INVESTMENT FORUM AGENDA FOR WEDNESDAY, MARCH 21, 2018 10:30AM,

TALLWOOD, TA-1

The Spring Term begins on March 28, at 11:50AM, ***at Tallwood, TA-1. We will meet at Tallwood, instead of Lord of Life, for the Spring term.***

Brenda Bloch-Young is Forum Moderator this week.

Market Perspective. Markets were down, mostly due to political worries and personnel shakeups in the US, and unease over tariffs and a possible trade war. For the week, the DOW was down 1.4%; the S&P was down, 1.0%; and the NASDAQ was down 0.7%.

Tax Reform. We will discuss the implications of the tax bill for the corporations we typically invest in. (This is the topic scheduled for February 7, but cancelled as OLLI was closed.) While the Tax Cuts and Jobs Act reduced the statutory corporate tax rate from 35% to 21%, many multinational corporations we invest in already had a lower tax rate. In particular, technology and pharmaceutical companies based on their ability under the old law to transfer the value of intellectual property abroad. This is often referred to as Base Erosion. The new law has provisions that attempt to limit this practice. The benefit of the tax cuts will be mixed. While many of the details (actual regulations) have not been released yet, there are some interpretations of what the intent was when the bill was passed.

Since this discussion was first prepared, more interpretations and analyses have been released. We will look at how the law impacts the 13 stock sectors based on Wall Street Journal and Bloomberg Tax.

<u>Upcoming Topics.</u>

Looking for Yield. Now that interest rates are rising, and likely to continue to rise, I will discuss several fixed income topics as time permits. Those include: higher yield fixed income investments and funds; leveraged funds; mortgage REITs; preferred stocks, convertibles; bond and CD ladders; international bonds, and rolling down the yield curve.

April 26. International Stocks and Funds. James Dann will look at international stocks and funds, which provided good returns in 2017. Is that likely to continue?

May 16. Stock Picking. Ingrid Hendershott, CFA, President of Hendershott Investments, will share her views on the market and stocks that she buys for her clients' portfolios. Ms. Hendershott has spoken to the Forum several times over the years.

Buys and Sells (Week Ending 3/14/2018)

<u>Buys</u>
Magna International (MGA) - car parts. MC: $20B
Exxon Mobil (XOM) - add to
EPR Properties (EPR) - entertainment property REIT. Add to.

<u>Sells</u>
Abercrombie & Fitch (ANF)
American Eagle Outfitters (AEO)
Fidelity Strategic Dividend & Income (FSDIX)
Airlines
Plug Power (PLUG)

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