

**INVESTMENT FORUM AGENDA FOR WEDNESDAY, OCTOBER 28, 2020,  
11:50AM**

We will meet on-line, using Zoom webinar, at 11:50AM though November 4. November 11 is Veterans Day; OLLI will be closed and we will not meet. We will begin meeting weekly as a “club” on November 18, at 10:30AM, until the beginning of the Winter Term on January 27, 2021.

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

**Markets.** A mostly down week, with the DOW down 1.0%; the S&P down 0.5%; the NASDAQ down 1.1%; and the Russell 2000 up 0.4%. Third quarter earnings reports are positive (86% of companies reporting so far have beaten expectations) but stimulus talks are off again, and any stimulus is unlikely until 2021.

Long term bond yields have been creeping up. The 2-10 spread (10 year Treasury yield minus 2 year Treasury yield) is now .70%, which signals positive business trends.

Thank you, Sy Sherman for your three weeks of stock analysis. Sy will give a similar presentation as an OLLI course in the Spring Term, 2021.

**Last week's poll.**

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

- a)** Yes - 52%
- b)** No - 48%

**This week's poll.**

Question: Can the stock market continue to rise because of the Federal Government's stimulus and Fed policy favoring low interest rates, or is there a limit to that source of asset inflation?

- a)** Yes
- b)** No

## **Topics this Week**

I did not collect buys and sell this week, as Bob Baker is not available. I will collect two weeks of buys and sells next weekend, which we will look at on November 4.

**Mid-Cap Stocks.** Mid-cap stocks, generally defined as market caps of \$2 billion to \$10 billion, have underperformed large and mega cap stocks since the recession. However, they have recently picked up. Is it time to buy mid-caps? I will look at the sector, and several mid-cap stock ETFs.

**Tax-Loss Harvesting.** Brenda Bloch-Young will look at tax-loss harvesting, using sales of investments with losses to offset taxable gains on other investments. Lou Coglianesse will look at on-line tools to identify surprise capital gains distributions in mutual funds.

## **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.

**Investment Forum website.** I will access it on-line, and we will see what is in it.

**Health Care sector.** In November or December, Jim Dann looking at health care managed mutual funds.

**Small-Caps.** 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-cap ETFs.

**Mortgage Funds.** i will look at mortgage funds, as a way to get yield, at least “yield” as defined in 2020.

**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](http://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](mailto: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.

Al Smuzynski  
Investment Forum Moderator  
[asmuzynski@verizon.net](mailto:asmuzynski@verizon.net)