

INVESTMENT FORUM AGENDA FOR WEDNESDAY, MAY 8, 2013, 11:50AM

The Forum will meet at 10:30AM starting May 15, 2013 through June 12

Market Perspective. Mr. Correction (10% decline in equity prices,) where are you? We know you are out there! The market was up again last week: DOW up 1.78%; S&P up 2.03%; and NASDAQ up 3.03%.

Pundits are saying there is a "sector rotation" with tech stock on a roll and leading the market now. If any of you know what "sector rotation" is and why it is important, please come forward and 'splain" it to us.

On Friday, the S&P broke through 1,600, an important resistance level. The DOW broke through 15,000 on Friday, but backed off and closed at 14,974. So no sheet cake this week. When the DOW finishes the week above 15,000, Ed will bring in the celebratory sheet cake for the next session.

What about "Sell in May and Go Away."

Capital One Financial (COF.) Lou Coglianese, retired from Capital One, will discuss the transformation of Capital One from a credit card lender, to a full service, regional bank, and its corporate culture that was different than most commercial banks. His presentation will follow the one he gave to "Current Issues in Banks and Banking" but we will also look at Capital One as an investment, and compare its performance to other regional banks.

Tom Crooker potpourri. Tom gets an open mike to talk about some things on his mind. Those may include recent comments from Mark Hulbert and Bill Gross, and Warren Buffet's upcoming annual meeting, which is always a source of wisdom from the "Oracle of Omaha."

Stock of the Week. Altria (MO.) What's not to like about Altria? Over the past ten years, the price has increased from \$9.55 to \$36.51. Pays a 4.74% dividend. A wide moat, and its customers are, shall we say, "addicted" to the product, and are "price insensitive." Why don't we all own it? As the world's biggest producer of cigarettes, many of us have a problem with that, and potential future taxes and liabilities. Altria is sort of the opposite of "sandbox" investments - those stocks that you happen

to like for non-financial reasons. Altria is a stock many avoid for non-financial reasons. Let's talk about stocks like Altria that have baggage.

Buys and Sells

Buys

J C Penney (JCP) sale of covered call

J C Penney (JCP) 4 star rated by Morningstar!

Huh???

AstraZeneca (AZN) 5.4% div; 9.2 PE; 12.6% price advance since 3/20/13

Great Canadian Gaming Corp (GC)

Foot Locker (FL)

Dow Chemical (DOW)

Apple (AAPL)

Boeing Corporation (BA) 1.9% dividend, 25% price advance since 5/3/2013; Dreamliner flying again!

Gilead Sciences (GILD) - 2 buys

Apache Corp (APA) - again. Natural gas

Huntsman Corp (HUN) - chemicals

Sells

Microsoft (MSFT)

Pepsico (PEP)

Best Buy (BBY)

Las Vegas Sands Corp (LVS) 1.9% dividend; 17.4 PE; 50% price advance since 7/2012

Pfizer (PFE)

Powershares Fundamental High Yield Corporation Bond ETF (PHB)

Fifth Third Bancorp (FITB) 2.3% dividend; 9.8 PE; 41% price advance since 5/2012. Weirdest name in the banking industry!

Frontier Communications (FTR)

Thinking About

Frontier Index

Fidelity - sell

Wells Fargo (WFC)

J C Penney (JCP)

General Electric (GE)

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