

CHAPTER NEWS

October 2025 Newsletter



Harvesting Insights & Preparing for Year-End Success

As autumn settles in and the days grow shorter, it's a natural time to pause, reflect, and prepare. The final quarter of the year offers a valuable opportunity to evaluate your portfolio's performance, revisit your financial goals, and position yourself wisely for what's ahead.

At the LAMS Chapter, we believe that smart investing—like tending a fruitful garden—requires patience, pruning, and a keen eye for growth. Whether you're reviewing your holdings or exploring new opportunities, we're here to support your journey with practical tools, thoughtful analysis, and a community rooted in long-term success.



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Support for Clubs

Directors in the LAMS Chapter can use GoToMeeting to allow participants to discuss various investing topics. Email us at contact@lams.betterinvesting.net to schedule a visit from one or more of our directors.

Topics could range from club operations to issues related to stock studies.

Club members decide.

Please make sure all your club members get a copy of the newsletter.





President's Message

These days I hate to admit it but I am a lifelong Dallas Cowboys fan. I've been a fan since the year they were formed when I was 6 years old and living in the Metroplex. If you follow professional football, you know that last week the owner of the Dallas Cowboys completed a controversial trade. He traded away one of the top 5 defensive players in all of football. A player that seemed to be in his prime. Most people who follow the sport feel like the Cowboys got the raw end of the trade. It appears that they gave up a great player and didn't get much in return. Only time will tell if it was a good deal or not.

As I've reflected on the trade over the last week, it reminds me of what goes on in the stock market all the time. Value is in the eye of the beholder. Every time someone buys or sells a stock they are telling us what they think the value is. Every time we buy or sell a stock we are telling everyone else what we think the value is.

Every day, Mr. Market mis-prices and mis-values different stocks. Some days he overvalues and other days he undervalues. But if we are savvy investors we can take advantage of these opportunities.

That's where BetterInvesting's Stock Selection Guide can help us. It gives us an idea of the value of different companies. We can tell when Mr. Market is offering us a great opportunity. It can show us when the market is making a bad trade. And we can swoop in and profit from those mistakes.

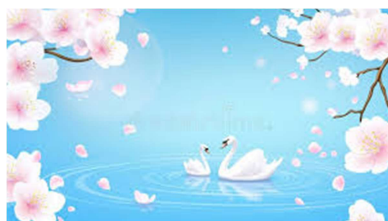
Dennis Malcolm
LA/MS Chapter President



LAMS Stock Roundup Rescheduled

We were eagerly looking forward to gathering with you this November for a day of investing insights and shared learning. However, after careful consideration, we've decided to postpone the LAMS Stock Roundup until spring 2026 to ensure the strongest possible program and experience for all attendees. While we're disappointed to delay, we're committed to delivering the high-quality event you expect—complete with engaging discussions, actionable strategies, and expert perspectives. Rescheduling allows us to ensure a robust lineup and a rewarding experience for everyone involved.

Stay tuned for the new date and details in upcoming newsletters. We appreciate your understanding and continued support, and we look forward to welcoming you in the spring for a revitalized Stock Roundup that's worth the wait!



See You in Spring 2026!

Annual Election Meeting

November 3, 2025

BetterInvesting requires chapters to hold an Annual Meeting each year to conduct Chapter business and primarily to elect directors or re-elect current directors whose 3-year terms are expiring. This year we have two directors who are up for re-election. LAMS Chapter will be holding a very brief Annual Meeting in conjunction with the November Model Club meeting. It will be held online on Monday, Nov. 3 at 7:30 PM. We encourage all LAMS Chapter members to attend this very short meeting for our Chapter to fulfill the BetterInvesting requirement. And, of course, we invite all attendees to stay for the Model Club meeting. Please register at:

<https://register.gotowebinar.com/register/8064740103851396448>

You can also dial in using your phone: 1 (646) 749-3131. Enter Access Code: 944-996-925.



Common Cents Investment Club

Of Shreveport, LA by Director Joe Farrell

I met with the Common Cent Investment Club in Shreveport, La at the Pierremont Oaks Tennis Club on August 27, 2025 at noon through 3:00 pm. I presented their 30 year certificate to the 9 members present plus a feature writer for a local newspaper and a photographer.

We shared lunch and I observed their regular monthly meeting. Afterward, I presented an extended discussion about SSG+ which they use sparingly (one member uses), PERT and investing prices. They use myICLUB. Also, they invited me back for their October 2026 meeting for a follow-up.

One interesting thing the club does is each committee -- Audit, Education, By-laws, Membership, and Social -- report each month on activities or lack thereof. They audit each month's financial transactions for completeness and accuracy.



from left to right are: Renee' L. Mason-Rivera, Charlotte Bertrand (Petty Cash Partner), Ginger White, Terry Talley (Financial Partner), Teresa Takach-Alexander (Senior Partner), Clara Veatch, Glinda DuBois, Ruby Little (Recording Partner) and Marilyn Carpenter McKissick (Junior Partner). Partners unable to attend were Mary Jo Fitz-Gerald, Jamie Harris and Theresia Kveder.

Teresa Takach prepared a short summary of the history of the investment club.

In 1994, a call went out among friends and professionals in the Northwest Louisiana area asking if anyone might be interested in creating an investment club. From this effort, a group of about 40 women joined together to take the necessary steps to incorporate the Common Cents Investment Club based in the Shreveport/Bossier City area. The group began meeting monthly for lunch at a private downtown club and commenced their journey into the new world of investing. The group included women from many areas of experience and expertise; business owners, university faculty, accountants, medical doctors, nurses, and many others, all with a common purpose of learning about investing.

With an initial payment of \$25 monthly, the group was up and running with much enthusiasm and ambition to use the funds to purchase the group's first stock, a local energy stock. As the club advanced, procedures evolved into a format that continues to this day. Members each have one or more stocks to follow, are responsible for presenting new stocks on a rotating basis and serve on one of several committees. The club now has a very successful portfolio of stocks reviewed at each meeting.

As with many formal groups in the last few decades, Common Cents has also lost members as they relocate, incur health problems, change jobs, or have other issues that prevent their continued participation. The club actively recruits new members who are brought up to speed by veteran members who function as mentors. Noteworthy, two current members are founding members and provide continuity in procedures and historical perspective.

Periodically, the club has an educational program on a topic related to investing or overall financial issues. These speakers have included an attorney specializing in wills and probate, financial advisors reporting on the state of the economy and its effect on investments, and retirement planners. Occasionally our members will share information such as resources available on the IClub website, how to use Value Line, or even summarize and lead discussion on an article from Better Investing.

Social activities take place twice a year, bringing the group together for fellowship in a relaxed, informal setting. Dinners out, day trips, crafts, or holiday parties at a member's home build friendships and bonds with the individual members. For some events, husbands or significant others are invited. Strengthening this bond, an interesting feature of the club meetings, is a time at the end of each meeting where each member shares with the group something significant that has happened to them or their family since the

last meeting. There we learn about interesting trips and activities, children's and grandchildren's achievements, and spouses' activities. This time provides an opportunity for the club to support a member going through a challenge as we did recently when a member had major damage to her home from a severe storm.

Overall, the club members are proud of what has been accomplished. Some do their own investing in addition to the club using what they have learned from the club to select and monitor their personal portfolios. The congeniality of the members makes the lunch meetings an anticipated priority, so that attendance is always good. Discussions about stocks to purchase or sell take place after thorough study and often enthusiastic discussion resulting in our portfolio increasing in value significantly.



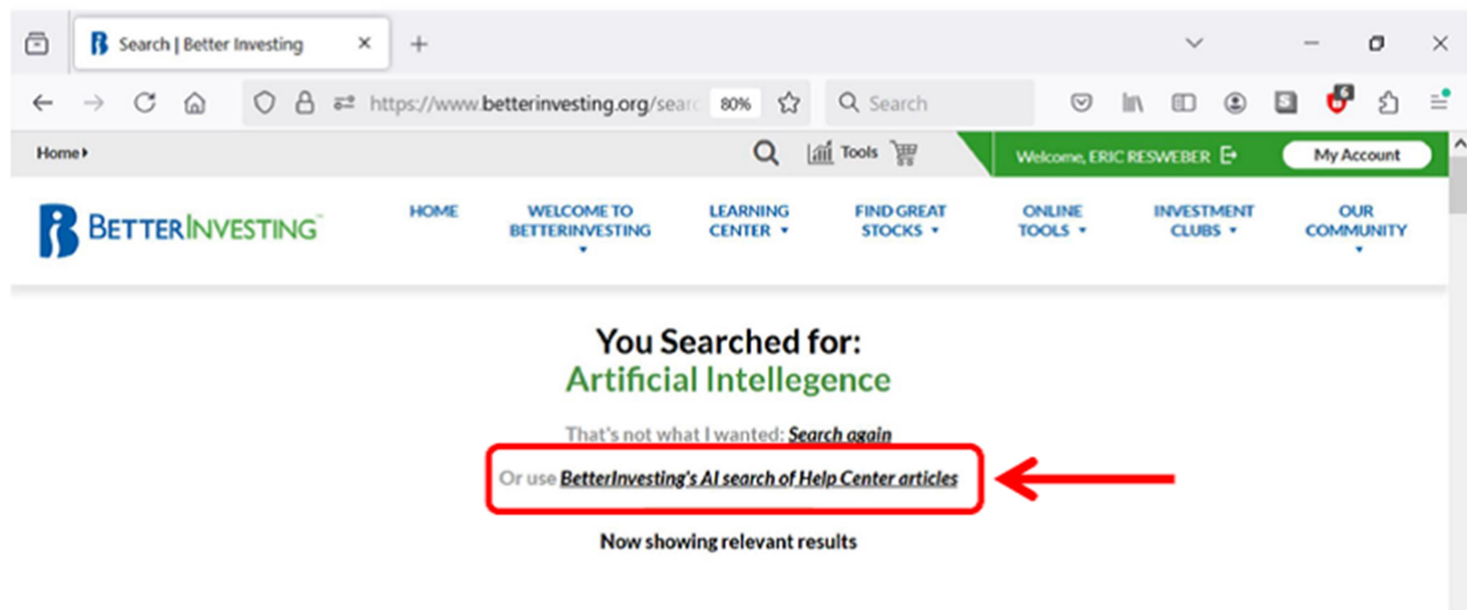
Introducing BetterInvesting's New AI Support Assistant

We're excited to announce the launch of the BetterInvesting AI-powered Support Assistant!

This new tool is designed to help members and volunteers quickly find answers to questions about the Online Stock Tools, Stock Data, the Help Center content, and the About Us section of our website.

Try it here: <https://www.betterinvesting.org/ai/ask>

You can also find it linked from the BI website search results page as shown below. After doing a regular search the link will be on the search results page.



Learning Center

A Beginner's Guide to Smart Investing: The five-part Introduction to the Stock Selection Guide series is designed to help new investors learn how to use and complete an SSG. This series of classes aims to set new investors on the right path by teaching them how to identify high-quality growth companies and determine the appropriate price for a worthwhile investment opportunity.

Review the Series

<https://lists.betterinvesting.org/link.php?M=3187768&N=29812&L=12850&F=H>

New SSGPlus Preference: Detailed Estimates

BetterInvesting has added a new preference setting in SSGPlus that allows members to control whether Detailed Estimates graph lines are displayed by default when opening a study. By default, this setting is off for new users, but those who prefer to see Detailed Estimates immediately can enable it in their study preferences by checking the box for "Show Detailed Estimates when study opens."

This feature gives members more flexibility in customizing their analysis experience.

Help Needed: BI Magazine Repair Shop Team Needs Club Portfolios

Does Your Club's Portfolio Need a Tune-up? Or Would You Like Your Personal Portfolio Reviewed?

If you're interested in having your investment club's portfolio evaluated by one of the chartered financial analysts who write the "Repair Shop" column in BetterInvesting Magazine, send us a description of your club, how it got started, what makes it unique, where you're located and how the club makes its investing decisions. Above all, forward its Valuation Statement and a picture of the club.

The photo should be high resolution (300 pixels per inch). List members' names from left to right, plus the names of members who aren't in the picture.

Email this material to Nicole Evans Gyimah, nicoleg@betterinvesting.org. Your data will be forwarded to the Repair Shop writers who make their own decisions as to which club they'll feature.

We look forward to hearing from you!





LAMS Model Club

You're invited to sit in on any of our meetings to see our Chapter Model Club in action. Meetings are normally held on the first Monday of the month at 7:30 PM (second Monday if there's a holiday conflict). The Model Club is a real investment club that uses real money and has a real portfolio. We're currently at 11 members from across Louisiana and Mississippi, and one member in Texas. We average about 4 guests per meeting. You're also invited to forward the contact information to your club members and friends who might be interested in learning about investment clubs or investing the BI way. BetterInvesting members and non-members are welcome.

Club members take turns presenting a short education segment at each meeting and one or two stock presentations, including a completed SSG. Our next meeting dates are Oct. 6, Nov. 3, and Dec 1. We use GoToWebinar for meetings. To attend please register ahead of time at:

<https://register.gotowebinar.com/register/8064740103851396448>

You can also dial in using your phone. You'll receive instructions for doing that after you register. If you'd like more information about the Model Club or about attending a meeting you can send an email to contact@lams.betterinvesting.net.



The Relationship Between High Debt and High ROE

by Perplexity

How High Debt Can Inflate ROE

Return on Equity (ROE) is a financial metric that measures how effectively a company generates profit from its shareholders' equity. It is calculated as:

$$\text{ROE} = \text{Net Income} / \text{Shareholders' Equity}$$

When a company takes on significant debt, its total assets may rise, but its equity (which equals assets minus liabilities) can shrink. This means that, for a given level of net income, the denominator in the ROE formula—shareholders' equity—becomes smaller, causing ROE to rise. In effect, high leverage (debt) magnifies the return on every dollar of equity.

Example:

- Suppose a company has \$1,000,000 in assets and \$850,000 in debt, leaving \$150,000 in equity. If it earns \$78,000 in net income, its ROE is 52%.
- If the company had less debt and more equity, the same net income would result in a much lower ROE.

Key Points:

- High debt can make ROE appear very strong, even if the underlying profitability of the business hasn't improved.
- This effect can also occur if a company borrows to buy back its own shares, reducing equity and boosting ROE.

Is High ROE from High Debt a Concern?

A high ROE driven by excessive debt is not always a positive sign for investors. Here's why:

- Artificial Inflation: The ROE may be artificially boosted by a shrinking equity base, not by genuine improvements in profitability or operational efficiency.
- Financial Risk: High debt increases financial risk. If earnings decline or interest rates rise, the company may struggle to service its debt, which can threaten its financial stability.
- Sustainability: High-leverage strategies can backfire in downturns, as debt obligations remain fixed even if profits fall.
- Industry Context: Debt levels and appropriate ROE benchmarks vary by industry.

Comparing ROE and leverage to industry peers is essential for a fair assessment.

Summary Table: High Debt and High ROE

Factor	Effect on ROE	Investor Implication
High Debt	Increases ROE (smaller equity)	May signal higher risk, not efficiency
Debt Buybacks	Further reduces equity	Can artificially inflate ROE
Profitability Changes	Amplified by leverage	Losses also magnified

Conclusion

High debt can significantly boost a company's ROE by reducing shareholders' equity, but this does not always reflect true business strength. Investors should look beyond headline ROE figures and consider the underlying capital structure and associated risks before drawing conclusions about a company's financial health.





Useful Links

Open House 90-day free trial:

<https://hello.betterinvesting.org/90day-ws>

Anyone can sample a BI membership. If you're a BI member please share this URL with anyone who might be interested in trying out BetterInvesting. All that's required is to enter ZIP code, name, and email address to gain access to the ninety day, core trial membership. No credit card needed, so they don't get trapped into having to cancel or anything like that. This will just expire after ninety days.

This trial membership includes:

1. A digital copy of BetterInvesting Magazine
2. Our "Why Invest" webinar
3. First Cut Stock Reports
4. Instant access to a trial version of our online stock selection and analysis tools

If you're not currently a member of BetterInvesting you can visit the BetterInvesting website to learn more about the organization here. <https://www.betterinvesting.org/>

If this newsletter was forwarded to you and you would like to subscribe to the newsletter, just fill out the form at the bottom of this LAMS Chapter web page.

<https://www.betterinvesting.org/chapters/lams>

Register to attend LAMS Model Club meetings as a guest.

<https://register.gotowebinar.com/register/8064740103851396448>

Video Learning Library—BetterInvesting members can access the very many archived webinar recordings here:

<https://lists.betterinvesting.org/link.php?M=3389991&N=25554&L=12063&F=H>

Guests and non-members can also access a sampling of BetterInvesting webinars to learn more about BetterInvesting, investing the BI way, investment clubs, and more:

<https://www.betterinvesting.org/learn-about-investing/free-videos>



These are your Volunteer Louisiana/Mississippi Chapter Directors

Angela Lannen, DeRidder, LA
Kaye Clingan, Jackson, MS
Eric Resweber, Zachary, LA
Joe Farrell, Jackson, MS
Dennis Malcolm, Lafayette, LA
David Arnold, Hattiesburg, MS
Jimmy Stewart, Jackson, MS
Ghanashyam Patel, New Orleans, LA

If you have a question about BetterInvesting, investment clubs, or investing in general, contact a director near you at contact@lams.betterinvesting.net. We're here to help.

Please make sure all your club members get a copy of the Newsletter.

If anyone needs help subscribing just email us at contact@lams.betterinvesting.net.

We'll be glad to help.