

INVESTMENT FORUM AGENDA FOR WEDNESDAY, OCTOBER 24, 2018 11:50AM,

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

The Forum Fall Term runs through November 7. We will meet as a “club” starting November 14, at 10:30AM, at Tallwood.

Ray Willson will be Forum Moderator this week.

Market Perspective. A wild ride last week, with big moves both directions, especially in the last half-hour of trading. For the week, not much changed, with the DOW up 0.4%; the S&P up a fraction; and the NASDAQ down 0.6%. Early earnings announcements are mostly positive, but woe to a company that misses. The reality of continued interest rate hikes is being priced in. A slowdown in China growth (for China) is a concern, and the stimulus from lower corporate taxes is wearing off. More concern is directed toward US budget deficits and their long term impact. And, of course, Mr. Bear is out there, waiting to pounce somewhere and some time. Lots to digest.

Yesterday (Saturday, October 19,) was the 31st anniversary of Black Monday, when the DOW dropped 508 points, or 22.7%. Still the largest one-day percentage drop ever, and equal to a 5,800 point one-day drop today. What were you doing, and how did you get the news during Black Monday? Not from your iPhone!

Non-Dividend Payers and a Mystery Stock. Tom Crooker will discuss the performance of non dividend paying stocks vs. dividend payers, and what this means. Then, he will describe a stock with metrics that will appeal to many of us, and (drum roll) reveal its identity at the end.

Government Economic Data Sources. Ray Willson will talk about economic data available from the Federal Government, where to find it and how to get it.

Charitable Trusts Qualified Charitable Distributions (QCDs) - follow up. Our discussion last week kind of went off the rails, and may have created confusion instead of understanding. John Woods, Brenda Bloch-Young, and I can (hopefully) clear up further questions you have. Just ask!

Upcoming

TIPS and Munis. Joseph Fagella will talk about Treasury Inflation Protected Securities (TIPS) - their basics and a TIPS fund, on October 31. Zach Teich will talk about municipal bonds at a date to be decided.

Managed Mutual Funds. Mutual funds have not gotten much love in the Forum lately. With \$18 trillion in assets under management, and several times larger than ETFs, plenty of folks still like them. James Dann will give some perspective on managed mutual funds, and ones he likes, on November 14.

“Smart Beta” ETFs. Please let me know if you have purchased or looked into “smart beta” ETFs. These are ETFs that use performance, diversification, and safety metrics to imitate managed funds. I would like to have a discussion of these funds.

Buys and Sells

Buys (week ending 10/17/2018)

Intuitive Surgical (ISRG) - robotic surgery. MC: \$1B
Westwood Holdings Group (WHG)
Fidelity Select Energy Fund (FSNEX)
Magellan Midstream Partners (MMP)
International Paper (IP) - MC: \$17.3B. Dividend Yield: 4.7%

Sells (week of 10/17/2018)

General Electric (GE)
Goodyear (GT)
ING Group ADR (ING) - Netherlands bank. MC: \$47B
Maxwell Technologies (MXWL) - energy devices. MC: \$121M
Fidelity Blue Chip Growth Fund (FBGRX) - “too much tech”

Thinking About . . .

McDonalds (MCD), Johnson and Johnson (JNJ) - “overvalued?”
General Electric (GE)

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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