

INVESTMENT FORUM AGENDA FOR WEDNESDAY, OCTOBER 21, 2020, 11:50AM

We will meet on-line, using Zoom webinar, at 11:50AM though the Fall term which ends on November 11. We will continue to meet after that date using Zoom until we are able to again meet in person.

The Zoom link is 82197098067, and the passcode is 357235.

Markets. A mostly up week (slightly) that did not tell us much. The DOW was up 0.1%; the S&P was up 0.2%; the NASDAQ was up 0.8%; and the Russell 2000 was down 0.2%. Same news as previous weeks: worrisome Covid and jobs' numbers; vaccine mixed signals; Federal stimulus efforts stuck; elections fast approaching and likelihood of political power shift. Earnings' season started, with banks reporting - good numbers but not reflected in bank stock prices. Other industries will be reporting starting this week, which should add clarity to how the pandemic is impacting profits.

This week's poll.

Question: Will the equity markets eventually succumb (decline more than 10%) to the pandemic?

- a) Yes
- b) No

Last week's poll.

Sector allocations.

Question: Have you changed your investment allocations to more heavily weight specific sectors, in the past six months?

- a) Yes - 42%
- b) No - 52%
- c) Not yet, but I expect to move to other sectors soon. - 6%

Topics this Week

Stock Selection. Sy Sherman will give Part 3 of his stock analysis discussion this week, which will compare stocks. This will be particularly useful to fund investors, or who rely on advisors, but who are thinking about buying individual stocks.

Bob Baker will review the buys and sells.

Upcoming Topics.

To Diversify, or Not. Most Forum members (I think) have diversified portfolios, either with funds, or 20 or more individual stocks - really a self-managed mutual fund, that is likely to track markets. They may “dollar cost average” - with smaller incremental buys over time. Others, though, buy a smaller number of stocks (10 or so) going all-in, a riskier strategy hoping their picks to “beat the market.” The panel will meet during the Fall term.

Health Care sector. In the Fall, Tom Kaufman will discuss the health care sector, followed by Jim Dann looking at health care managed mutual funds.

Mid-Caps and Small-Caps. Mid-Cap stocks (market caps of \$2 billion to \$10 billion) and Small-Caps (market caps of \$300 million to \$2 billion) have underperformed large and mega cap stocks since the Great Recession. Are they now worth owning? I will look at small and mid cap ETFs.

Buys and Sells

Buys (week ending 10/16/2020)

Berkshire Hathaway (BRK.B)

Vanguard Information Technology ETF (VGT)

Bed Bath & Beyond (BBBY)

Etsy, Inc. (ETSY)

Gilead (GILD)

AT&T (T)

Bank of America (BAC)

Essex Property Trust (ESS)

BlackRock Future Health ETF (BMED)

ARK Genomic Revolution ETF (ARKG)

Akamai Technologies (AKAM)

CareTrust REIT (CTRE)

Quanta Services (PWR)

Vanguard International Hi Dividend Yield Index ETF (VYMI)

Sells (week ending 10/16/2020)

Aurora Cannabis (ACB)

Wrap Technologies (WRAP)

Thinking About

Exxon Mobil (XOM) - sell

Gilead (GILD)

Bank of New York Mellon (BNY)

BNY Mellon Global Real Return (DRRIX)

IShares Real Estate Capped ETF (REM)

Investment Forum Website. The Investment Forum website may be accessed directly at <http://olligmu.org/finforum/index.html>, or through the OLLI website at oli.gmu.edu, then pressing the “Clubs/Groups” link at the upper right of the home page, followed by the “Inve\$tment Forum” link on the dropdown list. Please contact Jim Coile, the Webmaster with any presentation contributions, article suggestion, or improvements by emailing jcoile@gmu.edu. The website has current and past agendas and buy/sell list presentations.

Specific steps to access the Fairfax County Library website for premium services and newsletters can be found in previous agendas, posted on the Forum website.

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