



Selected Portfolio Position Review: 04-24-19

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.

ABT - Abbott Laboratories

ABT Abbott Laboratories NYSE

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Health Care / Pharmaceuticals

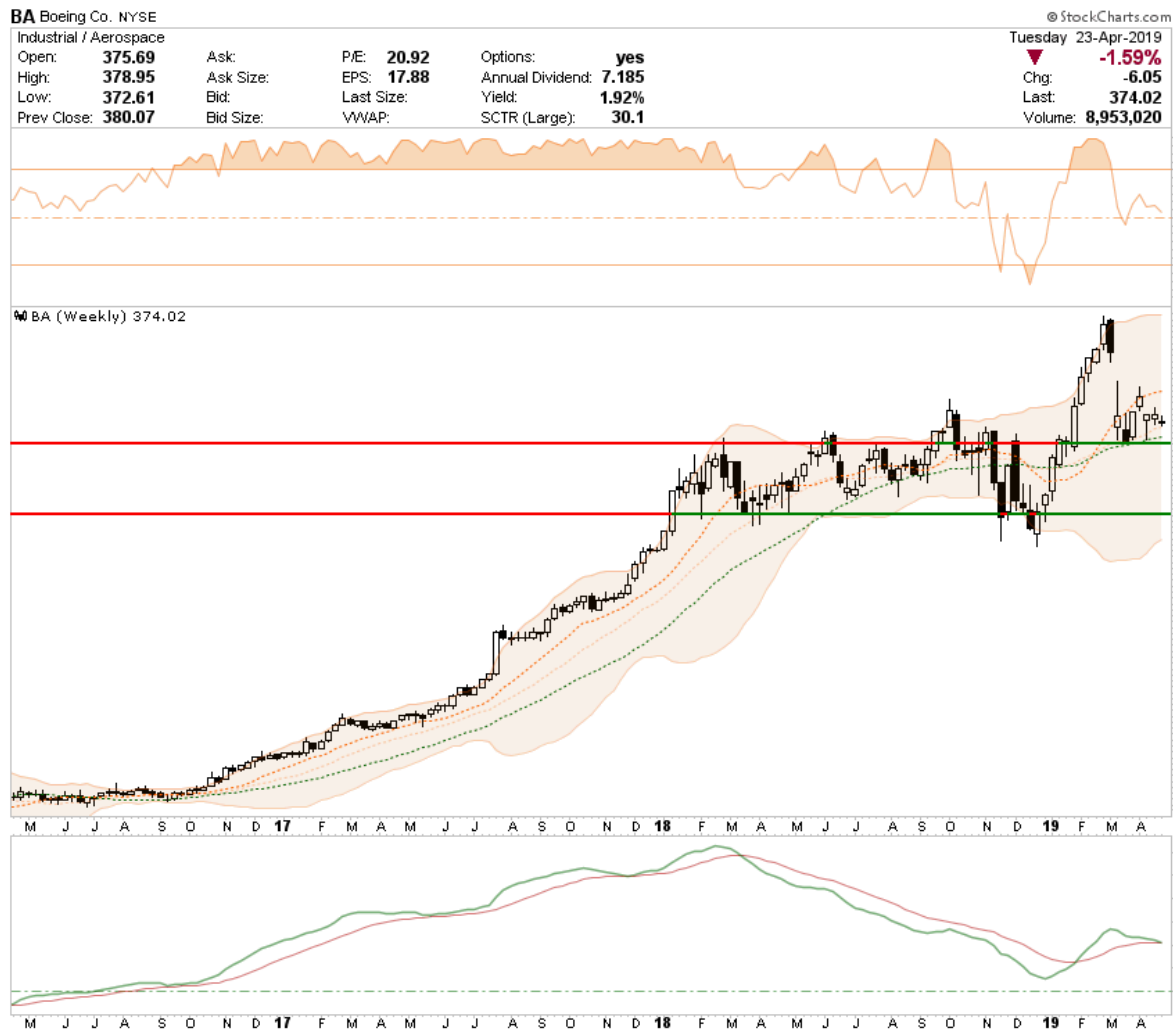
Open: 73.13	Ask:	P/E: 57.22	Options: yes
High: 76.41	Ask Size:	EPS: 1.33	Annual Dividend: 1.2
Low: 73.00	Bid:	Last Size:	Yield: 1.58%
Prev Close: 73.92	Bid Size:	VWAP:	SCTR (Large): 51.4

Tuesday 23-Apr-2019

▲ **+2.95%**Chg: **+2.18**Last: **76.10**Volume: **12,350,961**

- As noted in previous updates, the healthcare sector was under immense pressure from political rhetoric of "Medicare for all" despite a very low probability of ever becoming reality. We have not only maintained our positions but are looking to add on current weakness that bases and builds support.
- Holding current positions as earnings will likely be very good for these companies.
- Stop is moved back up to \$72.50

BA - Boeing



- We entered BA shortly after the plunge following the 737 Max crash. With earnings not to far away, it will be make or break for our position at that point with respect to the guidance they give.
- We currently hold 1/2 position and will look to increase that stake if support holds and the news flows turn less negative.
- We have a fairly wide stop-loss at \$300.

CHCT - Community Healthcare Trust

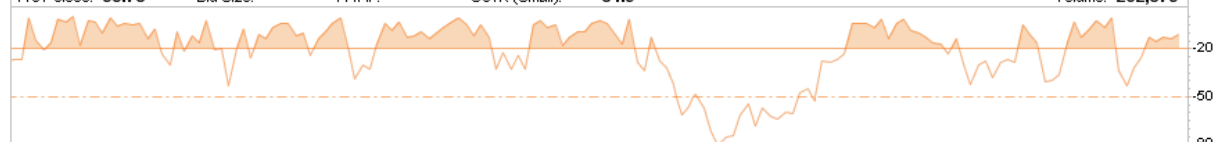
CHCT Community Healthcare Trust, Inc. NYSE

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Real Estate / Specialty REITs

Tuesday 23-Apr-2019

Open: 35.67	Ask:	P/E: 195.08	Options: no	Chg: +0.81%
High: 36.25	Ask Size:	EPS: 0.18	Annual Dividend: 1.615	Chg: +0.29
Low: 34.67	Bid:	Last Size:	Yield: 4.48%	Last: 36.07
Prev Close: 35.78	Bid Size:	VWAP:	SCTR (Small): 84.9	Volume: 262,873



CHCT (Weekly) 36.07



- CHCT gave us a bit of pullback but not enough to warrant adding additional exposure to the stock.
- The position remains very overbought and we will look for a better opportunity to add exposure in the future.
- *We are moving our stop-loss to \$32*

DUK - Duke Energy

DUK Duke Energy Corp. NYSE

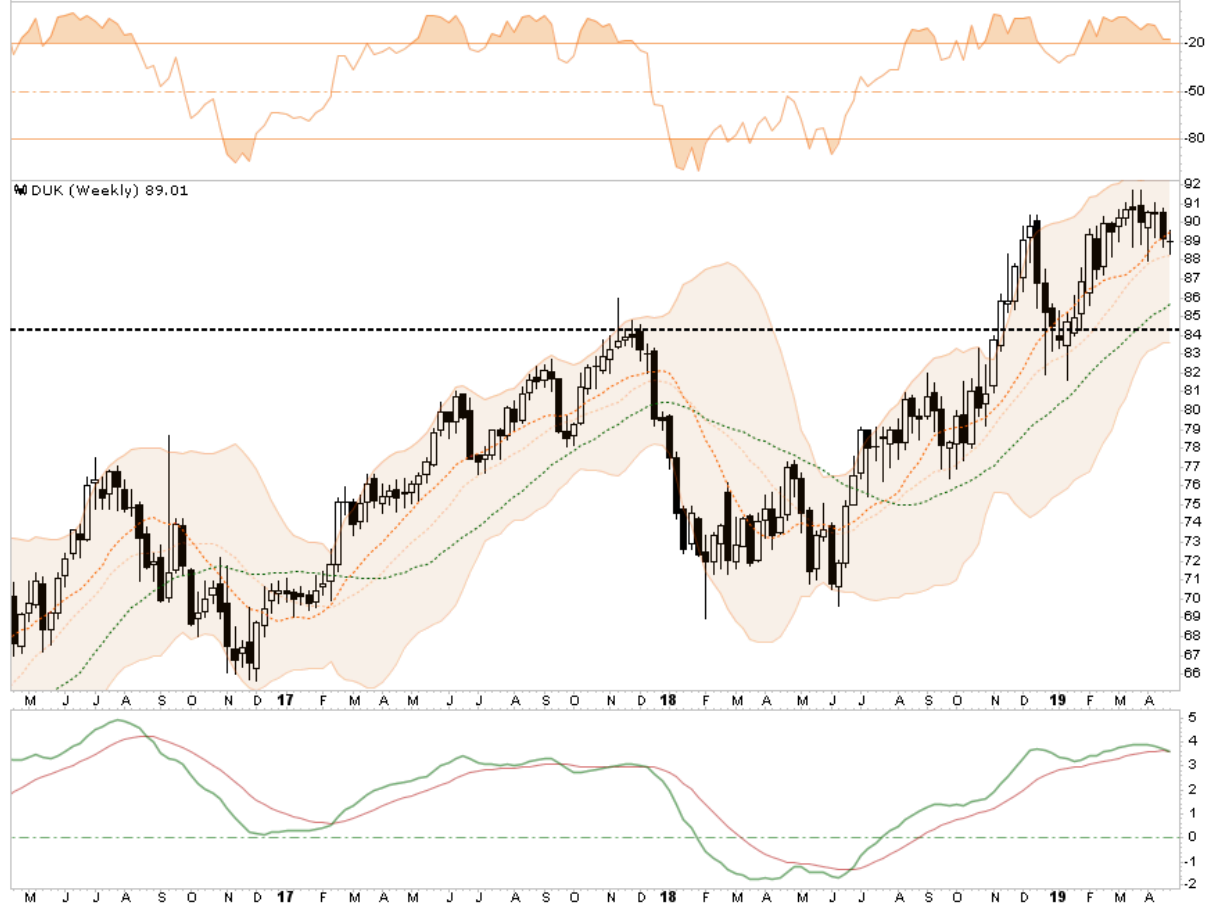
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Utilities / Multiutilities

Tuesday 23-Apr-2019

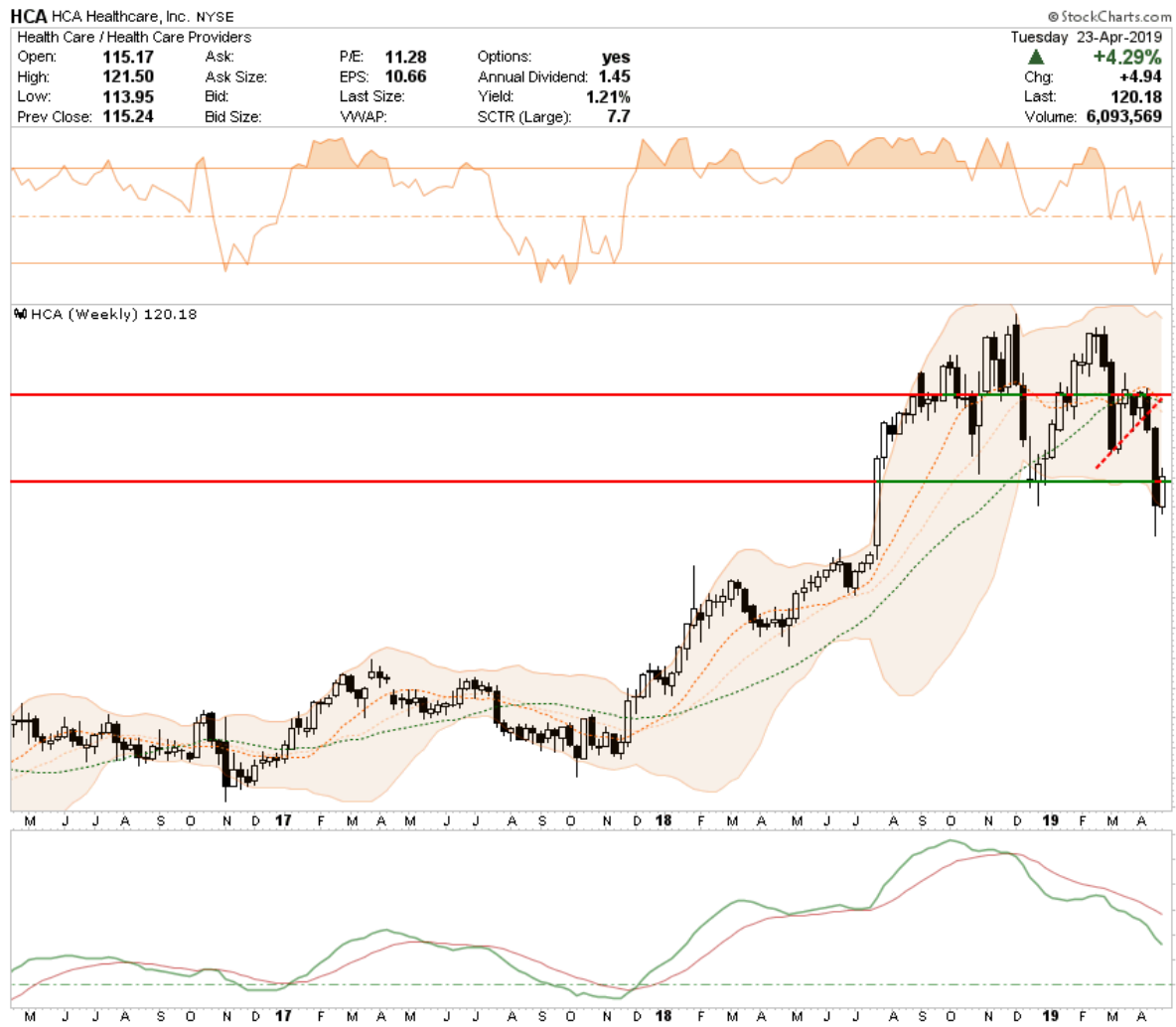
Open: 89.01	Ask:	P/E: 23.70	Options: yes
High: 89.56	Ask Size:	EPS: 3.76	Annual Dividend: 3.6725
Low: 88.29	Bid:	Last Size:	Yield: 4.13%
Prev Close: 89.14	Bid Size:	VWAP:	SCTR (Large): 38.3

Chg: **-0.13**
Last: **89.01**
Volume: **4,927,705**



- *DUK has been stalling near at a double top and is close to registering a short-term sell signal. We will likely take profits in the position in the next couple of days.*
- *Currently the position is holding support and hasn't done anything dramatic.*
- *However, we are moving our stop-loss up to \$86 to protect profits.*
- *Our absolute stop is moved up to \$84*

HCA - HCA Healthcare



- *HCA and UNH fall in the same category of healthcare stocks. As noted with ABT above the recent selloff was driven by political talk and not earnings. With earnings strong for these companies we expect a recovery soon.*
- *HCA and UNH are both very oversold and the rally back to support keeps our positions intact.*
- *Stop-loss is set at \$110 for now.*

JNJ - Johnson and Johnson

JNJ Johnson & Johnson NYSE

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Health Care / Pharmaceuticals

Open: **136.98** Ask: P/E: **25.91** Options: **yes**
 High: **140.85** Ask Size: EPS: **5.40** Annual Dividend: **3.6**
 Low: **136.46** Bid: Last Size: **2.57%** Yield: **2.57%**
 Prev Close: **137.52** Bid Size: VWAP: SCTR (Large): **34.8**

Tuesday 23-Apr-2019

▲ **+1.73%**

Chg: **+2.38**

Last: **139.90**

Volume: **9,879,445**



- JNJ broke out of its consolidation pattern on Tuesday and set to move higher.
- With the stock holding a buy signal we will look to add to the holding opportunistically. It is a bit overbought currently.
- We are moving our "profit stop" up to \$135
- Our full stop-loss is moved to \$132.50

MU - Micron Technologies

MU Micron Technology, Inc. Nasdaq GS

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Technology / Semiconductors

Tuesday 23-Apr-2019

Open: **43.14** Ask: P/E: **3.93** Options: **yes**
 High: **43.57** Ask Size: EPS: **10.88** Annual Dividend: **N/A**
 Low: **42.53** Bid: Last Size: Yield: **N/A**
 Prev Close: **43.40** Bid Size: VWAP: SCTR (Large): **41.0**

Chg: **-1.45%**
 Last: **42.77**
 Volume: **37,353,380**



- After a brutal sell-off last year, we added MU to the portfolio which has been performing "okay" to this point.
- However, the position is struggling with important resistance. Earnings will make or break this play.
- On a buy signal currently, and not overbought, there is good upside if MU can break above resistance.
- We are moving our stop-loss up to \$40

PG - Proctor & Gamble

PG Procter & Gamble Co. NYSE

Consumer Staples / Personal Products

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Open: **106.13**

Ask:

P/E: **25.09**

Options:

yes

Tuesday 23-Apr-2019

▼ **-2.73%**High: **107.20**

Ask Size:

EPS: **4.11**Annual Dividend: **2.8975**Chg: **-2.89**Low: **102.13**

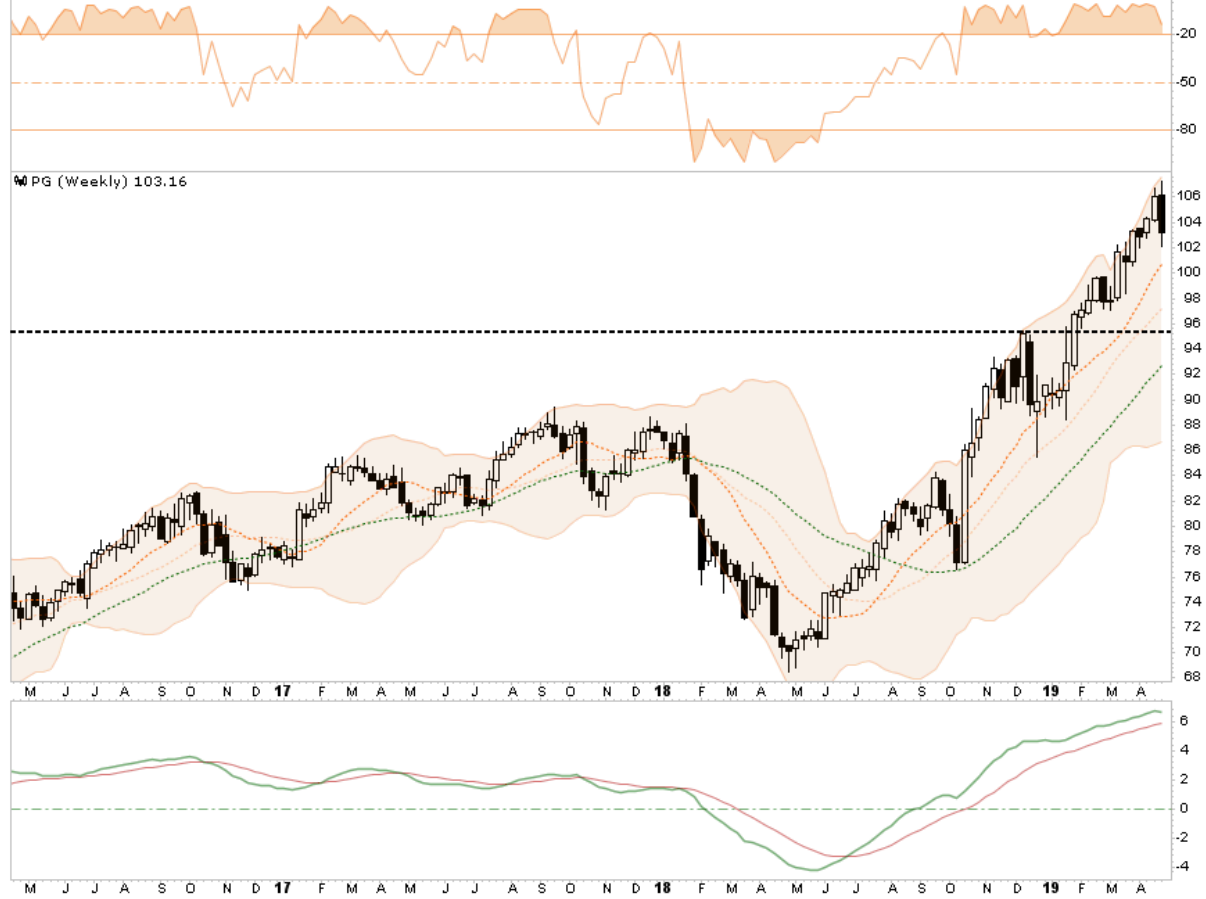
Bid:

Last Size:

Yield: **2.81%**Last: **103.16**Prev Close: **106.05**

Bid Size:

VWAP:

SCTR (Large): **70.3**Volume: **24,734,936**

- PG continues to climb a steady path higher with support running along the elevated moving average.
- The buy signal is very extended and we will look to take profits in the next few days.
- Our profit stop-loss is moved up to \$101
- Our absolute stop is set at \$96

UTX - United Technologies



- UTX was bought originally as our defensive sector play and while it did rally, it lagged the markets advance until just recently.
- Good earnings on Tuesday sent the stock to previous highs.
- We will look to take profits here soon with the position now very overbought and 2-standard deviations above the intermediate moving average.
- A "profit stop" has been set at \$132.50
- Stop loss is currently set at \$125

VZ - Verizon

VZ Verizon Communications: NYSE

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Communication Services / Fixed Telecommunications

Open: 58.14	Ask:	P/E: 15.16	Options: yes
High: 58.49	Ask Size:	EPS: 3.77	Annual Dividend: 2.3975
Low: 56.30	Bid:	Last Size:	Yield: 4.20%
Prev Close: 58.04	Bid Size:	VWAP:	SCTR (Large): 29.0

Tuesday 23-Apr-2019

▼ **-1.53%**
 Chg: **-0.89**
 Last: **57.15**
 Volume: **33,590,368**



VZ (Weekly) 57.15



- VZ reported decent earnings on Tuesday, but the stock had already been running up prior to reporting.
- The position is working off an overbought condition after breaking out of a consolidation.
- We are holding the position for now.
- Stop-loss is moved to \$56