



Selected Portfolio Position Review: 12-30-19

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, we will now review some of positions in our Equity Portfolio which are either a concern, an opportunity, or are doing something interesting.

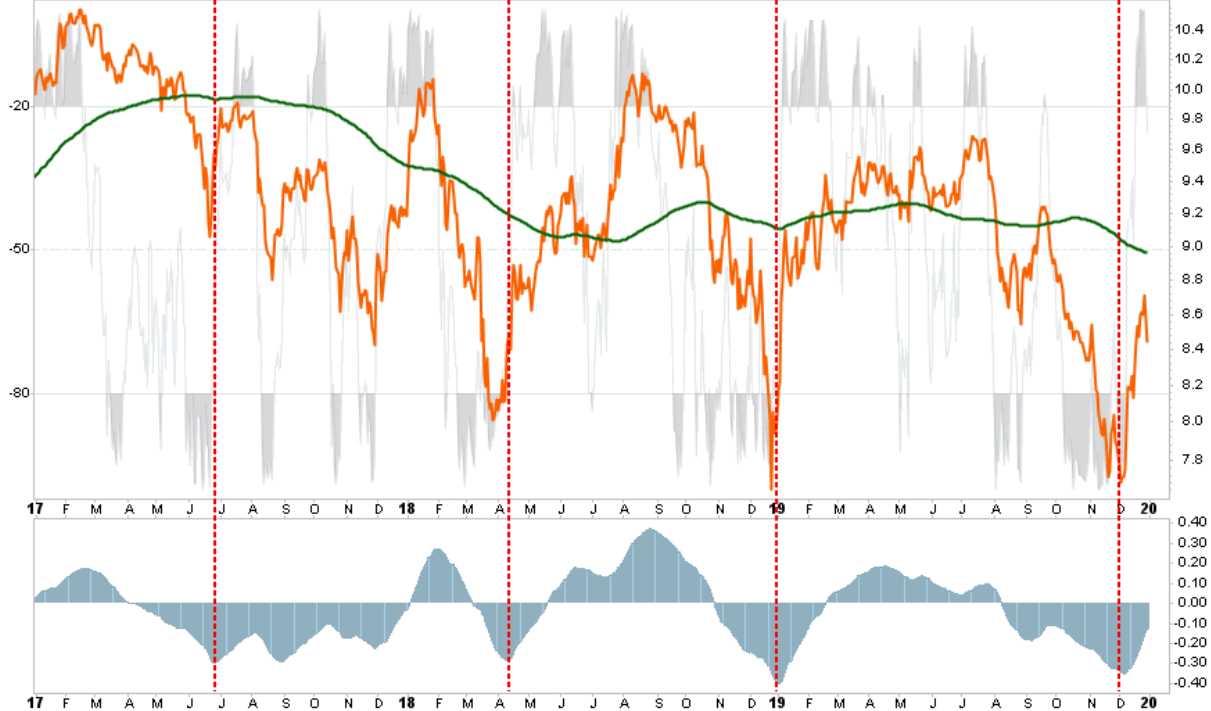
We are reviewing our current portfolios for actions that we need to take for year-end "tax loss" selling, paring positions for risk management, or positions we are looking to add to the portfolio for hedging or opportunity.

AML - Alerian MLP (Recent Buy)

AML Alerian MLP ETF NYSE

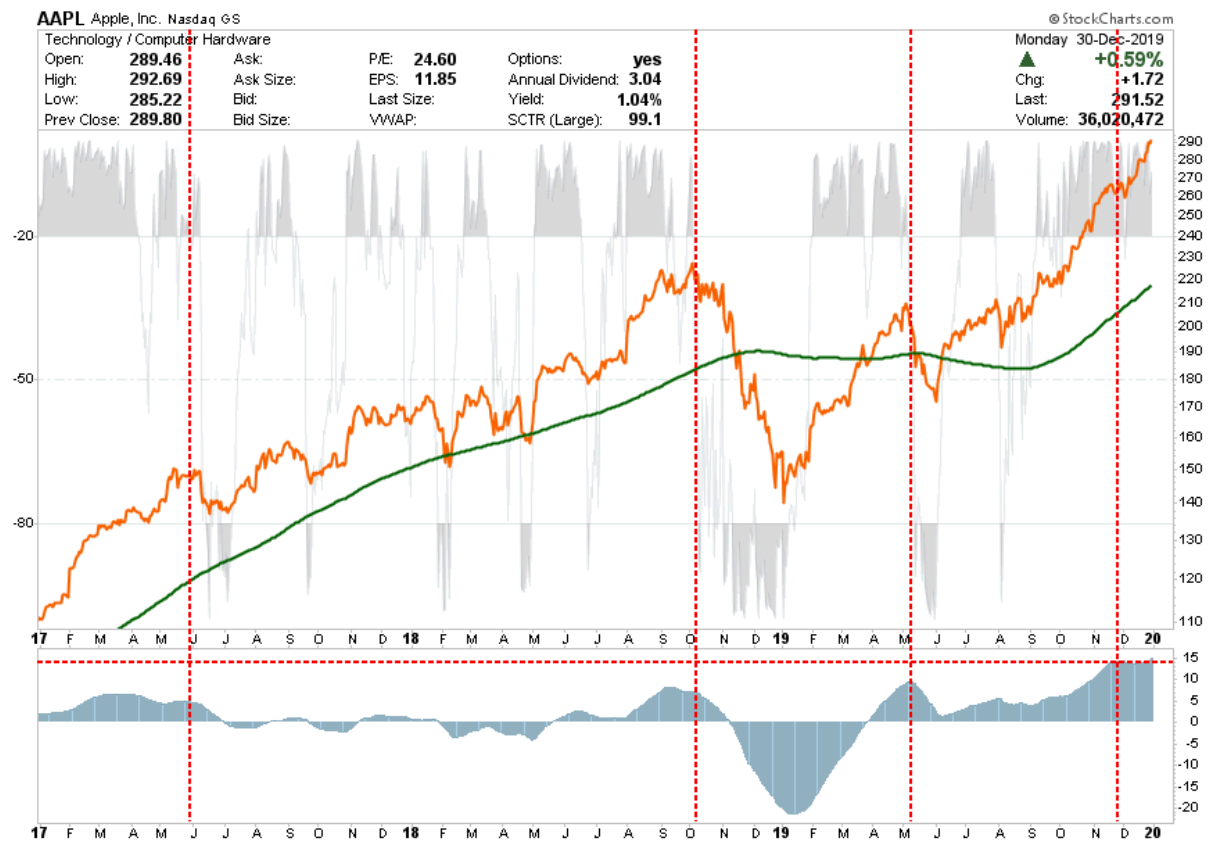
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Open: 8.58	Ask: 8.62	P/E: 10.4	Options: yes	Annual Dividend: 0.775	Chg: -0.13
High: 8.62	Ask Size: 100	EPS: 0.82	Annual Dividend: 0.775	Yield: 9.18%	Last: 8.44
Low: 8.43	Bid: 8.43	Last Size: 100	Yield: 9.18%	Yield: 9.18%	Volume: 31,170,280
Prev Close: 8.57	Bid Size: 100	VWAP: 8.57	SCTR (ETF): 1.2		



- We previously discussed our "buy" of 1/2 a position in AMLP and our thesis on the Energy space. Read our latest report: [Collecting Tolls On The Energy Express](#)
- With the deep "sell signal" improving and the recent pullback in price, the opportunity to add to our holding is approaching.
- We are maintaining our current stop level, and will look to add to our holding between \$8.20 and \$8.40.
- Stop is set at \$7.00

AAPL - Apple, Inc.



- *AAPL has been a long-term holding for us, and will likely continue to be. However, the advance has gotten so far ahead of itself a correction is inevitable.*
- *We have taken profits in the stock previously, and we are looking at taking profits once again.*
- *Currently, AAPL is extremely overbought and the buy signal is actually at one of the highest levels in the history of the stocks.*
- *We are going to evaluate the position and determine if we need to reduce sizing, and the where potential re-entry points will be.*
- *We are moving our stop up to \$230*

BA - Boeing, Co.



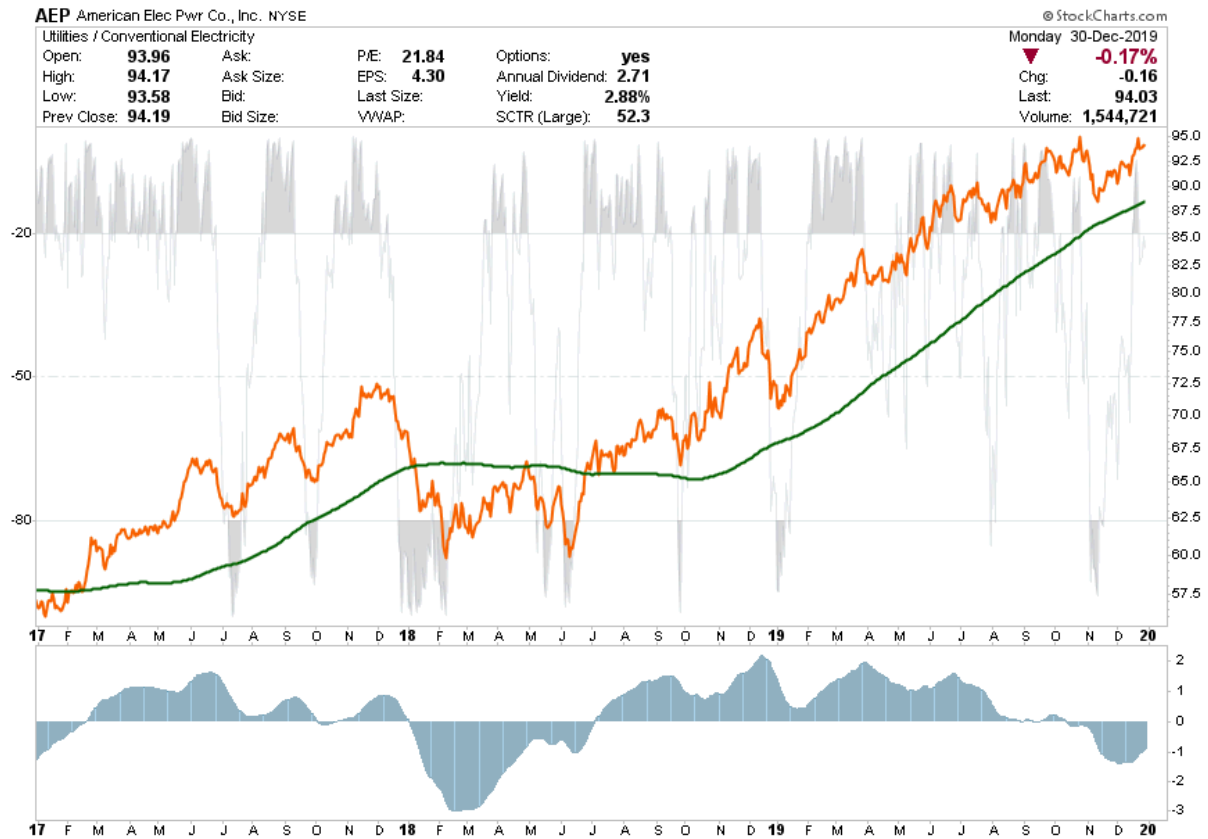
- We have owned BA for some time now following the original selloff after the 737 MAX accident.
- We are going to **SELL** the position for tax loss purposes only. We will look to re-enter the position after 30-days to avoid the wash-sale rule.
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ABBV - AbbVie, Inc.



- We have remained overweight Health Care for most of the year which has performed well.
- We recently bought 1/2 position of ABBV, but like APPL, it is now pushing an extremely overbought condition, so a correction is inevitable.
- We will look to use a correction to build out the rest of the position.
- Stop is set at \$75

AEP - American Electric Power



- AEP have remained a strong performer for us, and we like Utilities heading into 2020.
- AEP has been on a sell-signal for quite some time, and has held both the bullish trend and support levels.
- We are going to review the position and potentially look to increase our weighting if a "buy signal" is triggered.
- Stop is set at \$90

CHCT - Community Healthcare Trust

CHCT Community Healthcare Trust, Inc. NYSE

Real Estate / Specialty REITs

Open: **42.14** Ask: P/E: **273.25**
 High: **42.51** Ask Size: EPS: **0.16**
 Low: **41.96** Bid: Last Size: Yield: **3.87%**
 Prev Close: **42.18** Bid Size: VWAP: SCTR (Small): **38.7**

Options: **no**
 Annual Dividend: **1.645**
 Yield: **3.87%**
 SCTR (Small): **38.7**

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Monday 30-Dec-2019

▲ **+0.73%**Chg: **+0.31**Last: **42.49**Volume: **158,148**

- *CHCT is in the process of a corrective action which will give us the ability to add back into our position after taking profits previously.*
- *CHCT is deeply oversold and on a deep "sell signal," while maintaining the long-term bullish trend line.*
- *We will look to add to our position when the current sell-off stabilizes.*
- *Stop is currently set at \$40.*

DOV - Dover Corp.

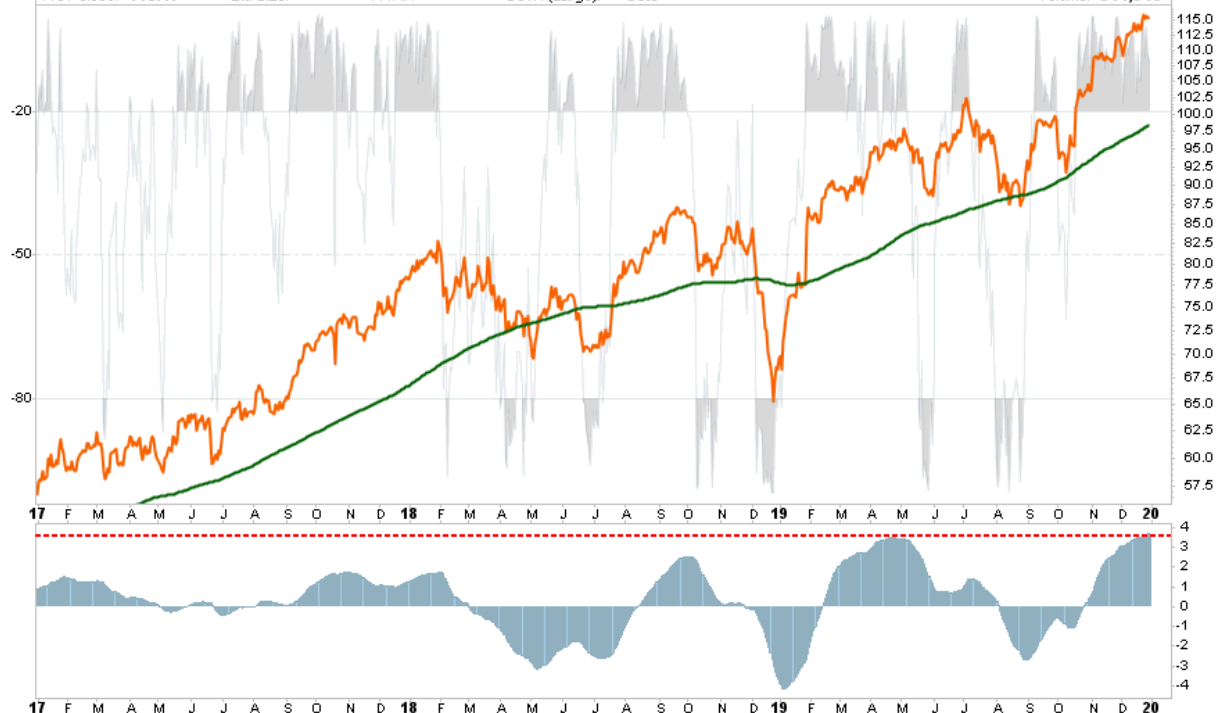
DOV Dover Corp. NYSE

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Industrial / Industrial Machinery

Monday 30-Dec-2019

Open: 115.67	Ask:	P/E: 26.04	Options: yes	Chg: -0.20%
High: 115.92	Ask Size:	EPS: 4.43	Annual Dividend: 1.94	Last: 115.24
Low: 115.00	Bid:	Last Size:	Yield: 1.68%	Volume: 311,916
Prev Close: 115.47	Bid Size:	VWAP:	SCTR (Large): 80.9	



- *DOV has been a great performer for the portfolio particularly as the "trade war" has gotten resolved.*
- *DOV is overbought and the buy signal extremely extended. A correction is inevitable. We have taken profits previously, but we will examine to see if we need to reduce weights further to await a better entry point.*
- *Stop loss moved up to \$100*

HCA - HCA Healthcare, Inc.

HCA HCA Healthcare, Inc. NYSE

Health Care / Health Care Providers

Open: **149.35** Ask: P/E: **14.77** Options: **yes**
 High: **149.54** Ask Size: EPS: **9.99** Annual Dividend: **1.6**
 Low: **147.31** Bid: Last Size: Yield: **1.08%**
 Prev Close: **149.26** Bid Size: VWAP: SCTR (Large): **73.0**

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Monday 30-Dec-2019

▼ **-1.15%**Chg: **-1.71**Last: **147.55**Volume: **754,829**

- HCA is part of our overweight health care exposure.
- Like ABBV, the position is extremely overbought and extended. A correction is likely so we will look to re-balance our holdings and take profits.
- Stop-loss moved up to \$130

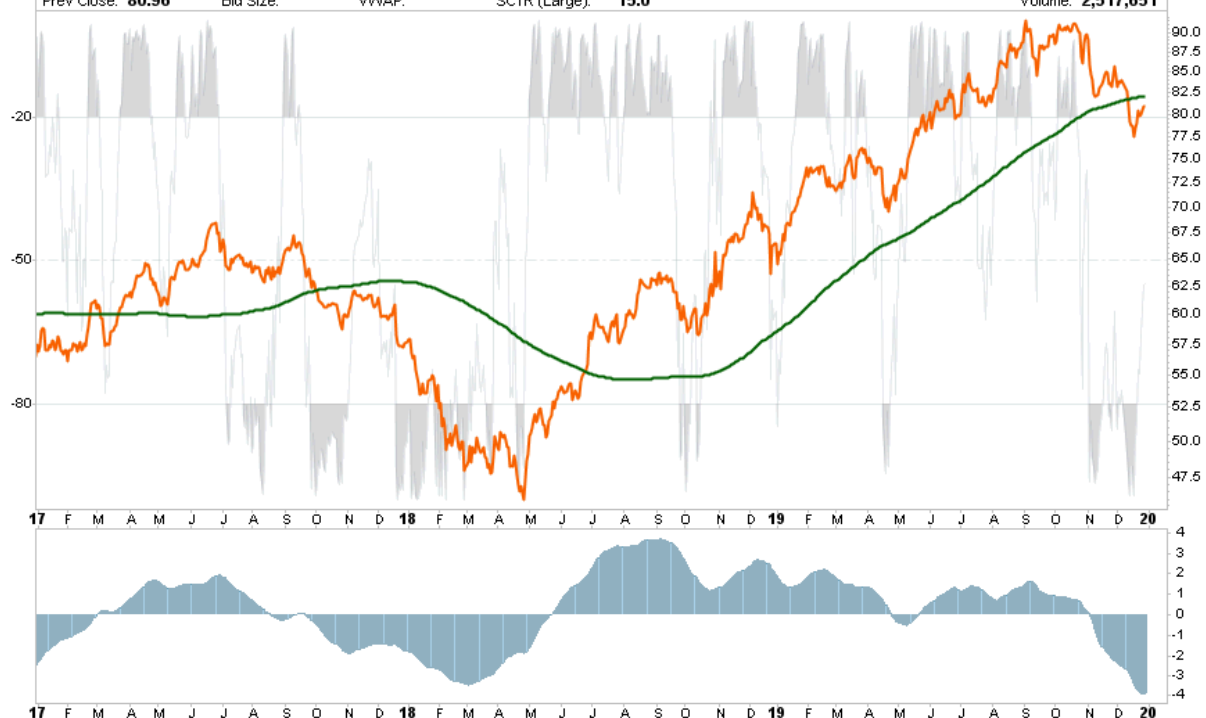
WELL - WellTower, Inc. (Sell Candidate)**WELL** Welltower Inc. NYSE

Real Estate / Specialty REITs

Open: **80.55** Ask: P/E: **96.90** Options: **yes**
 High: **81.04** Ask Size: EPS: **0.84** Annual Dividend: **3.48**
 Low: **80.29** Bid: Last Size: Yield: **4.30%**
 Prev Close: **80.96** Bid Size: VWAP: SCTR (Large): **15.0**

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Monday 30-Dec-2019

▲ **+0.06%**Chg: **+0.05**Last: **81.01**Volume: **2,517,651**

- *WELL was performing strongly for us but has faltered in recent weeks as interest rates have moved higher.*
- *While we like the position, we took a lot of gains this year and are going to sell WELL to harvest the loss for 2019. We would look to add the position back in 2020.*
- *Stop loss violated at \$80*

SDS - Proshares Ultra-Short S&P 500



- *With the overall markets extremely extended, overly complacent, excessively bullish and deviated from long-term moving averages, a correction is inevitable. It is only a function of time.*
- *But hedging portfolios by shorting the broad market also requires a bit of "timing." We think that "timing" is approaching.*
- *Once we complete our tax loss sells, and rebalancing of holdings, we will look for the right entry point to hedge our broader equity exposure.*
- *Stop loss will be set once we initiate the position.*