The Top 3 Micro Catalyst TRADES TO BUY NOW

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By Steve Fernandez and Ian King
Editors of *Profit Point Alert*

THE stock market is only predictable to a point. We know this as investors, just as we also know that anything can happen, no matter how rock solid your strategy is.

That's why Ian King and I started *Profit Point Alert* — to remove the unpredictability from investing.

The truth is, certain stocks are special. They have a built-in timer of sorts that lets us know when a stock has the potential for major gains within a very specific time window. We call these micro-catalysts "Profit Points," or market events that can send an individual company's stock soaring.

With our unique strategy, we pinpoint these events and then capitalize on them.

Now that you're a member of *Profit Point Alert*, you get exclusive knowledge most investors aren't privy to — such as a stock's *Profit Point*, when to buy and when to sell for maximum profit margins.

Where there is innovation, there are profits to be made. I find this especially relevant in the diverse and ever-changing technology sector. With this service, my team and I identify companies in specialized, trending markets that can make a huge profit in a short amount of time.

Today, we have three companies we're recommending that are making moves with a purpose, cornering niche markets in the tech industry and prepping to explode in the near future.

Welcome to *Profit Point Alert*, and dive right into this special report for your new investment opportunities.

First, let's take a look at how our first stock pick in utility-scale batteries could power up an entire revolution in the energy market.

No. 1 — The Rise of Clean Energy in a World Run by Fossil Fuels

As the global population and economy grow, energy demand rises.

The global population is expected to climb 29% to nearly 10 billion by 2050. Global energy usage is expected to also increase 50% during the same span. Energy companies are going to see high demand, and their stocks will continue to offer generational wealth opportunities.

This has made energy stocks some of the best investments over the last few decades. And that will continue to ring true.

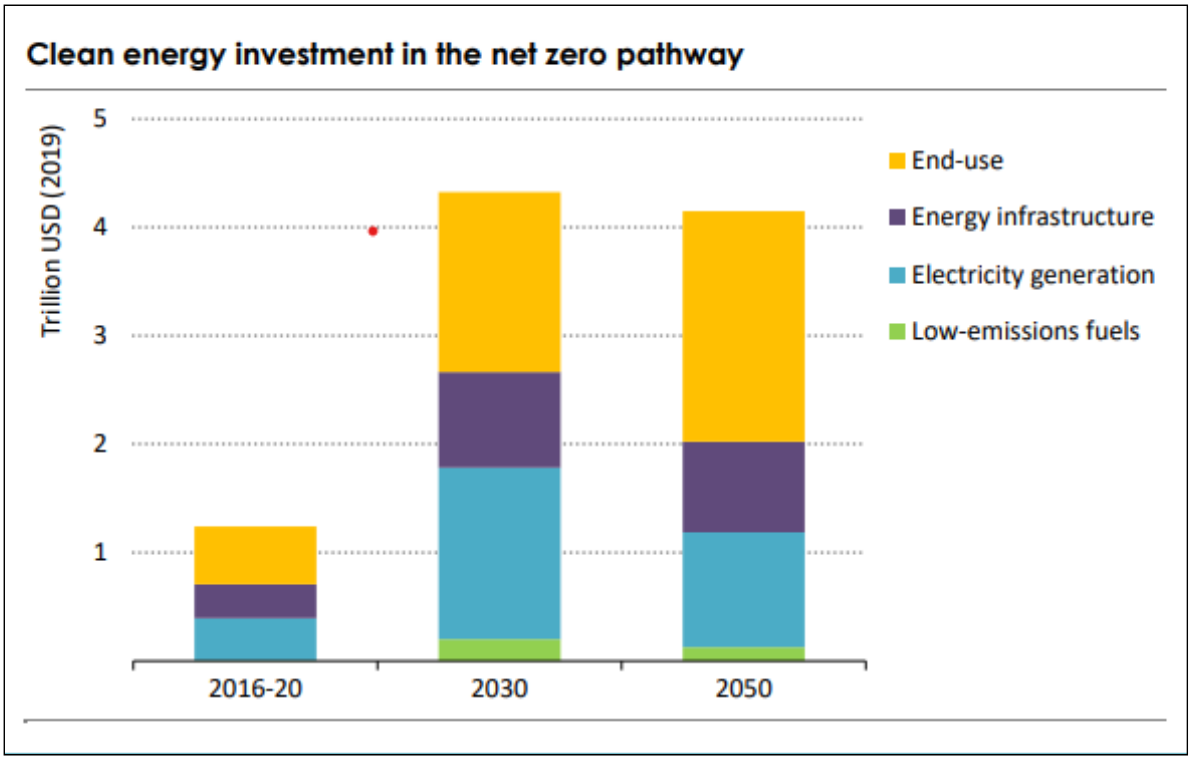
Except this time the winners will not be in the oil and gas industry. The winners of tomorrow will be clean energy companies, as they offer a lucrative alternative to nonrenewable fossil fuels.

Essentially, the global energy industry is undergoing a massive overhaul. Governments and corporations around the world are turning their backs on oil and gas, which have historically been our main energy sources.

The U.S., along with 20 other countries, pledged to cease financing for most oil and gas projects starting in 2022. Instead, they are pushing to adopt clean, renewable energy.

Even the United Nations is targeting net-zero emissions by 2050.

This will require annual investments in clean energy to more than triple, reaching $4 trillion by the end of the decade.



SOURCE: IEA.

Companies like Amazon and Microsoft lead the way, aiming to use 100% renewable energy by 2025. Traditional energy companies already see the writing on the wall, and several are cutting fuel production.

Even some oil and gas companies, such as BP, are participating in the clean energy transition.

By 2025, BP plans on allocating 40% of its spending to clean energy.

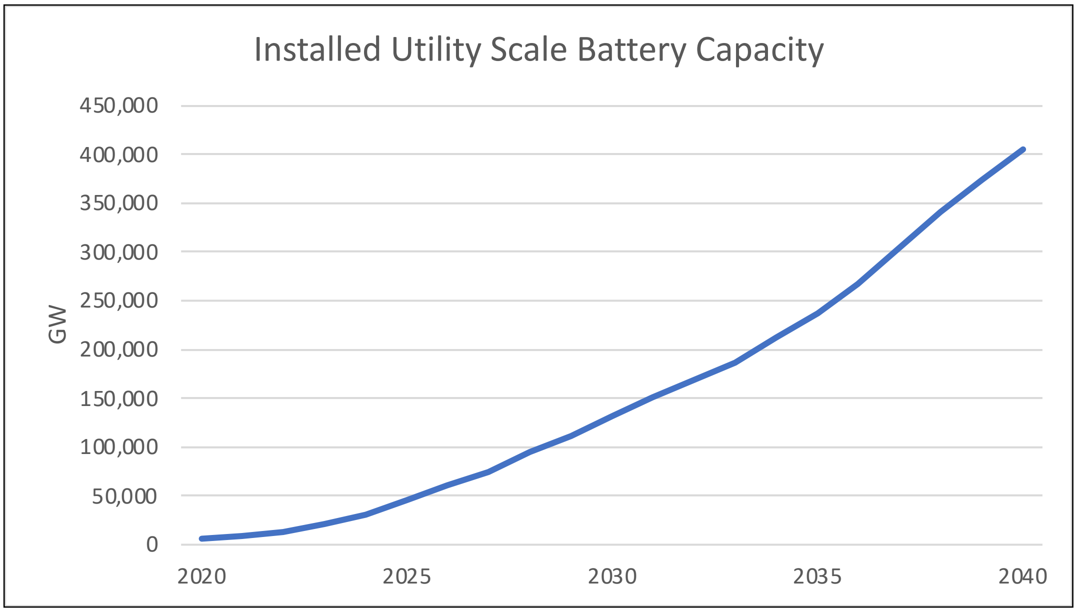
The transition to clean energy will rely on renewable energy sources like solar and wind.

But in order for clean energy stocks to grow, there will need to be a huge investment in battery storage.

Getting Clean Energy to Full-Scale With Battery Power

Of course, the sun and wind aren't always available. To make sure the energy they provide is always available, storage solutions are needed.

This is expected to send installed utility-scale battery capacity 14 times higher by 2030 and 44 times higher by 2040.



SOURCE: BloombergNEF.

Right now, 90% of utility-scale battery storage is dominated by lithium-ion batteries. This isn't surprising, as lithium-ion is already used in many tech devices, such as electric vehicles (EVs) and smartphones.

But lithium-ion's massive share of the utility-scale battery market is becoming problematic because lithium is a limited resource. And it's becoming harder to come by because demand has been higher than expected. This is causing a squeeze on lithium prices, which rose more than 600% in the past 18 months.

The team and I expect that EVs will account for 90% of vehicle sales by 2030, which means demand for lithium-ion will only increase from here — until supply catches up with demand.

To increase supply, lithium miners have to expand production capacity, but that process can take years to play out.

Lithium-ion batteries have high energy density, which means they offer high energy storage with a relatively lightweight battery. This makes them ideal for technologies like EVs and smartphones, where battery size and weight are important.

But lithium-ion isn't necessary for utility-scale battery storage. These batteries can be stationary, meaning the weight and size of the battery aren't as important.

This opens the door for other battery technologies, and that's where today's first stock pick comes in.

The Battery Alternative to Lithium-Ion

Eos Energy Enterprises (Nasdaq: EOSE) is a manufacturer of aqueous zinc batteries, which is an alternative to traditional lithium-ion batteries.

Eos's battery technology is "medium duration," with a three- to 12-hour discharge time. In comparison, lithium-ion batteries are meant to be "short duration," with a zero to three-hour discharge time.

Medium-duration batteries are ideal for renewable energy, and studies show they are the key to achieving a net-zero power grid: an electricity network that adds no greenhouse gases to the atmosphere.

As I mentioned earlier, lithium is a finite resource, which can limit the supply. But Eos's battery technology contains zinc, which is three times more abundant than lithium. This will balance supply as demand for storage increases.

Another advantage Eos's battery technology has over lithium-ion is that it doesn't require accompanying HVAC or fire suppression systems. Also, it has a lifespan of 20-plus years versus lithium-ion's 12-year lifespan.

And companies are taking notice. Eos has already racked up $150 million in order backlog. This is across 14 customers, including leading energy companies such as Ameresco and Duke Energy.

And that's not all. The company is expanding its manufacturing facility in Pennsylvania to meet demand, a move that will triple its output to 800 megawatt-hours. This will help Eos keep the momentum going as it generates more revenue from its backlog.

Eos Powers Up to Meet Demand for Clean Energy

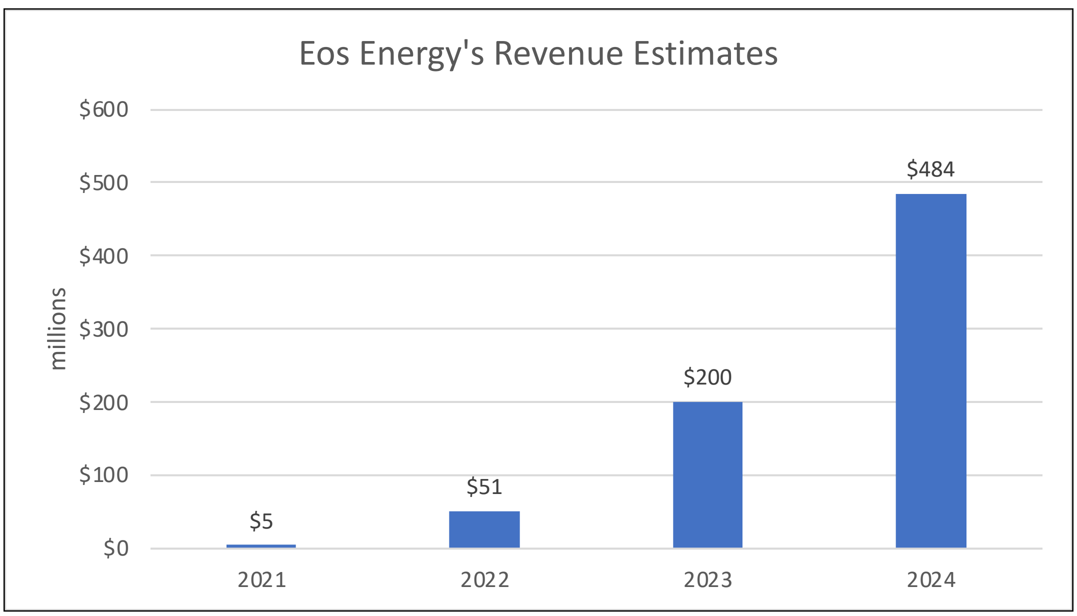
The majority of Eos's sales come from its current Gen 2.3 battery product. But the company has started producing a new and improved battery, the Z3.

Eos began testing the Z3 this past quarter and plans on launching it by the end of the year. The Z3 is one-third the size of its Gen 2.3 product and packs over 50% more power. The Z3 also boasts lower operating costs, since it requires less materials to produce and stores more energy.

Once the facility expansion is complete, and Eos has moved on to producing the Z3 at scale, its costs will be approximately 60% less compared to lithium-ion. Eos can then pass these savings onto its customers, which will add even more demand for its product.

In fact, I expect that the Z3 product launch will win hundreds of millions in new orders and will go down as the *Profit Point* for Eos.

We should see these orders come in the second half of 2022 as performance testing concludes. Wall Street expects Eos will end the year with just over $50 million in revenue, in line with management's expectations. Analysts expect revenue to grow quickly from there, with over $400 million forecasted for 2024.



SOURCE: Bloomberg.

Estimates suggest Eos will turn a profit the same year, with forecasts pinning earnings at $0.53 per share. The company's income will be rocky in the short term as recognition timing will vary, so it's important to pay attention to new orders and the overall trends.

Rather than wait until the year-end after Eos has secured new orders, let's buy shares ahead of its announcement.

Eos went public via a SPAC (special purpose acquisition company) merger in June 2021 and was initially bid up during the SPAC frenzy.

After quickly tripling to an all-time high in January 2021, its share price fell 90%. That pullback has given us an attractive entry price.

Rising fossil fuel prices and tensions with Russia have amplified the need for alternative energy sources and storage.

This puts Eos in the perfect position to help bolster the move to clean energy and can send Eos's shares soaring.

Action to take: Buy Eos Energy Enterprises (Nasdaq: EOSE).

No. 2 — Congestion on the Cyber Highway Leads to Big Innovation

The internet has changed the way people consume. Whether it be shopping online, streaming media or video gaming — people live online.

In these applications' early stages, people were more willing to look the other way on poor user experiences.

If a website was down, we tried again later. If streaming cut out every 20 minutes, we were still grateful to stream our favorite show. If videos, games and music were slow to download, we left and came back in a few hours.

Since they were innovative for their time, we had nothing to compare these experiences to. The bar for our expectations was low. But as the internet continues to advance, we demand more from it. We aren't patient with new tech anymore.

Our questions changed from, "Is it possible?" to "Is it fast, safe and easy?"

This is especially true for video streaming. In a 2020 survey by Nielsen, at least 74% of people considered ease of use, streaming quality and speed as the most important factors in choosing a video streaming service. These considerations were even more important than being ad-free.

Most consumers will abandon a stream entirely if the quality is poor. Over 85% of people will leave due to stalling or slow download speeds.

This puts pressure on companies to offer fast and high-quality content: from streaming and downloading, to just accessing a website, reading a blog article or making an online purchase.

Not only will people demand more, there will be an influx of new tech devices that enter the network.

Over the past five years, the number of connected devices surged from 16 billion to 27 billion. By 2025, the number of devices is expected to surpass 41 billion. This will create a huge burden on internet servers because the amount of data transmitted on a network increases with each connected device.

An overload of data creates congestion, which is basically a network traffic jam caused by too much data. Congestion leads to slowdowns, data transmission failure (like website crashes) and can even block new connections from a network entirely.

But our next stock pick is dedicated to solving this very problem.

The CDN Company Rebranding to Corner an Expanding Market

Limelight Networks (Nasdaq: LLNW) is a tech company providing content delivery network (CDN) services and security services to businesses.

CDNs are networks of servers that push content to users quickly. Data is taken from the main server and stored in servers in various geographic locations. This reduces the delay in data transmission, as users can access data from the server closest to their location.

Each of us interacts with a CDN every day without realizing it, as the majority of leading businesses are using several of them. As of March 2022, there were over 50,000 CDNs being used across the top 10,000 most visited websites.

Despite being a backbone for the internet as we know it, traditional CDNs are proving to be a tough business. The CDN market is highly competitive. Businesses have been undercutting each other on pricing, which has led to lower profit margins.

Limelight realized this and began expanding beyond traditional CDNs. The company will still maintain a revenue stream from CDNs, but now it's focusing on expanding into edge services.

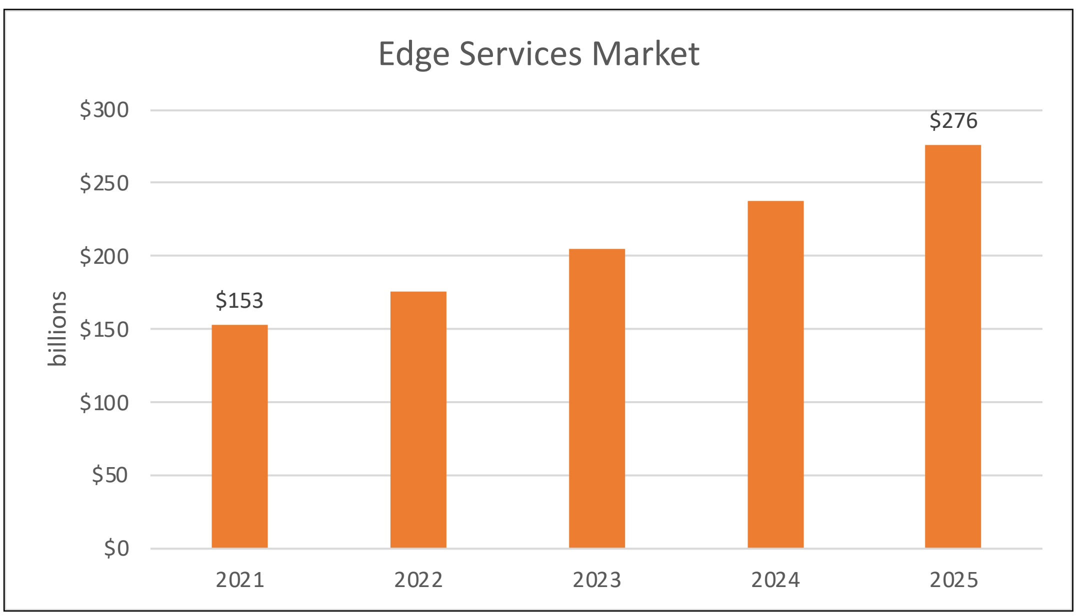
Getting the Edge on Network Traffic

Edges are places where data is collected away from the cloud. The cloud is a virtual environment created by centralized data centers and computer servers.

In the past, after data was collected, it had to be transferred to and processed in the cloud. Then instructions were transferred back to the devices on the edge. As the amount of data grows and the complexity of tasks increases, this process increases network congestion.

Network congestion limits the performance of time-sensitive applications, like self-driving vehicles, real-time video streaming and gaming.

Edge services take a different approach by collecting data and computing on the "edges," skipping the cloud entirely. This has made edge services ideal for real-time applications and a large, rapidly growing market. According to the International Data Corporation, spending is expected to reach $274 billion in 2025, up from $153 billion in 2021.



SOURCE: International Data Corporation.

Limelight is getting in on this action by completely rebranding itself as an edge services company.

It brought in Bob Lyons, an edge industry veteran, as CEO in February 2021 and has since made incredible moves to grow its platform. Lyons also brought with him three years of experience as CEO of Alert Logic, a cybersecurity company with over $100 million in revenue.

And in July 2021, Limelight acquired Layer0 for $55 million in cash and stock. Layer0 provides development, deployment and monitoring tools that deliver sub-second web apps and application programming interfaces.

With Layer0's contributions, developers can access Limelight's edge platform to preview content and deploy their applications instantaneously. This platform even takes care of basic cybersecurity needs.

But it's Limelight's *Profit Point* that will help us maximize profits.

The Future of Limelight

In March 2022, Limelight took another step to strengthen its platform and expand its customer base by acquiring Yahoo's EdgeCast business for $300 million in stock. After this merger is complete, Limelight will rebrand with the new name "Edgio."

I see this acquisition as Limelight's *Profit Point.*

EdgeCast is an edge content delivery platform that caters to digital media companies. By acquiring EdgeCast, Limelight benefits in a few key ways:

- Strengthening its CDN network while doubling the scale of its edge platform, ensuring its future in edge services.
- Cutting redundant costs by $50 million.
- Diversifying the company's revenue stream.
- Bringing a fresh customer base to Limelight.

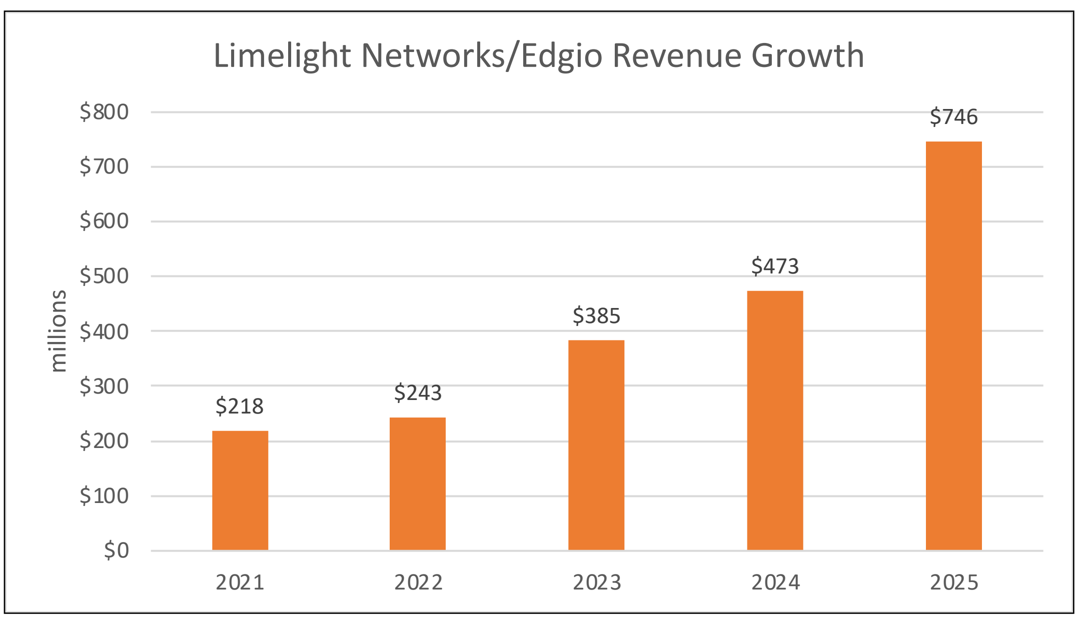
After the acquisition, Edgio will serve major customers such as Amazon, Twitter, Microsoft and TikTok. Not only will this generate cross-sale opportunities for Edgio, but it will also reduce its customer concentration risk (sales coming from just a few customers).

Limelight was facing a customer concentration problem before it bought EdgeCast. Previously, Amazon alone accounted for 29% of Limelight's revenue. After the acquisition, Amazon will only account for 12% of Edgio's revenue.

But even before the acquisition, Limelight was trending in the right direction. After seeing a decline in revenue between 2020 and mid-2021, Limelight posted record quarterly revenue in fourth-quarter 2021.

Management also expects a record year for 2022, calling for revenue up 10% to 15% from 2021.

What's more, Wall Street sees growth accelerating after the deal is done. Its forecasts have 2025 revenue reaching $700 million, more than triple its 2022 forecast.



SOURCE: Bloomberg.

Despite strong growth on the way, the market underestimates the company. With Limelight's recent momentum and its ability to upsell to new EdgeCast customers, the future for Edgio will most likely surpass Wall Street's expectations. We don't want to wait until then, so let's add shares now.

Action to Take: Buy Limelight Networks (Nasdaq: LLNW).

No. 3 — Where the Betting Game Meets the Tech Sector

Whether it be a cigarette, cocktail or roulette table, people gravitate toward their vices. And for better or worse, some very lucrative investments have been in companies that cater to this: people ready to indulge in their next fix.

Right now, the best vice industry to invest in is gambling.

The gambling industry has been battle-tested with periods of heavy regulation. But as we know, it found a way to continue.

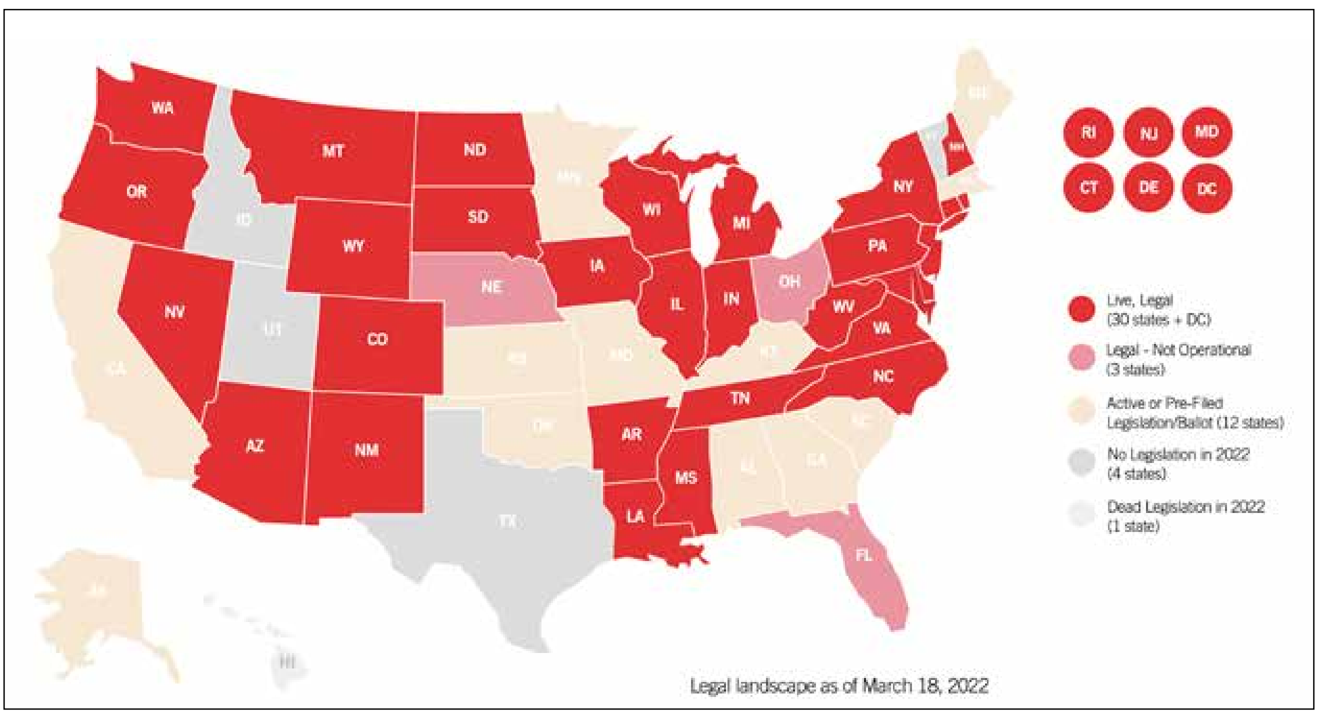
With gambling illegal in various states, the U.S. illegal gambling market is huge. Estimates from the American Gaming Association put it at around $150 billion.

But there has been a unified push in the U.S. to legalize more forms of gambling, and it's created a macro-catalyst in the sports betting industry: People want both physical and online sports betting legalized. And the government has realized it could generate hefty tax revenue from the industry.

So with both parties on board, new pro-gambling legislation is already in play.

Sports betting became legal in 20 states by the end of 2020. And by the end of 2021, 30 states launched legal sports betting.

This is only going to increase. As of March 2022, only five states were without sports betting or active legislation.



SOURCE: American Gaming Association.

As you could expect, the emergence of new markets has already propelled sports betting revenue much higher. In 2021, industry revenue came in at $4.3 billion, up 366% from 2020.

This means there is a huge investment opportunity here, especially in online betting. In states with legal online sports betting, many are seeing 80% to 95% of their total bet volume come through mobile apps (smartphones, tablets, etc.), indicating that the real opportunity is in mobile sports betting.

Even better, the market in mobile is still early, as it's only live in 19 of the 30 legal sports betting states.

Our last stock pick is taking advantage of this emerging market.

Betting Smart on Mobile Apps

Flutter Entertainment (OTCMKTS: PDYPY) is global sports betting, gaming and entertainment holding company. Flutter owns several leading brands, with over 14 million customers across more than 100 international markets.

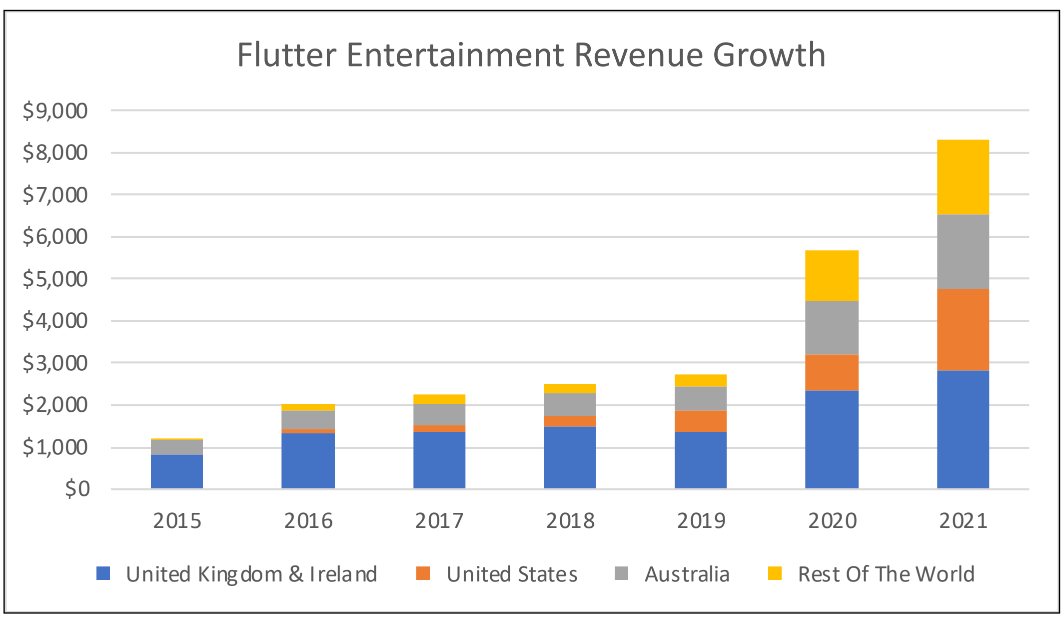
Flutter is perfectly positioned to capitalize on new gambling legislation and the industry's shift to mobile formats. The company has been taking strides to grow both its online and mobile presence with several key moves since it was founded in 2016, under the name Paddy Power Betfair.

In 2018, the company acquired fantasy sports and sports betting leader FanDuel, giving it an entry in the U.S. sports betting market. The next year, the company rebranded as Flutter Entertainment and acquired The Stars Group. This provided Flutter with the PokerStars brand, and made it the largest online gambling company in the world.

FanDuel Leads Flutter's U.S. Market Expansion

Flutter is actually considered an international company, since 77% of the company's total revenue comes from outside of the U.S.

However, Flutter's U.S. operations will see major growth over the coming years and could grow larger than its international business. Just consider that Flutter's U.S. revenue grew to $1.9 billion in 2021, an increase of 113% from the previous year.



SOURCE: Bloomberg.

Nearly all of this is from the company's FanDuel brand, which has developed a strong reputation. At the end of 2021, FanDuel held a 40% online sports betting market share. This makes it the largest online sportsbook in the U.S.

But FanDuel's market dominance didn't happen by accident. It has a strong media presence, in part due to its string of partnerships with organizations like the NBA and the Associated Press.

FanDuel also has built its brand through premier customer service. For example, FanDuel has been willing to honor stat corrections after games. If a league makes an official correction to a stat, it can change the outcome of a wager. FanDuel has paid out both sides of the affected bets.

On the other hand, competitors like DraftKings have taken a firm stance that it will not honor them under any circumstance. Bettors take these factors seriously when choosing where to place bets, especially the high roller customers.

That's exactly what we saw after New York launched its online sports betting. New York saw $1.6 billion in total bet volume in the same month its online market launched in January 2022, which set a national record.

FanDuel has maintained 35% to 40% market share in New York since then. But during that same time frame, Caesars saw its market share fall from 40% to below 20%.

This shows that not only do customers prefer FanDuel, but also that it can maintain leadership in the biggest markets. And other major markets are coming online that will only drive growth for FanDuel.

Flutter Is Approaching a *Profit Point*

We predict that Flutter will reach its *Profit Point* by the end of 2022.

That's when California, the most important market in the U.S., could see sports betting legalized. Since California has the largest population and economy in the U.S., it will likely be the largest market.

Californians could see four sports betting initiatives on the ballot in November 2022 if they garner enough support. But right now, only one is guaranteed to be on the ballot.

Another notable initiative is in the works, and of course, it's being proposed by sports betting companies, including FanDuel. This one would make mobile sports betting legal statewide.

If the proposal secures enough signatures by May 2022, it will be eligible for the November 2022 ballot. But regardless of the outcome, mobile sports betting is right around the corner for California.

In a survey from September 2021, 62% of Californians supported the legalization of mobile sports betting.

And with FanDuel's leading market position in the U.S. already, I expect it to be a leader in California when sports betting launches.

Legalization in California would provide a huge boost to Flutter's income and could unlock its *Profit Point*.

Betting markets aside, there is another catalyst on the horizon for Flutter that could spark its *Profit Point*. Flutter is planning to spin-off its FanDuel brand in 2022. This would make FanDuel its own publicly traded company.

The spin-off was originally slated for 2021 but was pushed back until this year. When definitive details about the spin-off become available, I expect the stock will rally.

Based on the strength of FanDuel's business and its publicly traded competitors' valuations, the spin-off will add value for Flutter shareholders.

DraftKings is the most similar company to FanDuel and has been trading on the Nasdaq since 2020. When FanDuel becomes a public company, it deserves an even higher valuation than DraftKings, since it's just fundamentally stronger.

It all comes down to growth.

FanDuel grew revenue 83% in the second half of 2021, which trumped DraftKings's 51% growth.

FanDuel is also expected to reach profitability in 2023 — much faster than DraftKings, which analysts believe won't become profitable until 2026.

As for share prices, FanDuel is extremely cheap for an online gaming business that has consistently generated profits year in and year out. But this means your potential gains on investment are even better.

With its *Profit Point* on the horizon, and Flutter's strong business, all signs point to buy.

Action to Take: Buy Flutter Entertainment (OTCMKTS: PDYPY).

It's Time to Invest Smarter, Not Harder!

Fast profits with big potential wins.

Here we have three *Profit Point* stocks that are getting ready to dominate the tech world's trending markets.

Our goal here is to cut your wait time on making the most money from an individual stock, but it's important to note that **all investments carry risk**. Never invest more than you can stand to lose. And some people will lose.

However, our *Profit Point* strategy allows us to utilize artificial intelligence, machine learning and data science to build a system which helps us identify stocks that are about to launch higher, using their market "micro-catalysts" as a tell.

We can pinpoint — even to the day — when a stock is poised to take off. So make sure to sign up for our text alert services so you never miss a trade! You can do so here.

For any other questions, please email me and my customer service team at ProfitPoint@BanyanHill.com.

In the meantime, follow along with our updates every Tuesday. That's where we go over the market and our *Profit Point Alert* positions.

Regards,

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