Selected Portfolio Position Review: 01-30-19

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:

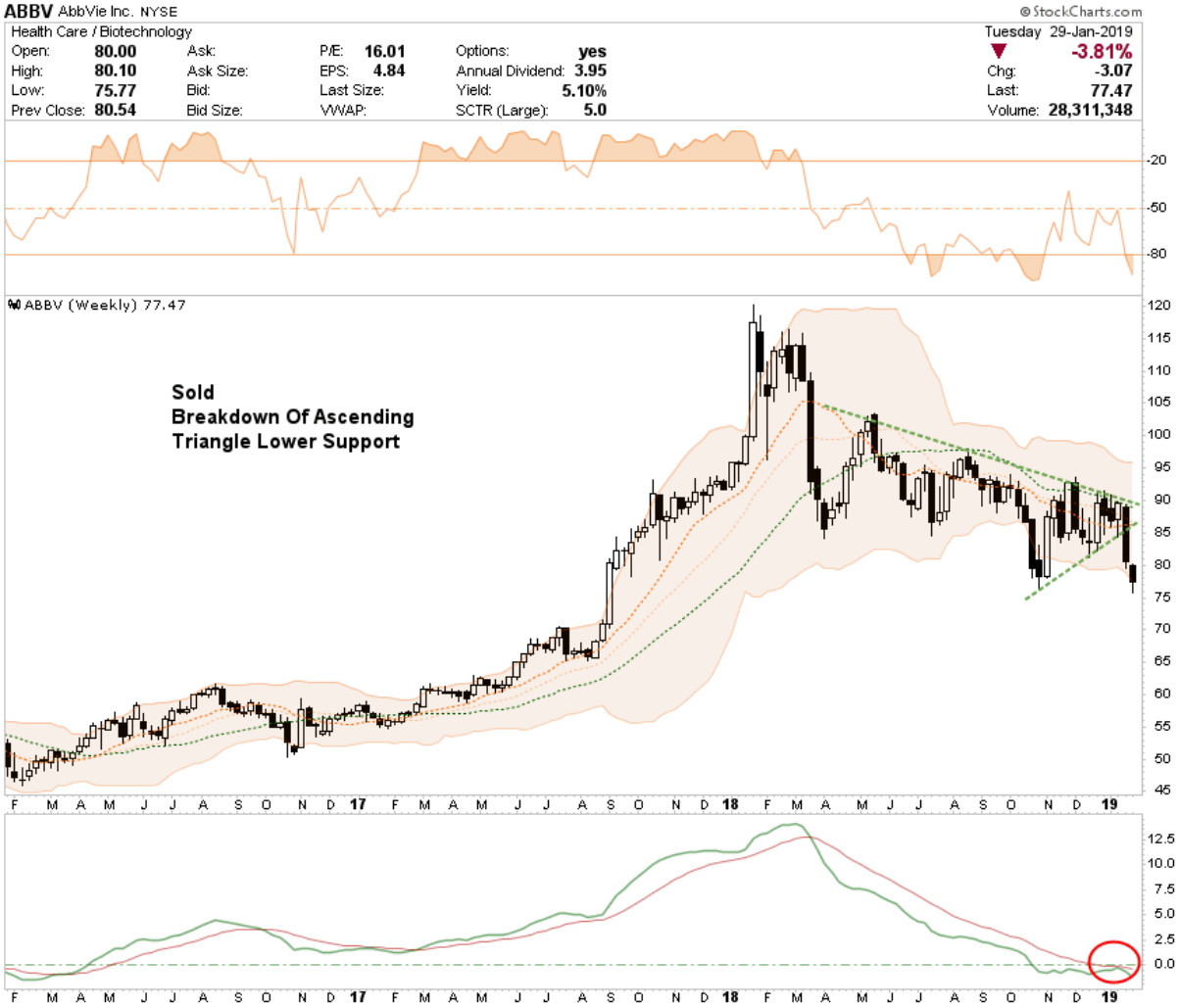
- *The price chart is contained within the shaded area which represents 2-standard deviations above and below the short-term moving average.*
- *The Over Bought/Over Sold indicator is in orange at the top.*
- *The Support/Resistance line (green) is the longer-term moving average which also acts as a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



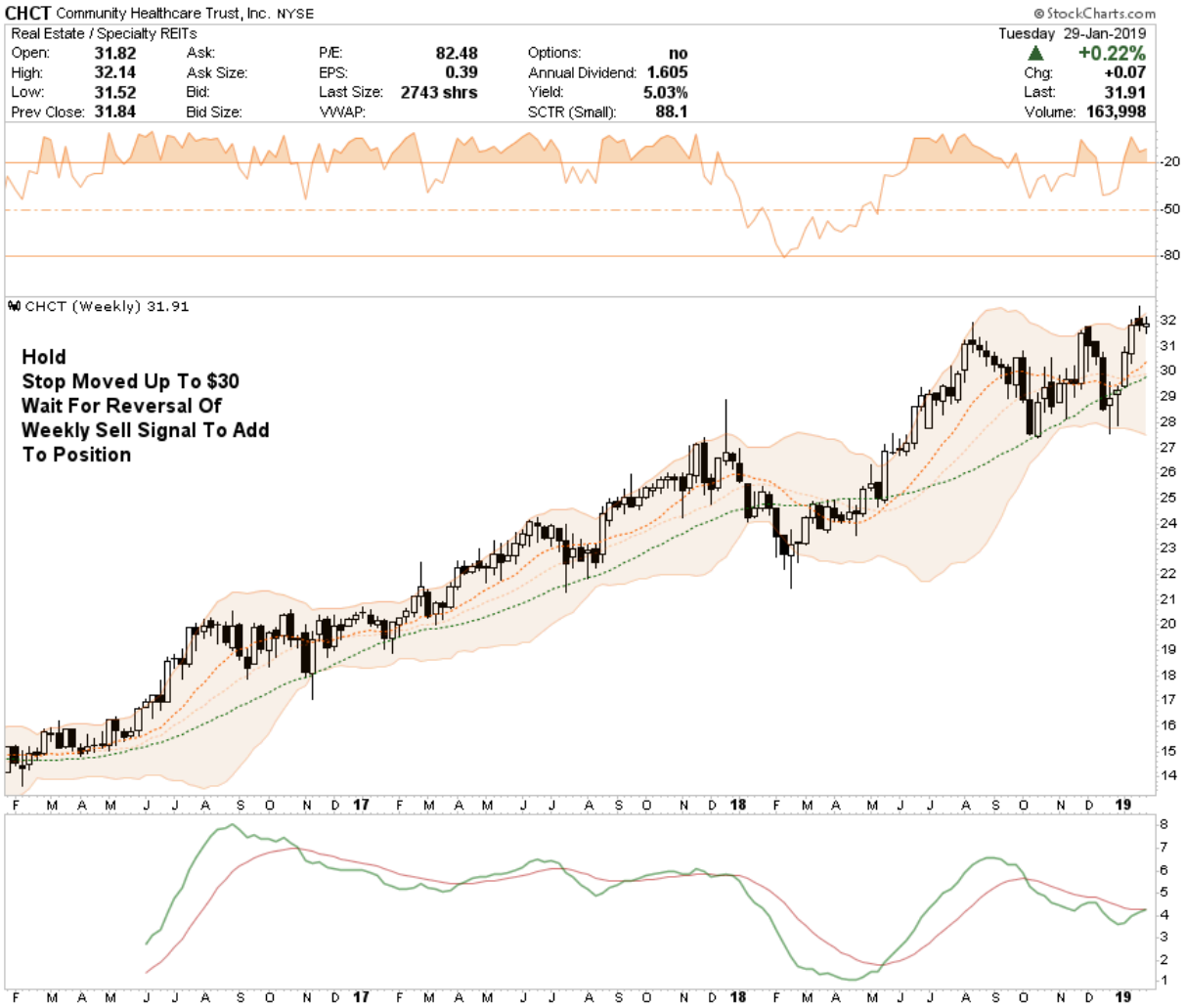
With this basic tutorial let's get to the sector analysis.

ABBV - AbbVie, Inc.



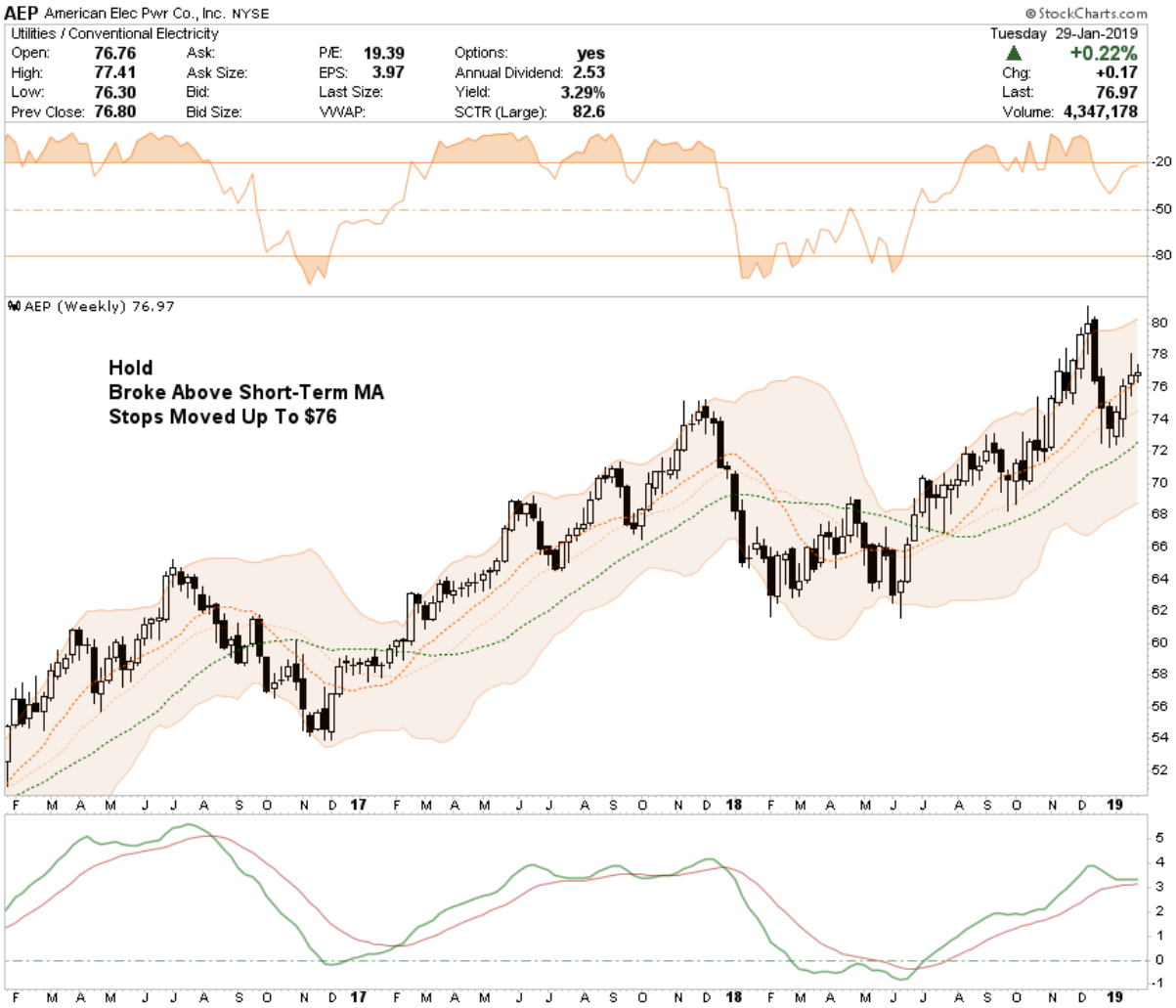
- *Stock broke down violating downside support.*
- *Triggered stop loss*
- *Position sold.*

CHCT - Community Healthcare Trust



- *Long-term trend line intact and recently bounced off that critical level.*
- *Has been consolidating over last 6-months and the previous sell signal is close to reversing.*
- *Short-Term Positioning: Bullish*
    - *Breakout to new highs brings opportunity to add to position*
    - *Stop-loss moved up to $30*
- *Long-Term Positioning: Bullish*

AEP - American Electric Power



- *AEP struggling with short-term moving average resistance.*
- *On a buy signal currently, but getting overbought.*
- *Short-Term Positioning: Bullish*
    - *Will look to add to position on breakout to new highs.*
    - *Stop-loss moved up to $74*

CMCSA - Comcast Communications



- *CMCSA continues to hold support at long-term moving average.*
- *However, it remains trapped below the short-term moving average.*
- *While currently on a "buy signal" it is close to reversing.*
- *We like the company longer-term but stops are tight currently.*
- *Short-Term Positioning: Neutral*
    - *Looking to add to position @ $37-38*
    - *Stop-loss moved up to $34.50*

COST - Costco Wholesale



- *Bought 1/2 position orginally.*
- *COST has rallied recently but is still on a "sell signal" and is running into short-term moving average resistance.*
- *With the short-term moving average below the long-term, the pressure is on the downside. So stop-losses are being moved up.*
- *Short-Term Positioning: Cautious*
    - *Looking to add to position above $220*
    - *Stop-loss moved up to $205*
- *Longer-Term Positioning: Neutral*

DOV - Dover



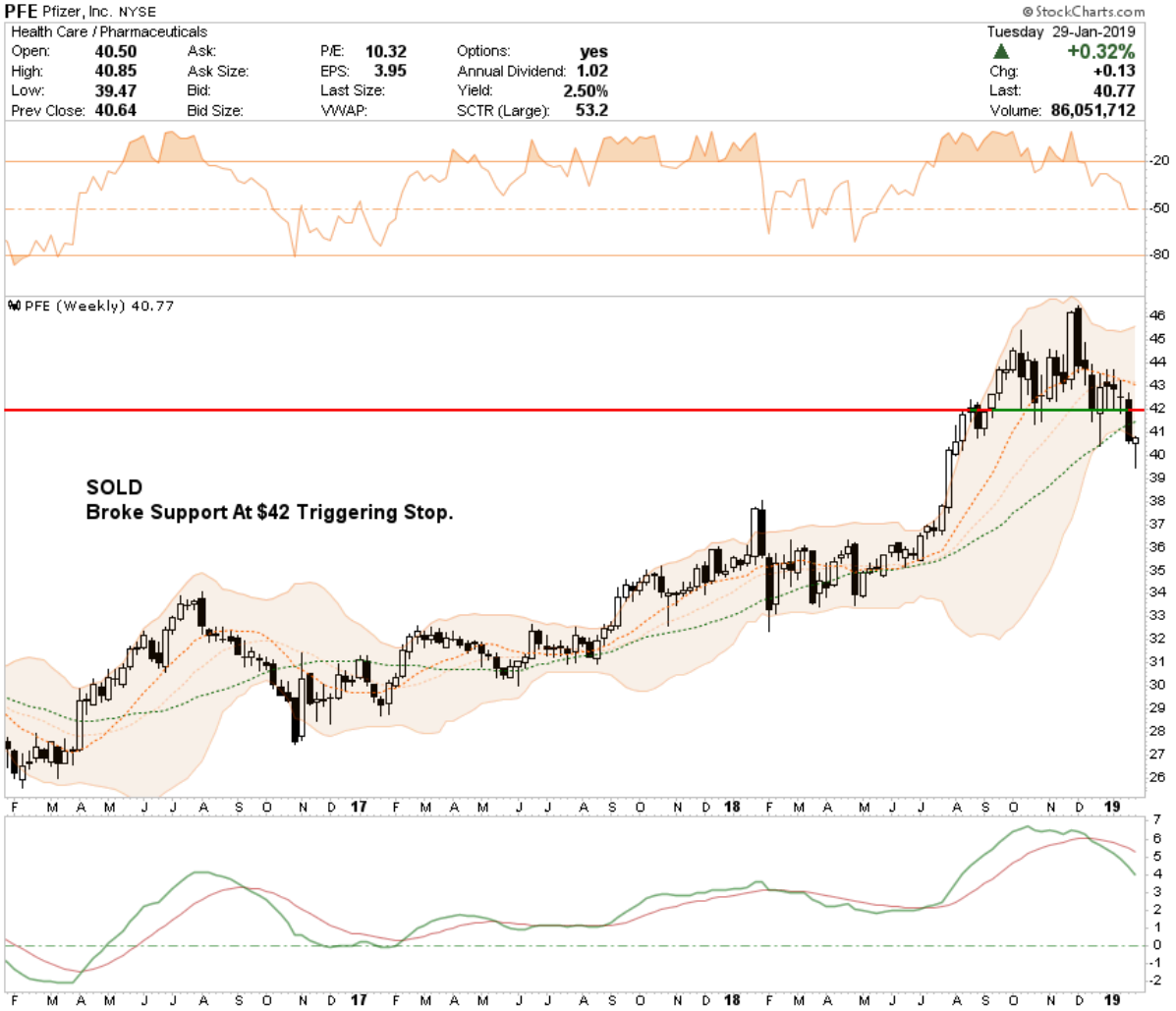
- *DOV rallied sharply this past week/*
- *With the move above moving averages, and close to triggering a buy-signal, we will look to add to holdings.*
- *Short-Term Positioning: Bullish*
    - *Look to add to position on either consolidation above support or breakout to new highs.*
    - *Stop-loss moved up to $80*

FDX - Federal Express



- *Stock has been rallying since deep oversold on Christmas.*
- *Long-term trend line is currently resistance.*
- *Sell signal still intact which keeps stops tight.*
- *Currently coming off lower deviation band.*
- *Short-Term Positioning: Neutral*
    - *Look to add to position on move above $180*
    - *Stop-loss moved up to $165*

PFE - Pfizer, Inc.



- *PFE broke important support, triggering stop-loses.*
- *Position sold.*

MMM - 3M Company



- *Following a good earnings report, MMM rallied into resistance at the long-term moving average.*
- *MMM needs to break above resistance to add to the position.*
- *Current sell signal is close to triggering reversing.*
- *Short-Term Positioning: Neutral*
    - *Add to position above $200*
    - *Stop-loss moved up to $190*

CVS - CVS Health Corp.



- *CVS has been under pressure following the December sell-off.*
- *Currently on a sell-signal (bottom panel)*
- *Very oversold and pushing lower deviation from short-term moving average.*
- *Has been consolidating the bottom in recent weeks.*
- *Short-Term Positioning: Neutral (Trade Only)*
    - *Look to sell on a rally back to $75-80*
    - *Stop-loss at $60*