**Model Investment Club of Northern Virginia (MicNova)**

**DC Chapter of Better Investing**

 **Minutes for the November 9, 2021 Hybrid Meeting at Tysons-Pimmit Library and Online**

***Total attendees*:** *15 online and 6 in-person*

**Members Present In-Person:** Baskar Arumugam, Gladys Henrikson, Sheryl Patterson,

**Members Online:** Ty Hughes, Arvind Krishna, Amy Laing, Pat Onufrak, Jo Murphy, Kathy Emmons, Wilbert Nixon

**Members Absent:** Jonathan Timmes (*withdrawn*), Maskey Krishnarao, Paul O’Mara,

**Proxies for Members:** Arvind for Maskey, Sheryl for Paul

**BI (& other) Visitors Present in Person:** Carol Cuddihy, Anne Bradley, Brian O’Hara

**BI (& other) Visitors Present Online**: Carmen Dudley, Fred Beckman, F. Rubin, Sarah Rubin, Raj Srivatsan. Thomas

Sheryl Patterson was the meeting Lead. She welcomed everyone including new and returning visitors; explained the club’s purpose & objectives; reviewed announcements of upcoming events listed on the agenda; and conducted the meeting.

* **Secretary’s Report – filed in Bivio. All approved.**
* **Update on Jonathan Timmes Withdrawal Payment**

Gladys reminded the club that our Operating Procedures say that a withdrawing club member’s valuation will take place on the last trading day of the month following a member’s request for withdrawal. Since Jonathan sent his withdrawal request in October, Nov 30 will be his valuation date. Jo Murphy volunteered to recommend our payout method for Jonathan in December.

* **New Question: Should MicNova Buy a Fidelity Bond?**

Sheryl reported that Better Investing sent the club information about purchasing a Fidelity Bond, for about $80/year, to ensure our TD Ameritrade assets from theft. Jo Murphy volunteered to review the Bivio chapter-chat on this subject and make a recommendation at the December meeting.

* **Sign-Up Schedule for Education and New Stock Presentations for 2022**Sheryl reminded members to choose dates and topics for their education and new stock presentations for 2022.
* **Sign-up tables are filed in** **Bivio**, under
***Public/Sign-ups for New Stock and Education Presentations.*** *Members are asked to email their selections/additions to these tables to either Maskey or Gladys, for consolidation.*
* **Sheryl noted we needed an Education Presentation for December, as well as a new stock presentation.Update:*****in December****,* ***Jo Murphy*** *will present* ***End-of-Year Tax Loss Harvesting****, as* ***our education presentation****, and* ***Gladys*** *will present a New Stock,* ***MKS Instruments (MKSI)***
* **Education Presentation I. “Reading the Charts: Technical Analysis, Part II” by Wilbert Nixon**
* Technical Analysis can enhance BI’s Fundamental Analysis of a stock by helping an investor choose *when* to buy that selected stock. Wilbert gave a lucid and thoughtful Power Point presentation, *filed in Bivio under Education/2021, “Reading the Charts…”* His presentation defined and illustrated the basics of Technical (Chart) Analysis including such terms as:
*Trend* – the shape of a stock’s price graph, where investors prefer an upward slope, but it can be also sideways or down, and the time frame one’s analyzing;
*Support and Resistance* – the price points, on a graph following time, below or above which the stock is less likely to fall or rise;
*Technical Indicators* – five categories, including the *Relative Strength Indicator (RSI)* , which measures the size of recent price changes to determine what other investors think of the stock -whether it’s likely overbought or oversold. A stock is usually considered overbought when the RSI is above 70% and oversold when it is below 30%.
In addition to his presentation, Wilbert suggested further information on charting/technical analysis can be found through: Barchart.com, StockCharts.com, and Investopedia.com.
* **Education Presentation II: “MicNova Portfolio Review,” by Ty Hughes**
	+ Ty began his presentation by warning members not to buy “hot stocks” between September and the end of the year.
	+ He then examined our MicNova Portfolio against several criteria, and presented the club with these illustrated observations:
		- **Size.** MicNova is ***over-weighted on mega stocks***: e.g., Google, Microsoft, and Apple; It is under-weighted in small-cap stocks.
		- **Return Trend.** Using both the Better Investing ***PERT report***, from Tool-Kit, plus Manifest Investing’s stock analysis, Ty sorted MicNova’s portfolio by projected average return (PAR). ***On the bottom, with lowest PARs*** are: *NV Global* (which also has a high P/E of 50); *Alimentation Couche Tard* (also disadvantaged by slim-to-none analyst coverage), *Algonquin Power* – whose revenue growth looks flat, and, perhaps, *Adobe*, whose high P/E and price portend a low projected return for investors.
		- **Recommendations:** We have too many stocks in our portfolio. *Trim* holdings of our mega-stocks, and maybe Adobe; *sell* NV Global, Alimentation Couche Tard, and Algonquin Power. In future, look for more high-quality small and medium size cap stocks that have some analyst coverage.
* **There was no New Stock presentation**
* **Stock Watcher Reports** *(complete reports filed in Bivio under Club Portfolio)*
	+ **Adobe, by Elinor (Kathy) Emmons.** Adobe has experienced over 20% sales and profit growth over the last quarter, and Kathy estimates the next five year growth about the same. Her estimated total return ranged from 10.5% to 15.9%. However with its current high price and P/E >50, it is a HOLD.
	+ **Gentex, by Paul O’Mara.** The company has been hit by chip shortages and supply chain issues, so sales and earnings are down. Paul’s total return ranged from 2.5% to 5.6%, although he pointed out several analysts rate it well and ascribe a higher return. He recommends it as a HOLD.
	+ **Microsoft, by Gladys Henrikson.**Microsoft sales and earnings over the last quarter were up well above 20%, largely led by Microsoft’s strong sales in Azure, its Cloud business. However, due to its high price and P/E of 37, it is a HOLD.
* **Stock Watcher Reports due for this December Month.**

Aon by Pat, ANCUF by Baskar, AX by Sheryl, BRK.B by Wilbert, CBOE by Maskey, FB by Wilbert, LGIH by Jo, MNST by Amy, NVEE by Sheryl and VRTX by Arvind.

* **Treasurer’s Report**. As of Nov 9, 2021, MicNova had $1338.37 in cash and $139,754.75 in stocks at market value. (*Note*: newest stock, Facebook, is now listed under “Meta Platforms, Inc.”)
* **There were no Buy/Sell Decisions**.
* **Announcements**: Partners voted to ***change the MicNova Monthly Planning Meetings*** from the Thursday before the 2nd Tuesday meeting, ***to the 1st Tuesday of the month***. ***Planning meetings and full meetings will now occur on the same day of the week, one week apart.***

* ***The December Planning meeting will be Dec 7, from 8-9 pm.*** The hope is this change will allow more members to participate online, since workweeks are busiest at the end.
* **The meeting was adjourned at 8:50 pm, in conformance with Tysons-Pimmit Library hours.**
* **Coming BI and Community Events & Announcements:**
* Try Google Calendar: https://calendar.google.com/calendar/embed?src=e35rgnp2nm6gdcb67lnqtherb8%40group.calendar.google.com&ctz=America%2FNew\_York
* Note: for the Dec 14 online meeting, Jo Murphy will present the Education Topic, “End of Year Tax Loss Harvesting” and Gladys Henrikson will present the New Stock, “MKS Instruments”

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| --- | --- | --- | --- | --- |
|  | Name | New Stock Presentation | Conduct MicNOVA Monthly Meeting | Conduct MicNOVA Planning Meeting |
| 1 | Patterson, Sheryl | 6/14/2022 | 3/8/2022  | 3/3/2022 |
| 2 | Hughes, James (Ty) | 1/11/2022 | 10/11/2022 | 10/4/2022 |
| 3 | Krishnarao, Maskey  | 04/12/2022 | 5/10/2022 | 5/3/2022 |
| 4 | Krishna, Arvind | 10/12/2021 | 8/9/2022 | 8/2/2022 |
| 5 | Arumugam, Baskar | 2/8/2022 | 12/13/2022 | 12/06/2022 |
| 6 | Henrikson, Gladys | 12/14/2021 | 2/8/2022 | 2/01/2022 |
| 7 | Murphy, Josephine (Jo) | 03/08/2022 | 1/11/2022  | 1/04/2022 |
| 8 | Emmons, Elinor (Kathy) | 10/11/2022 | 9/13/2022  | 9/8/2022 |
| 9 | Laing, Amy | 11/08/2022 | 4/12/2022 | 4/7/2022 |
| 10 | Nixon, Wilbert | 9/13/2022 | 7/12/2022 | 7/7/2022 |
| 11 | Onufrak, Patricia | 7/12/2022 | 6/14/2022 | 6/7/2022 |
| 12 | O’Mara, W. Paul | 8/9/2022 | 11/8/2022 | 11/1/2022 |

* MicNova 2022 Sign-ups for New Stock and Education Presentation

hedule: Education Topics/ Dates – to be updated by members

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| --- | --- | --- | --- |
|  | Title | Presenter | Date |
|  | Ratios using Price | Gladys/Sheryl | 12/14/2021 |
| 1 |  | Arumugam, Baskar |  |
| 2 |  | Hughes, James (Ty) |  |
| 3 |  | Emmons, Elinor (Kathy) |  |
| 4 |  | Henrikson Gladys |  |
| 5 | Banking terms used in preparing an SSG for Bank | Krishnarao, Maskey | 03/08/2022 |
| 6 |  | Krishna, Arvind |  |
| 7 |  | Laing, Amy | 12/13/2022 |
| 8 |  | Murphy, Josephine (Jo) |  |
| 9 |  | Nixon, Wilbert |  |
| 10 |  | O’Mara, W. Paul |  |
| 11 |  | Onufrak, Pat |  |
| 12 |  | Patterson, Sheryl |  |
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|  | Previous Suggestions, below: |  |  |
|  | How to navigate and use Yahoo Finance as a source for stock ideas and analysis. |  |  |
|  | Alternative approaches to constructing & managing a portfolio: style, industry; performance to S&P 500 |  |  |
|  | Introducing Detailed Estimates in SSG Plus (1 of 2) ; Add Analyst Estimates to Your SSGs : Ticker Talk July 2020 |  |  |
|  | "Research and Your SSG" , 2nd of 2 "Adding Judgement" programs (Stock-up Sept 10 2020- Ken Kavula/Ann Cuneaz). Gt tips for what tolook for in Value Line, Morningstar, CFRA, Company reports and more. |  |  |
|  | New Tools/Capabilities in the SSG. |  |  |
|  | Addressing anomalies in Stock & Market performance |  |  |
|  | Putting together Powerpoint Presentation (For new stock presentation) - What should the presentation answer?, snipping tool, Strawman outline - maybe a Sat morning |  |  |
|  | Understanding /Applying various financial terms: "Book Value," "Cash Flow," Current Ratio, Quick Ratio, Peg Ratio |  |  |
|  | Stock Screening BI Weekly Emails |  |  |
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**MicNOVA Portfolio Updated with prices as of 11/30/2021**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Ticker**  | **StockWatcher** | **Bought Price** | **Date****Bought** | **Price on****11-30-2021** | **% Of****portfolio** | **Shares** | **Earnings****Date** | **Quarter** | **Stock Watcher****Reports Due** |
| ADBE |  Kathy | 465.59 | 01/20/21 | 669.85 | 5.4% | 13 |  16-DEC-21 | Q4 | May, Aug, Dec, Feb |
| AQN | Pat | 15.10 | 07/21/21 | 13.53 |  0.8% | 100 | 15-NOV-21 | Q3 | May, Aug, Dec, Feb |
| ANCUF | Baskar | 61.92 | 08/15/19 | 36.53 |  2.9% | 128 | 23-NOV-21 | Q4 | May, Aug, Nov, Feb |
| GOOGL | Jo | 797.08 | 12/16/16 | 2,849.04 | 10.5% | 6 | 31-JAN-22 | Q4 | May, Aug, Dec, Feb |
| AAPL | Paul | 48.71 | 06/21/11 | 165.3 | 9.2% | 90 |  25-JAN-22 | Q4 | Feb, May, Nov, Feb |
| AX | Sheryl | 53.93 | 02/17/21 | 56.61 | 2.8% | 80 | 28-OCT-21 | Q1 | SEP, Dec, Mar, Jun  |
| BRK.B | Wilbert | 125.34 | 01/16/14 | 276.69 | 4.3% | 25 | 10-NOV-21 | Q3 | May, Aug, Dec, Feb |
| CBOE | Maskey | 87.45 | 11/18/20 | 128.94 | 5.1% | 64 | 29-OCT-21 | Q3 | May, Aug, Dec, Feb |
| ESNT | Ty | 38.35 | 09/16/20 | 41.58 | 3.0% | 118 | 30-NOV-21 | Q3 | May, Aug, Dec, Feb |
| FB | Wilbert | 347.18 | 09/22/21 | 34.43 | 0.3% | 15 | 25-OCT-21 | Q3 | May, Aug, Dec, Feb |
| GNTX | Paul | 14.81 | 06/19/14 | 143.66 | 16.8% | 190 | 02-NOV-21 | Q3 | May, Aug, Nov, Feb |
| LGIH | Jo | 111.26 | 09/16/20 | 324.46 | 10.2% | 51 |  17-NOV-21 | Q2 | May, Aug, Dec, Feb |
| MSFT |  TBD | 25.44 | 09/17/09 | 330.59 | 10.2% | 50 | 24-JAM-22 | Q2 | Nov, Feb May, Aug |
| MNST | Amy | 59.8 | 03/13/2020 | 83.78 | 2.6% | 50 | 04-NOV-21 | Q3 | May, Aug, Dec, Feb |
| NVEE | Sheryl | 53.84 | 01/10/20 | 131.5 | 3.2% | 40 |  09-NOV-21 | Q3 | Apr, Jun, Sep, Dec |
| TROW | Kathy | 78.44 | 09/19/13 | 199.95 | 6.4% | 52 | 28-JAN-22 | Q4 | May, Aug, Nov, Feb |
|  V | Gladys | 63.52 | 09/18/14 | 193.77 | 3.6% | 30 | 02-FEB-22 | Q4 | Feb, May, Aug, Nov |
| VRTX | Arvind | 220.20 | 04/21/21 | 186.94 | 2.7% | 23 |  02-NOV-21 | Q3 | May, Aug, Nov, Feb |

Ty will maintain Portfolio Review; Wilbert will maintain Watch List.

Morningstar updates financial reports within 2-3 days of earnings date.

Nasdaq.com and Yahoo.com/finance list the earnings dates. E.G., see: https://www.nasdaq.com/market-activity/earnings. Or https://finance.yahoo.com/calendar/earnings. Or https://www.marketbeat.com/stocks

**November 9, Meeting Adjourned**: Sheryl Patterson

**NOTE:** December 14 Meeting will be Online.