

INVESTMENT FORUM AGENDA FOR WEDNESDAY, MAY 10, 2017 11:50AM,

Lord of Life Lutheran Church

The Spring Term runs to May 17. The Forum will then meet as a “club” on May 24, May 31, and June 7, at 10:30AM, in Tallwood. The Summer Term begins on June 14.

Market Perspective. The S&P and the NASDAQ finished the week at new all-time highs, ignoring domestic and international headlines. For the week, the DOW was up 0.3%, the S&P was up 0.6%, and the NASDAQ was up 0.9%. First quarter earnings continue to be good, and the unemployment rate is down to 4.4%. Mr. Bear continues his long hibernation, but we all know that he will wake up someday!

Retail Sector. Ray Willson will look at the retail sector, its size, scope, recent concerns, performance and outlook.

Jensen Quality Growth Fund (JENSX). Time permitting. Tom Crooker will follow-up on a previous discussion of JENSX. This fund is *not* managed with the goal of beating the S&P 500 Index. Rather, it maintains a small portfolio (25 to 30 stocks) that each have delivered a minimum of 15% return-on-equity for at least the past decade without interruption, have wide economic moats, strong balance sheets, strong free cash flow, pay rising dividends, etc.. The manager of this fund appeared on the PBS *Nightly Business Report* last Friday with three of his top choices for current buying. These three stocks (Becton Dickinson, Emerson Electric, and Oracle) will be examined to determine whether they merit consideration in the current market. (If our discussion of the retail sector does not leave time for this topic, we will have it next week or shortly thereafter.)

Last Week's Buy Sell List. A member sold “everything.” Certainly a big decision, which could be driven by many things: discomfort with the current market, changing life situation, or many other reasons. I invite the member to share what drove the decision. If the member is willing to share but wishes to remain anonymous or is uncomfortable speaking, you can give me the reasons, which I will share with the group, without attribution.

Buys and Sells (week ending 5/3/2017)

Buys

Annaly Capital (NLY)

A. O. Smith (AOS) - water heaters. MC: \$9.6B

AT&T (T)

Enterprise Products Partners (EPD)

Fidelity Blue Chip Growth Fund (FBGRX)

Ford (F) - at 52 week low

Plug Power (PLUG) - hydrogen fuel cells. MC: \$512M

Sterling Bancorp (STL) or Ship Finance International (SFL)

Technology Sector SPDR ETF (XLK)

Vanguard Equity Income Fund (VEIPX)

Vanguard High Dividend Yield ETF (VYM)

Yum China Holdings (YUMC)

Sells

“Everything”

IShares TIPS Bond ETF (TIP)

Thinking About . . .

CVS (CVS) - buying

Marijuana stocks

Terra Nitrogen (TNH)

T. Rowe Price Personal Strategy Income Fund (PRSIX)

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