

## The Power 5: Trivariate's Best Research of 2024

As 2024 draws to a close, we take a moment to reflect on the key themes and insights that shaped the markets this year. At Trivariate, our mission has always been to deliver differentiated insights that stand out, empowering our clients to navigate the complexities of the U.S. equity market with clarity and precision. To that end, we're excited to share our **Top 5 Research Reports of 2024**—a curated selection of the ideas, analysis, and strategies that resonated most with our readers and defined the year. Wishing you a prosperous and alpha-generating 2025 filled with success, growth, and happiness—Happy New Year!

### 1. THE HIGHER THE BETA THE LOWER THE ALPHA

Dec 11, 2024

At Trivariate, we've analyzed the beta dynamics of the top 2,000 U.S. equities to uncover anomalies and assess alpha potential across beta deciles. Our findings reveal that mega-cap non-growth stocks have hit historically low betas, while sectors like Semiconductors show unusually high and dispersed betas. Most notably, our research confirms a 25-year pattern: the higher the beta, the lower the alpha—making beta a critical factor in navigating market returns.

Discover how beta impacts alpha, sector performance, and stock selection, and gain actionable insights for positioning your portfolio.

Read our full research note [here](#) and watch the corresponding video [here](#).

### 2. DO YOU WORRY ABOUT STOCKS AT 50X EARNINGS?

Oct 31, 2024

Costco's (Ticker: COST) valuation has soared to an all-time high of 50x forward earnings, driven by optimism around margin expansion and fee monetization. But what happens to stocks after they first reach such lofty multiples? Our research examines historical data on companies that have crossed the 50x threshold, revealing consistent multiple contraction and underperformance over time.

Explore our analysis to see why trimming positions six months after this "eclipse" might be a prudent strategy and view examples of stocks currently in this rarefied valuation group.

Read our full research note [here](#) and watch the corresponding video [here](#).

### 3. THE FIVE MOST IMPORTANT THINGS WE HAVE EVER RESEARCHED ON GROWTH STOCKS

Aug 12, 2024

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What separates winning growth strategies from losing ones? Our research reveals the five most critical insights for growth investors, including why high-quality, low-beta stocks consistently outperform and how lower forecasted revenue growth often leads to better returns.

Discover actionable takeaways, performance trends, and stock ideas that can help you navigate today's growth market with clarity and confidence.

Read our full research note [here](#) and watch the corresponding video [here](#).

## **4. WHAT CAN GO WRONG? ASSESSING THE CORRELATION OF RETURNS OF THE MAJOR GROWTH THEMES**

**Oct 17, 2024**

Are your portfolios aligned with the key themes expected to grow faster than GDP in the coming years? Our work dives into six critical growth themes—ranging from AI Semiconductors to Electrification Industrials—and examines their revenue trajectories, stock performance, and evolving correlations.

Learn how to optimize your exposure across these themes to balance risk and capitalize on future growth opportunities.

Read our full research note [here](#) and watch the corresponding video [here](#).

## **5. DID YOU KNOW THIS ABOUT LARGE CAP VALUE INVESTING?**

**Sep 26, 2024**

Curious about the future of mega- and large-cap value investing? This report dives into the shrinking universe of value names, the macro dynamics impacting performance during rate cuts, and why valuations may not be as attractive as they seem. Plus, discover the key signals for separating winners from losers and actionable long and short ideas to navigate this complex landscape.

Read our full research note [here](#) and watch the corresponding video [here](#).

## Important Disclosures

### Analyst Certification

The analysts, Adam Parker, Maxwell Arnold, Chang Ge, Colin Cooney and Ryan McGovern, responsible for the preparation of this research report certifies that: all the views expressed in this research report accurately reflect the research analyst's personal views.

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