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Why the Tortoise Sometimes Wins



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 Director Wisconsin Chapter

March 31, 2025



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Objectives

- What we are looking for in a stock
- Determine Total Return
- Portfolio Management



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Terminology

- Sales and Revenue
- Earnings, Profits, and Income
- Equity, Capital, Equity Capital, and Book Value

These terms may also be preceded by “Net” or “Total”



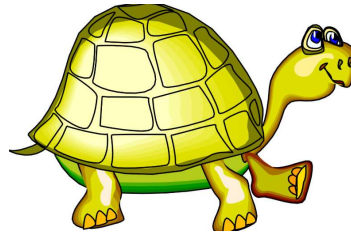
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The Hare and The Tortoise

- Are fast-growing companies the best prospects?
 - ✓ Stronger Growth
 - ✓ High Quality?



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Tortoises: Why?

- Can a company with only moderate growth prospects offer both high quality and good value?
 - ✓ Absolutely!

Size	Annual Revenue	Growth
Small	< \$1B	> 12%
Medium	\$1B to \$10B	7 to 12%
Large	> \$10B	=> 5%



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Tortoises: Why?

- Considering slower growing companies gives you more investment possibilities

My Studies

Block Ideas - Search for a Company

Search Criteria

9 Yr Sales Growth (%): Any

9 Yr Earnings Growth (%): Any

5 Yr EPS R-squared: Any

Size: **Small** Medium Large

Sector: Any

Dividend Yield (%): Any

Pri-Tax Profit Trend: Up Even Down

Return on Equity Trend: Up Even Down

Morningstar Growth Grade: Any

Morningstar Profit Grade: Any

Morningstar Financial Health: Any

PE / Historical EPS Growth: Any

Traded Exchange: US Exchanges Only

Search Reset Criteria

Size	Number
Small	3441
Medium	1421
Large	565



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Slow And Steady

- Sometimes the tortoise, slow and steady, wins the race



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What Is Good Value?

- A stock investment is a good value because of the potential for it to be worth more in the future
- Total Return is used to measure value on the Stock Selection Guide (SSG)



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Total Return Comes From ...

- Dividends — driven by:
 - ✓ Earnings growth (EPS)
 - ✓ Earnings Payout ratio (the percentage of earnings paid to shareholders as dividends)
- Price Appreciation — driven by:
 - ✓ Earnings growth (EPS)
 - ✓ P/E ratio (optimism about the future)

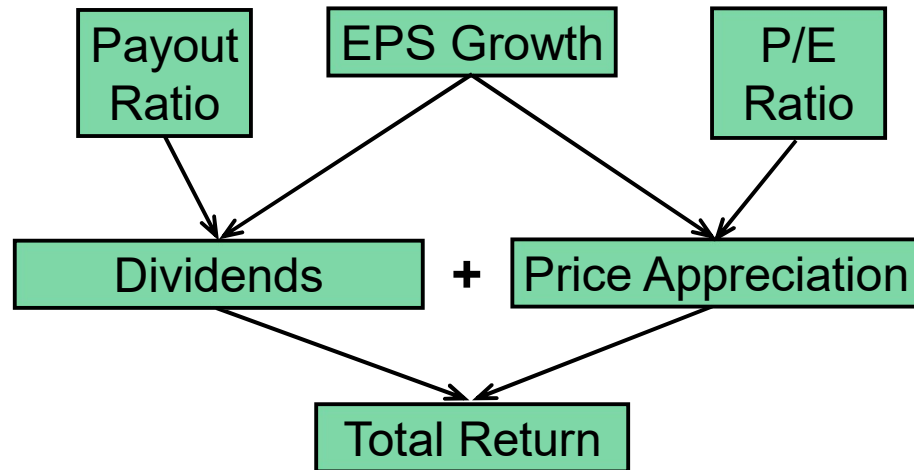


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Components of Total Return



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Dividends

$$\text{EPS} \times \text{Payout Ratio} = \text{Dividend}$$

Tortoises tend to have a larger
Payout Ratio



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Snowballs



- Companies are like snowballs

✓ Sales \$1 million → \$ 2 million



✓ Sales \$100 million → \$ 200 million



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Dividends

- Dividends tend to have a more significant role in Total Return for Tortoises
- Tortoises tend to have a larger payout ratio
 - ✓ More of EPS used to pay dividends
 - ✓ Less of EPS used to fund future growth
- A secure dividend may add some safety for slower growing stocks



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Is the Dividend Secure?

- Dividends and earnings
 - ✓ A secure dividend requires secure earnings
- Consider financial strength of company



Morningstar Growth Grade:

Morningstar Profit. Grade:

Morningstar Financial Health:

Any

>= A

>= B

>= C

- Monitor dividend, earnings payout ratio, & yield
 - ✓ SSG section 3

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Dividend, Earnings Payout, & Yield

Valuation and Return

3. PRICE EARNINGS HISTORY as an indicator of the future

<input type="radio"/> 5 Years <input checked="" type="radio"/> 10 Years	A		B	C	D		E	F	G	H
Year	Price			Earnings	Price Earnings Ratio			Dividend	% Payout	% High Yield
	High	Low		Per Share	High A / C	Low B / C		Per Share	F / C * 100	F / B * 100
2014	108.7	88.1		3.77	28.8	23.4		2.04	54.1%	2.3%
2015	111.3	82.4		2.32	48.0	35.5		2.24	96.4%	2.7%
2016	117.8	82.4		3.34	35.3	24.7		2.40	71.9%	2.9%
2017	116.5	101.6		3.66	31.8	27.8		2.55	69.6%	2.5%
2018	114.6	89.1		5.58	20.5	16.0		2.76	49.4%	3.1%
2019	162.2	100.8		5.46	29.7	18.5		2.99	54.8%	3.0%
2020	161.8	109.9		6.11	26.5	18.0		3.15	51.6%	2.9%
2021	194.0	143.6		7.11	27.3	20.2		3.41	48.0%	2.4%
2022	242.6	190.9		7.96	30.5	24.0		3.87	48.7%	2.0%
2023	276.7	178.8		9.06	30.5	19.7		4.46	49.2%	2.5%
5 YEAR AVERAGE			144.8		28.9	20.1			50.4%	
10 YEAR AVERAGE			116.8		30.9	22.8			59.4%	
CURRENT/TTM				8.68	24.4	19.4		5.48	63.1%	
5 YEAR AVERAGE PRICE EARNINGS RATIO: 24.5					CURRENT PRICE EARNINGS RATIO: 20.3					

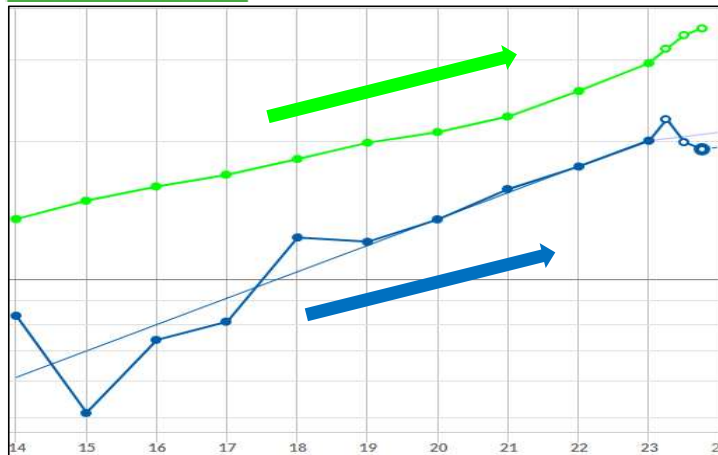
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Dividend and EPS Growing?

Analyze Growth and Quality



Div/share

EPS

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Dividend, Earnings Payout, & Yield

Valuation and Return

3. PRICE EARNINGS HISTORY as an indicator of the future

	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
Year	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2014	163.4	109.3	6.71	24.3	16.3	0.24	3.6%	0.2%
2015	201.2	142.9	7.31	27.5	22.3	0.24	3.8%	0.2%
2016	177.8	131.6	6.88	25.0	21.2	0.24	3.9%	0.2%
2017	177.5	78.8	6.88	25.8	12.3	0.24	3.7%	0.3%
2018	186.2	99.7	5.73	32.7	17.4	0.24	4.2%	0.2%
2019	182.6	130.1	6.88	26.5	19.0	0.24	3.5%	0.2%
2020	170.5	71.3	6.88	24.8	10.0	1.00	14.0%	1.4%
2021	243.1	143.2	6.88	35.3	15.0	3.25	34.0%	2.3%
2022	244.6	138.5	8.2	29.6	16.7	6.00	72.6%	4.3%
2023	158.2	47.7	0.50	316.4	95.5	2.00	400.0%	4.2%
5 YEAR AVERAGE		106.2		84.4	31.2		104.8%	
10 YEAR AVERAGE		109.3		56.7	24.6		54.3%	
CURRENT/TTM			0.41	216.0	86.8	1.00	243.9%	
5 YEAR AVERAGE PRICE EARNINGS RATIO: 57.8				CURRENT PRICE EARNINGS RATIO: 112.7				

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Free Cash Flow Payout Ratio

$$\text{FCF Payout Ratio} = \frac{\text{Dividends Paid}}{\text{FCF}}$$

Earnings and FCF – both are important!



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FCF & Earnings Payout Ratios

Analyze Growth and Quality

$$\text{FCF} = \frac{.90}{6.83} = 13\%$$

$$\text{EPS} = \frac{.90}{6.11} = 15\%$$



FCF/share

EPS

Div/share

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Price Appreciation

Faster growing stocks can produce adequate price appreciation from EPS growth alone

$$\boxed{\text{EPS}} \times \boxed{\text{P/E}} = \boxed{\text{Price}}$$

Tortoises need help from *P/E expansion*



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Price Appreciation

- Potential for future P/E to be higher is critical for tortoises
 - ✓ Stock price tends to follow earnings growth
 - ✓ With a constant P/E ratio, slower growth produces less price appreciation
- Especially important for tortoises
 - ✓ Buy when P/E ratio is below average



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P/E Expansion

- P/E expansion means ...
 - ... the Price-to-Earnings ratio moves higher than when you bought the stock
- Buying when there is potential for P/E expansion is always important — even more so for tortoises

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P/E Expansion is Limited

- P/E expansion can't continue forever!
- After P/E has moved up to 'normal', future Total Return is limited by future EPS growth rate!
- When you run out of potential for P/E expansion you should consider selling

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Example – 6% EPS Growth



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Example – 6% EPS Growth

3. PRICE EARNINGS HISTORY as an indicator of the future

5 YEAR AVERAGE PRICE EARNINGS RATIO: 25.8

4. EVALUATING RISK and REWARD over the next 5 years

A. HIGH PRICE - NEXT 5 YEARS

Avg. High P/E: 25.8 X Estimate High Earnings / Share: 9.07 = Forecasted High Price: 234.0

Potential high P/E set to 5-year average P/E
 – we assume no P/E expansion...

Price appreciation = EPS growth rate

5. FIVE-YEAR POTENTIAL

COMPOUND ANNUAL RETURN - USING FORECAST AVERAGE P/E

Annualized Price Appreciation → 6.0%
 Average Yield → 3.1%
 Annualized Rate of Return → 9.1%



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Let's Review

- Slower growing stocks can produce good returns
- Total Return comes from:
 - ✓ Dividends + Price Appreciation
- For Tortoises (vs. faster growing Hares)
 - ✓ Dividends are a bigger factor
 - ✓ Potential for P/E expansion is even more important



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Questions



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Portfolio Management Importance

- For slower growing stocks, more active Portfolio Management can improve return
- If you just buy and hold, what is the very long-term potential for Total Return?
 - ✓ EPS growth rate + dividend yield
- Might be inadequate for slower growers



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Portfolio Management

"Coach, Is Offense or Defense More Important?"

Portfolio Evaluation Review Technique
(PERT®)

Robin Ware, Mike Torbenson, John Blais

October 30, 2024

Hand outs → link to Coach class



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Portfolio Management

- BI embraces concept of Defense/Offense
 - ✓ Defense = Quality
 - ✓ Offense = Value
- Defense – don't own poor quality stocks
 - ✓ Maintain a good average level of quality
 - ✓ Sell stocks that are clearly poor quality



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Portfolio Management

- Offense – monitor Total Return to determine value
 - ✓ Maintain an adequate average Total Return level
 - ✓ Replace low Total Return stocks as you identify significantly better opportunities
 - ✓ Very important for slower growers!



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Offensive Portfolio Management

► 5. FIVE-YEAR POTENTIAL

C. COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Company	Price	Shares	Total Value	% of Portfolio	Potential % Tot Ret
1	38.18	70	2,673	10%	8.3
2	45.02	50	2,251	9%	15.0
3	50.06	70	3,504	13%	3.0
4	22.16	80	1,773	7%	15.3
5	61.48	20	1,230	5%	18.8
6	39.98	80	3,198	12%	21.4
7	66.96	11	737	3%	13.5
8	25.26	170	4,294	16%	10.1
9	18.00	125	2,250	9%	14.9
10	52.81	35	1,848	7%	17.4
11	36.70	20	734	3%	7.1
12	31.22	50	1,561	6%	13.3
			26,053	100%	12.7%



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Offensive Portfolio Management

► 5. FIVE-YEAR POTENTIAL

C. COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Company	Price	Shares	Total Value	% of Portfolio	Potential % Tot Ret
1	38.18	70	2,673	10%	8.3
2	45.02	50	2,251	9%	15.0
New	50.06	70	3,504	13%	17.0
4	22.16	80	1,773	7%	15.3
5	61.48	20	1,230	5%	18.8
6	39.98	80	3,198	12%	21.4
7	66.96	11	737	3%	13.5
8	25.26	170	4,294	16%	10.1
9	18.00	125	2,250	9%	14.9
10	52.81	35	1,848	7%	17.4
11	36.70	20	734	3%	7.1
12	31.22	50	1,561	6%	13.3
			26,053	100%	14.6%



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PERT Report

Ten Most Active :: PERT Report :: 12/18/2024

Company Name	Div	% Yield	Est EPS Nxt 12 Mo	EPS			Sales		Pre-Tax Profit			TTM EPS		Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years		
				Qtr End	\$	% Chg	Mill \$	% Chg	Mill \$	% Chg	Sales	\$	% Chg				Hi	Avg	Low					Low Price	High Price	
NVIDIA		0.04	0.0	3.50	10/24/23	0.78	110.2%	35082.0	93.6%	22316.0	112.1%	63.6%	2.54	235.1%	40.7	142.44	78.0	71.4	52.2	33.0	37.7	1.1	12.9	44.6	83.8	897.5
Palantir Technologies		0.00	0.0	0.30	09/24/23	0.06	100.0%	4725.5	30.0%	157.2	96.5%	21.7%	0.20	233.3%	256.9	76.34	127.8	345.8	153.0	64.0	48.6	6.3	4.4	35.8	13.0	352.1
Amazon.com		0.00	0.0	5.79	09/24/23	1.43	5.0%	143.5	0.9%	143.5	0.9%	143.5	0.9%	143.5	39.2	227.0	126.2	36.1	30.1	24.1	14.5	2.2	2.8	15.0	292.1	861.0
Alphabet		0.80	0.5	8.90	09/24/23	1.23	10.4%	94930.0	6.1%	29610.0	9.7%	31.2%	6.08	-0.7%	32.0	443.57	106.2	36.1	30.1	24.1	14.5	2.2	2.8	15.0	292.1	861.0
Alphabet		0.80	0.5	8.90	09/24/23	1.23	10.4%	94930.0	6.1%	29610.0	9.7%	31.2%	6.08	-0.7%	35.3	242.84	128.5	34.3	27.5	20.7	13.0	2.7	1.2	10.1	125.9	384.2
Visa		2.36	0.8	11.12	09/24/23	2.65	16.7%	9617.0	11.7%	6372.0	13.1%	66.3%	9.73	17.4%	28.0	311.01	89.6	36.7	31.2	25.7	14.3	2.0	6.3	18.1	250.1	696.6
Microsoft		3.32	0.7	13.88	09/24/23	3.30	10.4%	65585.0	16.0%	30269.0	10.9%	46.2%	12.12	17.3%	32.0	443.57	106.2	36.1	30.1	24.1	14.5	2.2	2.8	15.0	292.1	861.0
Apple		1.00	0.4	6.87	09/24/23	1.46	-33.6%	94930.0	6.1%	29610.0	9.7%	31.2%	6.08	-0.7%	35.3	242.84	128.5	34.3	27.5	20.7	13.0	2.7	1.2	10.1	125.9	384.2
Costco Wholesale		4.64	0.5	18.08	08/23/24	4.86	8.8%	79697.0	1.0%	3113.0	5.1%	3.9%	16.57	17.0%	54.9	992.61	146.6	44.4	37.5	30.5	9.1	6.0	0.3	3.4	505.4	1136.6

Past Performance
Quality
Defense

Future Performance
Valuation
Offense

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PERT Report



Use PERT® to Perk Up Your Portfolio



Suzi Artzberger
Director of Online Stock Tools,
Technology and Data
BetterInvesting



Ann Cuneaz
Senior Manager of Education
BetterInvesting



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Let's Review Again

- Total Return comes from:
 - ✓ Dividends + Price appreciation
- For Tortoises:
 - ✓ Dividends are a bigger factor
 - ✓ P/E expansion is critical for adequate price appreciation
- P/E expansion can't continue forever!
- Offensive Portfolio Management - key to success



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Contraction & Expansion

Valuation and Return

► 3. PRICE EARNINGS HISTORY as an indicator of the future

<input checked="" type="radio"/> 5 Years <input type="radio"/> 10 Years	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2019	300.0	208.1	14.33	20.9	14.5	4.14	28.9%	2.0%
2020	367.9	187.7	16.03	23.0	Low 11.7	4.83	30.1%	2.6%
2021	509.2	320.4	18.08	28.2	17.7	5.60	31.0%	1.7%
2022	558.1	445.7	21.18	26.4	21.0	6.40	30.2%	1.4%
2023	553.9	445.7	23.86	23.2	18.7	7.29	30.6%	1.6%
5 YEAR AVERAGE		321.5		24.3	16.7		30.2%	
CURRENT/TTM			15.35 ?	41.1	28.4	8.40	54.7%	
5 YEAR AVERAGE PRICE EARNINGS RATIO: 20.5					CURRENT PRICE EARNINGS RATIO: 35.8			

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Contraction & Expansion



BigCharts.com

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Price Charts

BETTERINVESTING SSG PLUS

Switch Tools: SSGPlus CoreSSG

File Data Print **Research** Tools BI Home Logout

File	Data	Print	Research
BetterInvesting			
Company Website			
Analyst Estimates			
Company Summaries			
Filings and Transcripts			
Financial Statements			
Key Statistics			
Price Charts			
			Big Charts 5 Year Chart
			StockCharts Weekly Chart

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First Cut Stock Reports



First Cut Stock Reports

Every week, BetterInvesting members from across the country share new stock studies.

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Deere First Cut



First Cut Stock Study Report

Company Name:	Deere	Ticker:	DE
Date of Study:	7/29/2024	Price:	\$ 386.55
Your Name:	Sofia Bitela		
Email address:	sofiabetterinvesting@gmail.com		
City:	Plantation	State:	FL
Chapter Name (if applicable):	South Florida		



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Deere Quality Metrics

- Fundamentals
 - ✓ Sales Growth
 - ✓ Earnings Growth
- Management
 - ✓ Profit margin
 - ✓ Return on Equity (ROE)
 - ✓ Manageable debt



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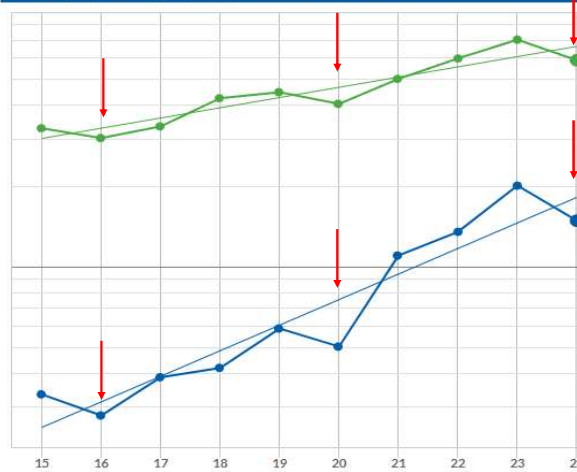
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Deere Fundamental Quality

Analyze Growth and Quality

Company: Deere (DE) Study Name: DE 12/21/24



Sales

Earnings



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Deere Management Quality

Evaluate Management										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
% Pre-Tax Profit on Sales	9.9%	8.6%	11.0%	11.2%	10.7%	11.2%	17.7%	17.8%	21.6%	18.2%
% Return on Equity	23.7%	20.4%	25.1%	22.3%	26.1%	21.1%	37.2%	36.5%	42.3%	30.4%
% Debt To Capital	84.5%	84.5%	80.7%	78.9%	79.9%	78.2%	72.5%	72.0%	74.5%	74.1%

Improvement last 5 years vs previous years



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Deere Liquidity Quality

Analyze Growth and Quality Valuation and Return Quarterly Data **Ratios** Audit Sentiment Notes

↳ Liquidity Ratios

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Current	Trend
Current Ratio	2.0	2.1	2.1	1.8	2.0	2.2	2.1	1.9	1.9	2.0	2.0	
Quick Ratio	1.8	1.9	1.9	1.6	1.7	2.0	1.8	1.6	1.6	1.7	1.7	
Interest Coverage	5.1	3.9	4.5	4.4	3.8	4.1	8.7	9.6	6.3	3.8	3.8	

- Stable, increasing or decreasing?
- Compare to peers



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Deere Financial Health Quality

Analyze Growth and Quality

Valuation and Return

Quarterly Data

Ratios

Audit

Sentiment

Notes: 1

Company: Deere (DE) Study Name: DE 12/21/24

Current Price: 432.49 (12/20/24)

Last Fiscal Year End: 10/2024

Industry: Farm & Heavy Construction Machinery

Sector: Industrials

Company Size: Large - >\$10B in Sales

Morningstar Financial Health Grade: B

Description: Deere is the world's leading manufacturer of agricultural equipment, producing some of the most recognizable machines in the heavy machinery industry in their green and yellow livery. The company is divided into four reportable segments: production and precision agriculture, small agriculture and turf, construction and forestry, and John Deere Capital. Its products are available through an extensive dealer network, which includes over 2,000 dealer locations in North America and approximately 3,700 locations globally. John Deere Capital provides retail financing for machinery to its customers, in addition to wholesale financing for dealers, which increases the likelihood of Deere product sales.



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Deere Dividend & Payout Quality

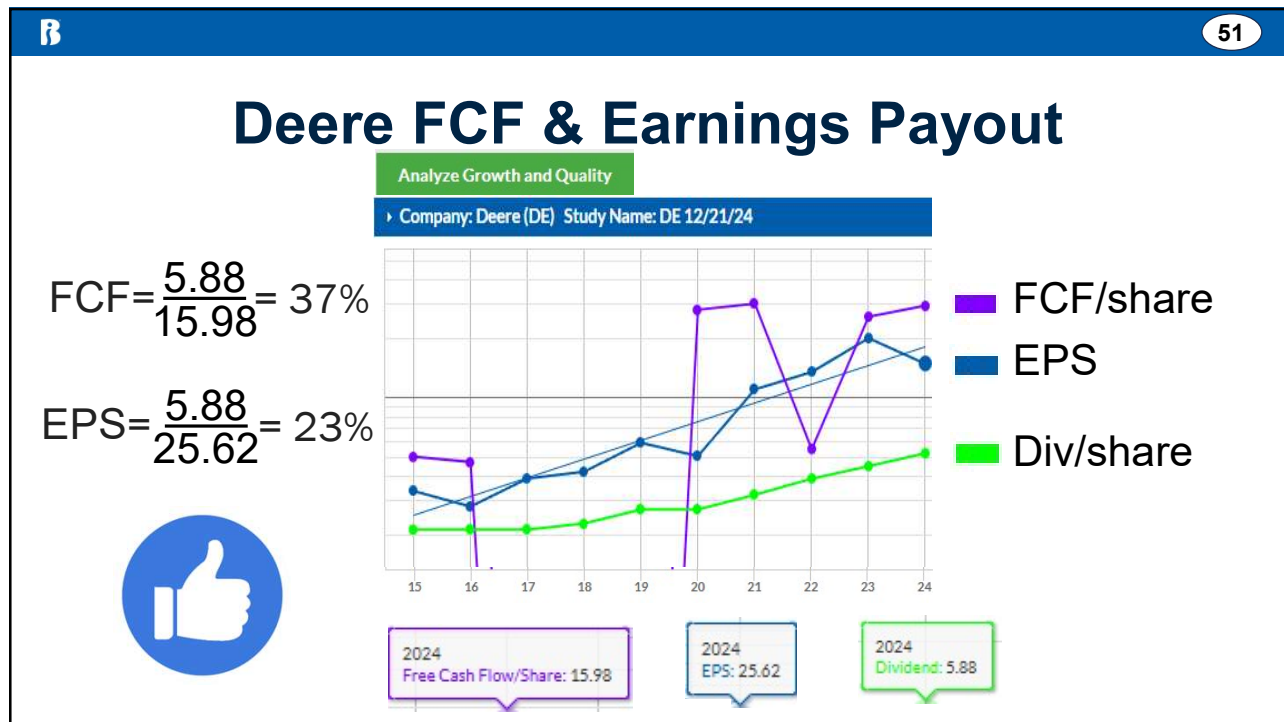
Valuation and Return

3. PRICE EARNINGS HISTORY as an indicator of the future

		CURRENT PRICE (12/20/24): 432.49		52-WEEK HIGH: 469.39		52-WEEK LOW: 340.20			
● 5 Years ○ 10 Years		A	B	C	D	E	F	G	H
Year		Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
		High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2020		243.4	106.1	8.69	28.0	12.2	3.04	35.0%	2.9%
2021		400.3	227.5	18.99	21.1	12.0	3.61	19.0%	1.6%
2022		446.8	283.8	23.28	19.2	12.2	4.36	18.7%	1.5%
2023		450.0	345.6	34.63	13.0	10.0	5.05	14.6%	1.5%
2024		419.6	340.2	25.62	16.4	13.3	5.88	23.0%	1.7%
5 YEAR AVERAGE			260.6		19.5	11.9		22.1%	
CURRENT/TTM				25.60	18.3	13.3	6.48	25.3%	
5 YEAR AVERAGE PRICE EARNINGS RATIO: 15.7					CURRENT PRICE EARNINGS RATIO: 16.9				

- Growing dividend with stable % Payout

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Deere July 2024

3 PRICE-EARNINGS HISTORY as an indicator of the future

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2019	176.4	132.7	10.15	17.4	13.1	3.04	30.0	2.3
2020	243.4	106.1	8.69	28.0	12.2	3.04	35.0	2.9
2021	400.3	227.5	18.99	21.1	12.0	3.61	19.0	1.6
2022	446.8	283.8	23.28	19.2	12.2	4.36	18.7	1.5
2023	450.0	345.6	34.63	13.0	10.0	5.05	14.6	1.5
AVERAGE		219.1		19.7	11.9		23.5	
CURRENT/TTM			33.22	13.4	10.4	5.88	17.7	
AVERAGE PRICE EARNINGS RATIO: 15.8					CURRENT PRICE EARNINGS RATIO: 11.6			

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5 5-YEAR POTENTIAL

A
$$\frac{\text{Indicated Annual Dividend}}{\text{Current Price}} = \frac{5.88}{386.55} = 0.0152 = 1.5\% \text{ Current Yield}$$

B AVERAGE YIELD - USING FORECAST HIGH P/E

$$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{23.5\%}{19.00} = 1.2\%$$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation	17.0 %
Average Yield	1.2 %
Annualized Rate of Return	18.2 %

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{23.5\%}{15.50} = 1.5\%$$

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation	12.3 %
Average Yield	→ 1.5 %
Annualized Rate of Return	13.9 %

13.9% - 1.5% dividend = 12.3% price appreciation

12.3% - 5.2% EPS growth = 7.1% P/E expansion



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3. PRICE EARNINGS HISTORY as an indicator of the future

CURRENT PRICE (12/20/24): 432.49				52-WEEK HIGH: 469.39		52-WEEK LOW: 340.20			
<input checked="" type="radio"/> 5 Years <input type="radio"/> 10 Years		A	B	C	D	E	F	G	H
Year	Price	Earnings		Price Earnings Ratio		Dividend	% Payout	% High Yield	
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100	
2020	243.4	106.1	8.69	28.0	12.2	3.04	35.0%	2.9%	
2021	400.3	227.5	18.99	21.1	12.0	3.61	19.0%	1.6%	
2022	446.8	283.8	23.28	19.2	12.2	4.36	18.7%	1.5%	
2023	450.0	345.6	34.63	13.0	10.0	5.05	14.6%	1.5%	
2024	419.6	340.2	25.62	16.4	13.3	5.88	23.0%	1.7%	
5 YEAR AVERAGE		260.6		19.5	11.9		22.1%		
CURRENT/TTM			25.60	18.3	13.3	6.48	25.3%		
5 YEAR AVERAGE PRICE EARNINGS RATIO: 15.7				CURRENT PRICE EARNINGS RATIO: 16.9					

5. FIVE-YEAR POTENTIAL

COMPOUND ANNUAL RETURN - USING FORECAST AVERAGE P/E

Annualized Price Appreciation	3.4%
Average Yield	1.4%
Annualized Rate of Return	4.8%



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Tortoises

- Seek out replacements potentially more often
- More work
- You decide if worth it
- Taxes



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Summary

- Slower growing stocks can make sense
- One approach to investing in tortoises:
 - ✓ Buy quality stocks when P/E is below average
 - ✓ Consider selling when future Total Return is inadequate
 - ✓ Current P/E = or > average P/E
- If satisfied with lower return, hold. It's up to you!



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Summary

- Does it always work out?
- Of course not!
- But the approach can work well
- It expands your investment possibilities



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Questions



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Email Questions or Comments to

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