

INVESTMENT FORUM AGENDA FOR WEDNESDAY, JULY 19, 2017 11:50AM,

LORD OF LIFE, FELLOWSHIP HALL

This is the last class of the Summer Term. We will be meeting as a “club” on July 26, August 16, 23, and 30, and September 6 and 13, at 10:30AM at Tallwood, TA-1. (OLLI is closed the first two weeks of August.) There is no registration for club meetings. The Fall Term will begin on Wednesday, September 20, at 11:50AM, at Lord of Life.

Market Perspective. Another week, more new all-time highs. For the week, the DOW was up 1.0%; the S&P was up 1.4%; and the NASDAQ was up 2.6%. We seem to be in a “Goldilocks” environment for investors, with economic conditions good enough to spur equity prices and corporate profits, but not so strong to cause frequent rate increases and monetary tightening by the Fed. There are reasonable arguments for most investment strategies: go with the momentum and buy; stay with what you have (aka “deer in the headlights”;) and getting defensive or selling.

Follow-up on recent discussions. First, I want to thank John Norris and David Toms for their excellent presentations the past two weeks, and the effort that you put into them.

We will follow up on some of the points made in the presentations. From John Norris’ presentation: his selections of small-caps, partnerships, REITS, and thinly traded investments, with large yields, deep value, higher risk, and requiring a high level of study and monitoring. Can investors with lower risk tolerance use his selection methods? From David Toms’ presentation: use of Beta for investment allocations, whether it is now time to go “risk off,” and market timing.

I have attached both John Norris and David Toms’ presentations to this week’s agenda. Their presentations are also on the Investment Forum website.

Buy-Sell List. Recent Buy-Sell lists have some unusual moves, including contrarian buys in the retail sector from this week’s list.

Buys and Sells (week ending 7/12/2017)

Buys

Ship Finance International (SFL) - yield 13.5%
Viacom (VIAB)
Yum China Holdings (YUMC) - add to
Verizon (VZ) - add to
Kroger (KR)
Costco (COST) - add to
Macy's (M) - 6.75% yield!
Digital Realty Trust (DLR)
L Brands (LB)
CVS Health Corp (CVS)
AT&T (T)
Energy Select SPDR ETF (XLE)

Sells

Whole Foods (WFM)
Verizon (VZ)
Ford (F)
General Electric (GE), Chevron (CVX) - partial sale
Target (TGT)

Thinking About . . .

Robo Global Robotics & Automation ETF (ROBO)
Verizon (VZ)
AT&T (T)
LyondellBasell Industries NV (LYB)

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