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.



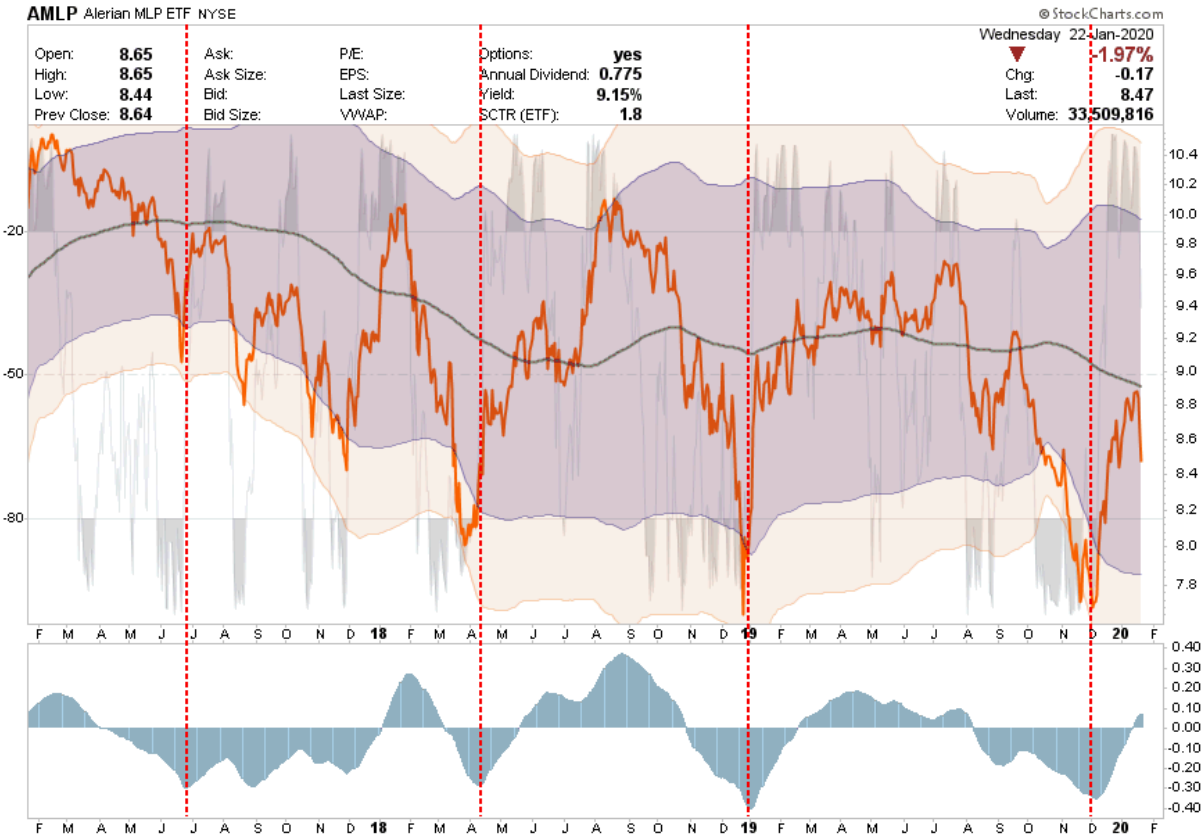
With this basic tutorial, we will now review some of positions in our Equity Portfolio which are either a concern, an opportunity, or are doing something interesting.

ABBV - AbbVie, Inc.



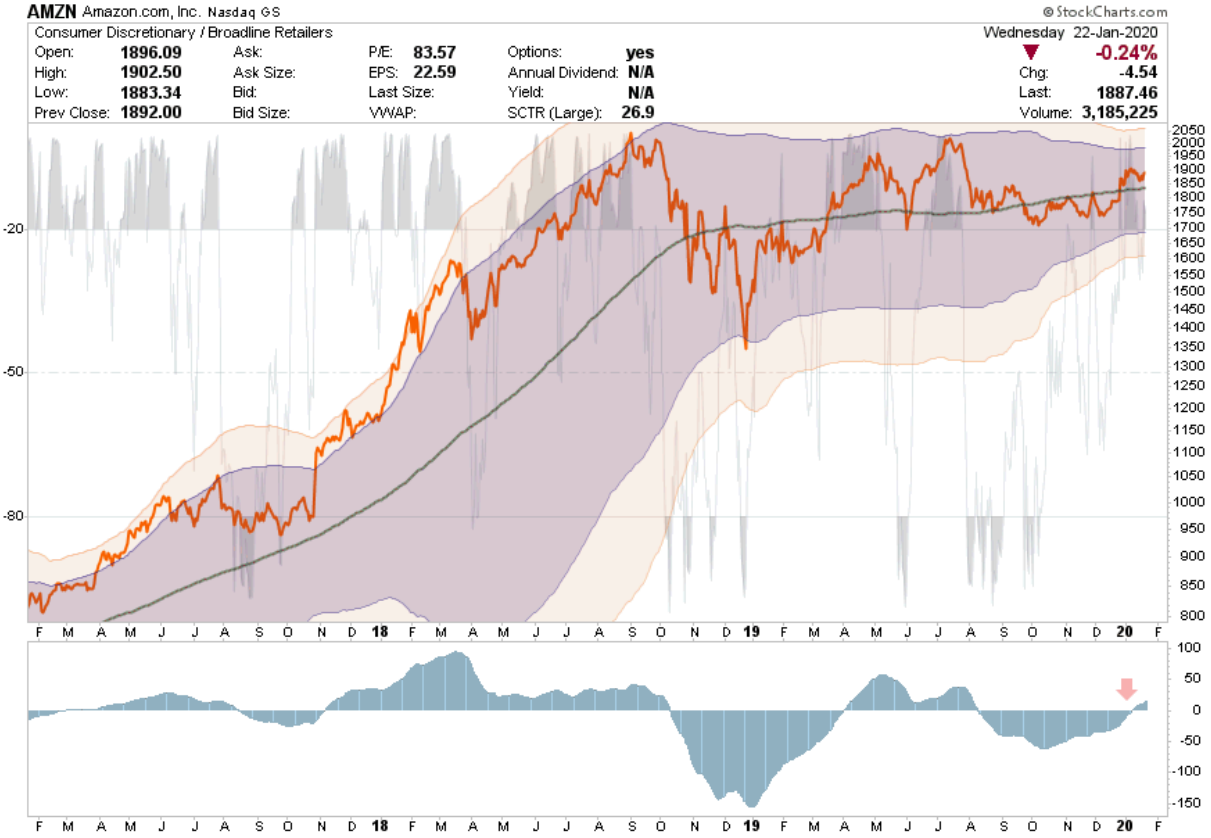
- *We previously added a 1/2 ABBV near the lows as a trading opportunity which worked better than we anticipated. However, it never gave us an decent opportunity to build into the position.*
- *However, currently, ABBV has been consolidating near the highs and has started working off the extended buy signal. With several layers of support between the current price and the 200-dma, we are likely going to get an opportunity to build out the rest of our holdings.*
- *A pullback to $80-82.50 level will likely give us the right setup to add.*
- *Stop is currently set at $75*

AMLP - Alerian MLP



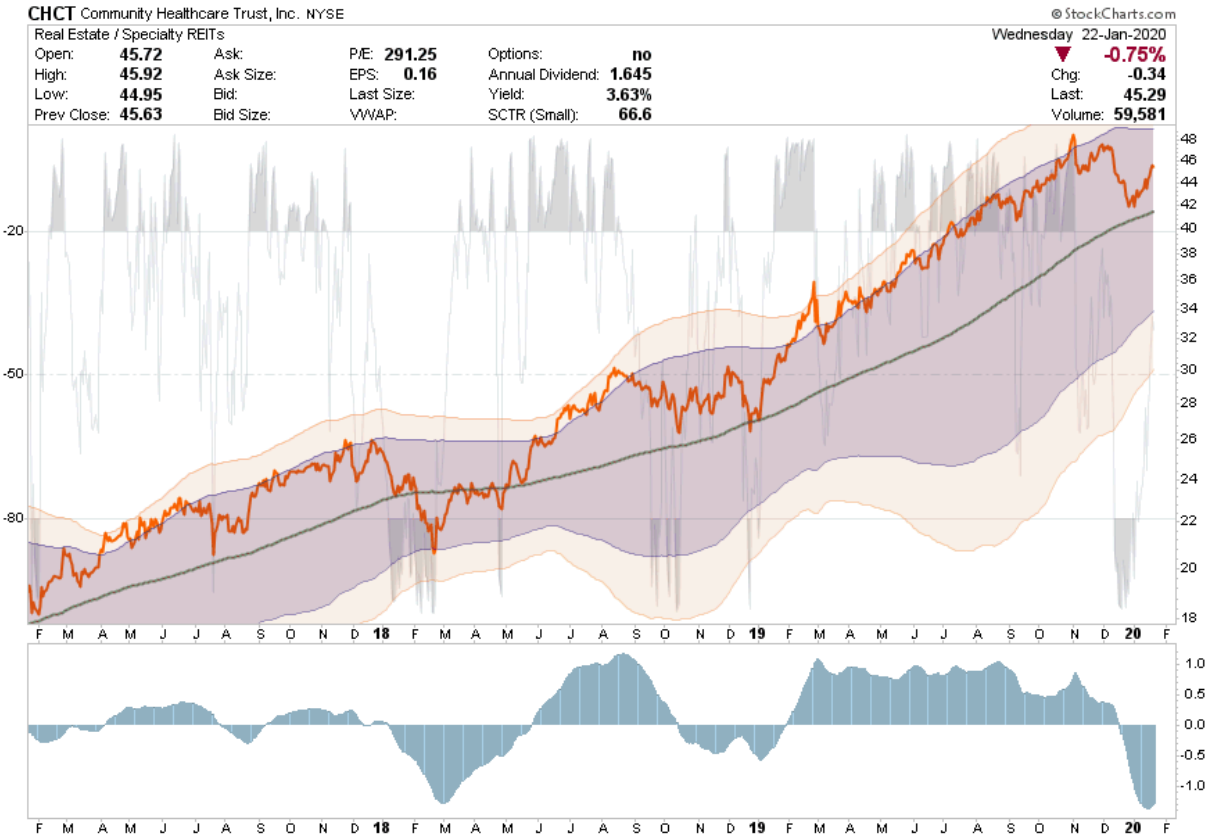
- *Like ABBV, we also added 1/2 position of AMLP near the lows on an expectation of a rally in oil prices.*
- *The good news is AMLP is yielding 9% while we hold our position waiting for an opportunity to build it out.*
- *The bad news is that oil prices have completely cratered which exposes AMLP to further downside risk. However, with a high yield and only 1/2 position, we can afford to be patient and look for the right setup to add to our holdings.*
- *Stop loss is currently set at $7.50*

AMZN - Amazon.com, Inc.



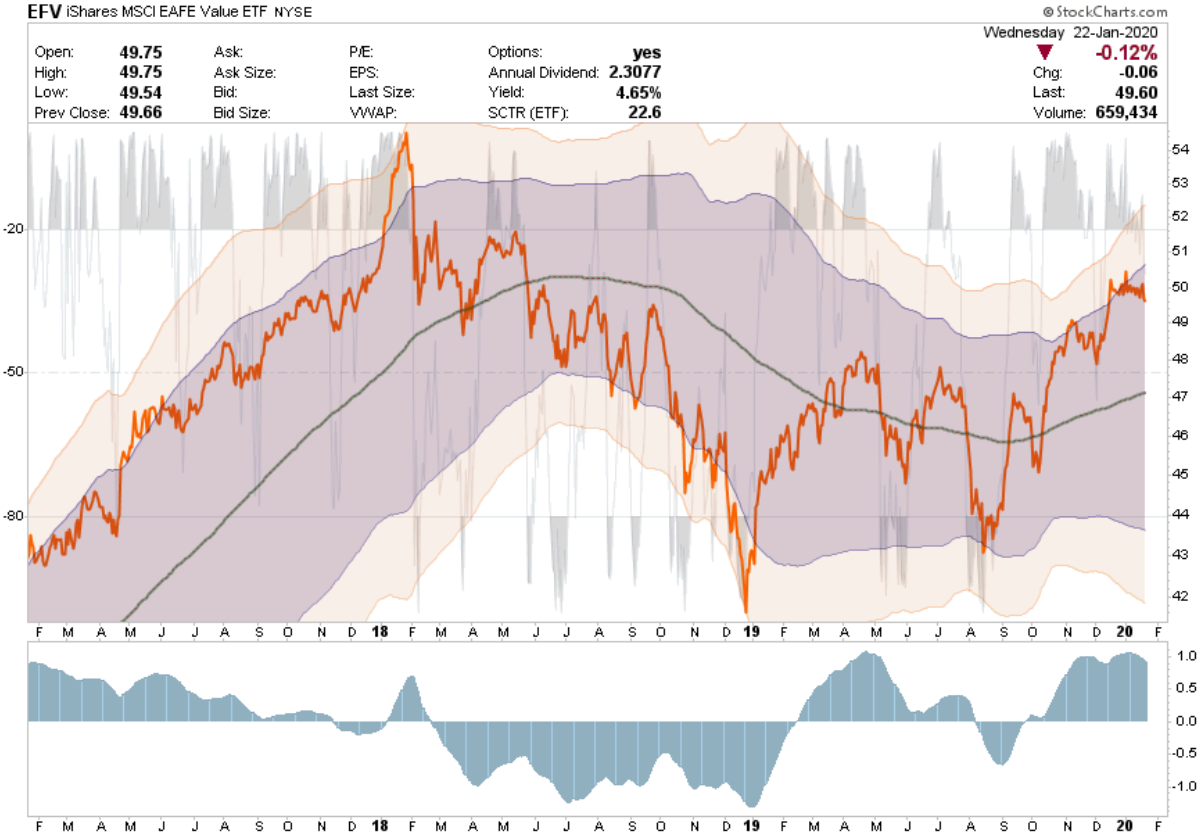
- *We added AMZN in October of last year in anticipation the Christmas shopping season boost. That bump in price came as expected, but AMZN hasn't really done as well as the rest of the FANG space.*
- *We are holding our position for now, but watching it closely. We need to see some improvement in participation.*
- *We are moving our stop up to $1800*

CHCT - Community Healthcare



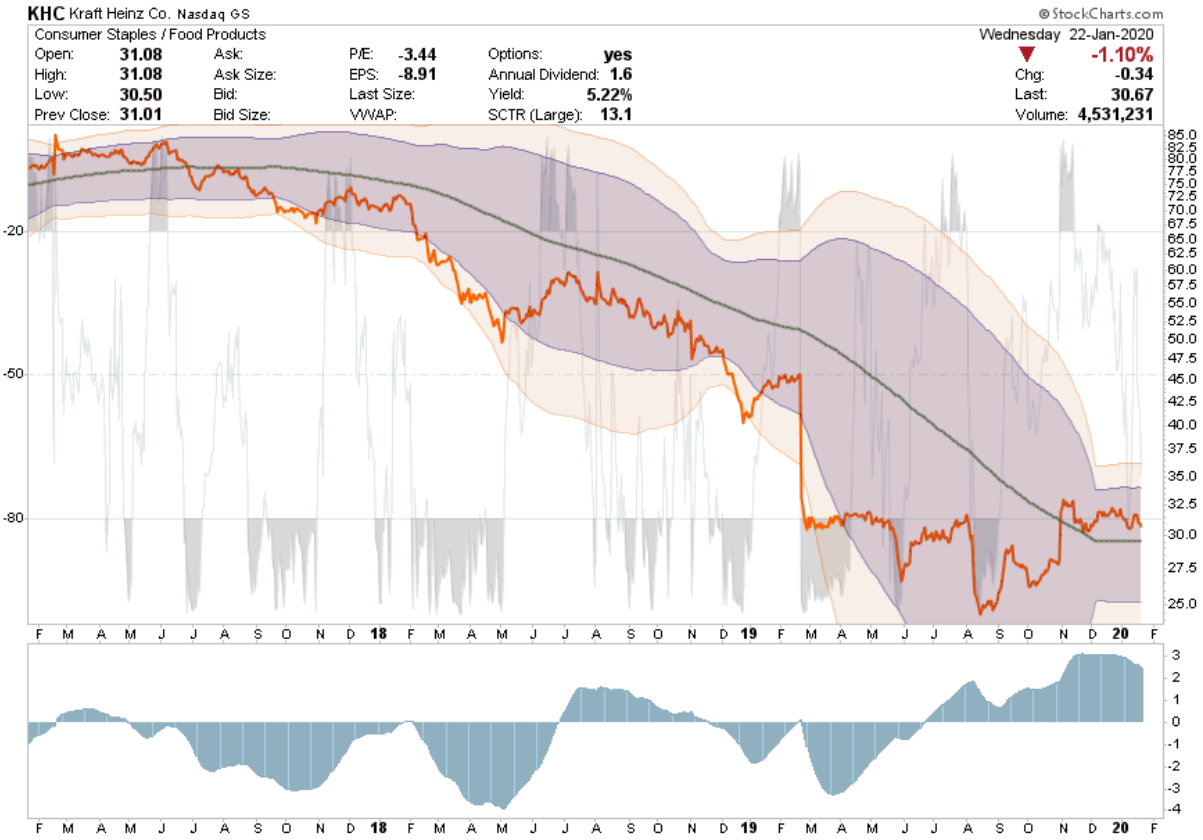
- *CHCT has been a great performer since we added it to the portfolio.*
- *With the recent correction, and very deep sell signal, this is a decent entry point to add positions if you need to.*
- *We are currently maintaining a full weighting in the portfolio, but we may consider adding to the position in the next few days if we get a little more pullback.*
- *Stop is set at $42*

EFV - iShares MSCI EAFE Value ETF



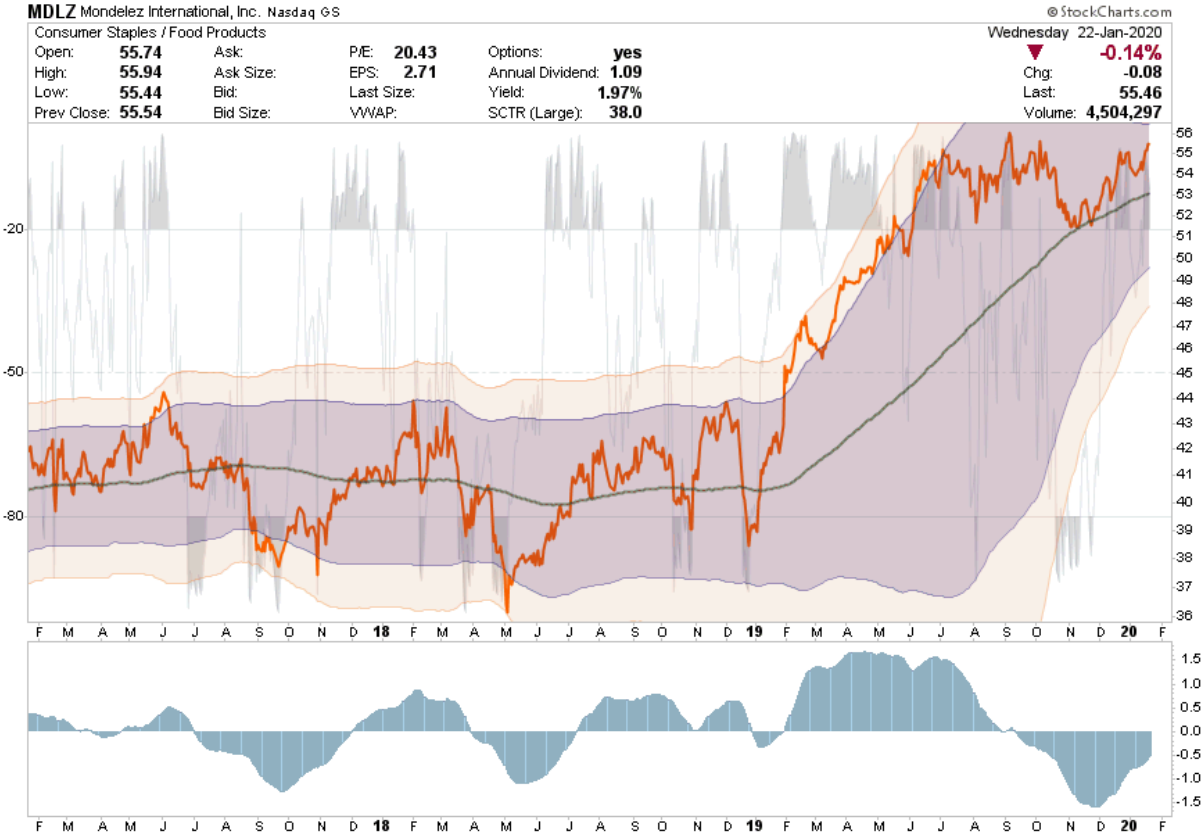
- *We have started building "VALUE" positioning in portfolios as a hedge against a momentum shift which is eventually coming. EFV is one of those positions which hasn't moved much since we added it but has a near 5% yield currently.*
- *EFV is consolidating its recent advance and has started working off its very extended buy signal. If the position can hold the current levels, and consolidate a bit more, we will likely add to our current holdings.*
- *Stop is set at $47.*

KHC - Kraft Heinz Co.



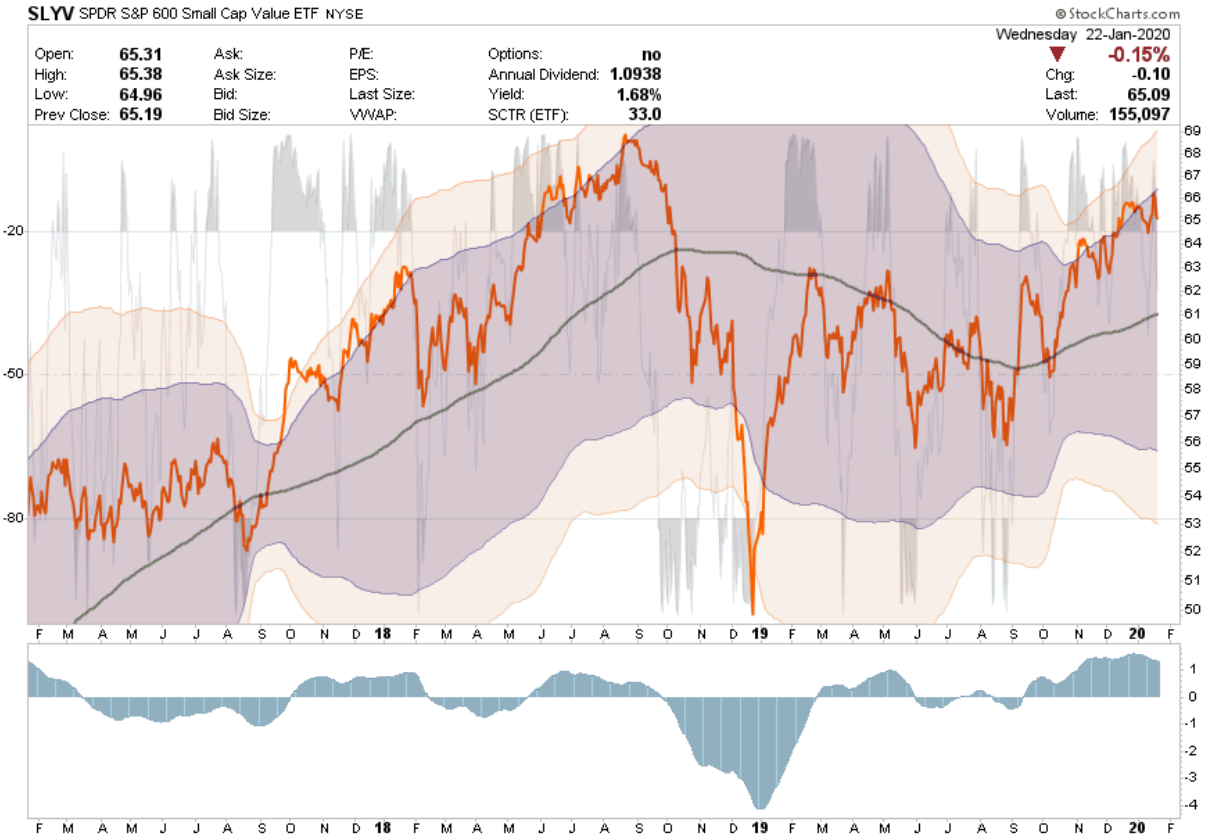
- *We added KHC to our portfolio near the lows expecting a recovery in the stock, and earnings, following a major beating in the company shares.*
- *The company has decent fundamentals and we continue to expect an earnings recovery in the coming quarter which should lift the shares higher.*
- *We are currently waiting on next quarters earnings to see how progress is going, and if the stock responds positively we will add to our holdings.*
- *We are maintaining our current positions with a stop at $27.50*
- *Stop is set at $130.*

MDLZ - Mondelez International



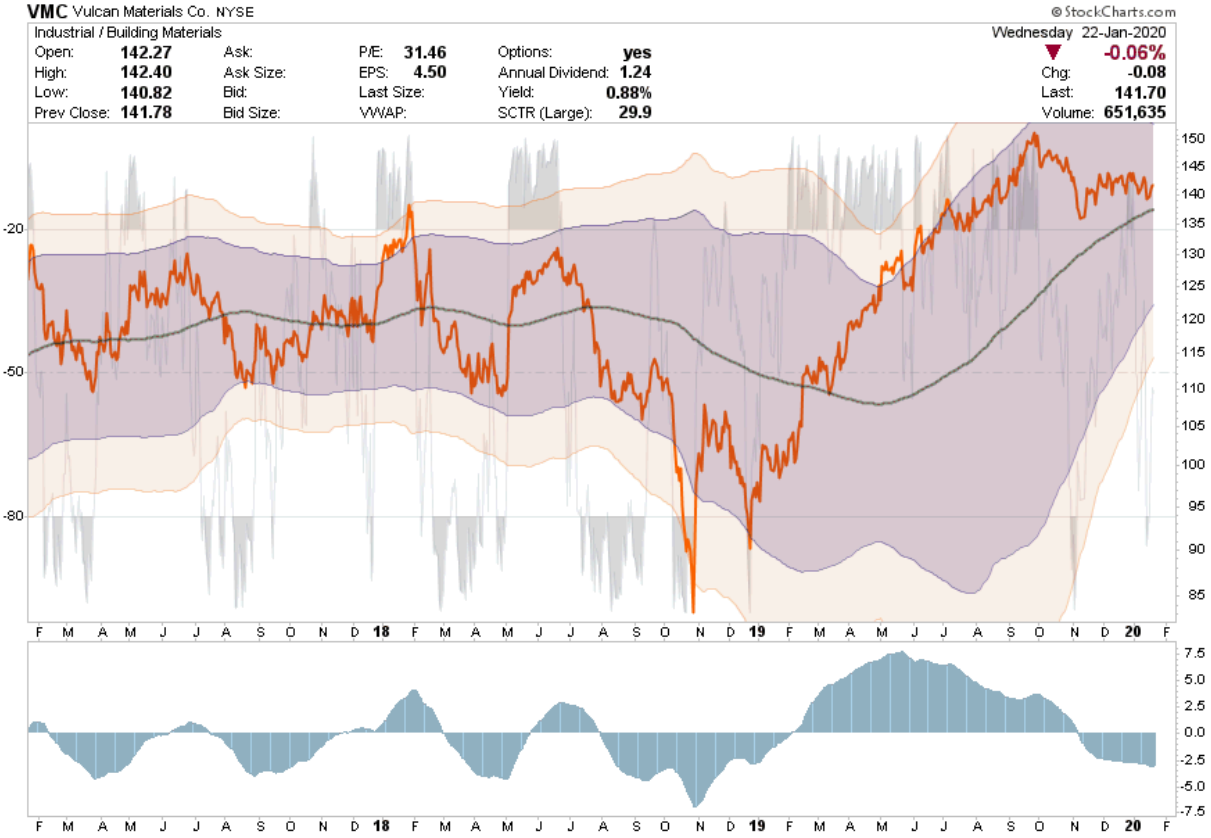
- *We sold MDLZ and took our gains in the position following a stellar run in the stock.*
- *However, with MDLZ having consolidated for a while now, and completely reversing the extreme buy signal into an extreme sell signal, we are considering the position for an addition back into the portfolio.*
- *We would like to see a little correction that continues to hold support to add exposure back into the the portfolio.*
- *No stop currently.*

SLYV - SPDR S&P 600 Small Cap Value



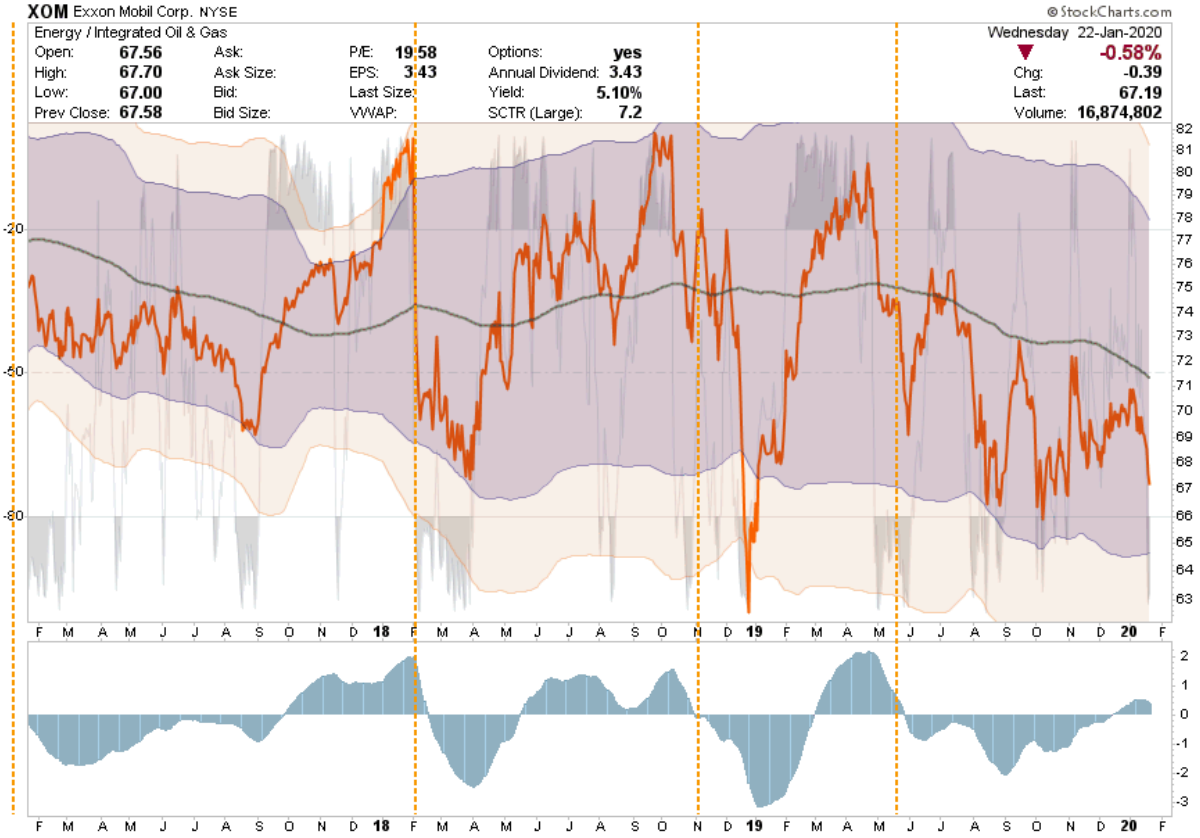
- *We recently added SLYV as part of our "VALUE" trade like EFV.*
- *Like EFV, the performance has been lackluster currently, as we expected it would be, since investors are chasing momentum currently.*
- *SLYV is very overbought and is working off its extreme buy signal. We will look to add to our holdings on a pullback that doesn't violate our stop loss.*
- *Stop-loss moved up to $52*

VMC - Vulcan Materials Co.



- *VMC was a terrific performer for us in 2019 but has been consolidating those gains in recent months.*
- *With VMC testing the 200-dma, positions can be added to portfolios with a stop at the moving average. We remain long our holding but are looking for an opportunity to increase exposure.*
- *Stop loss moved up to $138.50*

XOM - Exxon Mobil Corp.



- XOM has been disappointing for us as a long-term position. We bought it in January of 2019 near the lows, sold 1/2 in May near the highs, and added back to the holding (taking it back to full weight) near the recent lows.
- While the trading of the position has been profitable, the overall outlook for XOM remains disappointing.
- This is particularly due to oil prices failing to hold above $60/bbl suggesting that mid to low-$50's are possible for oil prices. (More downward pressure on oil companies)
- *We still like XOM fundamentally, but we may look to reduce or sell the position entirely on the next rally.*
- *Stop loss remains $63*