



Selected Portfolio Positions Review: 05-13-20

Each week we produce a chart book of 10-selected portfolio positions to review in our [equity model](#). Specifically, we are looking at positions which warrant attention, or are providing an opportunity to buy or sell. 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 three primary components to each chart:

- *The ORANGE price chart is overlaid on the short-term "Over Bought / Over Sold" indicator which is in GREY.*
- *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 (Lower Panel) when the BLUE histogram is above (BUY) or below (SELL) the zero line.*

When the price of a position is 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 add to a winning position, or look for an opportunity to add to holdings which have not violated trailing stops. With this basic tutorial, we will now review some positions in our Equity Portfolio which are either a concern, an opportunity, a recent change, or are doing something interesting.

WMT - WalMart (Add)

WMT Walmart Inc. NYSE

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Consumer Staples / Personal Products

Tuesday 12-May-2020

Open: 124.48	Ask:	P/E: 23.86	Options: yes
High: 125.66	Ask Size:	EPS: 5.19	Annual Dividend: 2.14
Low: 123.78	Bid:	Last Size:	Yield: 1.73%
Prev Close: 123.67	Bid Size:	VWAP:	SCTR (Large): 78.8

▲ **+0.09%**
 Chg: **+0.11**
 Last: **123.78**
 Volume: **6,283,875**



- We added WMT on Monday to the portfolio taking advantage of the recent pullback to previous support.�
- Channel checks look good as people are shopping WMT and COST consistently so earnings should be stable going forward.�
- Stop loss is set at \$117.50

COST - CostCo Wholesale (Added)

COST Costco Wholesale Corp. Nasdaq GS

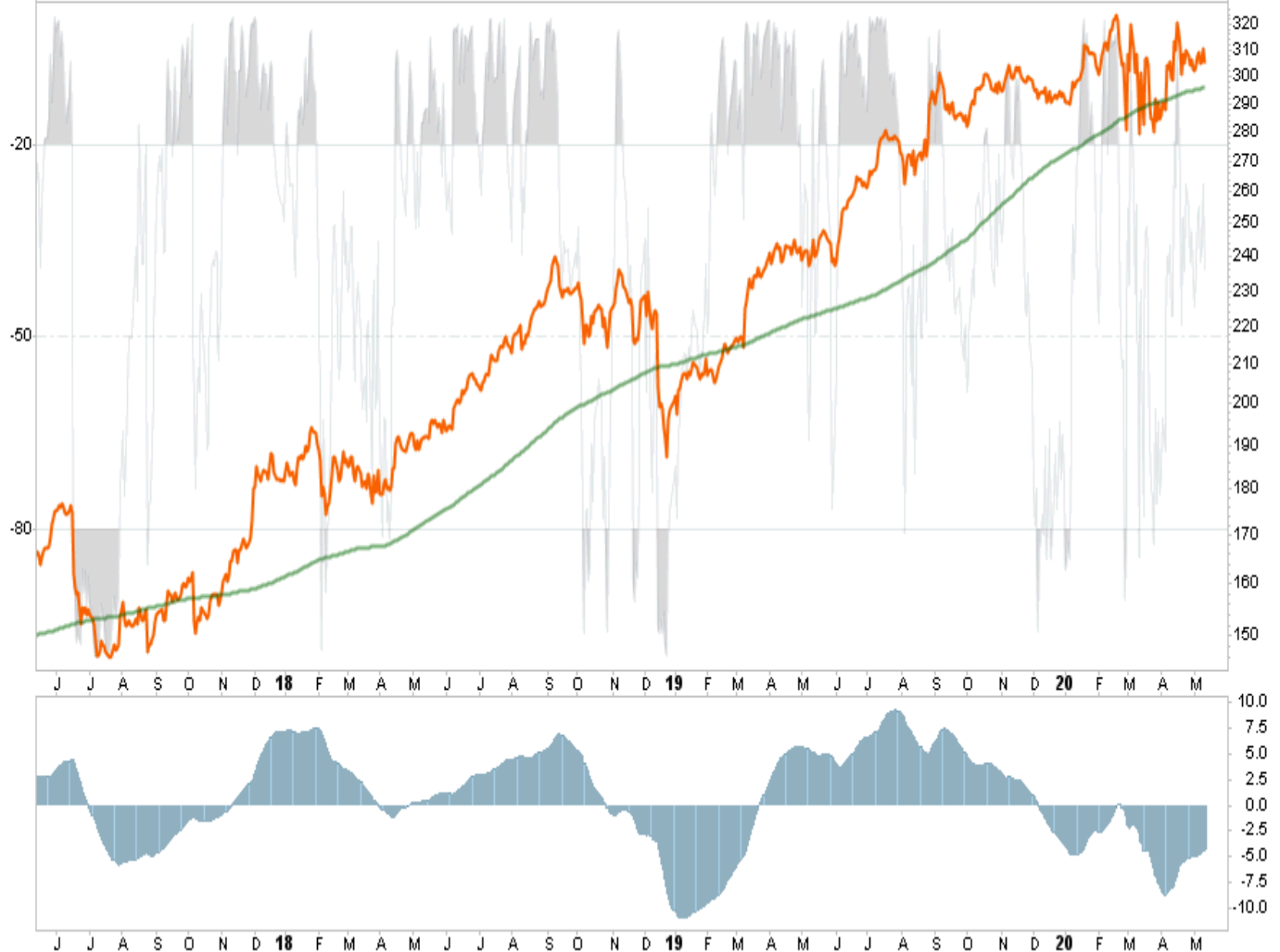
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Consumer Staples / Personal Products

Tuesday 12-May-2020

Open: 310.84	Ask:	P/E: 35.76	Options: yes
High: 311.55	Ask Size:	EPS: 8.52	Annual Dividend: 2.65
Low: 304.79	Bid:	Last Size:	Yield: 0.87%
Prev Close: 310.33	Bid Size:	VWAP:	SCTR (Large): 74.3

▼ **-1.77%**
 Chg: **-5.49**
 Last: **304.84**
 Volume: **2,246,741**



- As we added WMT to our portfolio, we added to our current position of COST for the same reasons.
- Earnings should be stable as shopping continues (with or without restrictions)
- Trend is very positive and is not overbought. Sideways consolidation since the beginning the year has removed much of the risk of ownership.
- Stop has been raised to \$290

INTC - Intel (Looking To Add)

INTC Intel Corp. Nasdaq GS

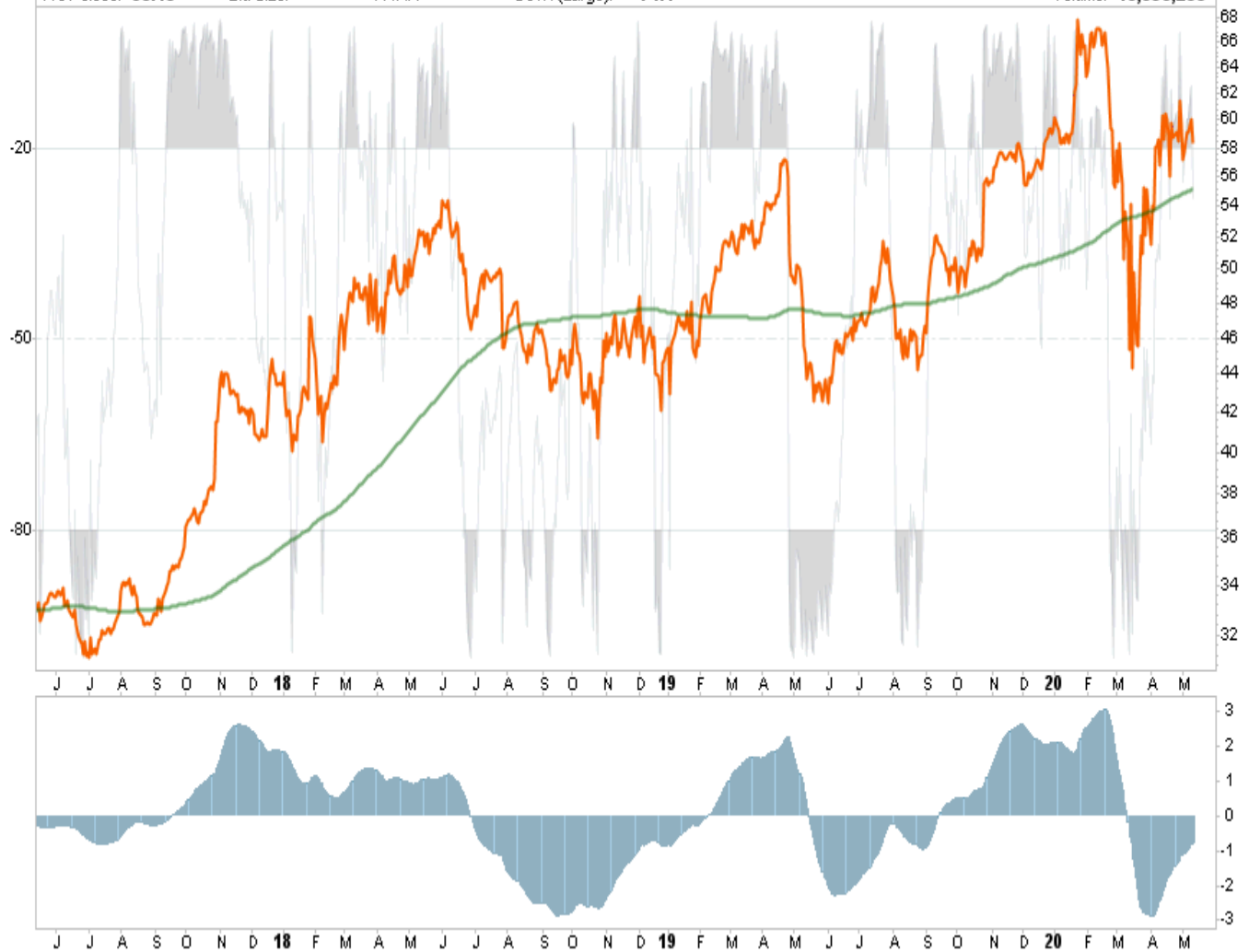
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Technology / Semiconductors

Tuesday 12-May-2020

Open: 60.22	Ask:	P/E: 11.31	Options: yes
High: 60.64	Ask Size:	EPS: 5.16	Annual Dividend: 1.29
Low: 58.26	Bid:	Last Size:	Yield: 2.21%
Prev Close: 60.13	Bid Size:	VWAP:	SCTR (Large): 74.1

▼ **-2.89%**
 Chg: **-1.74**
 Last: **58.39**
 Volume: **16,696,200**



- We are looking to add INTC to the portfolio and just waiting for the right setup as we are underweight technology in the Equity portfolio.
- We would like to see a pullback to the 200-dma that holds, or a consolidation that works off the overbought condition.
- Be patient and wait for the right entry point.
- Stop will be set at \$55

CAG - Conagra Foods (Sold)

CAG ConAgra Brands, Inc. NYSE

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Consumer Staples / Food Products

Tuesday 12-May-2020

Open: 33.58	Ask:	P/E: 21.76	Options: yes
High: 34.38	Ask Size:	EPS: 1.57	Annual Dividend: 0.85
Low: 33.51	Bid:	Last Size:	Yield: 2.49%
Prev Close: 33.41	Bid Size:	VWAP:	SCTR (Large): 94.5

▲ **+2.10%**
 Chg: **+0.70**
 Last: **34.11**
 Volume: **3,016,843**



- We previously added to CAG and it broke above the 200-dma and gained some traction;
- We sold CAG to take profits in the position and make room in the portfolio for increasing some of our other holdings. (We explained this in the portfolio commentary previously.)
- There is nothing wrong with CAG technically or fundamentally. This was an allocation decision for our portfolio structure.
- Stop is moved up to \$30 if you are still long.

MPW - Medical Properties REIT (Add)

MPW Medical Properties Trust Inc. NYSE

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Real Estate / Specialty REITs

Tuesday 12-May-2020

Open: 17.85	Ask:	P/E: 20.69	Options: yes
High: 17.97	Ask Size:	EPS: 0.81	Annual Dividend: 1.04
Low: 16.81	Bid:	Last Size:	Yield: 6.19%
Prev Close: 17.72	Bid Size:	VWAP:	SCTR (Mid): 57.2

▼ **-5.14%**
 Chg: **-0.91**
 Last: **16.81**
 Volume: **4,011,045**



- REITs have gotten oversold and out of favor relative to the Technology heavy sector. There will be a rotation to REITs eventually, so we are placing some early, small, bets.
- We added MPW which, like our other REIT holding CHCT, is in the Healthcare space (which we like due to demographics) and provides us a decent yield.
- MPW is not overbought and we will look to add to our holdings on a pullback to support that holds.
- Stop loss is set at \$14

GDX - Gold Miners (Reduced)

Open: **34.34** Ask: P/E: Options: **yes**
 High: **34.95** Ask Size: EPS: Annual Dividend: **0.1905**
 Low: **33.69** Bid: Last Size: Yield: **0.56%**
 Prev Close: **33.89** Bid Size: VWAP: SCTR (ETF): **98.9**

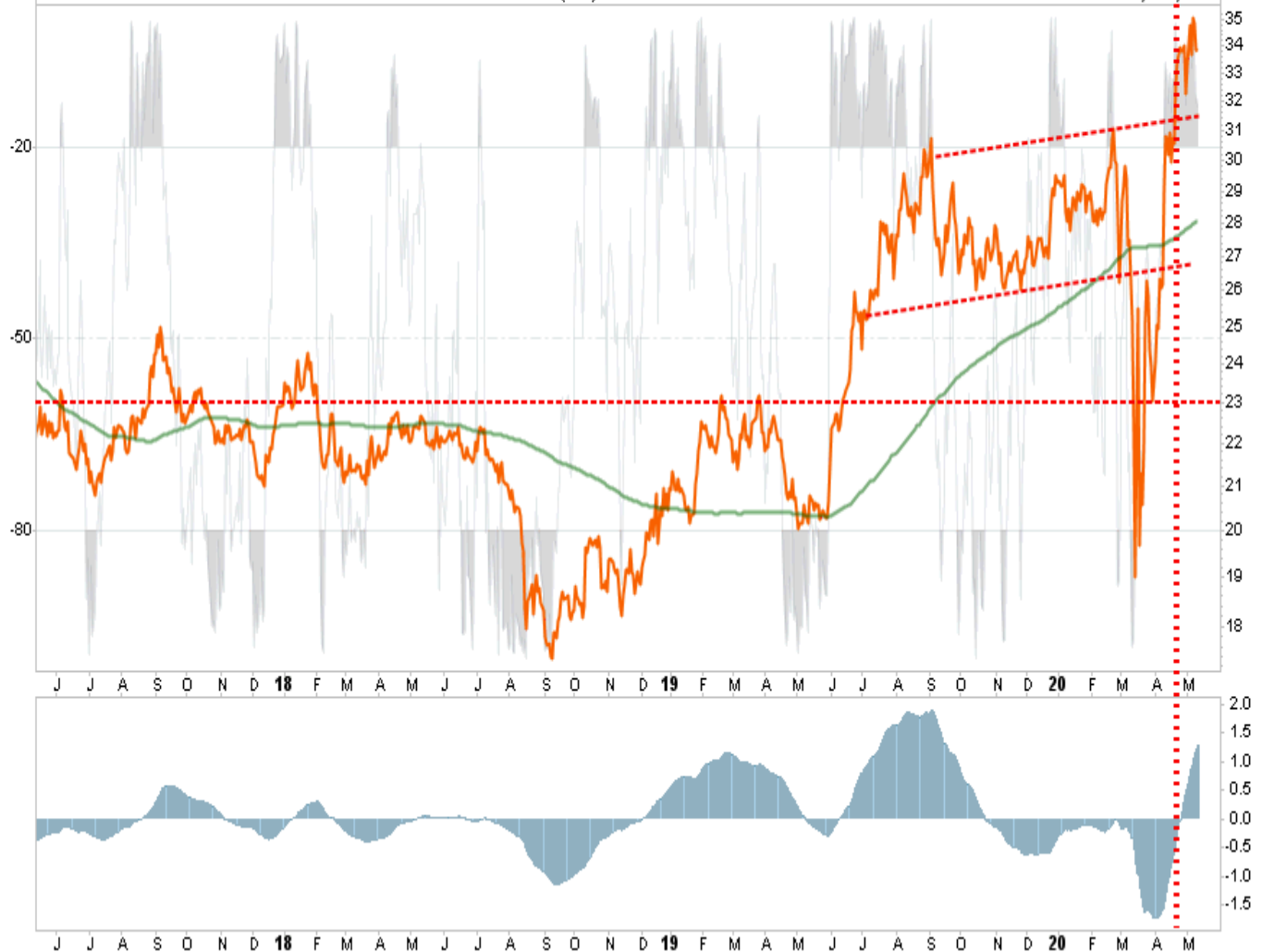
Tuesday 12-May-2020

▼ -0.15%

Chg: -0.05

Last: 33.84

Volume: 20,963,020



- We took profits out of GDX and reduce our holding back to 1.5% of the portfolio.
- GDX is grossly extended so we are looking for a pullback to support about \$32 to add to our position.
- We have traded gold miners a couple of times, and we have been building a position since March in the miners due to valuations relative to the price of gold. 2013266080;
- Stop is moved up to \$29.00

CLX - Clorox Co. (Looking To Take Profits)

CLX Clorox Co. NYSE

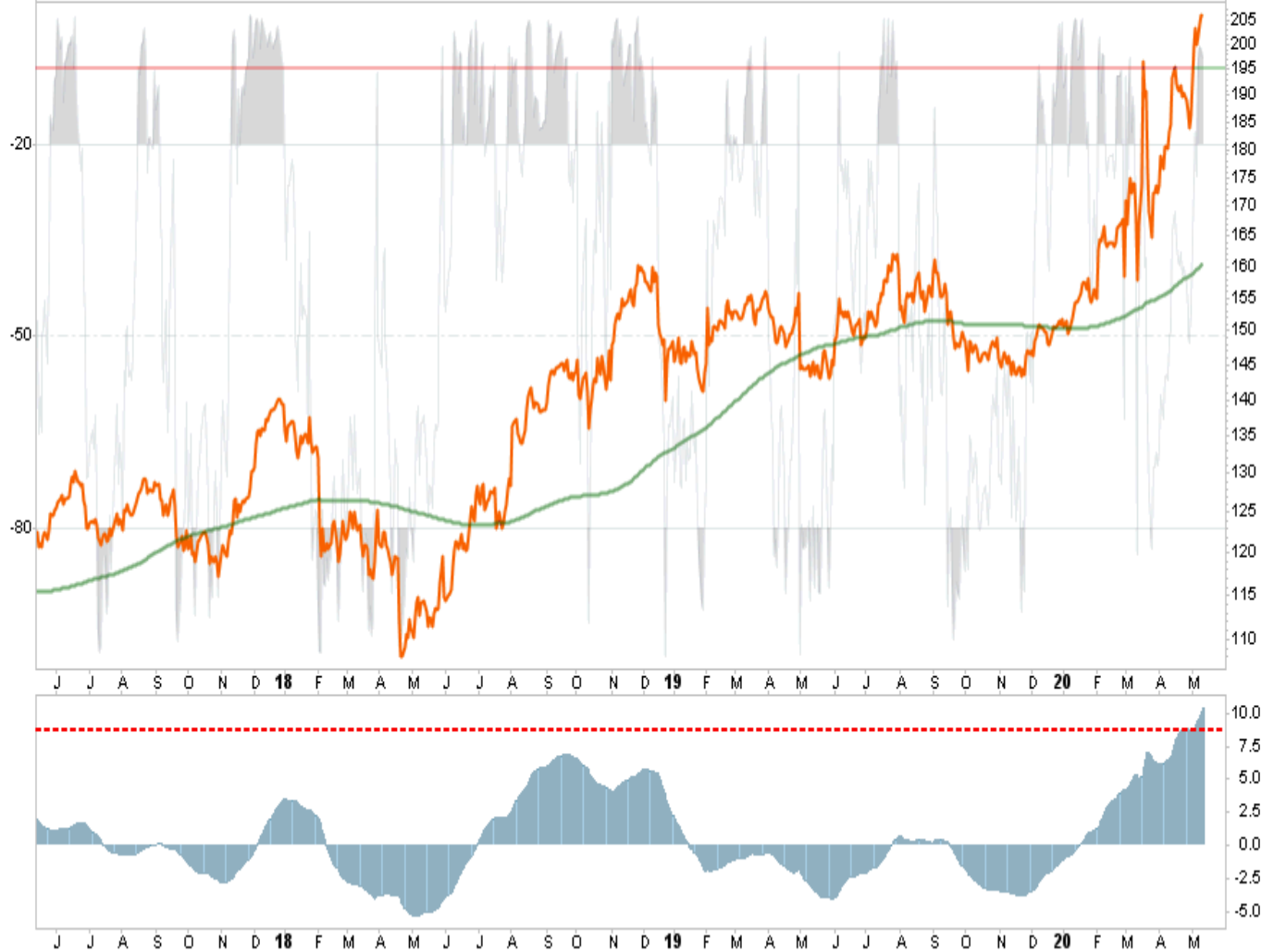
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Consumer Staples / Nondurable Home Products

Tuesday 12-May-2020

Open: 206.51	Ask:	P/E: 30.16	Options: yes
High: 208.88	Ask Size:	EPS: 6.82	Annual Dividend: 4.24
Low: 205.51	Bid:	Last Size:	Yield: 2.06%
Prev Close: 205.81	Bid Size:	VWAP:	SCTR (Large): 97.9

▼ **-0.06%**
 Chg: **-0.13**
 Last: **205.68**
 Volume: **1,173,284**



- *CLX has been a bit of a runaway train since adding the holding.*
- *We are going to take profits and reduce our position size temporarily to await a pullback to support and reduce some of the extreme overbought condition.*
- *Stop is moved up to \$180*

NSC - Norfolk Southern (Looking For Entry)

NSC Norfolk Southern Corp. NYSE

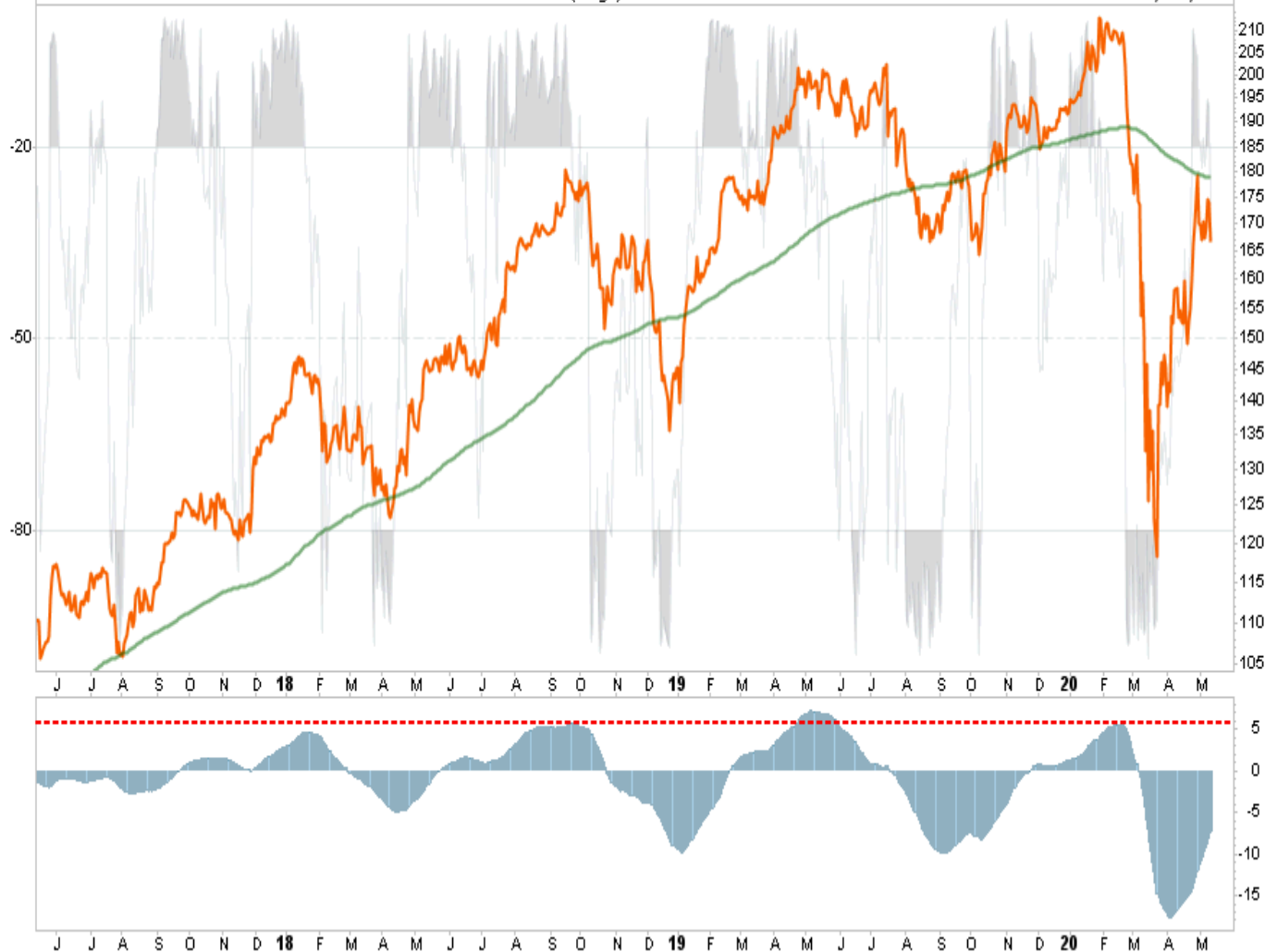
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Industrial / Railroad

Tuesday 12-May-2020

Open: 173.70	Ask:	P/E: 18.13	Options: yes
High: 174.12	Ask Size:	EPS: 9.20	Annual Dividend: 3.76
Low: 166.69	Bid:	Last Size:	Yield: 2.25%
Prev Close: 174.06	Bid Size:	VWAP:	SCTR (Large): 60.7

▼ **-4.18%**
 Chg: **-7.27**
 Last: **166.79**
 Volume: **1,385,120**



- We have owned NSC previously and took profits several times before closing out the position due to the shutdown of the economy.
- With the economy starting to reopen we are seeing rail traffic starting to recover.
- NSC is extremely overbought so we are looking for a bit of a correction to add a position back to our portfolios.�
- As with INTC, we are not in a rush and will just wait for the right opportunity.
- Stop loss will be set at \$150

CMCSA - Comcast Corp. (Watch)

CMCSA Comcast Corp. Nasdaq GS

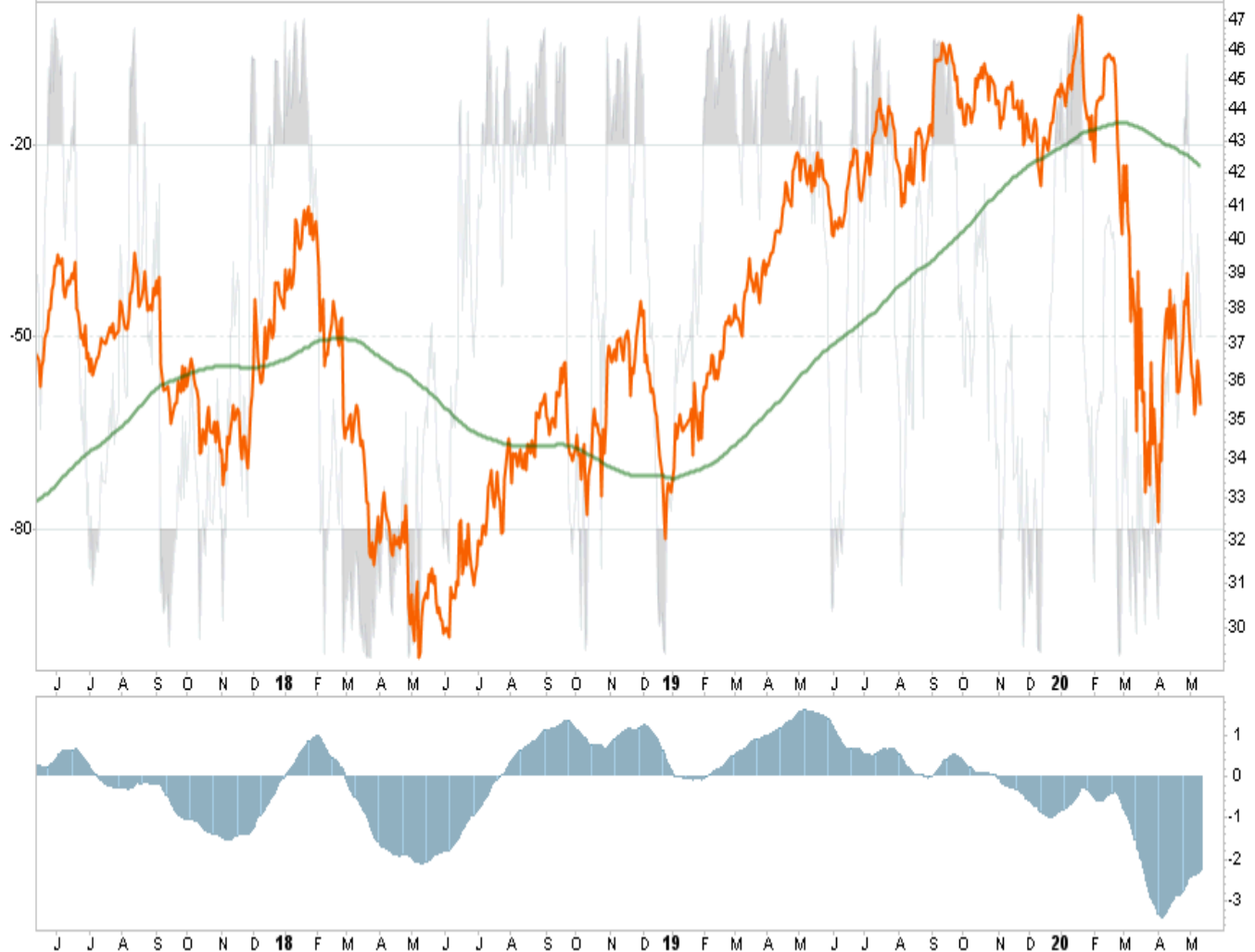
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Communication Services / Entertainment

Tuesday 12-May-2020

Open: 36.07	Ask:	P/E: 14.01	Options: yes
High: 36.23	Ask Size:	EPS: 2.52	Annual Dividend: 0.86
Low: 35.34	Bid:	Last Size:	Yield: 2.43%
Prev Close: 36.16	Bid Size:	VWAP:	SCTR (Large): 39.4

▼ **-2.24%**
 Chg: **-0.81**
 Last: **35.35**
 Volume: **16,992,876**



- *CMCSA is underperforming the market as a whole and performance has been disappointing as of late.*
- *After taking profits previously, we are at a reduced weighting in the portfolio.*
- *We are watching the position for now and evaluating it, however, if it doesn't start to pick up performance soon, we will likely remove it and replace it with another candidate.*
- *Current stop remains at \$34*

CHCT - CHCT Healthcare REIT (Looking To Buy)

CHCT Community Healthcare Trust, Inc. NYSE

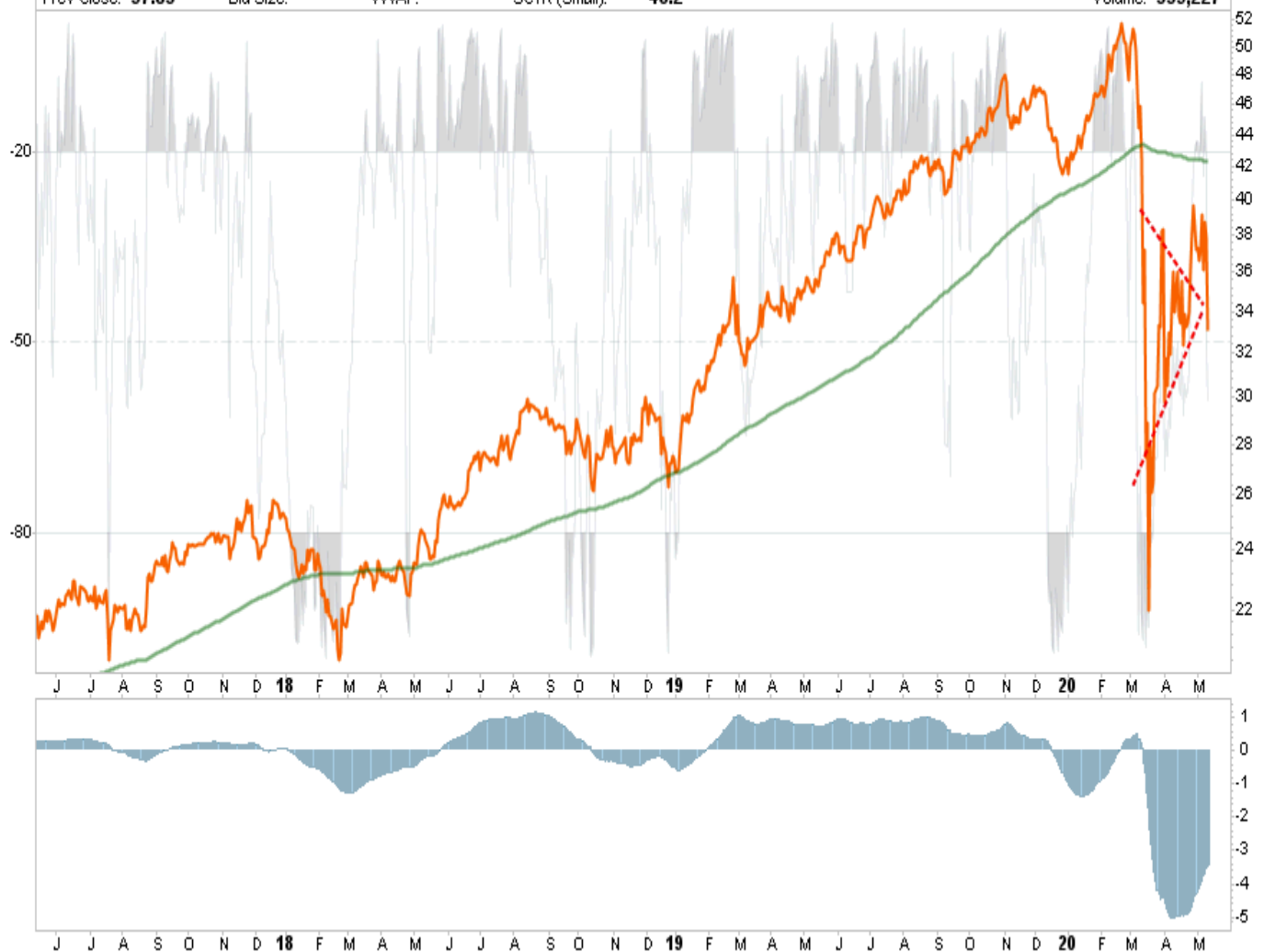
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Real Estate / Specialty REITs

Tuesday 12-May-2020

Open: 37.95	Ask:	P/E: 68.23	Options: no
High: 37.95	Ask Size:	EPS: 0.48	Annual Dividend: 1.655
Low: 32.77	Bid:	Last Size:	Yield: 5.00%
Prev Close: 37.83	Bid Size:	VWAP:	SCTR (Small): 46.2

Chg: -4.75
Last: 33.08
Volume: 339,227



- CHCT was beat up badly during the liquidation in the credit markets. We still maintain a position in CHCT and are now looking to add to the holding. 2013266080;
- It got hit on Tuesday as Los Angeles announced they will remain closed for the rest of the summer. This will impact the rents of commercial REITs, but so goes the sector, so goes the holdings of all REITs.
- We will use this opportunity to add to our holdings, but we will look for a bottom.
- Buy at \$31-32
- Stop loss adjusted to \$28