

Stock Screening Cheat Sheet

Screening for stocks is one of many ways to discover new investment ideas. Stock screening is a tool that is highly utilized by investment professionals. Most people only have the time to research a few companies. With thousands of companies mentioned in newspapers, magazines, and television shows every day, it can be difficult to filter the information and decide which companies to research. Stock screening saves you research time by allowing you to eliminate companies that clearly do not meet your objectives.

Once you get comfortable with it, our screening tool is the most useful tool on the Zacks Elite. Below are step-by-step instructions on how to use the screener. You may want to print this out and try it yourself.

1. Log onto www.zackselite.com. If you forgot your username or password, simply call 800.767.3771. Once you are successfully logged in, click on the "Screening" tab in the center of the gray tabs along the top of the page.
2. In the 3rd paragraph, click on where it says "CUSTOM SCREENER"
3. On the new page, you will see it divided in two sides. On one side towards the top, you see a header that reads: "Select Category" and it has a pull down menu. This allows you to see the different categories of items to screen. Once you select the specific category, you will see the right side of the page change with the specific descriptors. For instance, if you choose "Zacks Rank" as a category, you will see the page on the right show you the specific definitions that fall under this category. We offer 96 different definitions with our screening tool, so if you see a term that you are unfamiliar with or if you want to see how we define it, then simply click on the word in blue, and it will pull up a description or you can download our Screening Glossary.
4. Now lets say that the first definition that you want to screen for is for stocks that have a an item "Current Zacks Rank." Directly to the right is a drop down menu. Select the equal sign from here. Then directly to the right of that, you will see a long rectangle; type in "1" there (It is not a pull down menu). After you have completed these steps, press on "Click Here to Screen" at the top of the page.
5. Now do you see where it says "Number of Companies" on the left hand side under the categories? It should say something around 200, depending on the day. This area will tell you the running total of companies that have matched your search criteria.
6. Now lets say you want to further refine your search with the companies that we have already set aside from our initial screen. Lets say that, amongst the companies that you've isolated you want to find those that pay a dividend amongst the 200 or so ZR #1 stocks. Select the Category "Fundamentals." On the left you will see it says "Dividend Yield." Leave the pull down menu at greater then or equal to (\geq), and in the third column type in the value of the dividend that you want to screen. After you have done this, hit "Click Here to Screen."
7. Now let us say that the final criteria that you are looking for, is a stock in a particular sector. On the right, see where it says "Sector," Using the pull down menu, select a sector that you have an interest in. Hit "Click To Screen."

8. Now you should be down to a manageable list. Do you see where it says "Run Report" on the bottom; click there. Now you will see a screen that enables you to select what information you want to receive on your screened stocks. For simplicity sake, just check 3 or 4 options. Maybe just the Current Price, 52 week high, and 52 week low. Scroll down to the bottom and click on "Submit Query."

9. Now you will see the stocks you have narrowed your search down to. If you click on any of the tickers it will pull up our stock research on that company.

You can see that by selecting just 3 criteria, we were able to go from thousands of stocks down to just a few. Can you see how this will save you time? What we then suggest is that you enter the stocks you buy into your portfolio, and you will start to get the email updates with those stock's Zacks Rank. If you see the Rank fall to a 4 or 5, then you know it is time to sell.