



## Selected Portfolio Position Review: 05-29-19

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:

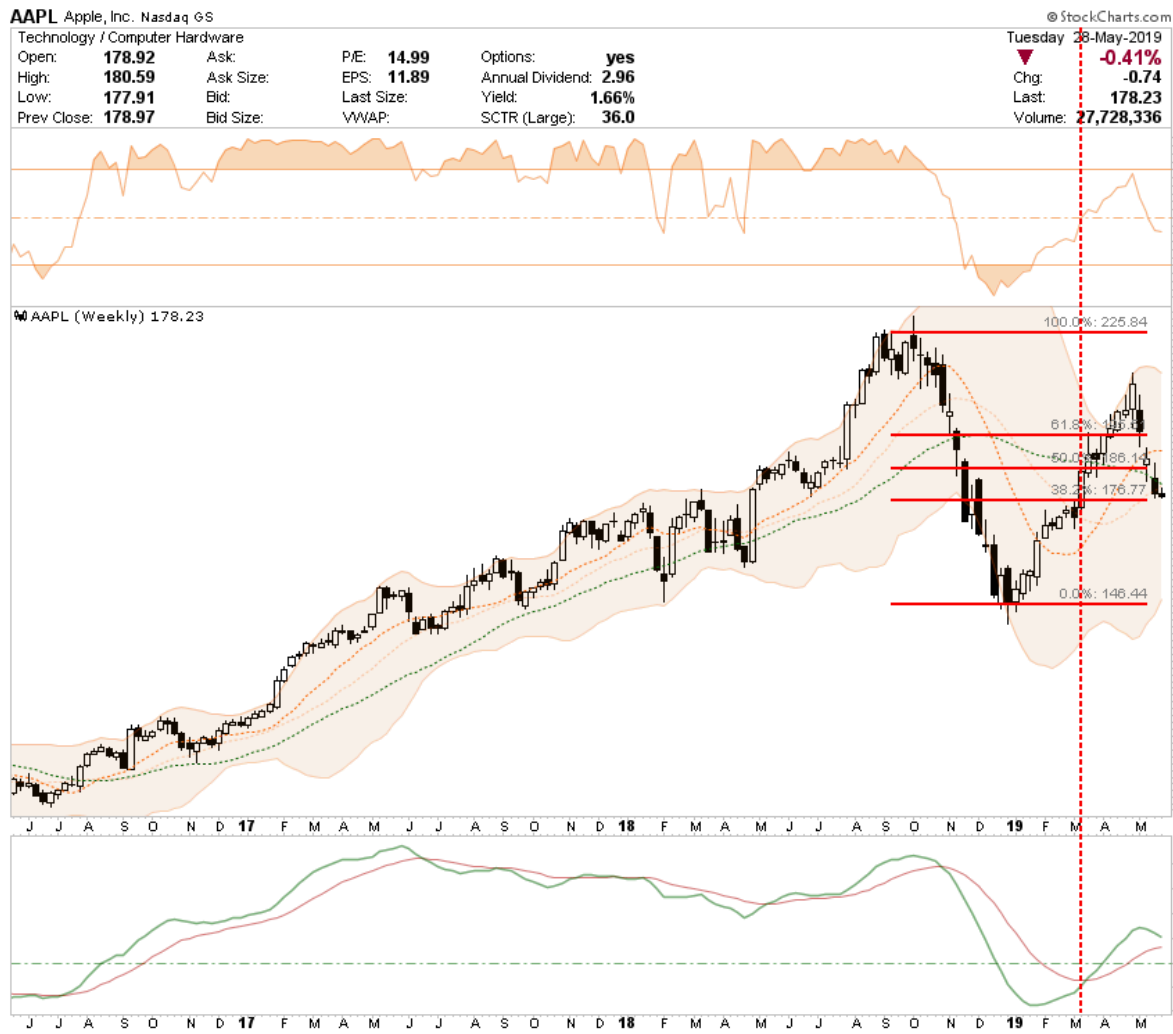
- *The price chart is contained within the shaded area which represents 2-standard deviations above and below the short-term moving average.*
- *The Over Bought/Over Sold indicator is in orange at the top.*
- *The Support/Resistance line (green) is the longer-term moving average which also acts as a 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 let's get to the sector analysis.

**AAPL - Apple Corp.**



- We previously sold 20% of our holdings to take profits and are patiently waiting for the next entry point.
- AAPL is not oversold yet, and is about to trigger a short-term sell signal. Support needs to hold at \$178 or we are going to see a retest of the December lows.
- We remain long our reduced holding for now, We have a reduced stop due to taking profits to allow us to look for an potential entry point.
- Stop is set at \$170

## CHCT - Community Healthcare Trust, Inc.

# CHCT Community Healthcare Trust, Inc. NYSE

Real Estate / Specialty REITs

Open: **38.06** Ask: P/E: **246.19** Options: **no**  
 High: **38.80** Ask Size: EPS: **0.16** Annual Dividend: **1.625**  
 Low: **37.28** Bid: Last Size: Yield: **4.19%**  
 Prev Close: **37.95** Bid Size: VWAP: SCTR (Small): **93.4**

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Tuesday 28-May-2019

▲ **+2.24%**

Chg: **+0.85**

Last: **38.80**

Volume: **1,431,938**

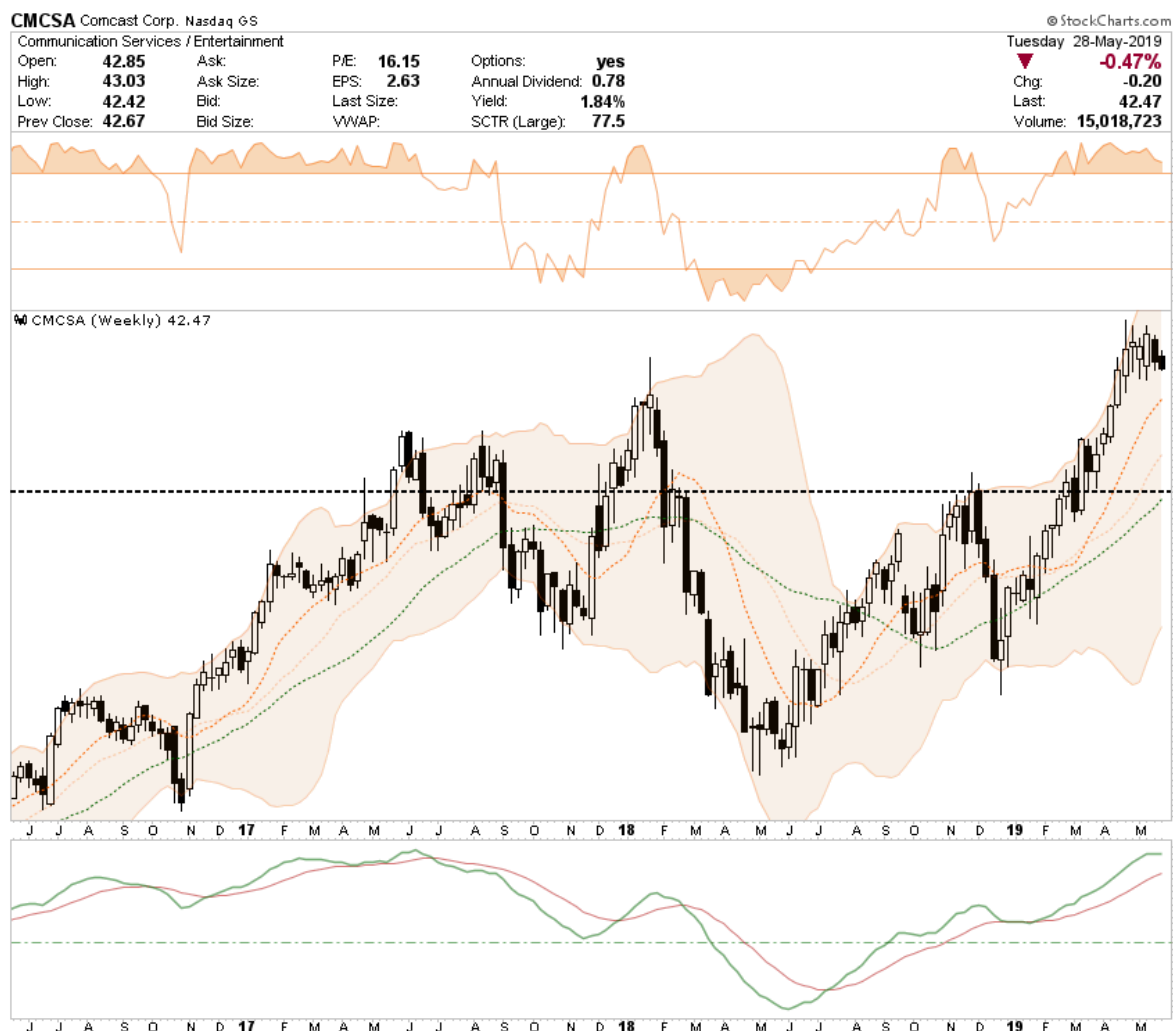


CHCT (Weekly) 38.80



- Real Estate stocks continue to get a bid during turmoil and the plunge in yields.
- CHCT is very overbought short-term but remains on a buy signal for now.
- While stops have been moved up to important support, we will likely take profits soon.
- Stop-loss is moved up to \$32

## CMCSA - Comcast



- CMCSA has actually continued to perform quite well despite the pullback in the market.
- With the position extremely overbought and on an extended buy signal a pullback is inevitable.
- Like CHCT we are evaluating the position for profit taking.
- Stop-loss remains at \$38 for now.

## **COST - Costco Wholesale, Corp.**

# **COST** Costco Wholesale Corp. Nasdaq GS

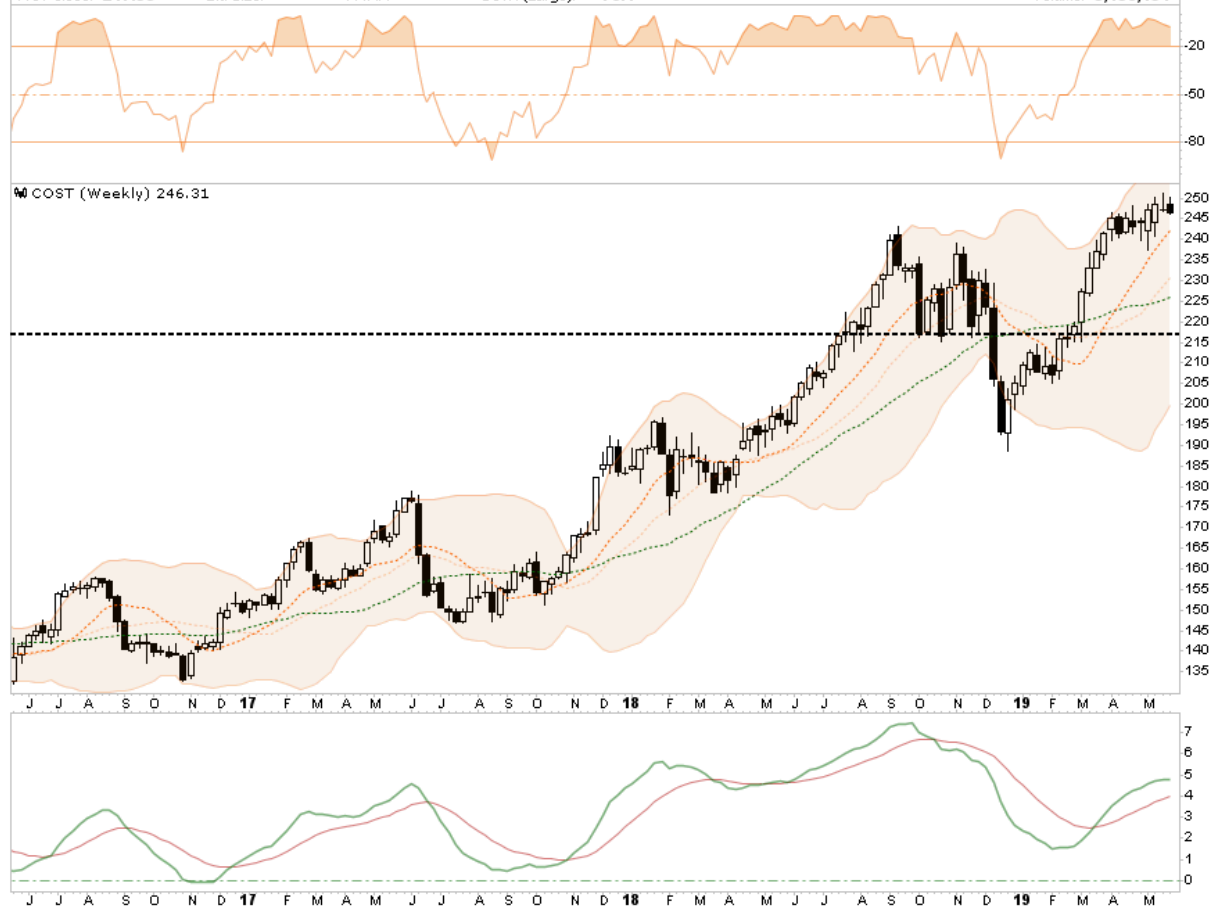
Consumer Discretionary / Broadline Retailers

Open: **248.58** Ask: P/E: **31.58** Options: **yes**  
 High: **250.20** Ask Size: EPS: **7.80** Annual Dividend: **2.36**  
 Low: **246.14** Bid: Last Size: Yield: **0.96%**  
 Prev Close: **247.30** Bid Size: VWAP: SCTR (Large): **76.1**

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▼ **-0.40%**  
 Chg: **-0.99**  
 Last: **246.31**  
 Volume: **3,156,191**



- Staples have continued to be a "safe" haven for capital in recent months.
- *COST has had a stellar run and the current consolidation, and potential pullback, are expected.*
- *Our stop is set at \$225.*

## **JNJ - Johnson & Johnson**

**JNJ** Johnson & Johnson NYSE

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Health Care / Pharmaceuticals

Open: **139.00** Ask: P/E: **25.39** Options: **yes**  
 High: **140.49** Ask Size: EPS: **5.40** Annual Dividend: **3.65**  
 Low: **137.00** Bid: Last Size: **2.66%** Yield: **2.66%**  
 Prev Close: **138.85** Bid Size: VWAP: SCTR (Large): **47.7**

Tuesday 28-May-2019

▼ **-1.28%**

Chg: **-1.78**

Last: **137.07**

Volume: **11,137,121**



- *JNJ has performed okay, but not great. We like the company fundamentally, but the technical setup is becoming concerning.*
- *A break below current support could well trigger our stop loss.*
- *We are watching this position closely.*
- *Stop-loss remains at \$135 for now.*

## MU - Micron Technologies

**MU** Micron Technology, Inc. Nasdaq GS

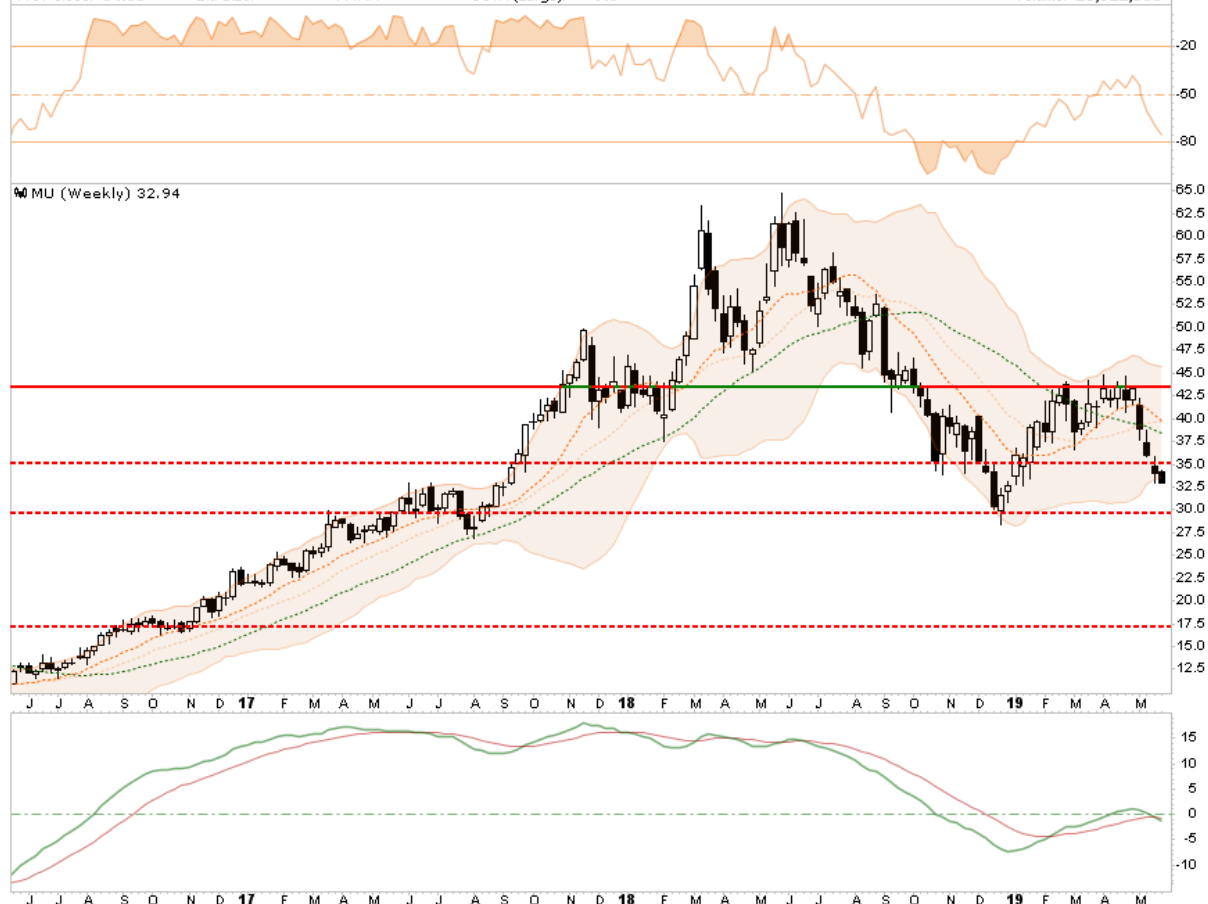
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Technology / Semiconductors

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Open: **34.15** Ask: P/E: **3.03** Options: **yes**  
 High: **34.31** Ask Size: EPS: **10.88** Annual Dividend: **N/A**  
 Low: **32.88** Bid: Last Size: Yield: **N/A**  
 Prev Close: **34.00** Bid Size: VWAP: SCTR (Large): **7.0**

▼ **-3.12%**  
 Chg: **-1.06**  
 Last: **32.94**  
 Volume: **25,922,960**



- *MU continues to be our problem child position. Fundamentally this company is extremely cheap and we think long-term it will be a winner.*
- *However, in the near-term our thesis is working particularly given the recent resurgence of the trade war.*
- *MU is very oversold short-term and is triggering an important "sell signal."*
- *We are looking to liquidate the position on any rally this week or next.*
- *Our stop-loss is set at \$30*

**PEP - Pepsi Co.**



PEP PepsiCo, Inc. Nasdaq GS

Consumer Staples / Soft Drinks

Open: **129.50** Ask: P/E: **14.41** Options: **yes**  
 High: **129.90** Ask Size: EPS: **8.86** Annual Dividend: **3.71**  
 Low: **127.36** Bid: Last Size: **2.91%** Yield: **2.91%**  
 Prev Close: **129.50** Bid Size: VWAP: SCTR (Large): **75.2**

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▼ **-1.44%**  
 Chg: **-1.87**  
 Last: **127.63**  
 Volume: **8,742,558**



- PEP falls into the "staples" category along with COST above.
- The search for safety and income continues to be a main theme in the market as of late.
- Stop-loss is moved up to \$118..

**PG - Proctor & Gamble**

## PG Procter & Gamble Co. NYSE

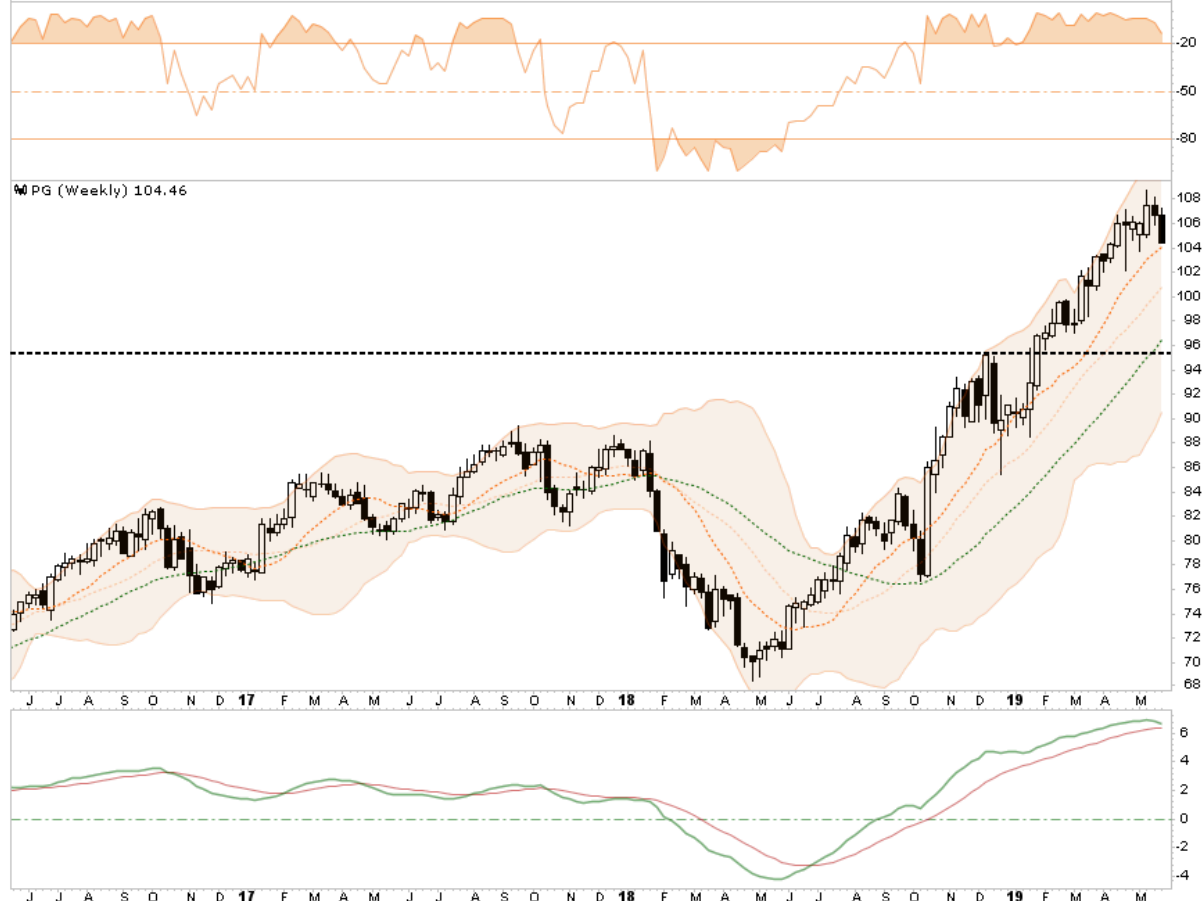
Consumer Staples / Personal Products

Open: **106.70** Ask: P/E: **24.86** Options: **yes**  
 High: **107.25** Ask Size: EPS: **4.20** Annual Dividend: **2.8975**  
 Low: **104.42** Bid: Last Size: Yield: **2.77%**  
 Prev Close: **106.69** Bid Size: VWAP: SCTR (Large): **77.0**

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▼ **-2.09%**  
 Chg: **-2.23**  
 Last: **104.46**  
 Volume: **7,003,247**



- In our ongoing them of "Defensive sectors" in our portfolio, PG makes the grade.
- The strong rally has taken PG to extremely overbought conditions and a very extended buy signal.
- We are looking to take profits but hold on to a bulk of the position for now.
- Our stop-loss is moved to \$96

## V - Visa

### V Visa Inc. NYSE

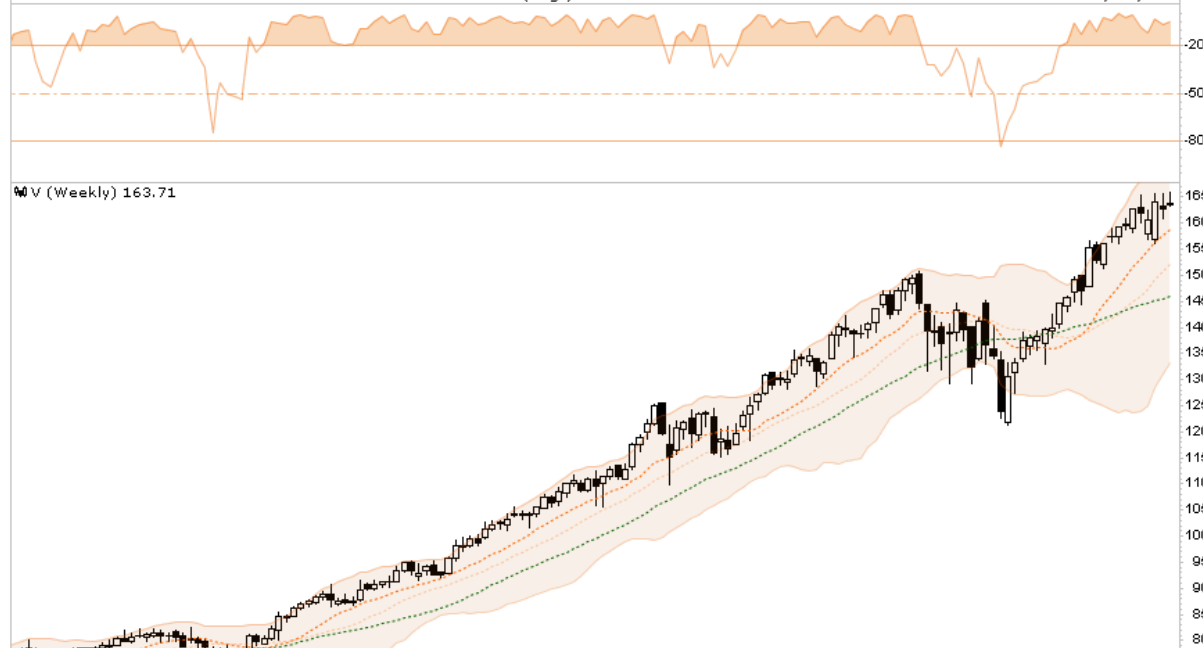
Financial / Consumer Finance

Open: **163.40** Ask: P/E: **35.04** Options: **yes**  
 High: **165.77** Ask Size: EPS: **4.67** Annual Dividend: **0.96**  
 Low: **163.33** Bid: Last Size: Yield: **0.59%**  
 Prev Close: **162.64** Bid Size: VWAP: SCTR (Large): **90.9**

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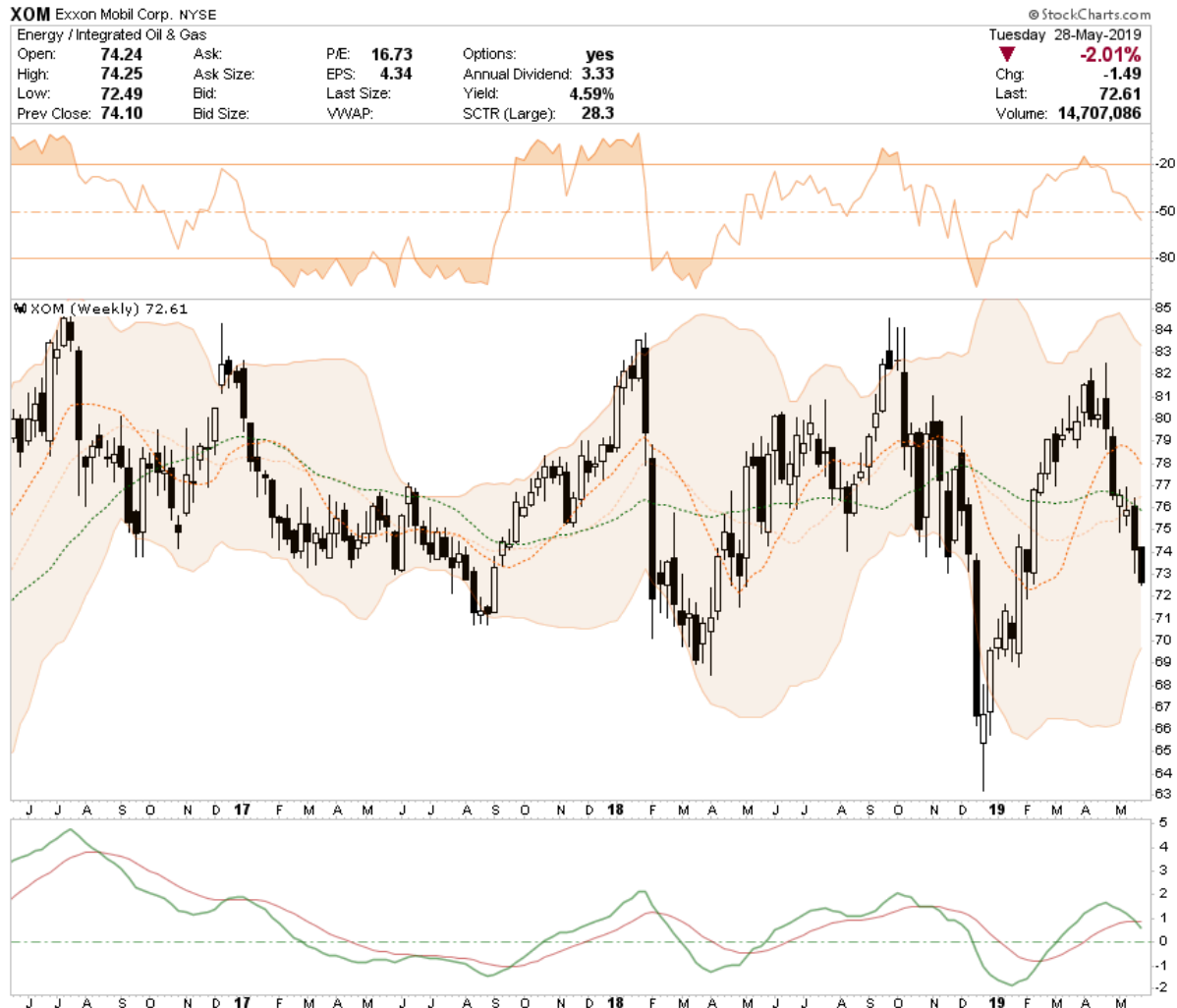
▲ **+0.66%**  
 Chg: **+1.07**  
 Last: **163.71**  
 Volume: **10,195,060**



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- Consumers are going deeper and deeper into debt which is a boon for V.
- V continues to remain on a buy signal but is very overbought short-term.
- Stop loss is moved up to \$145

## XOM - Exxon Mobil



- We previously sold 1/2 of our XOM position along with our warning of lower oil prices coming.
- Lower oil prices have manifested themselves as expected but are now getting extended to the downside along with energy stocks.
- The correction is likely not complete just yet and XOM is just triggering a sell signal which suggests lower prices in the near term.
- We will remain patient and wait for a better entry opportunity.
- Stop-loss is removed for now, we are looking for a buy level between \$65 and \$70