Capital Appreciation - A rise in the value of an asset based on a rise in market price. Essentially, the capital that was invested in the security has increased in value, and the capital appreciation portion of the investment includes all of the market value exceeding the original investment or cost basis. Capital appreciation is one of the two main sources of investment returns, with the other being dividend or interest income.

Dow Jones Industrial Average - The Dow Jones Industrial Average is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the Nasdaq. The DJIA was invented by Charles Dow back in 1896.

Enterprise Value to EBITDA - Enterprise Value to Earnings Before Interest Taxes Depreciation and Amortization is a measure of the value of a stock that compares a company's enterprise value (market cap plus debt, minority interest and preferred shares, minus total cash and cash equivalents) to its earnings before interest taxes depreciation and amortization. EV/EBITDA is one of several fundamental indicators that investors use to determine whether a stock is priced well. The EV/EBITDA multiple is also often used to determine a company's valuation in the case of a potential acquisition.

Enterprise Value to Sales - A valuation measure that compares the enterprise value of a company to the company's sales. EV/sales gives investors an idea of how much it costs to buy the company's sales. This measure is an expansion of the price-to-sales valuation, which uses market capitalization instead of enterprise value. EV/sales is seen as more accurate because market capitalization does not take into account as well as enterprise value the amount of debt a company has, which needs to be paid back at some point. Generally the lower the EV/sales the more attractive or undervalued the company is believed to be.

Free Cash Flow - A measure of financial performance that expresses the net amount of cash that is generated for the firm, consisting of expenses, taxes and changes in net working capital and investments.

Growth Rate (3-5 Yr) - The amount of increase that a specific variable has gained within a specific period and context. For investors, this typically represents the compounded annualized rate of growth of a company's revenues, earnings, dividends and even macro concepts - such as the economy as a whole.

Expected forward-looking or trailing growth rates are two common kinds of growth rates used for analysis.

Market Cap - Market Capitalization is frequently referred to as "Market Cap." The total dollar market value of all of a company's outstanding shares. Market capitalization is calculated by multiplying a company's shares outstanding by the current market price of one share. The investment community uses this figure to determine a company's size, as opposed to sales or total asset figures.

Median - The middle number in a sorted list of numbers. To determine the median value in a sequence of numbers, the numbers must first be arranged in value order from lowest to highest. If there is an odd amount of numbers, the median value is the number that is in the middle, with the same amount of numbers below and above. If there is an even amount of numbers in the list, the middle pair must be determined, added together and divided by two to find the median value. The median can be used to determine an approximate average.

P/B Ratio - A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

P/E Ratio (Trailing 1 Year) - Price to Earnings ratio (trailing one year) is the sum of a company's price-to-earnings, calculated by taking the current stock price and dividing it by the trailing earnings per share for the past 12 months. This measure differs from forward P/E, which uses earnings estimates for the next four quarters.

P/E Ratio (Forward 4 Quarters) - Price to Earnings ratio (forward 4 quarters) is a measure of the price-to-earnings ratio (P/E) using forecasted earnings for the P/E calculation. While the earnings used are just an estimate and are not as reliable as current earnings data, there is still a benefit in estimated P/E analysis. The forecasted earnings used in the formula can either be for the next 12 months or for the next full-year fiscal period.

Portfolio Turnover Rate - The percentage of a mutual fund or other investment vehicle's holdings that have been "turned over" or replaced with other holdings in a given year. The type of mutual fund, its investment objective and/or the portfolio manager's investing style will play an important role in determining its turnover ratio.

Private Market Value - A method of valuing a company that looks at comparable transactions. Comparable transactions consider the past sales of similar companies as well as the market value of publicly traded firms that have an equivalent business model to the company being valued. To get a more accurate valuation, more than one comparable transaction should be used. This method of valuation can help identify the current value and potential growth for a company.

Return on Investment Capital - A calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments. The return on invested capital measure gives a sense of how well a company is using its money to generate returns. Comparing a company's return on capital (ROIC) with its cost of capital (WACC) reveals whether invested capital was used effectively.

Russell 2000 Index - The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000 is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set.

Russell 2000 Growth Index - The Russell 2000 Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics.

Russell 2500 Index - The Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe, commonly referred to as smid cap. The Russell 2500 Index is a subset of the Russell 3000 Index. It includes approximately 2,500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500 Index is constructed to provide a comprehensive and unbiased barometer for the small to mid-cap segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set.

Standard & Poor's 500 Index (S&P 500) - An index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

Companies included in the index are selected by the S&P Index Committee, a team of analysts and economists at Standard & Poor's. The S&P 500 is a market value weighted index - each stock's weight is proportionate to its market value.