

INVESTMENT FORUM AGENDA FOR WEDNESDAY, AUGUST 29, 2018 10:30AM,

TALLWOOD, TA-1

We will meet as a “club” at 10:30AM, Tallwood TA-1, until the start of the Fall Term on September 19. No registration is needed for “club” meetings, and guests are welcome.

Market Perspective. The S&P and the NASDAQ both finished the week at all-time highs, and last week marked the longest bull market in history. Lets reflect on this remarkable run, and what happens now. (I joined OLLI and the Investment Forum in December, 2007, so my first 16 months in the Forum was during the great recession.)

For the week, the DOW gained 0.47% (up 4.33% YTD;) the S&P gained 0.86% (up 7.52% YTD;) and the NASDAQ gained 1.66% (up 15.10% YTD.) And the 2-10 spread fell to .19%, getting us closer to the inverted yield-curve.

Options follow-up. We will periodically have further discussions on options and what they can do. Follow-up observations or questions from last week’s discussion are welcome.

BBB rated bonds in corporate bond funds. Last week’s Barron’s had an article on the growing percentage of BBB rated bonds (the lowest investment-grade credit rating) in the corporate bond universe, and that this is a growing risk. Is it?

Buy and Sell List

Our Buy and Sell lists continue to provide a rich, and underutilized resource in Forum discussions, providing insights on real life investment decisions by our members. Let’s look at the last two lists, below. Several observations come to mind.

- Many of the buys are well-known blue chips or funds, expected of retirees’ portfolios.
- Others, though, have risks, are little known, or may be generated by specific goals. For example, Tandem Diabetes (TNDM) has had wild price gyrations, from a \$257 high to a \$2 low in the past five years.
- Energy investments are back in favor.

DOW 25,000 sheet cake. We will celebrate DOW 25,000, which happened some time ago, on September 12, at the end of class.

Buys and Sells

Buys (week ending 8/22/2018)

CenturyLink (CTL)

AGNC Investment Corp (AGNC) - Mortgage REIT. Yield: 11/2%

Invesco S&P 500 Equal Weight ETF (RSP)

AT&T (T)

Ford (F)

Tandem Diabetes (TNDM)

Buys (three weeks ending 8/15/2018)

Vanguard Short-Term Corporate Bond ETF (VCSH) - 2 buys - add to
Enbridge, Inc (ENB) - add to

Magna International (MGA) - auto components

Target (TGT)

Invesco S&P 500 Equal Weight ETF (RSP)

Berkshire Hathaway (BRKB)

Starbucks (SBUX)

MasterCard (MA)

MVB Financial (MV) - bank. MC: \$200M

Dominion Energy (D)

Ford (F)

AT&T (T) - 2 buys

Tandem Diabetes (TNDM)

Blackrock Global Allocation Fund (MALOX)

Enterprise Products Partners LP (EPD)

Enbridge Energy Management (EEQ)

Enterprise Energy Partners LP (EEP)

Magellan Midstream Partners (MMP)

Five9, Inc (FIVN) - cloud software. MC: \$2.5B

Buy to open Disney (DIS) 6/20/20 115 calls

Ventas (VTR)

Kimco Realty (KIM)

Gold ETF (GLD) - "nibble"

Vanguard Dividend Appreciation ETF (VIG)

Bank of New York Mellon (BK)

Sells (week ending 8/22/3018)

Omega Healthcare (OHI)

Bank of America (BAC) - partial sale

Blackrock Health Sciences Fund (SHSAX)

Shares Core S&P Mid-Cap ETF (IJH) - profit taking and rebalancing

Shares Core S&P Small-Cap ETF (IJR) - profit taking and rebalancing

Sells (three weeks ending 8/15/2018)

Nuveen Credit Strategies Income CEF (JQC) - partial sale

Southern Company (SO)

Sell to open 9/19/2018 AEP \$72.50 call option

American Eagle Outfitters (AEO)

Abercrombie & Fitch (ANF)

Jefferies Financial Group Inc (JEF)

Skyworks Solutions (SWKS)

Western Pacific (WPZ)

Kinder Morgan (KMI)

Sell to open Disney 6/20/2020 110 puts

VF Corporation (VFC)

Intel (INTC) - trim

Kohls (KSS) - trim

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