Each week we produce a chart book of 10 of the current positions we have in our equity portfolio. Specifically, we are looking at the positions which warrant attention, or are providing an opportunity, or need to be sold.

While the portfolios are designed to have longer-term holding periods, we understand that things do not always go the way we plan. This monitoring process keeps us focused on capital preservation and long-term returns.

HOW TO READ THE CHARTS

There are four primary components to each chart:

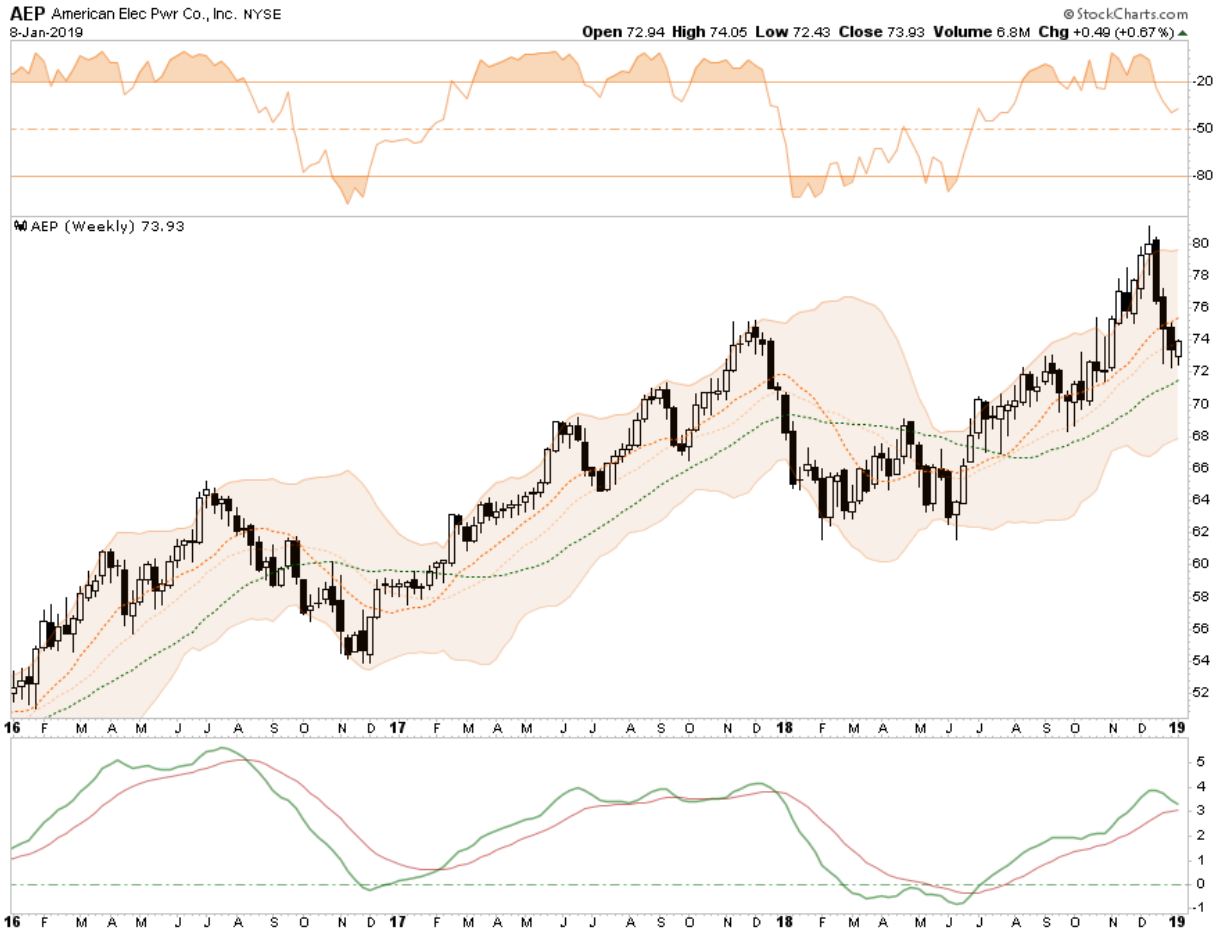
- *The price chart is contained within the shaded area which represents 2-standard deviations above and below the short-term moving average.*
- *The Over Bought/Over Sold indicator is in orange at the top.*
- *The Support/Resistance line (green) is the longer-term moving average which also acts as a trailing stop in many cases.*
- *The Buy / Sell is triggered when the green line is above the red line (Buy) or vice-versa (Sell).*

When the price of a position is at the top of the deviation range, overbought and on a buy signal it is generally a good time to take profits. When that positioning is reversed it is often a good time to look to add to a winning position or looking for an opportunity to exit a losing position.



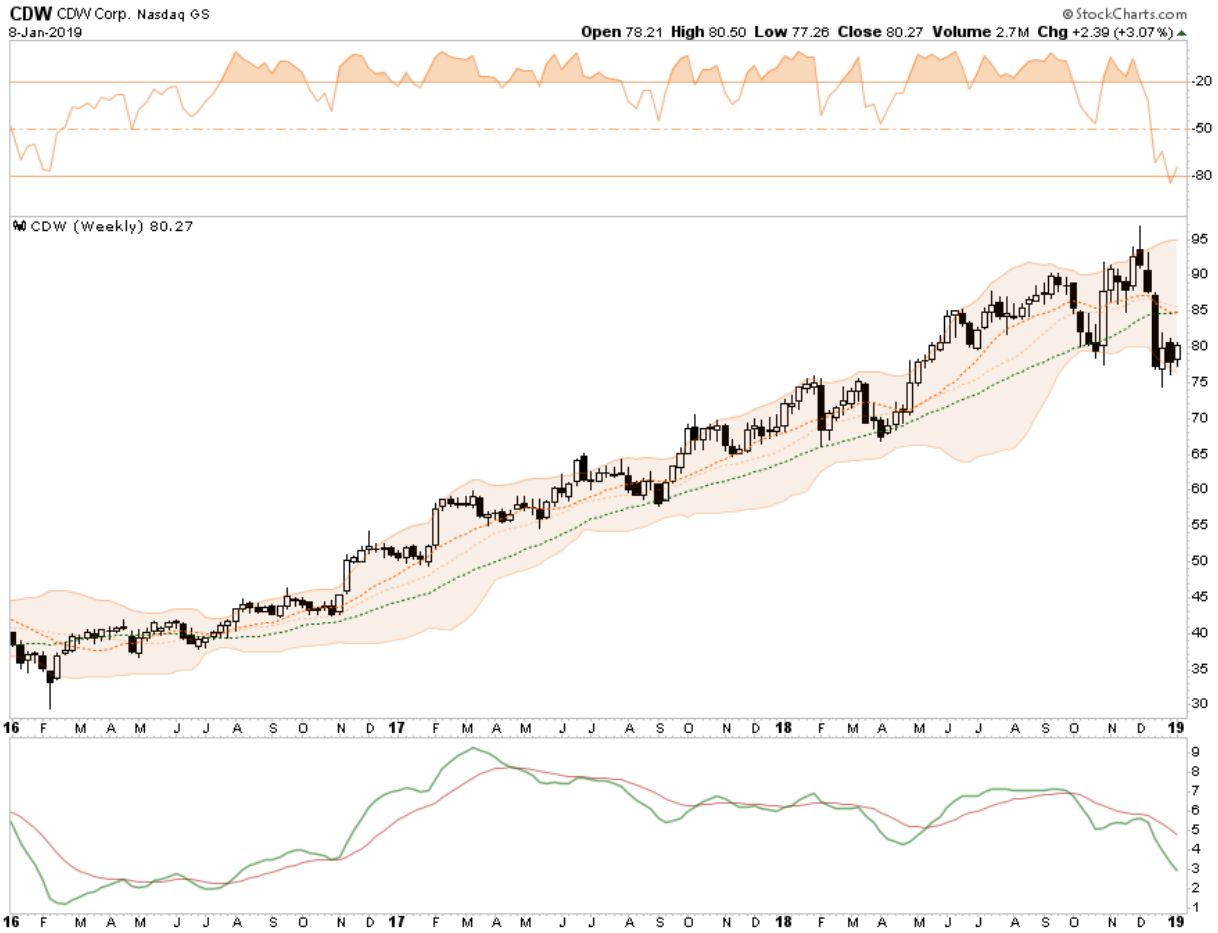
With this basic tutorial let's get to the sector analysis.

AEP - American Electric Power



- *Long-term trend line is currently intact*
- *It has been selling off after running up to new highs. Utilities have been a good defensive position in portfolios against broader market weakness.*
- *Position is close to triggering a short-term sell signal*
- *Short-Term Positioning: Defensive*
    - *Add to position: $72*
    - *Stop-loss is $68*

CDW - CDW Corporation



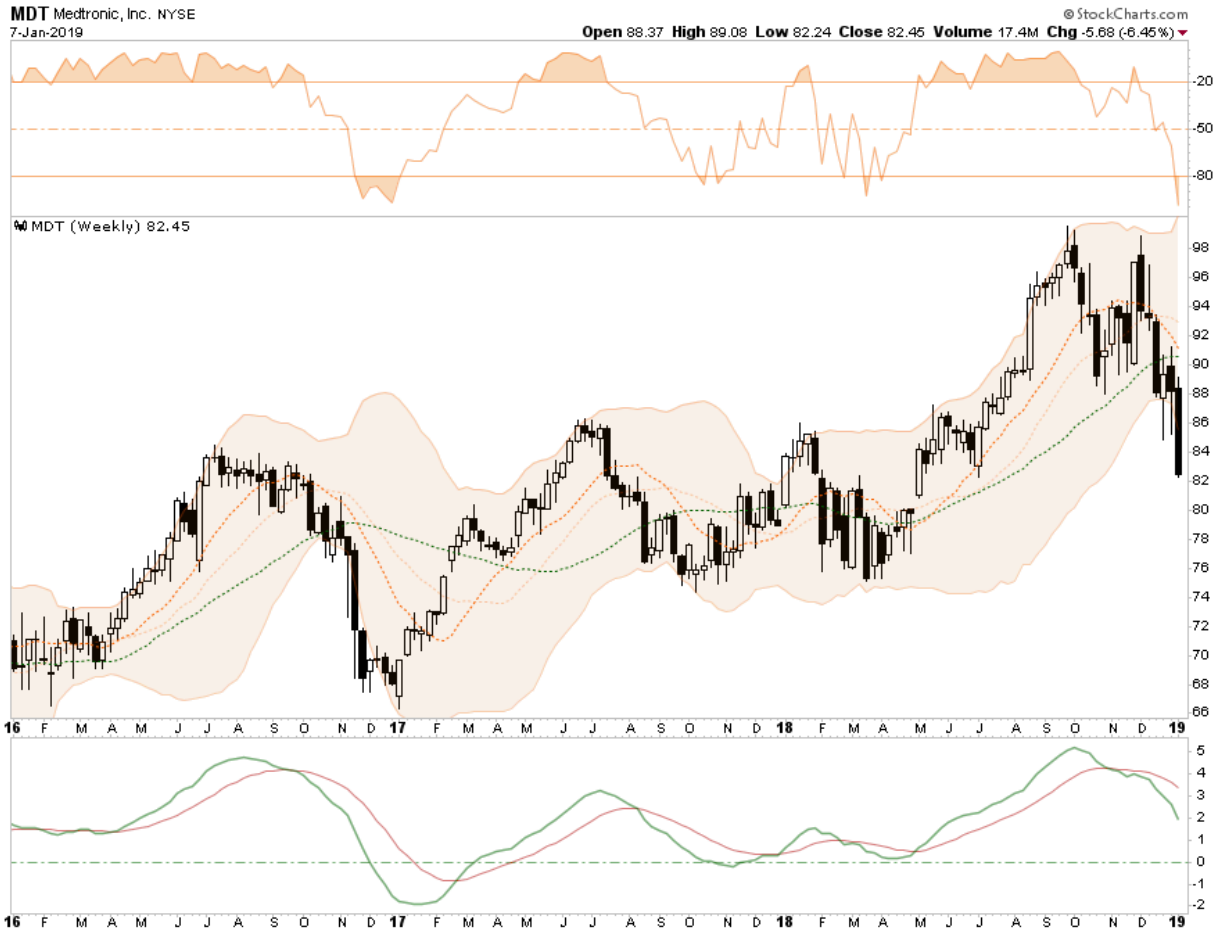
- *Long-term trend line is currently broken*
- *Previous support from February lows was broken and is now being tested*
- *Currently on very deep sell-signal (bottom panel)*
- Position is extremely oversold so a tradeable bounce is likely.
- *Short-Term Positioning: Bearish*
    - *Will look to exit the position at $85*
    - *Stop-loss is currently $75*
- *Long-Term Positioning: Bearish*

FDX - Federal Express



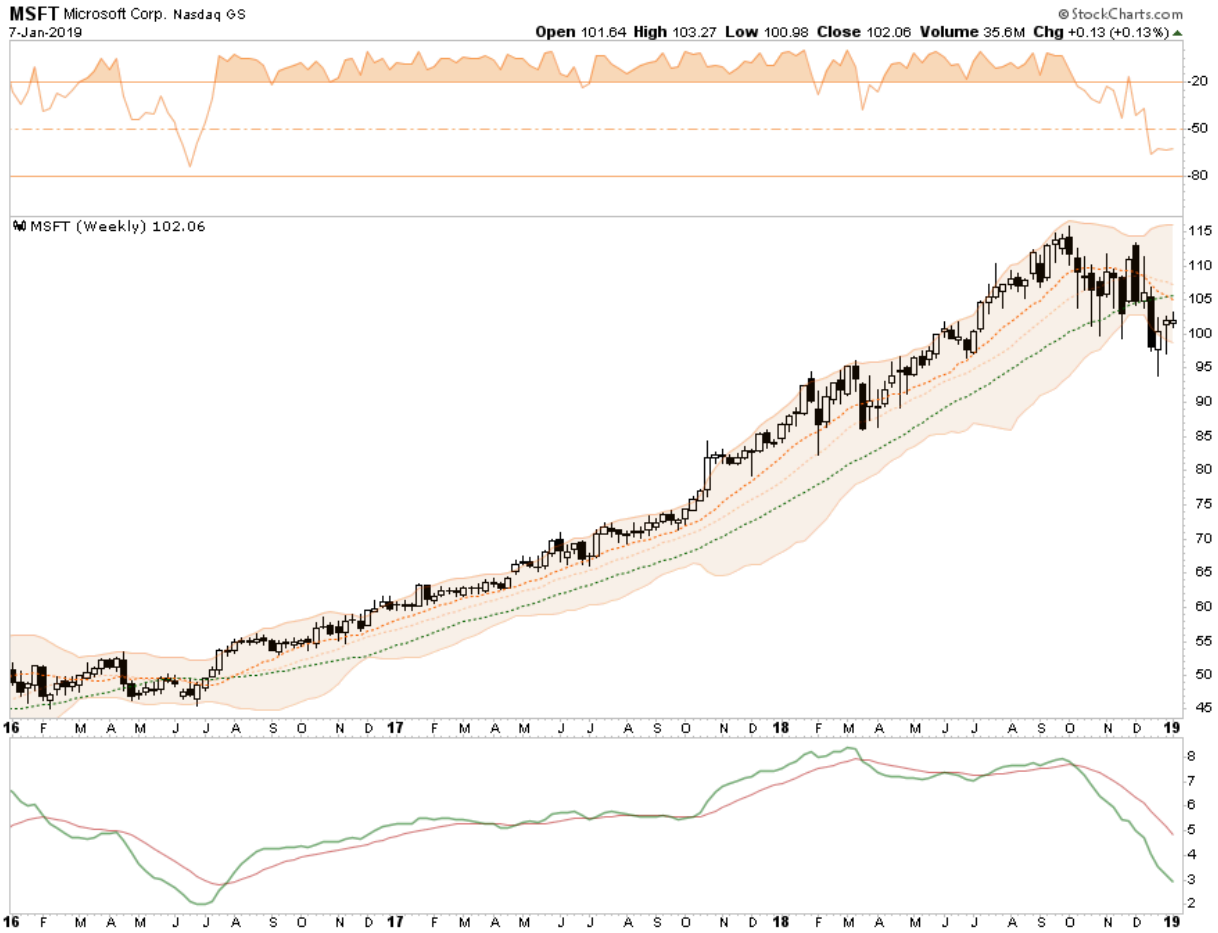
- *Long-term trend line is currently broken*
- *Previous support from February lows has been broken*
- *Currently on very deep sell-signal (bottom panel)*
- *Oversold condition and deviation is extreme.*
- *Short-Term Positioning: Bearish*
    - *Will look to exit the position at $180 to $190*
    - *Stop-loss is currently $155*
- *Long-Term Positioning: Bearish*

MDT - Medtronic



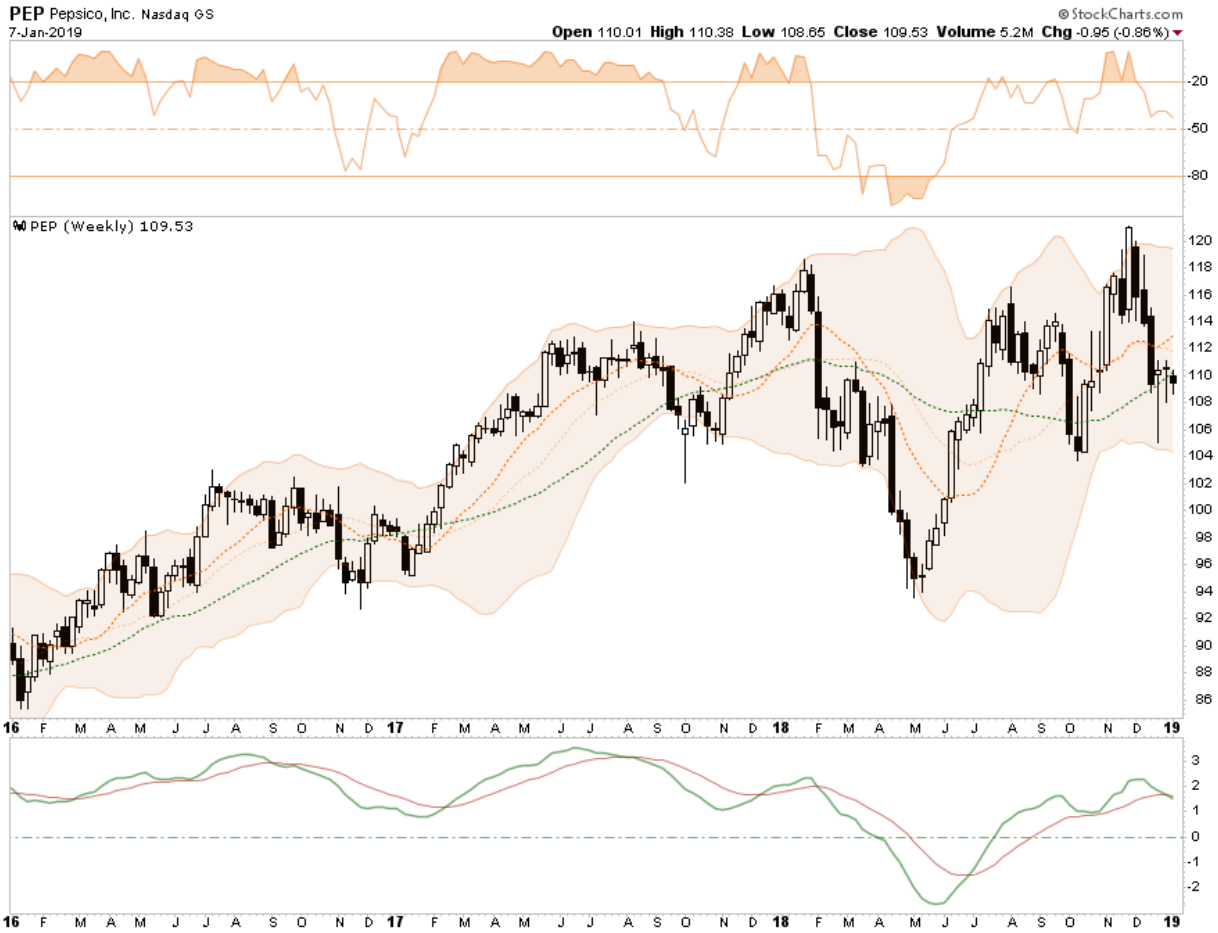
- *Recently purchases 1/2 position on extreme oversold condition.*
- *Long-term trend line is currently broken.*
- *Previous support from 2017 consolidation is currently holding.*
- *Currently on a sell-signal (bottom panel) but the deviation below the average price is extreme.*
- *Short-Term Positioning: Cautious*
    - *Looking to add to position if support holds at $64*
    - *Stop-loss is currently $62*
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MSFT - Microsoft



- *Bought 1/2 position for longer-term positioning.*
- *Long-term trend line is currently broken*
- *Previous minor support from late 2016 is currently holding.*
- *Currently on very deep sell-signal (bottom panel)*
- *Oversold condition is stablilizing*
- *Short-Term Positioning: Neutral*
    - *Looking to add to position above $105*
    - *Stop-loss is currently $95*
- *Longer-Term Positioning: Bullish*

PEP - Pepsi



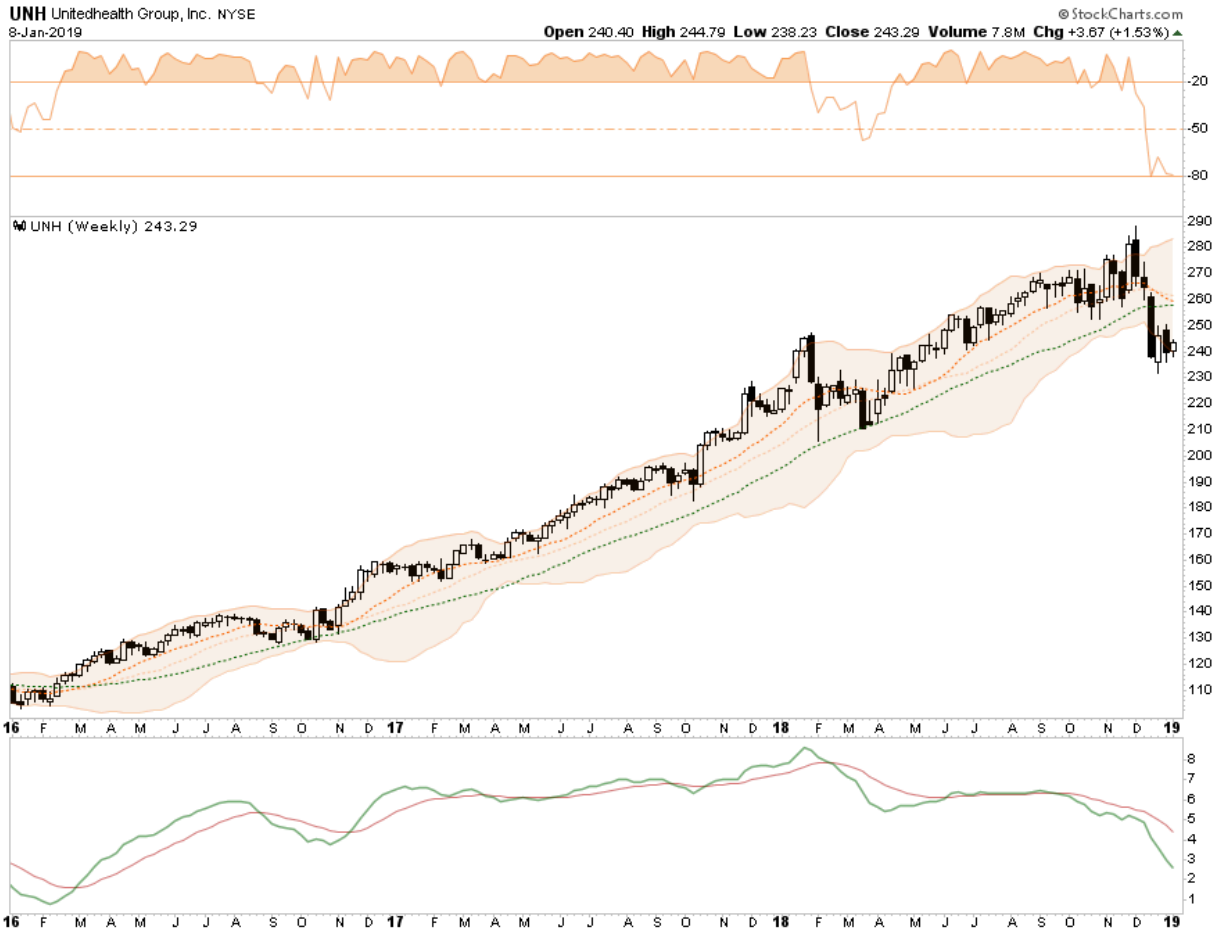
- *Bought 1/2 position and looking to build into it over time.*
- *Long-term trend line is currently holding*
- *Previous minor support from 2017 is holding for now.*
- *Currently on a very early sell-signal (bottom panel)*
- *Overbought condition is being worked off.*
- *Short-Term Positioning: Bullish*
    - *Looking to buy second 1/2 of position at $113-114*
    - *Stop-loss is currently $104*

PFE - Pfizer



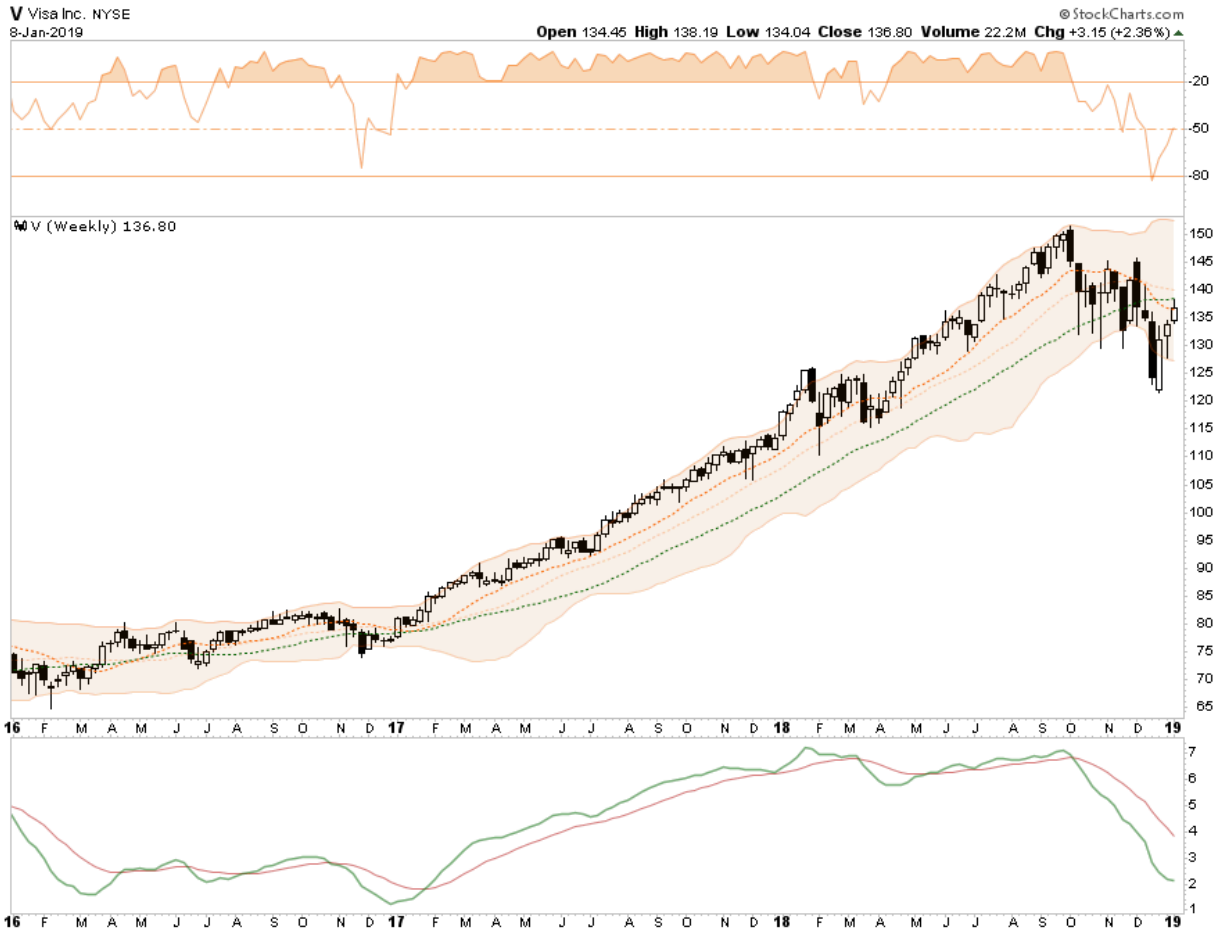
- *Bought 1/2 position with view to build out full position opportunistically.*
- *Long-term trend line is currently holding*
- *Currently on an early sell-signal (bottom panel)*
- *Currently overbought but just coming off lower deviation band.*
- *Short-Term Positioning: Bullish*
    - *Look to add to position on move above $45*
    - *Stop-loss is currently $41*

UNH - United Health Care



- *Long-term trend line is currently broken but overall bullish trend intact.*
- *Currently on a deep sell signal and extremely deviated below downside.*
- *Currently oversold (top panel)*
- *Short-Term Positioning: Neutral*
    - *Buy if price moves above $260*
    - *Stop-loss is currently $235*

V - Visa



- *Bought 1/2 position at recent lows and looking to add to position*
- *Previous support continues to hold.*
- *Currently on a deep sell signal. (bottom panel)*
- *Oversold on a short-term basis but testing long-term moving average.*
- *Short-Term Positioning: Neutral*
    - *Looking to buy second 1/2 of position at $140*
    - *Stop-loss is currently $121*

XOM - Exxon Mobil



- *With oil prices very oversold look for a rally back to resistance.*
- *Currently on a very deep sell-signal (bottom panel)*
- *Very oversold and deviated from short-term moving average.*
- *Short-Term Positioning: Neutral*
    - *Look to sell on a rally back to $76-77*
    - *Stop-loss is currently $67*