

## Selected Portfolio Position Review: 04-22-20

Each week we produce a chart book of 10 of the current positions we have in our equity portfolio. Specifically, we are looking at the positions which warrant attention, or are providing an opportunity, or need to be sold. While the portfolios are designed to have longer-term holding periods, we understand that things do not always go the way we plan. This monitoring process keeps us focused on capital preservation and long-term returns. **HOW TO READ THE CHARTS**  
There are four primary components to each chart:

- *The price chart is contained within the shaded area of 2 standard deviations above and below the term moving average.*
- *The Over Bought/Over Sold indicator is in orange at the top.*
- *The Support/Resistance line (green) is the longer-term moving average which also acts as a trailing stop in many cases.*
- *The Buy / Sell is triggered when the green line is above the red line (Buy) or vice-versa (Sell).*

When the price of a position is at the top of the deviation range, overbought and on a buy signal it is generally a good time to take profits. When that positioning is reversed it is often a good time to look to add to a winning position or looking for an opportunity to exit a losing position. With this basic tutorial, we will now review some positions in our Equity Portfolio which are either a concern, an opportunity, or are doing something interesting.

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**ABBV - AbbieVie (Added)**

**ABBV** AbbVie Inc. NYSE

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Health Care / Biotechnology

Tuesday 21-Apr-2020

Open: **82.51** Ask: P/E: **15.22** Options: **yes**  
 High: **82.97** Ask Size: EPS: **5.28** Annual Dividend: **4.5**  
 Low: **80.02** Bid: Last Size: Yield: **5.60%**  
 Prev Close: **83.99** Bid Size: VWAP: SCTR (Large): **84.9**

▼ **-4.32%**  
 Chg: **-3.63**  
 Last: **80.36**  
 Volume: **9,622,531**



- The healthcare sector has continued to be one of our primary "supports" in the portfolio. We bought ABBV last year, and have added to the position since. 2013266080;
- Along with MRK, ABT, & JNJ we are positioning the portfolio into holdings that will continue to benefit from the COVID-19 virus in terms of revenues over the coming months. 2013266080;
- The recent rally has gotten ABBV a bit extended so we are looking for a pullback to the 200-dma to add to our holdings.
- Stop loss is set at \$65

**ABT - Abbott Laboratories (Added)****ABT** Abbott Laboratories NYSE

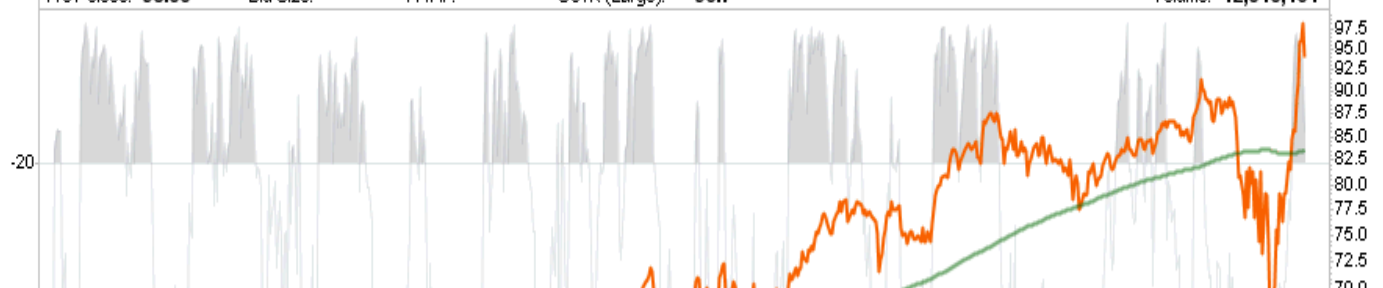
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Health Care / Pharmaceuticals

Tuesday 21-Apr-2020

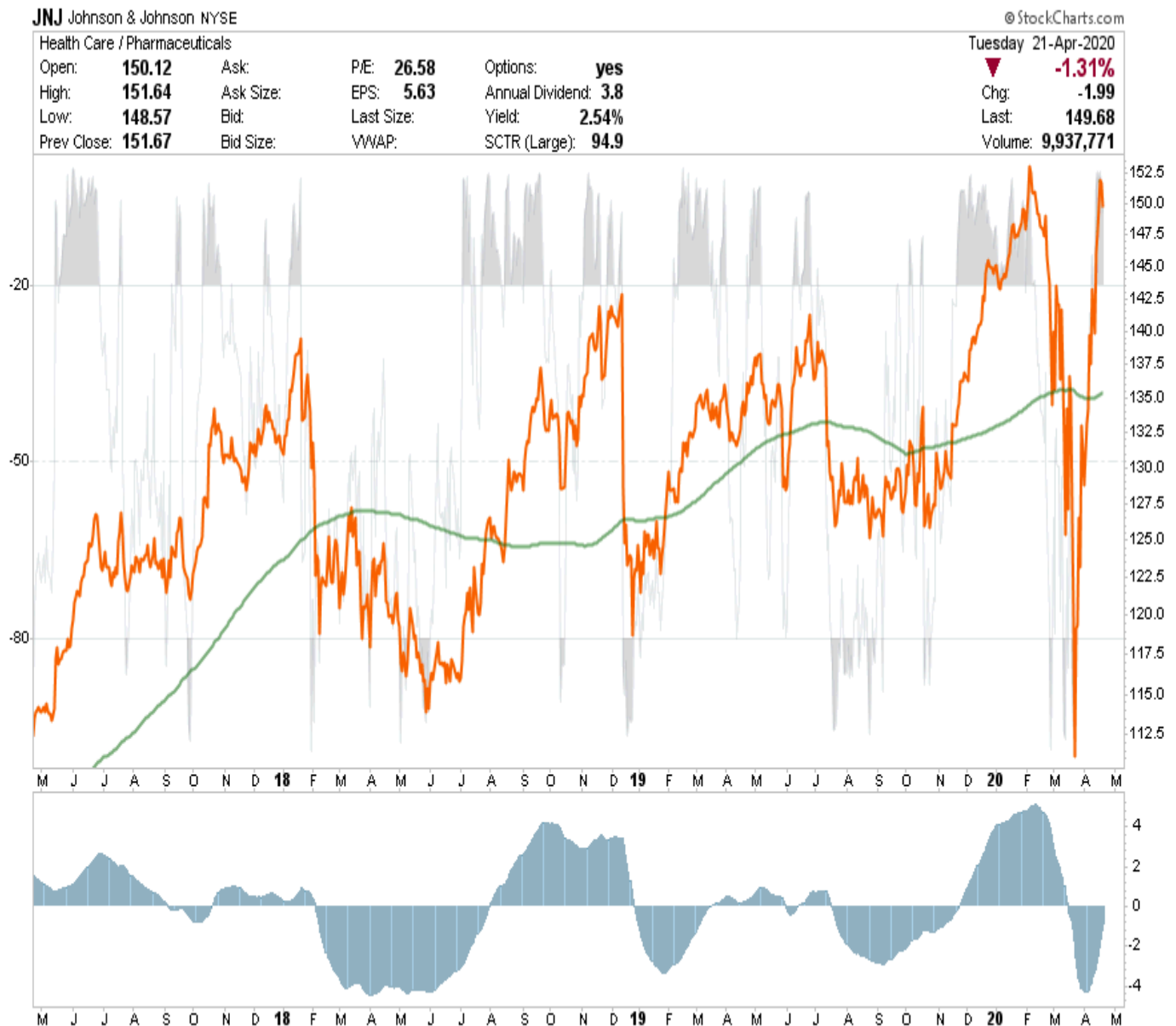
Open: **96.10** Ask: P/E: **45.64** Options: **yes**  
 High: **96.97** Ask Size: EPS: **2.06** Annual Dividend: **1.36**  
 Low: **93.62** Bid: Last Size: Yield: **1.45%**  
 Prev Close: **98.00** Bid Size: VWAP: SCTR (Large): **96.7**

▼ **-4.03%**  
 Chg: **-3.95**  
 Last: **94.05**  
 Volume: **12,010,161**



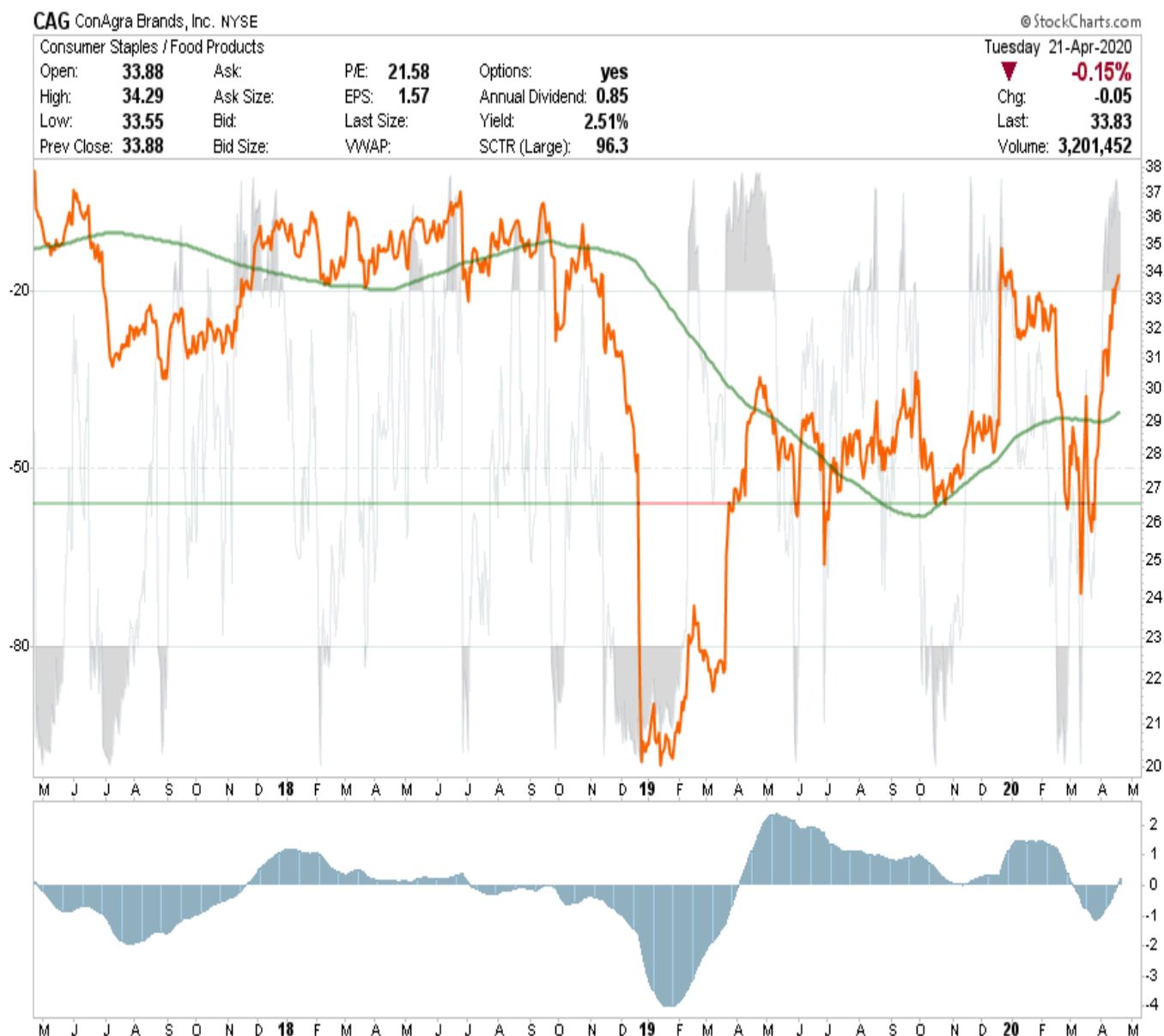
- As we did with ABBV, we previously took profits in ABT and have added back to the holding again.&#2013266080;
- ABT has been performing better than the market recently, and has broken out to all-time highs.&#2013266080;
- We like the company fundamentally as well. We will continue to build into the position on pullbacks in the market.
- We will look to add to our holdings at the previous breakout highs and the 200-dma.
- Stop is set at \$82.50

## JNJ - Johnson & Johnson



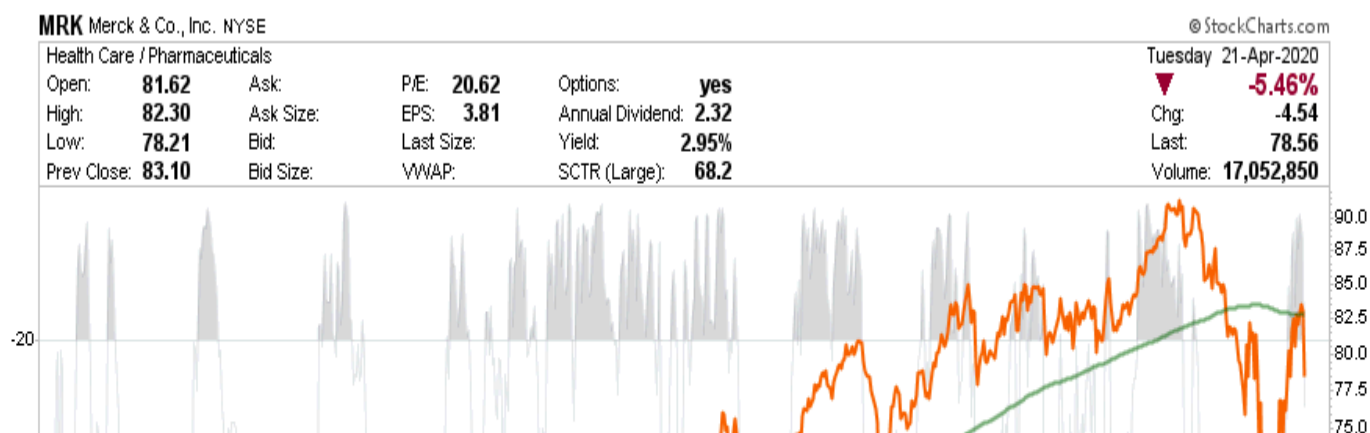
- JNJ is another long-term hold well positioned for the virus impact.&#2013266080;
- We added to position and will continue to build into the holding opportunistically.&#2013266080;
- Like most of our Healthcare positions, JNJ is stretched to the upside currently, so we need a pullback to add to our holdings.
- Stop is set at \$130

## CAG - Conagra Foods (Added 1/3 Position)



- We are positioning more into staples rather than discretionary as we go through this cycle. After adding to CAG it broke above the 200-dma and gained some traction. 2013266080;
- CAG is a bit overbought short-term so a pullback towards the 200-dma would be an opportunity to add to the position. 2013266080;
- Importantly, CAG has triggered a "buy signal" which improves our confidence in the position longer-term. 2013266080;
- Stop is set at \$28

## MRK - Merck & Co., Inc.



- As with our other healthcare related holdings, MRK held important support so we added a 1/3rd holding to portfolios.
- MRK ran into the 200-dma, and failed that test, and is overbought short-term. It is important that MRK holds minor support at \$77.50.
- We will look to add to the holding on a breakout above the 200-dma.
- Stop loss is set at \$65

## IAU - Gold (Added)



- There is very little doubt that what the Fed is doing will ultimately be "inflationary" down the road.&#2013266080;
- We have traded gold several times in our portfolio, but are now looking to build a longer-term stake in the metal for that eventual outcome.&#2013266080;
- We currently carry about 1/3rd of our total position and will continue to add on pullbacks to support.&#2013266080;
- Stop is set at \$14.00

## CLX - Clorox Co.

**CLX** Clorox Co. NYSE

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Consumer Staples / Nondurable Home Products

Tuesday 21-Apr-2020

|                           |           |                   |                              |
|---------------------------|-----------|-------------------|------------------------------|
| Open: <b>193.37</b>       | Ask:      | P/E: <b>29.98</b> | Options: <b>yes</b>          |
| High: <b>193.37</b>       | Ask Size: | EPS: <b>6.36</b>  | Annual Dividend: <b>4.14</b> |
| Low: <b>189.71</b>        | Bid:      | Last Size:        | Yield: <b>2.17%</b>          |
| Prev Close: <b>191.37</b> | Bid Size: | VWAP:             | SCTR (Large): <b>96.1</b>    |

▼ **-0.31%**  
 Chg: **-0.60**  
 Last: **190.77**  
 Volume: **1,559,605**



- *CLX has performed exceedingly well during this correction in the market. It is currently overbought but has continued to hold support levels.*
- *We added 1/3rd of a holding to portfolios and will continue to add accordingly on pullbacks.*
- *CLX ran into previous highs and has stalled at that level. A breakout to new highs would be encouraging but CLX is extremely overbought short-term. We are looking to use a pullback to the rising trendline to add to our holdings if it holds at \$170.*
- *Stop is moved up to \$155*

**XOM - Exxon Mobil**

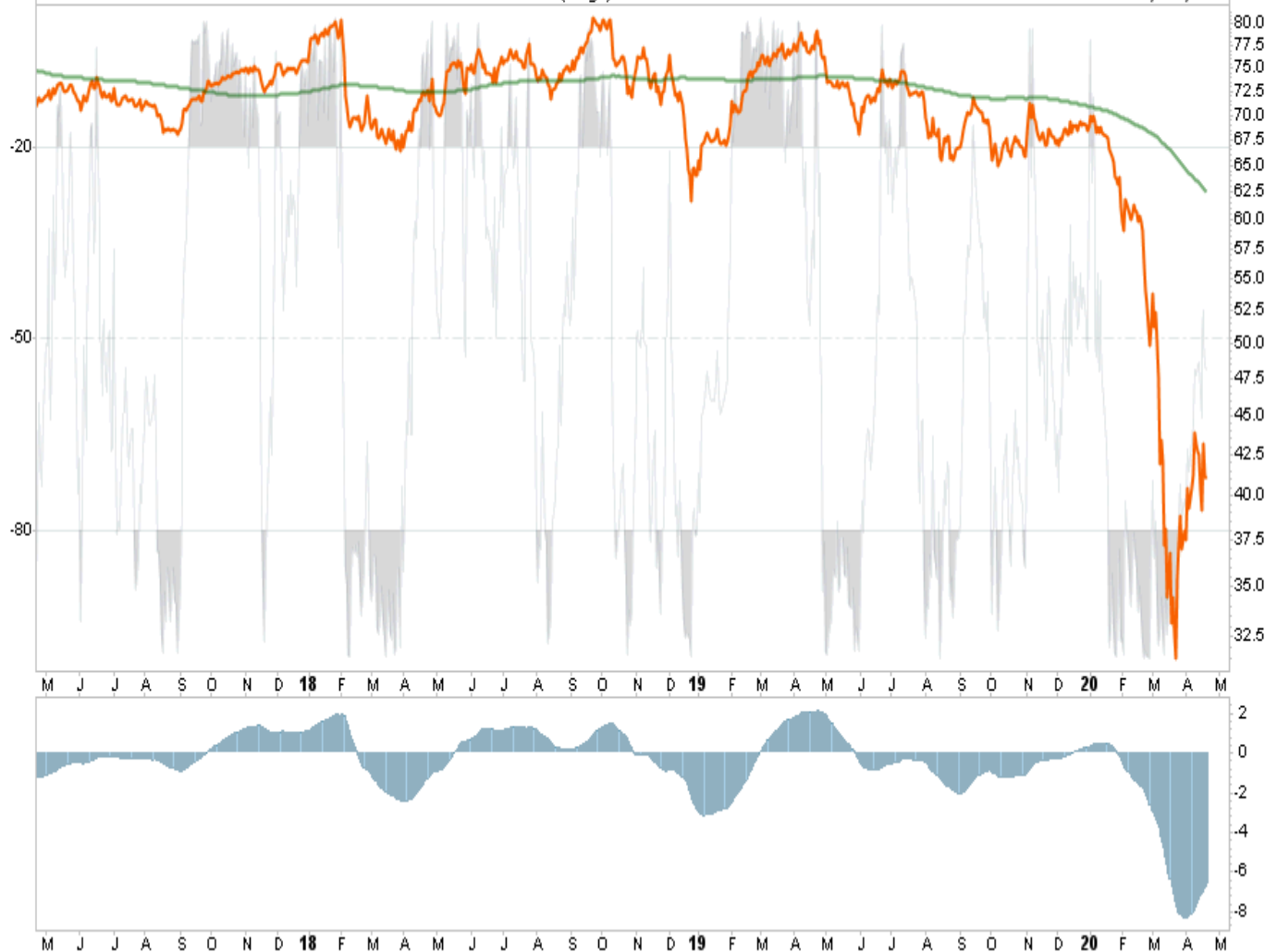
**XOM** Exxon Mobil Corp. NYSE

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Energy / Integrated Oil &amp; Gas

|                          |           |                   |                              |
|--------------------------|-----------|-------------------|------------------------------|
| Open: <b>40.40</b>       | Ask:      | P/E: <b>12.21</b> | Options: <b>yes</b>          |
| High: <b>42.13</b>       | Ask Size: | EPS: <b>3.36</b>  | Annual Dividend: <b>3.48</b> |
| Low: <b>39.63</b>        | Bid:      | Last Size:        | Yield: <b>8.50%</b>          |
| Prev Close: <b>41.18</b> | Bid Size: | VWAP:             | SCTR (Large): <b>23.2</b>    |

Tuesday 21-Apr-2020

▼ **-0.53%**Chg: **-0.22**Last: **40.96**Volume: **44,342,988**

- We previously tried to buy XOM and were stopped out.
- However, we are now looking very closely at adding starter position to XOM in portfolios as it is holding key support despite collapsing oil prices. This is a good sign that XOM may have reached long-term support.
- We are going to give XOM a little more time to play itself out, but if current support holds we will look to ease our way in, with a stop at recent lows. 2013266080;
- Stop would be set at \$30

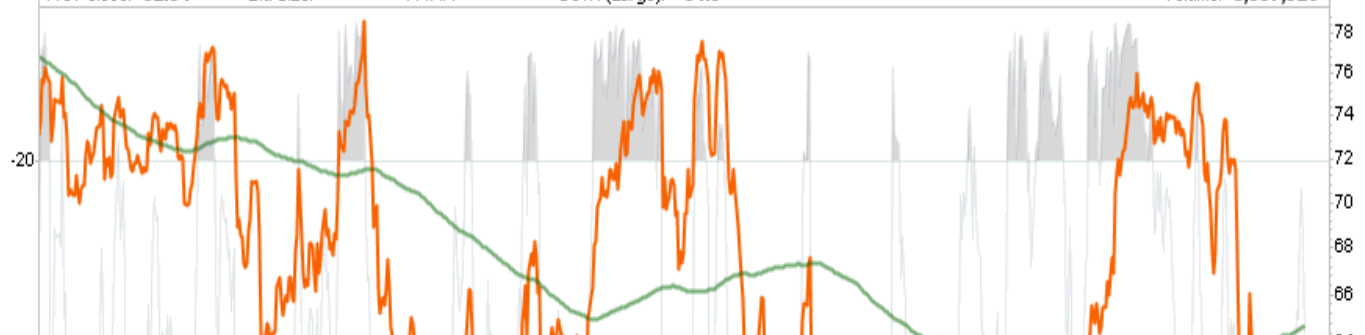
**CVS - CVS Health Co.****CVS** CVS Health Corp. NYSE

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Health Care / Pharmaceuticals

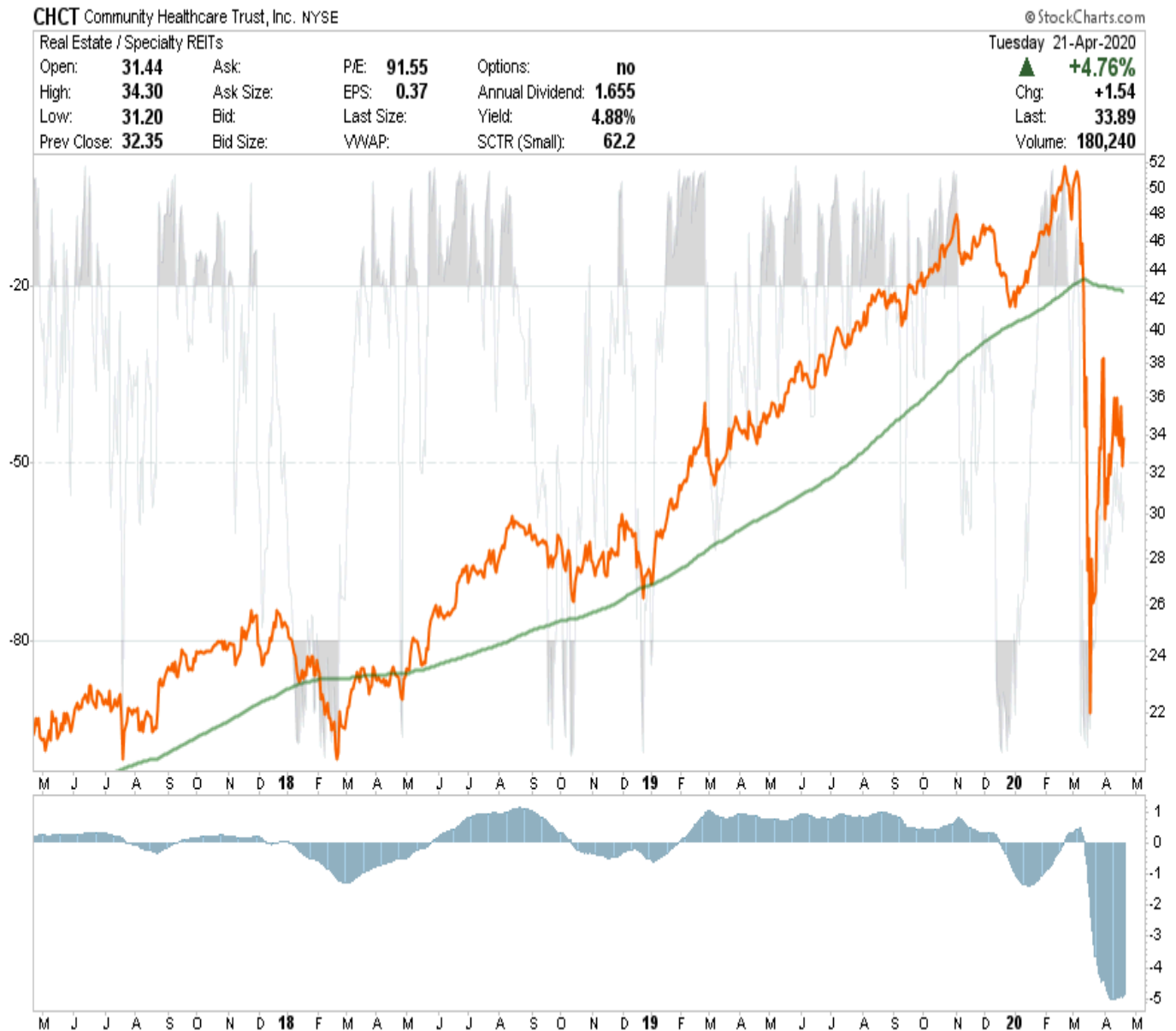
|                          |           |                   |                             |
|--------------------------|-----------|-------------------|-----------------------------|
| Open: <b>61.51</b>       | Ask:      | P/E: <b>11.85</b> | Options: <b>yes</b>         |
| High: <b>61.71</b>       | Ask Size: | EPS: <b>5.08</b>  | Annual Dividend: <b>2.0</b> |
| Low: <b>59.97</b>        | Bid:      | Last Size:        | Yield: <b>3.32%</b>         |
| Prev Close: <b>62.34</b> | Bid Size: | VWAP:             | SCTR (Large): <b>61.9</b>   |

Tuesday 21-Apr-2020

▼ **-3.35%**Chg: **-2.09**Last: **60.25**Volume: **8,557,926**

- We have held CVS for a while and taken profits in it previously.&#2013266080;
- We are now looking to add back to our holdings opportunistically in the months ahead.&#2013266080;
- The recent failure near the 200-dma, and previous resistance, keeps us on the sidelines for now, but a pullback to support that sets a higher low will give us an opportunity to build into our position.
- Current stop is set at recent lows at \$50

## CHCT - CHCT Healthcare REIT



- CHCT was beat up badly during the liquidation in the credit markets.&#2013266080;
- We had previously taken profits and are now looking to rebuild the position in our portfolios.
- CHCT is currently building a "wedge" pattern, and a break to the upside would be encouraging and we could add to our holdings.&#2013266080;
- A break to the downside and we would look for support to form about the \$26 level, also a level we could buy into.&#2013266080;
- Stop loss is currently set at \$22