

LAMS CHAPTER OF BETTERINVESTING

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President's Message

Angela Lannen
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Oh, come on now, what's all the fuss about doing Stock Selection Guides (SSGs)?

Let me give you a few examples from our own chapter directors' experiences. Fellow LaMs Chapter Director and Better Investing officer at a national level, Joe Farrell, is a retired trust department employee of a bank. He is the first to tell you that he used the Stock Selection Guide (SSG) to make stock picks for his clients' portfolios. Both Kaye Clingan (chapter director and BI officer) and I have our education and careers in finance, and she will agree with me that SSGs are elegant in the simplicity to execute and depth of information provided by making a few simple decisions about a stock.

Other chapter directors Dennis Malcolm and Eric Resweber have no financial training whatsoever, and yet make great decisions about stocks for their own portfolios using the SSG.

What I'm conveying here is that you're missing out on the heart of what Better Investing offers if you are not systematically doing SSGs to make your stock decisions. You only have five (5) decisions to make on any SSG, and you do so by using data such as Value Line, which is available at most public libraries.

As you gain experience in doing SSGs, you also grow in seeing what drives the price of a stock up or down. You therefore get more insight SSG by SSG. Better Investing makes great videos on SSGs (as well as other topics) available in their Learning Center to all members.

We chapter directors are all volunteers, so we don't get any benefit from your subscribing to the Better Investing SSG. We just know by our own very different experiences that you can benefit from using this resource for assessing stocks.

If you're looking for an investment tip, then this is it: subscribe to SSG Plus or SSG Core, and get the maximum benefit from your Better Investing membership by using this excellent tool. You won't regret it!

Many happy returns,
 Angela Lannen, Chapter President

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.

"We don't have to be smarter than the rest. We have to be more disciplined than the rest"—
 Warren Buffet



Meet Pike County Investment Club, an investing partnership of four couples and four individuals from the Summit, Mississippi area.



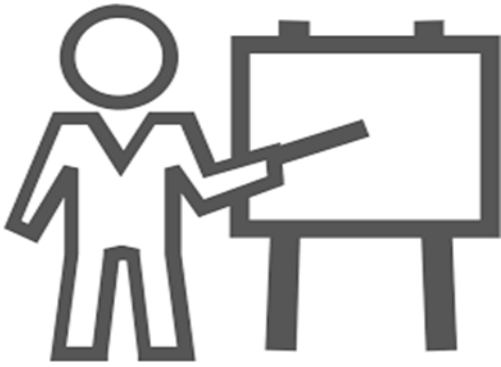
Pictured above are Paul Morgan, Ken and Karlene Morris, Patricia and Jack Seale, Betty Johnson, Connie Lambuth, Alicia Shows, Nancy and Butch Holmes and Harold White. Not included in the picture was William Johnson.

The partnership was established more than 25 years ago for partners to learn and earn in the equities market. One member presented her resignation at the meeting.

On August 28th at their regular meeting at Southwest Mississippi Community College Dr. Horace Holmes Student Union Cafeteria, a LaMs Chapter representative presented the club a 25-year BetterInvesting Membership Certificate. We discussed their myICLUB accounting and reports software, the Value Line Investment Survey, and use of Toolkit 6 versus Stock Selection Guide Plus.

The club believes in holding its stock positions for the long term. Of their 15 stocks one has been held for 25 years, another for 14 years, and only 6 have been purchased in the past 3 years. Stock Watchers are assigned and report on their assigned stock if anything important has occurred since the last meeting. During the meeting they announced their slate of officers for the coming year which will be voted on at the next meeting.

We shared the college cafeteria breakfast after the meeting was adjourned. The LaMs representative acknowledged that he last met with this club early in its existence about 24 years ago.



Education

Core vs. Non-core: The 80/20 rule

As BetterInvesting members we're taught to invest in high quality growth companies—companies that grow their sales and earnings over time. The faster the growth and the more consistent the growth, the better, and the more they will conform to the BI mantra up, straight, and parallel on the SSG. This is a pretty good definition of a core holding. BetterInvesting teaches us to have our portfolios made up of at least 80% core holdings and look to hold these for the long term.

80%/20%

If we want to dabble in non-core stocks BetterInvesting recommends that we limit these to 20% of our portfolios. Non-core would include companies with very short or no history as publicly traded companies (therefore limited P/E history for evaluating on the SSG), cyclical companies, lower quality stocks by SSG standards, turnaround situations, ETFs and mutual funds. Cash would also be considered non-core.

Non-core investments will probably be riskier and more speculative than high quality growth stocks and we may plan to hold these for a shorter time. Of course if we invest in riskier and more speculative there's the potential for greater returns, and also the potential for greater losses.

This 80% rule for high quality growth stocks is a good guideline for our portfolios. Paying attention to it will help make our portfolios higher quality, also. It can be fun to take a little more risk sometimes but it also pays to stick to the basics of what BetterInvesting teaches us. And besides, there's nothing wrong with investing 100% in high quality growth stocks.

Some of this info is from a Ticker Talk presentation by Ken Kavula on June 24, 2021.

Support for Clubs

Directors in the LAMS Chapter can use GoToMeeting to allow participants to discuss various investment topics. Email us at conact@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.

LAMS Chapter Portfolio Contest Update

We received a total of 22 participants, 5 clubs and 17 individuals.

The entries consisted of 80 stocks and one cryptocurrency.

The stocks were spread out among these sectors:

6 Communications	20 Discretionary
2 Energy	4 Financial
7 Health Care	11 Industrials
4 Materials	8 Staples
17 Technology	1 Utility

Here are some statistics from ManifestInvesting on all the entries collectively (except 3 that are not covered by MI):

Growth	11.5%	range 0.9 to 67
Financial Strength	77%	range 6 to 100
EPS Stability	65	range 0 to 99
Quality	77	range 4 to 100
PAR	8.8	range -10 to 29.1

Disclaimer:

Remember, this information presented is for educational purposes only and is not intended to be a recommendation to purchase or sell any securities that may be referenced. Investors should conduct their own review and analysis of any company of interest before making an investment decision.

Securities may be held by the club members in their own personal portfolio, BI presenters and volunteers are held to a strict code of conduct that precludes benefiting financially from education presentations or public activities via any BetterInvesting program, event and/or educational session in which they participate.

Charnia L. Cheatwood

1939-2020



BetterInvesting member Charnia Cheatwood was an active member of the former ArkLaTex Chapter. He was known to his friends as "Charney". He became a member of our Chapter when the northern part of Louisiana was added to the LAMS Chapter. We only recently learned of Charney's passing. The following is from his obituary and information provided by fellow club members.

Charnia, 81, of Alexandria, entered eternal rest on Wednesday, July 15, 2020 in Alexandria. He was born May 25, 1939 near Saline to the union of Mary Frances Logan Cheatwood and Charnia Louis Cheatwood, Sr.

Charnia, a proud valedictorian of Saline High School, attended Louisiana State University of Baton Rouge on the Gottlieb Scholarship—he earned as PhD from LSU in 1969. Charnia's professional career began in LSU Men's Housing for Freshmen. From 1970 until 1993, he served as Dean of Students for LSU-Alexandria. Upon his retirement, the Dr. Charnia L. Cheatwood, Jr. Scholarship was created on a permanent basis by friends, family, employees and former students. He assisted many others in establishing endowed scholarships.

Dr. Cheatwood served as the Representative for Louisiana on the ACT Corporation for 12 years. He served in several leadership positions for the Louisiana Students Personnel Association. He was a lifetime member of Phi Delta Kappa and served as President of the local chapter.

Community involvement included Red Coats with Chamber of Commerce, United Way, and Kiwanis of Alexandria. Charnia achieved recognition as "distinguished" District Governor for La-Ms-Tn Kiwanis in 1981-82. He served for several years as Faculty Advisor for LSUA Circle K club that received national recognition.

Following retirement, he contributed much to Better Investing as Charter President of Fortune20 Investment Club of Alexandria and as President of the ArkLaTex Chapter of Better Investing. He was very active in both the Club and Chapter and always said that he wished he had started investing sooner.

Charney attended many BINC conventions. Nell Perry who knew him well from the ArkLaTex Chapter said that she couldn't imagine going to BINC without Charney being there.

One of his fellow club members said he had an undying zest for life! He would have liked his story to end, "Go Tigers!"

LaMs Model Club Report

by Eric Resweber, Club Secretary



The Louisiana/Mississippi Model Club is a working investment club that uses real money and is made up of LAMS chapter directors and BetterInvesting members. Meetings are conducted online using GoToWebinar and guests are invited to attend to see how a BetterInvesting club operates. We usually have an education segment.

Disclaimer: Stocks mentioned are for educational purposes only. No Investment recommendation is intended.

July: One of the Club members challenged one of our holdings, **Sketchers (SKX)**, with **LCI Industries (LCII)**. LCII makes a wide variety of components for the recreational vehicle industry. The Club voted to replace Sketchers with LCII.

August: The August meeting included the Chapter's annual election meeting. It also included two special presentations. Our Region Manager Denise Kimberlin spoke about finding small and mid-size stocks. She covered sources for searching and screening and how to research small companies. Also, Club member Sriram Madabhushi presented *Selling: The Most Important Step in Managing a Portfolio* which focused on why and when to sell or not sell a stock. The Club decided not to invest this month.

September: The Club studied two technology stocks, **Alphabet (GOOG)** and **Taiwan Semiconductor (TSM)**. The Club voted to replace **Ollie's (OLLI)** with Alphabet. For education the Club went over a proposed Investment Policy Statement and decided to adopt it as a guide for the Club's investing decisions.

The Model Club plans to study a new stock each month. Members will take turns presenting a stock of his/her choice. The Club will also review two of its current holdings each month. In addition, the Club has an education segment at each meeting.

You're invited to attend a Model Club meeting to see the club in action. 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. Meetings are normally held on the first Monday of the month at 7:30 pm (second Monday if there's a holiday conflict). For the next three months they will be on Oct. 4, Nov.1, and Dec. 5.

LAMS Model Club's
total return as of 9/11/21

22.14%

VFIX 18.32%

We now use GoToWebinar for meetings. To attend please register ahead of time at:

<https://attendee.gotowebinar.com/register/1619421603312443149> . You can also dial in using your phone: 1 (646) 749-3131.

Enter Access Code: 944-996-925. If you'd like more information about the Model Club or about attending a meeting you can contact Eric Resweber, Secretary, at eresweber@gmail.com.

"Most investors want to do today what they should have done yesterday"—Larry Summers

From the 8/24/21 *Chapter Advance*, BetterInvesting's weekly newsletter for volunteers:

Are you looking to invite someone to become a BetterInvesting member?

You can offer them the Updated Free 90-Day Digital Core membership Flyer or Link that opens the door to the member side of the BetterInvesting website and access to the online CoreSSG.

You can do this by directly sharing this link: www.betterinvesting.org/BIC which is publicly accessible. It can be shared with anyone via social media, emails, PowerPoint, flyers, etc.

Or use the form below.

FREE 90-Day Digital Core Membership Compliments of Your BetterInvesting Chapter

BetterInvesting is a nonprofit investment education organization that teaches people how to invest profitably in high-quality growth companies. **To redeem, please fill out the form below or visit www.betterinvesting.org/bic**

Recipient Name: _____

Email: _____

Address: _____

City, State, Zip: _____

Promo Code: **BIC** Date: _____

This membership provides free access to:

- BetterInvesting's proprietary online stock analysis tool – CORE Stock Selection Guide (CoreSSG)
- Stock reports on over 200 high-quality companies
- The digital edition of *BetterInvesting Magazine*
- All of our online stock investing education and much more.

To redeem please:

Mail to: BetterInvesting
PO Box 220 • Royal Oak MI 48068

or email to: service@betterinvesting.org

or call: toll free (877) 275-6242

or online: www.betterinvesting.org/bic

This offer is not valid for current BetterInvesting members. If you are already a member of BetterInvesting you may transfer this offer to anyone you believe would benefit from BetterInvesting.



LaMs Chapter is on the Web!

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

“I guess I should warn you, if I turn out to be particularly clear, you’ve probably misunderstood what I’ve said”—Alan Greenspan

These are your volunteer Louisiana/Mississippi Chapter directors.

Angela Lannen, DeRidder, LA

Kaye Clingan, Ridgeland, MS

Eric Resweber, Zachary, LA

Joe Farrell, Jackson, MS

Dennis Malcolm, Lafayette, LA

David Arnold, Hattiesburg, MS

Jimmy Stewart, Jackson, MS

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.

FYI:

New Chapter Members

One of our Chapter clubs in Metairie, LA got a new BetterInvesting member and a club in Lafayette, LA got two new BI members. And our Chapter has a new club in Monroe, LA. Congratulations and welcome to all our new members.

Check out the Research tab on the online SSG

There you’ll find a link to the company website where there’s a whole lot of useful information about the company. On the website there should be a link named “Investors”, “About Us”, or something similar. The link is almost always either at the top of the home page or way at the bottom of the page. It takes you to where the company makes available things like annual reports and company news, including most recent quarterly earnings reports. There are often slide presentations about the company that describe what the company does, the products it makes, and/or the services it provides. This can be a quick and easy way to “get a feel” for the company so it can be understood better.

Annual Election Meeting

The LAMS Chapter held its annual election meeting online in conjunction with the Chapter's August Model Club meeting. At the meeting three of our Chapter directors were re-elected. They were Angela Lanen, David Arnold, and Dennis Malcolm. Congratulations and thank you for your service to the Chapter. The Chapter also elected a new director, Jimmy Stewart of Jackson, MS. Congratulations Jimmy.

The election meeting was followed by a special Model Club meeting that featured presentations by our Chapter's region manager Denise Kimberlin and Model Club member Sriram Madabhusi.

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.