

INVESTMENT FORUM AGENDA FOR WEDNESDAY, APRIL 3, 2019 11:50AM LORD OF LIFE, FELLOWSHIP HALL

The Investment Forum Spring Term runs to May 15, 2019, at 11:50AM, at Lord of Life.

Welcome to the Investment Forum. This is our second week of the Spring term, and we have several new members. I will offer the opportunity for new members to briefly introduce themselves. (All participation is voluntary, of course.) We want to get to know you! Most Forum members have been attending for many years, and how we operate may seem a bit intimidating to newbies. It will make sense after a while.

Market Perspective. Best first quarter in many years, gaining back most of the losses from the fourth quarter of 2018. YTD, the DOW is up 11.2%; the S&P is up 13.1%; and the NASDAQ is up 16.5%. Last week was not bad, either, with the DOW up 1.7%; the S&P up 1.2%; and the NASDAQ up 1.1%. Global growth remains a concern, along with Brexit and trade talks. And the yield curve . . .

Mergers, Acquisitions, and Business Combinations. I will talk about the structures of various business combinations, and risks and opportunities for investors. Those included mergers (one company buys another for cash, or stock exchange,) spin-offs (a company “spins off” a part of its business, with existing shareholders either receiving stock in the new company, or exchanging some of their shares for shares of the spun-off company,) or an IPO of the spun-off company. We will then look at a recent exchange offer (Eli Lilly and Elanco) and DowDupont (DWDP) splitting into three companies (Dow, Dupont, and Corteva.) The first of these spin-offs occurred on Monday, 4/1, so we can see how DWDP shareholders fared.

Garrett Ruhl will discuss rebalancing, ValueLine stocks of interest, and total return calculations, as time allows.

Upcoming

Funds. We have talked extensively about managed and index funds in recent months. I want to look at the structure of fund types: mutual funds, closed-end funds, and exchange traded funds (ETFs). How they differ in structure, how they are traded, valuations and premiums or discounts to net asset values, and risks and plusses of each.

Panel on Selling Stocks. I have misplaced names of panel members who have volunteered. Please let me know again, and we will agree on a date.

Forum website. Most Forum Powerpoint presentations are posted on the Forum website, along with agendas and news articles suggested by members.. The Forum website is www.olligmu.org/~finforum.

Forum Moderator needed for April 27. I will help prepare and distribute the agenda.

Buys and Sells

Buys (week ending 3/27/2019)

CVS (CVS) - 2 adds
Dominion Energy (D)
Salesforce (CRM)
ExxonMobil (XOM)
Bank of America (BAC) - add
Disney (DIS)
Financial Sector SPDR ETF (XLF)
Fidelity ZERO Large Cap Index Fund (FNILX)
Fidelity ZERO Total Market Index Fund (FZROX)
Fidelity Treasury Money Market Fund (FZFXX)
Verizon (VZ)

Sells (week ending 3/27/2019)

Apple (APPL) - partial
Costco (COST)

Thinking About . . .

Boeing (BA)

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