

**INVESTMENT FORUM AGENDA FOR WEDNESDAY, AUGUST 17, 2016, 10:30AM,
Lord of Life Lutheran Church, 5114 Twinbrook Road, Fairfax**

We are meeting at **10:30AM**, this week, at Lord of Life, in the Sanctuary. No registration is required. We will continue to meet on Wednesdays, at 10:30AM, at Lord of Life, through September 14

Market Perspective. In the three weeks since we last met, not a whole lot has happened in the markets. Typical for August, when folks, including stock traders, are at the beach. But the DOW, S&P, and NASDAQ are all at or near all-time highs. Year to date, the DOW is up 6.6%; the S&P is up 6.9%; and the NASDAQ is up 4.5%. Notably, the NASDAQ set an all-time high on Thursday, surpassing the previous all-time high in early 2000. A loooooong time ago!

Otherwise, economic news was mostly benign. Good jobs numbers, but weak growth numbers in the US. Not much new on Brexit, although the UK is starting to feel the adverse impact of its vote. Interest rates remain low; the Fed may raise rates again before year end. Oil prices have been slipping again.

Big Pharma. Owners of Bristol Myers (BMY) got a slap in the face, from the risks of drug development on August 5. An important cancer drug failed a late stage trial, and BMY lost 16%, or \$18 billion in market value, in one day. That same day, shares of Merck (MRK), which is developing a competing cancer drug, rose 10%. Overreactions? Let's talk about these stocks, the risks of big pharma, and whether the risks can be reduced for investors.

Future Topics. We will look at the following topics that you have suggested:

Utility stock prices. After a big run-up, is it time to lighten up on utilities?

Money market funds. Are there changes in terms that should concern us?

Banks. We have discussed banks quite a bit, but some of you want more.

Ongoing feedback of forum topics is always welcome. We will look at topics suggested in the survey, sometime in the Fall.

Buys and Sells

Buys - week of July 27

Verizon (VZ) - 2 buys

NextEra Energy Partners, LP (NEP)

Coca Cola (K)

Intel (INTC)

S&P Structured Note

Sells - week of July 27

General Electric (GE)

Beckton Dickinson (BDX)

American Eagle Outfitters (AEO)

Apple (AAPL) - after one day price bump

Sell to Open 01/19/2018, \$85 puts on Netflix (NFLX)

Sell to Open 10/21/2016, \$95 calls on Netflix (NFLX)

(translated, member owns Netflix, which he is willing to sell for \$95 until October, 2016, and is willing to buy more for \$85 until January 2018)

Sold Disney 7/15/2016 calls, expired unexercised

Sell to Open 09/26/2016 calls on Gilead (GILD) - before stock dropped \$7 :)

Options activity are by more than one member.

Thinking About . . .

Comcast (CMCS)

Selling Gilead (GILD)

Cempra (CEMP) - biotech. MC: \$1.2B

Al Smuzynski

Investment Forum Moderator

asmuzynski@verizon.net