

INVESTMENT FORUM AGENDA FOR WEDNESDAY, OCTOBER 10, 2018 11:50AM,

**LORD OF LIFE LUTHERAN CHURCH, FELLOWSHIP HALL
5114 Twinbrook Road, Fairfax VA 22032**

The Forum Fall Term runs through November 7.

Forum Moderator needed for October 24. I can help prepare and distribute the agenda.

Market Perspective. A down week, with the DOW down less than 0.1%; the S&P down 1.0%, and the NASDAQ down 3.2%. The sharp rise in interest rates, and especially the ten-year Treasuries, drove markets. Long term rates moved up more than short term rates, which steepened the yield curve, and the spread between the two and ten-year Treasuries. Not all stock moves made sense. Tech was down big, but it is not normally interest-rate sensitive. Bank stocks were up, which is expected with the steeper yield curve. Utility stocks, which are interest rate sensitive, moved up, not down, which was puzzling. The last time interest rates moved up sharply was in early February, followed by a terrible rest of the month for stocks. Let's talk about this rise in rates, and what it means.

Real Estate. I will give a third discussion of real estate investing, continuing from several month's ago. My talk will be "AI buys a rental townhouse." I will pretend buy an actual property and pretend rent it out. We will tour the townhouse using Zillow, finance it, look at the cash flow from renting it, tax deductions, and how it might play out over time.

Upcoming

Charitable Trusts. On October 17, John Woods will discuss charitable trusts, their tax advantages and flexibility of donations. We will also talk about Tax-Free Direct Charitable IRA Distributions, which the new tax law may make advantageous to some taxpayers.

TIPS and Munis. Zach Teich will talk about municipal bonds and muni funds, on a date to be determined. I am still looking for speakers to discuss Treasury Inflation-Protected Securities, in response to several topic requests. If you own TIPS or munis, let me know. A TIPS bond fund, Vanguard Short-Term Inflation - Protected Securities Fund (VTAPX) was on last week's Buy/Sell list. We have a TIPS fund owner - show yourself

Buys and Sells

Buys (week ending 10/3/2018)

Tokyo Electron (TKY) or Teekay Corp (TKX)
S&P 500 index fund
Sell to open \$155 Salesforce (CRM) puts, expires 1/15/2021
SPDR S&P aerospace & Defense ETF (XAR)
Las Vegas Sands (LVS)
Micron Technology (MU)

Sells (week of 10/3/2018)

Harbor International (HAINX)
Procter & Gamble (PG) - "restoring growth remains a work in progress; valuation not justified"
Dreyfus/The Boston Company Small/Mid Cap Growth Fund (DBMAX)

Thinking About . . .

T. Rowe Price US Large-Cap Core Fund (TRULX)
British stock ETF or mutual fund

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

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