

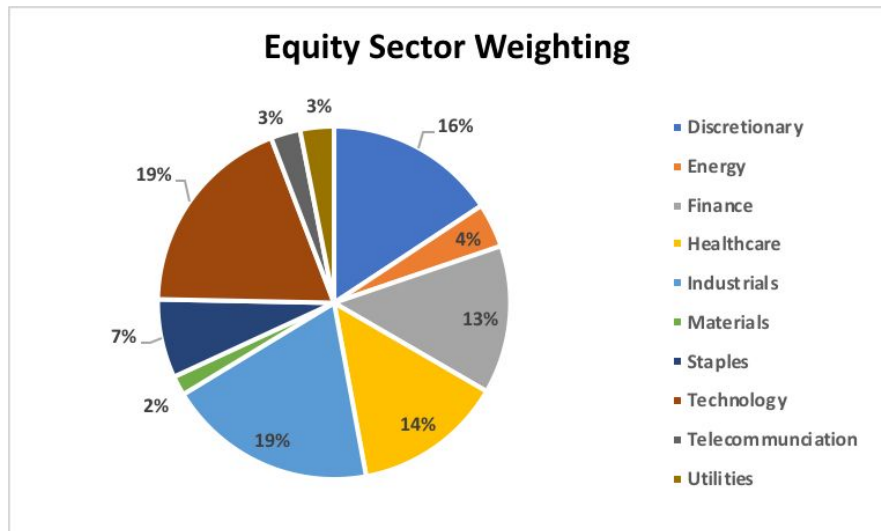
Investment Club

February 1st, 2019

Today's Meeting

1. Portfolio Sector Updates
 2. Market Update
 3. Barron's Subscription
-

Portfolio Sector Updates



Industrials - Henry Lewand

Healthcare - Connor Thatcher

Energy - Michael Frohwein

TMT - Luke Cummings

Discretionary & Staples - Mac Erb

Financials - Emmett O'Toole

Energy Sector

Chevron

- Down 2% since start of December
- Next quarterly results announcement expected to be good
 - Sold off poorly performing oil fields and have invested more in renewables

Exxon

- Down 4% since start of December
- Strong quarterly results this morning
 - Were up over 2% pre market
 - Oil production grew 4%



Healthcare

Metlife (MET) : -2.8%

Medtronic (MDT): +10.9%

Pfizer (PFE): +18%

UnitedHealth (UNH): +18.1%

- Size of position 40,137.00

TMT Sector

Big Moves from Dec 1 - Feb 1

Ebay up 11.42%

- Q4 adjusted earnings and revenue up 20.3% & 6.3%, respectively

IBM up 7.27%

- Q4 revenue down 3% but IBM repurchased \$2 billion in stock & continues to pay a solid dividend

Microsoft down 6.83%

- Q2 earnings and revenue growth was lower than expected

Earnings Highlights

Apple (up 7.97% following earnings)

- EPS rose 7.5% year over year beating estimates
- iPhone sales down 15% year over year

Amazon (down ~5.0% following earnings)

- EPS \$6.04 vs \$5.68 estimated
- \$72.4 billion vs. \$71.9 billion estimated

Consumer Discretionary & Staples

Amazon is up 28% since Christmas Eve

- Christmas Eve had marked the stocks lowest level since April.
- 4th Quarter Earnings beat but released relatively low guidance.

Expedia expected for earnings beat

- Quarterly earnings are expected to jump 26.2% year-to-year.

Budweiser bets big on Super Bowl

- Bought roughly 6 minutes of commercial air time.
- Estimated cost near \$50 million

Coca-Cola continues small but positive run

- Completed buyout of dairy and juice company Chi Ltd.

Industrials

Winners

Caterpillar (CAT) +3.7%

American Water Works (AWK) +4.4%

Boeing (BA) +8.6%

Union Pacific Corporation (UNP) +7.7%

Losers

Southern Copper Corp (SCCO) (-8.5%)

General Dynamic (GD) (-6.1%) (Poor Future Guidance)



Market Update

Noah Grossman & Sam Klearman



Market Overview

- **S&P 500**
- 2.28 %
weekly
increase



- **DJIA**
- 1.74 %
weekly
increase



Government Shutdown

- Why, how, who, so what?
 - Border wall
 - Senate
- Effects
 - Market
 - Regulatory bed time
 - Federal websites
 - Federal workers
 - Burgers at the White House
- 3 week deal



Currencies

- US Dollar has continued to weaken, including this past week
 - Partial gov't shutdown
 - Sharp decline in stocks
- WSJ dollar index fell 0.4% to 90.10 a week ago
- Expectations for the Fed to raise interest rates have driven the dollar higher this year



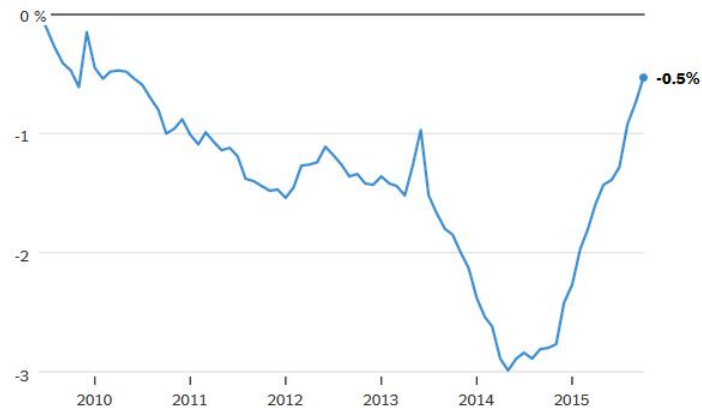
The Fed

- Background: creeping up from zero, critics
- Dec 19 rate hike - surprise to some
 - Trump not happy
 - Hold on raising rates
- “Negative” rate chart



Below Zero

An estimate of where the Fed's target interest rate would be if it could fall below zero, from 2009 through the end of 2015.



Note: The shadow rate stopped being calculated once the Fed began raising rates from zero in December 2015.

Headlines

- Sears last minute bid to save company
- Facebook delivers strong earning report
- American Airlines and Apple Music
- Amazon & self driving trucks
- Tesla has a profitable quarter
- Apple reported its first holiday decline in sales in a long time



Crypto

- Bitcoin has had a terrible year
- Influx of money from traditional investors
 - Behaving more like a traditional asset?



BTC



Barron's Subscription

- Free subscription to Barron's for two years
- Magazine, website, full access online
- Link on my.lafayette.edu



▼ MY G SUITE



- Gmail
- Calendar
- Drive
- Docs
- Sheets
- Slides

▼ CONNECT TO MY ACCOUNTS



- Banner Self-Service
- Campus Videos
- FileSender
- Google Drive
- LaFSync
- lynda.com
- Moodle
- Qualtrics
- Sites
- SMBWeb (network storage)
- Spaces
- Webmail
- Zoom

▼ PAY FOR SCHOOL



- Review Financial Aid Requirements
- Accept Financial Aid Awards
- View my Account Summary
- Make a Payment on My Account
- View work study positions

▼ TAKING CLASSES



- Get help in the Library

▼ MY MOODLE SITES



Spring 2019 ▾

- CE 341–Spring 2019 Transportation Systems
- INDS 271.01–Spring 2019 Soc Value Tech Historic Arch
- MATH 264–Spring 2019 Differential Equations

See More at Moodle

▼ MY SPACES SITES



- 2017 Chemistry Survey and Placement Test
- College Community Files
- **Dow Jones Barron Subscription Registration**
- ES100: Engineering Division
- Fundamentals of Engineering Review

See More at Spaces

▼ CAMPUS EVENTS CALENDAR

Friday February 1ST, 2019

Sun	Mon	Tue	Wed	Thu	Fri	Sat
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16

All Events ▾

- Orientation Leader Information Sessions
12:20 pm — 1:00 pm
- Senior Sips Throwback
5:30 pm — 7:30 pm
- Cycle 30

▼ MY INFORMATION



LNumber: L04389886

Alternate Email Address:

sam.klearman@gmail.com

- Change Password
- Change Alternate Email Address
- Manage Your Lafayette NetID
- Manage Your Emergency Contacts
- Manage Your Leopard Alerts Settings

▼ SEARCH THE LIBRARY



- Library Home
- Library Hours
- Renew Your Items
- Reserve a Study Room
- Special Collections & College Archives
- Lehigh Valley Engaged Humanities Consortium
- Contact a Librarian



OneSearch

▼ VIEWING ANNOUNCEMENTS



- LaFarm Salsa Flash Sale: Today through Sunday at Lower & College Store
- Black Heritage Month Program | Black Fraternity & Sorority Life
- National Theatre Live: "Cat on a Hot Tin Roof" Sun. Feb. 3: 6:15 pm pre-show talk, 7:00 pm screening
- Literacy Day Book Drive
- Community Garden Plots: Reserve Now for your Spring Garden!

Why should you care?

\$4,076,000

Average household net worth

\$325,000

Average personal income

26%

Hold c-suite titles

27%

Serve on a board of directors

\$3,622,000

Average household investments

2 hours 9 minutes

Average time spent reading Barron's
per week

99%

report taking some type of action after
reading Barron's

30%

Are financial advisors with team AUM of
over \$983 million on average