**Southeastern Michigan Better Investing Model Club**

**Meeting Minutes**

**Date:** Saturday June 20, 2020

**Start Time:** 10:02 AM

**Completion Time:** 12:07 PM

**Location:** Go To Meeting

By phone 1-215-383-1002

<https://.gotomeeting.com/join/145688913>

Meeting ID #145688913

**Next Meeting:** Saturday, July 18, 2020 at GTM or BTL

**Agenda Items**

**1. Call to Order and Presiding Partner’s Opening Remarks Ram**

FAAMG 6-ceazon, Appl, Microsoft, Google).

Netflix dropped from FANG (Facebook, Amazon, Netflix, Goo

**Members in Attendance:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name** | **In Person** | **GTM** | **Name** | **In Person** | **GTM** |
| **Officers:** |  |  | **Members:** |  |  |
| Ram Ganapathi |  | X | Bill Gordon |  | X |
| Cliff Trent |  | X | Curt Cormier |  | X |
| Jane Bellaver |  | X | Deb Brown |  | X |
| Brittany Johnson |  | X | Jim Barrett |  | X |
| Joe Bowen |  | X | Teresa Barr |  | X |
|  |  |  | Sudip Suvedi |  | X |
|  |  |  | Tony Profota |  | X |
|  |  |  | Aaron Thomas |  | X |
|  |  |  |  |  |  |

**Guests in Attendance GTM: Charlotte Varzi, David Brohl**

**In room: NA**

**May Minutes were reviewed. Update Ram’s comment that the portfolio growth for 15 years beats the benchmark instead of 5 years. Ram made a motion to accept the minutes with the change, 2nd by Brittany. All in favor.**

**Curt will check with the BTL next week when he gets home on when they will open for meetings.**

**Both model clubs are meeting by GTM, and that should be reflected on our Meet-up page.**

**2. Treasurer’s Report (Brittany Johnson)**

Financials Update As of 6/19/2020

|  |  |
| --- | --- |
| * Securities Total * Folio Cash * Portfolio Value * Unit Value | $ 179,160.17  $ 706.82  $ 179,867.00  $ 39.833314 |
| * Benchmark | 5 yr growth 9.2 % VFINX 10.4% MIPAR 10.1 % Manifest Quality 94.4% Curt commented that the Manifest Investing par for Apple is low compared to how the stock is performing. We watch management to see the quality of a company. Apple has a PAR rating of 2.6 on our dashboard.. |

* Write checks to FOLIOfn Investments, Inc**. Also write Account #MB0773900K on the check.**
* **Mail checks to Cliff Trent 36539 St. Clair Dr, New Baltimore, MI 48047**

**Purchases May 2020**

**TICKER SHARES**

**BSTC 8.46009**

**Sales**

**TICKER SHARES**

**3. Team A did an Industry Study on the Industrial Distribution Industry in the Industrials Sector.**

**Jane presented MSC Industrial Direct (MSM) that focuses on metalworking and maintenance repair. Their catalog offers 1.7 million products**

|  |  |  |
| --- | --- | --- |
| **Sales growth 4.7%** | **Earnings growth 6.7%** |  |
| **High P/E 17** | **Low P/E 12** |  |
| **Low price $67.50** |  |  |
| **US/DS** |  |  |

**Bill presented Applied Ind. Tech (AIT) They had a very down year in 2016, so it was dropped from the study.**

|  |  |  |
| --- | --- | --- |
| **Sales growth 5.0** | **Earnings growth 5.5** |  |
| **Hi P/E 20.6** | **Low P/E 13.9** |  |
| **Low price $11.30** |  |  |
| **US/DS** |  |  |

**Deb presented WW Granger (GWW) that has a huge catalog of products as well as physical stores.**

|  |  |  |
| --- | --- | --- |
| **Sales growth 7.0** | **Earnings growth 8.0** |  |
| **Hi P/E 24.8** | **Low P/E 14.3** |  |
| **Low price $200.10** |  |  |
| **US/DS** |  |  |

**Cliff presented Fastenal (FAST) that the club just sold in May. It had the best numbers of the four stocks we looked at.**

|  |  |  |
| --- | --- | --- |
| **Sales growth 7.5** | **Earnings growth 9.5** |  |
| **High P/E 27** | **Low P/E 19.1** |  |
| **Low price $26.50** |  |  |
|  |  |  |

**The team did not recommend any company at this time, but we put Fastenal on the Watch List.**

**4. Stock Watcher Reports PERT**

**Curt on Visa recommended updating the sales growth to 8.3 from 15 and the earnings growth rate to 6.4 from 18.8. He also recommended changing the high P/E to 37 and the low P/E to 23.8 with a low price of $122.00. The US/DS puts it in the sell zone, but he doesn’t want to sell it. The price is very high now.**

**Jim on O’Reilly wants to update sales growth to 4.2% and earnings growth to 5.5%. Update the high P/E to 23.5 and the low P/E to 13.4. The low price is $204.30. The stock is in the hold zone. The company just acquired a Mexican store that should increase the sales. The debt to equity is great, and long-term debt is on the rise. It is a great company, but he recommends looking at other retailers.**

**Stock Watchers**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Company** | **Watcher** | **Last**  **SSG** | **Last Review Date** | **Recommendation** | **Comments** |
| AAPL | Sudip | 08/19 | 9/19 | Hold | Still in hold range. |
| AMZN | Ram | 07/19 | 7/19 | Buy | Update SSG: Sales 17; Earnings 30; Hi P/E 60; Lo P/E 30; Low price $718.50 |
|  |  |  |  |  |  |
| CMCSA | Deb | 1/20 | 1/20 | Bought |  |
| CTSH | Teresa | 11/19 | 08/19 | Hold | Thinks we should sell part of this company. |
| FB | Brittany | 1/20 | 1/20 | Bought |  |
|  |  |  |  |  |  |
| MNST | Aaron | 11/19 | 11/19 | Bought |  |
| ORLY | Jim | 6/20 | 6/20 | Hold | Expanding operations into Mexico. Good company, but look at other retailers. |
| V | Curt | 6/20 | 6/20 | Hold | Great company, but price is very high putting it in the sell zone. |
| DG | Tony | 1/19 | 9/19 | Hold | Doing OK At highest IRR of portfolio |
| RY | Cliff | 6/19 | 10/19 | Hold | The company is doing fine. The reporting issue with a Canadian company is not that big. |
| QCOM | Bill | 5/19 | 10/19 | Hold | Dividends to be paid for first time in December |
| ISRG | Joe | 3/20 |  |  | Bought in March, 2020 |
| BSTC |  | 5/20 |  |  | Bought in May 2020 |

**5. The Bloomfield Twp. Library is still closed.**

**The model club is doing okay in the chapter’s stock picking contest. Our portfolio is up a little for the year. Edits to the portfolio are due by June 30.**

**A virtual BINC is offered free to all BI members at 8:30 to 9:30 June 22 through June 26.All members should have received an invitation to the conference unless they don’t subscribe to email from BI. An update to the Online Tools will be presented one meeting.**

**SEMI Watch List Dashboard –** [**https://www.manifestinvesting.com/dashboards/public/RNTA7N6**](https://www.manifestinvesting.com/dashboards/public/RNTA7N6)

**6. Buy / Sell**

**None**

**7. Stock Ideas: none today**

**Watch list: https://www.manifestinvesting.com/dashboards/public/RNTA7N6**

**8. Team B is up next. They can either do a Stock Study or each team member can do an update on the stock they watch.**

9. **New / Old Business**

**Roundtable Discussion and Questions from audience: none**

**Meeting adjourned at 12:07 PM.**

**REFERENCE INFO**

**Model Club Dashboard**

<https://www.manifestinvesting.com/dashboards/public/SEMIModClub>

**Team Member Breakdown revised 4-20-19**

|  |  |  |
| --- | --- | --- |
| **Team A** | **Team B** | **Team C** |
| Jane Bellaver | Joe Bowen | Teresa Walney |
| Deb Brown | Sudip Suvedi | Ram Ganapathi |
| Cliff Trent | Jim Barrett | Curt Cormier |
| Bill Gordon | Tony Profota | Brittany Johnson |
|  | Aaron Thomas |  |
|  |  |  |
| **Industry Screener** |  |  |
| Cliff Trent |  |  |

**Note: All Model Club members are encouraged to volunteer and participate in all Model Club activities / studies.**

**Upcoming Meeting and Event Dates**

|  |  |  |
| --- | --- | --- |
| **Meeting / Event Name** | **Date** | **Location** |
| P3 Portfolio Challenge | Feb 29 | On line |
| July 18 | July 18 | GTM or HQ |