

**INVESTMENT FORUM AGENDA FOR WEDNESDAY, JUNE 12, 2019 10:30AM
TALLWOOD, TA-1**

We will meet as a “club” through
June 19, at Tallwood. The Summer Term begins June 26.

Market Perspective. What a difference a week makes! The Fed’s soothing comments on actions it may take to combat trade wars, sent markets soaring. For the week, the DOW was up 4.7%; the S&P was up 4.1%; and the NASDAQ was up 3.9%. Other news was mixed. Jobs’ numbers were disappointing, and other economic indicators pointed to slowing growth. Questions to consider:

Can Fed actions (mainly lowering short-term interest rates) offset the impact of tariffs and a trade war?

Was last week’s move up, a reaction to oversold markets in May?

What is the bond market telling us, as long term rates continue to decline?

How do we react to tariff talk, which might be threats (aka Mexico and immigration disputes) or might not - still unresolved issues with China.

Topics this week or carrying over to following weeks.

Bob Baker will follow up with the discussion of The Trade Desk (TTD). The buyer of TTD will be with us this week and is willing to discuss his reasons for buying, and the “secular growth” story. Bob will look at several other stocks from the Buy/Sell/Thinking About list (below.) Bob will then miss several weeks before returning (with a new hip) and resuming this part of the agenda.

Garrett Ruhl will look at several advertising stocks utilizing the latest in technology.

I will compare important metrics of 15 regional banks, most of which are full-service banks, but some are specialized.

I will also circle back to my previous “searching for yield” discussions from several years ago. I will look at preferred stock ETFs as a way to get yields in the high 5s, with modest price volatility. Later I will look at other bond funds, and convertible bonds.

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.

Buys and Sells

Buys (Week ending 6/5/2019)

Murphy Oil Corp (MUR) MC: \$4B. Yield: 4.2%
Park Hotels & Resorts (PK) - MC: \$5.5B. Yield: 6.5%
Tweedy Browne Global Value Fund (TBGVX)
Amazon (AMZN) - “small stake”
New Residential Investment Corp (NRZ) - “add”
Cardinal Health (CAH) - “add”
Microsoft (MSFT)
Schwab Short-Term US Treasury ETF (SCHO) - “add”
Vanguard Short-Term Corporate Bond ETF (VCSH) - “add”
Invesco Preferred ETF (PGX) - “add”

Sells (Week ending 6/5/2019)

Loews (L)
Mairs & Power Growth Fund (MPGFX)
Microsoft (MSFT) - “trim, take profits, rebalance”
Invesco Senior Loan ETF (BKLN) - “rising rates not likely”

Thinking About . . .

Cybersecurity: Zscaler (ZS), Cyberark (CYBR), Fireeye (FEYE)
OPKO Health (OPK)

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