview, we will cover some specific stock picks, as well as his outlook for the markets in 2010 and beyond. Stay tuned.

Interview with Ronnie Moas of Standpoint Research, Part II

Posted on 02/04/10 at 1:22pm by Ryan Glosier



In the second part of my interview with top ranked analyst, Ronnie Moas, of Standpoint Research, we talked about some specific stock picks as well as his view on the markets in 2010 and beyond. In [Part I](#) of our feature on Standpoint, we covered Ronnie's performance track record and quantitative methodology.

Currently, Standpoint has 73 open Buy recommendations -- down from their all-time high of 105 open positions at the market low in Q1, 2009. So what is Standpoint Research betting on this month and for the rest of 2010? Well, fortunately for our readers, Ronnie gave us some specific stocks that he is advising his clients allocate capital to right now. He also offered me his outlook for this year and beyond in the markets. On a sector basis, Standpoint has recently changed from a bullish bias to a more defensive stance. As such, he is overweight in the consumer staples and healthcare sectors and underweight in financials and technology. In consumer staples, Standpoint likes grocer SuperValu Inc, (NYSE: [SVU](#)). Shares of SuperValu have appreciated nearly 13% in the last month. In the healthcare complex Ronnie's favorite pick is Pfizer (NYSE: [PFE](#)). With its acquisition of Wyeth, Pfizer is currently the world's largest pharmaceutical company and a favorite of a number of prominent hedge funds. Standpoint is also recommending financial stocks New York Community Bank Corp. (NYSE: [NYB](#)) and MetLife (NYSE: [MET](#)). MET is the largest insurance company in the S&P-500. Despite being underweight technology, they have Buy ratings on Harris Corp. (NYSE: [HRS](#)) and Xerox (NYSE: [XRX](#)). Darden Restaurants (NYSE: [DRI](#)) and PetroBras (NYSE: [PBR](#)) are a couple of other names Ronnie mentioned. PetroBras is a \$170 billion integrated oil and gas company based in Brazil.

Ronnie told me that he thinks it is very unlikely that the markets will appreciate at anywhere near the rate they did in 2009. He said that at best, stocks may rise 10% this year, but that a worst-case downside scenario could trigger a drop of 20%-30% from current levels on the major indices. He is bullish about the longer term prospects of the stock market, however, saying that it is highly likely that the next 10 years will be much better for stocks than the last decade of negative real returns adjusted for inflation. He even said that the Dow could double during this time period, although he doesn't think there will be significant gains in the next couple of years.

If you are interested in learning more about Ronnie Moas and his terrific performance over the last seven years, I encourage you to visit www.standpointresearch.com. Also stay tuned to Benzinga.com, as we will continue to cover his picks and track his market sentiment.