

INVESTMENT FORUM AGENDA FOR WEDNESDAY, FEBRUARY 1, 2017 11:50AM,

Lord of Life Lutheran Church, Fellowship Hall

Market Perspective. DOW 20,000! The DOW finished the week above that level, and we know what that means. We will have our celebratory sheet cake sometime in the next few weeks, per Ed's decision.

Numerous article and have been written in the media, with charts depicting various milestones, and whether DOW 30,000 is likely anytime soon.

For the week, the DOW was up 1.3%; the S&P was up 1.0%; and the NASDAQ was up 1.9%. All are at or near record highs. The obvious question: is it time to get defensive?

Buys and Sells. I received (mostly) favorable feedback on last week's discussion of the Buys and Sells list. This week's list has some interesting names. We will spend some time this week talking about the names on last week's list, shown below.

Bonds and Bond Funds. Bond prices have dropped, as the Ten-Year Treasury has risen over 1% in the past six months. Is it safe to tiptoe back into the bond waters? We will look at current yields and price performance of bond funds.

Upcoming

Panel on 2016 Lesson's Learned. James Dann will lead a panel, where each panelist discusses his or her three best investment decisions in 2016, and three which did not work out so well, which could include missed opportunities. Let me know if you are willing to serve on the panel - we need two more.

Panel on When to Sell. Most investors have more difficulty deciding when to sell stocks, than when to buy. I would like to have a four person panel, who will discuss what criteria you use to sell stocks. Please let me know if you are interested in serving as a panelist. Ludwig Benner will moderate the panel.

Forum Moderator Needed. We need a Forum Moderator for next week, February 8 (Winter Term, 11:50AM, Lord of Life.) Is there a topic or investment that you want to discuss? This is your chance. I will help with agenda preparation and distribution.

Brenda Bloch-Young will be Moderator for the March 15, 2017 Forum. She will talk about tax reform (Speaker Ryan's Domestic-Based cash-flow tax) and economic policy changes which will impact the markets.

Buys and Sells.

Buys

Bank of America (BAC) - 2 buys
Baron Real Estate Retail Fund (BREFX)
Russell 2000 Value ETF (IWN)
Mueller Industries (MLI) - Industrial metals. MC: \$2.3B
Plains All American (PAA)
General Motors (GM)
MasTec, Inc (MTZ) - infrastructure. MC: \$3.2B
Hanesbrands (HBI)
Berkshire Hathaway (BRKB) - January 2019 160 puts, sell to open
Berkshire Hathaway (BRKB) - January 2019 160 calls, buy to open
Teck Resources (TECK) - commodities mining, sell to China. MC: \$14.5B
Republic Services (RSG) - waste. MC: \$20B
Waste Management (WM) - MC: \$31B
Target (TGT)
Qualcomm (QCOM)
Vanguard REIT ETF (VNQ)

Sells

Powershares Preferred Stock ETF (PGX)
Advantus Strategic Credit Income Fund (VBSIX)
Reynolds American (RAI)
Oracle (ORCL)
Procter & Gamble (PG) - Jim Cramer says hold, Goldman Sachs says sell. ??

Forum Resources

Investment Forum Website. The Investment Forum has its own website, www.olligmu.org/~finforum. Or the OLLI website, www.olligmu.org, and from the Main Menu, click on “Clubs, Group Blogs, and Ongoing Activities,” and then “Investment Forum.” The current agenda and previous agendas are posted, as well as articles in the financial press that members recommend.

Morningstar Dividend Investor. This newsletter comes out monthly, has a model portfolio of dividend-paying stocks and extensive current analyses of dividend stocks and perspectives on the market. A number of Forum members are avid readers of the newsletter. I will advise how you can receive copies of the newsletter. You can also access all Morningstar newsletter via the Fairfax County Library website, using your Fairfax County Library card number.

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