

INVESTMENT FORUM AGENDA FOR WEDNESDAY, MAY 24, 2017 10:30AM,

TALLWOOD, TA-1

The Forum will meet as a “club” on May 17, May 24, May 31, and June 7, at 10:30AM, in Tallwood. There is no registration for “club” meetings. The Summer Term begins on June 14.

Registration for the Summer Term (June 12 to July 28) runs from May 16 to May 24, 12 Noon

Market Perspective. The market’s resilience and shrugging off political high-drama came to an end yesterday, as we were meeting. For the day, the markets had their biggest one-day drop since last September. As I write this (Thursday morning, May 18) order seems to have been restored and stocks are up modestly. But who knows?

Tom Crooker will lead a discussion on the following.

- Investing is a forward-looking activity. But, correctly foreseeing future events and acting upon them in a proper and timely manner are two different challenges.
- There can be many reasons for individual investors to sell stocks, but two important ones are fundamentals and valuations. Recent history has provided examples that Forum members can easily recall.
- Comments on several prominent electric utility stocks. Consideration of fundamentals and valuations apply here.
- Additional perspectives on value investing. The May 13 issue of *Barron’s* (on the Investment Forum website) has an interesting article on value investing that offers some perspectives not previously introduced at the forum. Jim Dann will pair with Tom on the topic.

Business Development Companies (“BDCs”). BDCs, which I don’t believe have ever been discussed at the Forum, are “closed-end investment companies that invest in small and mid-sized companies.” We will look at what they do, and how they are structured and taxed, and several examples. BDCs have large distributions, but high risk.

Buys and Sells (week ending 5/17/2017)

Buys

Phillips 66 (PSX)

Enterprise Products Partners (EPD)

Enbridge Energy Management (EEQ)

Enbridge Energy Partners (EEP)

E.ON SE (EON) - German renewable energy. MC: \$15B

SAP SE ADR (SAP) - German software. MC: \$125B

Hanesbrands (HBI)

Emerson Electric (EMR)

Verizon (VZ) - add to

Kohls (KSS)

Vanguard FTSE Europe ETF (VGK)

Sells

Nuance Communication (NUAN)

PRA Group (PRAA)

Exact Sciences (EXAS)

Southern Company (SO) - partial

Al Smuzynski

Investment Forum Moderator

asmuzynski@verizon.net