



# Georgia Chapter Newsletter

## Spring 2024

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### Using Metrics to Help Investors Value Stock



Have you struggled with how to determine if stocks are trading at a reasonable price? With a new year upon us, let's take a look at several popular models that offer clues on which shares are too expensive to buy. Keep in mind that the purchase of a reasonable priced stock is subjective, but I'm a staunch follower of BetterInvesting (BI) four (4) principles:

**Invest regularly**

**Buy Growth Stocks at a reasonable price**

**Reinvest Dividends**

**Diversify**

When evaluating growth stocks, BI advocates investing in quality growth companies on a long-term basis. When estimating a company's potential, determine a fair price to pay for that potential by looking at the valuation and return.

When trying to gauge whether a stock or an index appears cheap or pricey, BI recommends that investors use a combination of metrics, along with weighing the economic conditions, the overall financial health of a company and the industry's record. Investors are typically willing to pay more for companies they anticipate will expand rapidly than those whose growth prospects are more limited.

Stocks are setting repeated highs, reigniting a debate among investors about whether they are too expensive. The S&P 500 has climbed to start 2024 and closed above 5000 for the first time, its 10<sup>th</sup> record of the year. The Dow Jones Industrial Average has risen 2.6%, setting 11 records along the way.



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### Using Metrics to Help Investors Value Stock (continued)

As 2024 is anew, let's take a look at what some of the popular valuation models tell us about the state of the market; how to find clues on which shares are unreasonably priced. First, let's take a quick look at Price/Earnings Ratio (P/E).

Prices are just one component of stock valuations. The other is corporate earnings. The P/E is calculated by dividing a company's stock price by its reported or projected per-share earnings. This is a popular tool for valuing stocks and indicates what an investor is paying for each dollar of a company's earnings.

When earnings rise and prices remain steady, valuations contract. If earnings decline, that makes stocks look even more expensive at the same price levels.

There are two ways to calculate the ratio. Investors who prefer to look at actual results use a company's trailing earnings over the previous 12 months. Others prefer to look at projected earnings for the coming year, particularly for fast-growing companies in the tech sector.

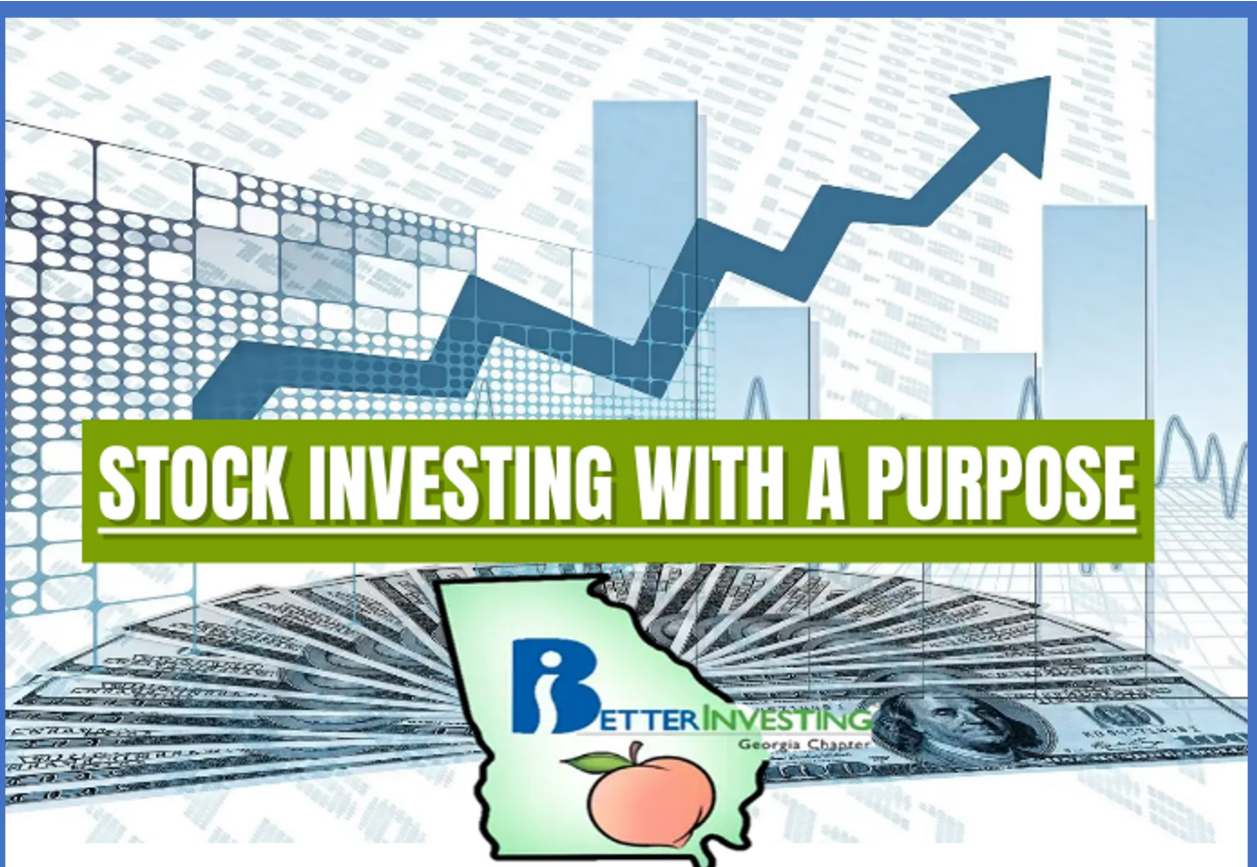
Tech stocks often command high valuations because they are expected to generate windfall profits in the future. A mania over generative artificial intelligence spurred big bets on tech stocks leading to lofty valuations.

Next time, we'll take a look at Price-to-Book Ratio, which is similar to P/E. Remember, when determining valuation, think of a fair price along with valuation and return.

**Written by Georgia Chapter President, Cynthia McCrary**



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**STOCK INVESTING WITH A PURPOSE**

**Georgia Chapter of BetterInvesting  
10TH ANNUAL INVESTORS FAIR - VIRTUAL**

**GAME ON IN 2024!**

**SAVE THE DATE**

**SATURDAY, 8-24-2024**

Visit Us: [www.betterinvesting.org/chapters/georgia](http://www.betterinvesting.org/chapters/georgia)  
Email: [Contact@georgia.betterinvesting.net](mailto:Contact@georgia.betterinvesting.net)



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The portfolio contest serves as an educational tool and risk-free environment for individuals and clubs to simulate investment strategies, promoting skill development, competition, and engagement. Each entry was allotted \$100,000.00 in fictional money to be invested in no more than 10 equities. The contest took place for 12 months. First place won \$100 and second place was awarded \$50 in real money.

### Let's congratulate our 2023 winners:



**1st Place -John Baker**



**2nd Place—Kennetta Pilette**



**2024 Portfolio  
Contest Has  
Begun!**



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## New 2024 Portfolio Contest Participants:



| Individual             | Company                             | Symbol         | Investment  | Initial Shares | Initial Price | Value 1/31/23 | Price 2/29/24 | Value 2/29/24 |              |
|------------------------|-------------------------------------|----------------|-------------|----------------|---------------|---------------|---------------|---------------|--------------|
| J. BAKER               | INMODE                              | INMD           | \$20,000.00 | 844.2381       | \$23.69       | \$20,000.00   | 22.00         | \$18,573.24   |              |
|                        | MICROCHIP TECHNOLOGY                | MCHP           | \$20,000.00 | 234.7969       | \$85.18       | \$20,000.00   | 84.14         | \$19,755.81   |              |
|                        | GENTEX                              | GNTX           | \$20,000.00 | 603.6825       | \$33.13       | \$20,000.00   | 36.53         | \$22,052.52   |              |
|                        | Monster Beverage Corp.              | MNST           | \$20,000.00 | 383.5042       | \$55.02       | \$20,000.00   | 59.10         | \$21,483.10   |              |
|                        | VISA                                | V              | \$20,000.00 | 73.1904        | \$273.26      | \$20,000.00   | 282.64        | \$20,686.53   |              |
|                        |                                     |                |             | \$100,000.00   |               |               | \$100,000.00  |               | \$102,551.19 |
| T. HOWELL              | Humana Inc.                         | HUM            | \$30,000.00 | 79.3525        | \$378.06      | \$30,000.00   | 350.32        | \$27,798.76   |              |
|                        | Microsoft Inc                       | MSFT           | \$30,000.00 | 75.4565        | \$397.58      | \$30,000.00   | 413.64        | \$31,211.83   |              |
|                        | INMODE                              | INMD           | \$20,000.00 | 844.2381       | \$23.69       | \$20,000.00   | 22.00         | \$18,573.24   |              |
|                        | GENTEX                              | GNTX           | \$20,000.00 | 603.6825       | \$33.13       | \$20,000.00   | 36.53         | \$22,052.52   |              |
|                        |                                     |                |             | \$100,000.00   |               |               | \$100,000.00  |               | \$99,636.35  |
| J. PARKS               | Alphabet Inc. CI A                  | GOOGL          | \$10,000.00 | 71.3776        | \$140.10      | \$10,000.00   | 138.46        | \$9,882.94    |              |
|                        | NVIDIA Corp.                        | NVDA           | \$10,000.00 | 16.2530        | \$615.27      | \$10,000.00   | 791.12        | \$12,858.09   |              |
|                        | Taiwan Semiconductor                | TSM            | \$10,000.00 | 88.5269        | \$112.96      | \$10,000.00   | 128.67        | \$11,390.76   |              |
|                        | MICROSOFT INC                       | MSFT           | \$10,000.00 | 25.1522        | \$397.58      | \$10,000.00   | 413.64        | \$10,403.94   |              |
|                        | Vanguard Information Technology ETF | VGT            | \$25,000.00 | 50.6165        | \$493.91      | \$25,000.00   | 517.79        | \$26,208.72   |              |
|                        | BlackRock Inc.                      | BLK            | \$10,000.00 | 12.9147        | \$774.31      | \$10,000.00   | 811.34        | \$10,478.23   |              |
|                        | Vanguard Growth ETF                 | VUG            | \$25,000.00 | 78.7178        | \$317.59      | \$25,000.00   | 340.03        | \$26,766.43   |              |
|                        |                                     |                |             | \$100,000.00   |               |               | \$100,000.00  |               | \$107,989.12 |
| K. PILLETTE            | ResMed Inc.                         | RMD            | \$16,667.00 | 87.6288        | \$190.20      | \$16,667.00   | 173.72        | \$15,222.88   |              |
|                        | Tractor Supply Co.                  | TSCO           | \$16,667.00 | 74.2075        | \$224.60      | \$16,667.00   | 254.32        | \$18,872.45   |              |
|                        | GENTEX                              | GNTX           | \$16,667.00 | 503.0788       | \$33.13       | \$16,667.00   | 36.53         | \$18,377.47   |              |
|                        | Amphenol Corp. CI A                 | APH            | \$16,667.00 | 164.8566       | \$101.10      | \$16,667.00   | 109.24        | \$18,008.93   |              |
|                        | Paychex Inc.                        | PAYX           | \$16,666.00 | 136.9096       | \$121.73      | \$16,666.00   | 122.62        | \$16,787.85   |              |
|                        | Alphabet Inc. CI A                  | GOOGL          | \$16,666.00 | 118.9579       | \$140.10      | \$16,666.00   | 138.46        | \$16,470.91   |              |
|                        |                                     |                |             | \$100,000.00   |               |               | \$100,000.00  |               | \$103,740.48 |
| C. HIGHTOWER           | AllianceBernstein Holding L.P.      | AB             | \$9,930.80  | 296.0000       | \$33.55       | \$9,930.80    | 31.77         | \$9,403.92    |              |
|                        | Meta Platforms Inc.                 | META           | \$10,140.26 | 25.9913        | \$390.14      | \$10,140.26   | 490.13        | \$12,739.13   |              |
|                        | Monolithic Power Systems            | MPWR           | \$10,246.24 | 17.0000        | \$602.72      | \$10,246.24   | 720.04        | \$12,240.68   |              |
|                        | Navitas Semiconductor Corp.         | NVTS           | \$9,352.20  | 1632.1466      | \$5.73        | \$9,352.20    | 6.14          | \$10,021.38   |              |
|                        | Netflix Inc.                        | NFLX           | \$10,715.43 | 18.9953        | \$564.11      | \$10,715.43   | 602.92        | \$11,452.64   |              |
|                        | NetSTREIT Corp.                     | NTST           | \$10,011.67 | 551.0000       | \$18.17       | \$10,011.67   | 16.81         | \$9,262.31    |              |
|                        | NVIDIA Corp.                        | NVDA           | \$9,844.32  | 16.0000        | \$615.27      | \$9,844.32    | 791.12        | \$12,657.92   |              |
|                        | Taiwan Semiconductor                | TSM            | \$9,714.56  | 86.0000        | \$112.96      | \$9,714.56    | 128.67        | \$11,065.62   |              |
|                        | Tecnoglass Inc.                     | TGLS           | \$9,800.13  | 213.0000       | \$46.01       | \$9,800.13    | 46.76         | \$9,959.88    |              |
|                        | United Healthcare                   | UNH            | \$10,234.41 | 19.9992        | \$511.74      | \$10,234.41   | 493.60        | \$9,871.62    |              |
|                        |                                     |                |             |                |               |               | \$99,990.02   |               | \$108,675.10 |
|                        | B. KOVACH                           | FCI STOCK CLUB |             |                |               |               |               |               |              |
|                        |                                     | Ardelyx Inc.   | ARDX        | \$16,667.00    | 1909.1638     | \$8.73        | \$16,667.00   | 9.32          | \$17,793.41  |
| NVIDIA Corp.           |                                     | NVDA           | \$16,667.00 | 27.0889        | \$615.27      | \$16,667.00   | 791.12        | \$21,430.59   |              |
| CrowdStrike Holdings   |                                     | CRWD           | \$16,667.00 | 56.9812        | \$292.50      | \$16,667.00   | 324.15        | \$18,470.45   |              |
| ACM Research Inc. CI A |                                     | ACMR           | \$16,667.00 | 967.8862       | \$17.22       | \$16,667.00   | 30.92         | \$29,927.04   |              |
| Cadence Design Systems |                                     | CDNS           | \$16,666.00 | 57.7758        | \$288.46      | \$16,666.00   | 304.38        | \$17,585.79   |              |
| Arista Networks Inc.   |                                     | ANET           | \$16,666.00 | 64.4271        | \$258.68      | \$16,666.00   | 277.54        | \$17,881.09   |              |
|                        |                                     |                |             |                |               | \$100,000.00  |               | \$123,088.37  |              |
| J. PARKS               | WOMEN OF WORTH                      |                |             |                |               |               |               |               |              |
|                        | Amazon.com Inc.                     | AMZN           | \$12,500.00 | 80.5412        | \$155.20      | \$12,500.00   | 176.76        | \$14,236.47   |              |
|                        | Apple Inc.                          | APPL           | \$5,000.00  | 27.1150        | \$184.40      | \$5,000.00    | 480.75        | \$13,035.52   |              |
|                        | Alphabet Inc. CI C                  | GOOG           | \$12,500.00 | 88.1523        | \$141.80      | \$12,500.00   | 139.78        | \$12,321.93   |              |
|                        | Merck & Co. Inc.                    | MRK            | \$10,000.00 | 82.7952        | \$120.78      | \$10,000.00   | 127.15        | \$10,527.41   |              |
|                        | MICROSOFT INC                       | MSFT           | \$15,000.00 | 37.7283        | \$397.58      | \$15,000.00   | 413.64        | \$15,605.92   |              |
|                        | Netflix Inc.                        | NFLX           | \$10,000.00 | 17.7270        | \$564.11      | \$10,000.00   | 602.92        | \$10,687.99   |              |
|                        | NVIDIA Corp.                        | NVDA           | \$15,000.00 | 24.3795        | \$615.27      | \$15,000.00   | 791.12        | \$19,287.14   |              |
|                        | Palo Alto Networks Inc.             | PANW           | \$7,500.00  | 22.1569        | \$338.51      | \$7,500.00    | 310.55        | \$6,880.52    |              |
|                        | Salesforce Inc.                     | CRM            | \$7,500.00  | 26.6818        | \$281.09      | \$7,500.00    | 308.82        | \$8,239.89    |              |



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### **ACME Model Investment Club Update**

**By Zuwena Johnson, ACME President**

ACME currently has 11 active members overseeing 12 stocks in our portfolio. We are averaging around 4 to 5 guests per meeting and welcome anyone interested in attending. Currently, we meet online via GoToMeeting. This process continues to work very well with members using their own computer screens to view all documentation including Stock Study Guide's (SSG's) and PowerPoint presentations.

ACME's stock portfolio is housed at Fidelity which offers many wonderful tools for members to use to analyze the stock that they are following and reporting on each month. ACME continues to purchase new stocks and add to existing stock purchases to boost our stock portfolio performance after analyzing our investments.

The ACME Investment Club portfolio is currently performing at 10.6% versus the Vanguard Total Stock Market Index of 10% for the same period as of January 9, 2024. Our goal is to try and reach a 15% overall return. All are welcome to attend our virtual monthly meetings to learn more about investing the BetterInvesting way to secure your financial future. All meetings are held online via GoToMeeting the second Saturday of each month from 12-2 PM.

**Interested in joining, go to the following link:**

**<https://global.gotomeeting.com/join/594493789>**

**An investment in knowledge  
pays the best interest.**

**Benjamin Franklin**



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### Schedule a Club Visit

As Directors, one of our many responsibilities is to partner with investment clubs and individuals to make them as successful as possible. We are able to visit clubs in person or virtually. We can train on BI tools, provide portfolio analysis and even provide treasurer assistance. We currently have approximately 1000 active members, including 125 BI clubs plus approximately 225 individual investors. In our efforts to reach out to our members, our role is to make sure you have a positive BI experience and to offer any training or educational program you feel you need. Another part of our support is to celebrate club anniversaries. We typically recognize clubs at various milestones.

**To schedule your club visit, email  
[contact@georgia.betterinvesting.net](mailto:contact@georgia.betterinvesting.net)**





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### REORGANIZING YOUR FINANCES by Kennetta Pillete Financial Spring-Cleaning Checklist

#### 10 Steps to Adjust Your Spending

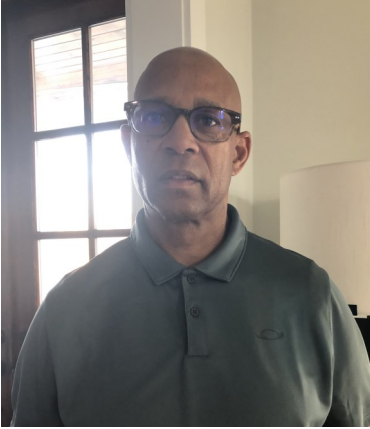
1. **Review Your Budget** – Look at your income and expenses over the past few months. Make adjustments as needed to reflect your current financial goals and priorities.
2. **Track Your Spending** – Avoid impulse spending.
3. **Automate Your Savings** – Set up automatic transfers from checking to savings accounts.
4. **Review Your Investments** – Rebalance your investments to align assets with risk tolerance and financial goals.
5. **Check Your Credit Report** – Use sites like AnnualCreditReport.com to pull your report and review it for inaccuracies and any errors.
6. **Shop Around for Better Deals** – Look for better deals on services like cable, internet, and utilities.
7. **Cancel Unnecessary Subscriptions** – This can free up extra money in your budget for savings or other expenses.
8. **Get a Will or Trust** – This will ensure that you preserve the wealth you have accumulated for future generations.
9. **Bundle Your Insurances** – Review your policies to make sure you are not overpaying. Bundling different types, such as home and auto, with the same provider can often give you a discount.
10. **Consult with a Financial Advisor** – If you are feeling overwhelmed about your financial situation, consult with a financial advisor to help you develop a plan to achieve your financial goals.





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## Greetings from one of our newest Volunteer directors!

My journey into the world of investments began during my teenage years, where I eagerly absorbed knowledge on the subject. Later, during my service in the US Army, I took on the role of the "barracks advisor," encouraging fellow soldiers to explore mutual funds.

Afterward, my brother and I established a soldier and sailor club in Hawaii. Now, here in Georgia, I am an active member of both the Central Model Investment Club and my family's investment club. Through BetterInvesting, I gained invaluable knowledge that I now share with others, emphasizing proven principles for financial success. Hard to say no to being invited to serve as a volunteer director, especially when it aligns so perfectly with my passion for investing.

Written by **Clifford McGhee**

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## Upcoming Events

[Mentoring - Every 2nd Thursday of the month @7pm](#)

Model Club Meetings:

[ACME—Every 2nd Saturday @ 12 noon](#)

[CGMIC—Every 3rd Saturday @ 12 noon](#)

Join US:



@betterinvesting\_gachapter

