

CHAPTER NEWS

LAMS Chapter Newsletter October 2024

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

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.



President's Message

I am not a trained financial advisor, but I did stay at a Holiday Inn Express. No, seriously, last night I stayed at a Holiday Inn Express in O'Fallon, Missouri. So, maybe that qualifies me to give some financial wisdom.

When it comes to investing I have found it critical to surround myself with smart people. That's what drew me to BetterInvesting in the first place. I found that it was a group of people who were life-long learners and were always trying to get better at the craft.

That's one of the reasons that I joined the LA/MS Model Investment Club. It was filled with people who I could learn from and who were constantly learning themselves. Over the 6 years or so, I've been in the club I have learned from experienced investors. And the exposure to them has made me a better investor.

This isn't a plug for the Model Club, although it is an endorsement. And it's not really a plug for BetterInvesting. You wouldn't be reading this column if you weren't already a member of BI and sold on its value.

No, this is a shameless plug for the LA/MS annual Stock Roundup in New Orleans, November 2, 2024. You'll find the details somewhere else in this newsletter. I'll put a link at the bottom. The Roundup is an opportunity to learn from really smart investors. Every year I attend the Roundup I leave with a handful of actionable ideas that make me a better investor and give me better investments.

I'm excited to say that this year's speaker at the Stock Roundup is **Doug Gerlach**. I first met Doug when I took one of his sessions at the Better Investing National Convention in San Jose.

I found Doug to be engaging, informative, sane in a crazy world and profitable for my investments. Since then, I have listened to his webcasts, attended a few more sessions at BINC, read his monthly newsletters. I remember during the pandemic when stock prices were falling off cliffs, he did a special webinar that was calming and wise. He reminded us that we were in this for the long haul and that good companies would weather this storm and to not panic. For a man who was a few months from retiring, his words calmed my anxiety and gave me direction that were incredibly profitable for me long-term.

I want to encourage you to come to New Orleans and spend a day with Doug Gerlach. Come and learn from a very smart investor. Come and pick up some new skills. Come and be reminded of what you already know but may have forgotten. Come and pick up some new stock ideas that might improve your portfolio. I guarantee you won't regret the investment of time.

Happy investing
Dennis Malcolm

<https://www.betterinvesting.org/chapters/lams/local-events/la-ms-annual-stock-round-up>

| Stock Selection Guide (SSG) | |
|--|--|
| Guidelines for Beginners | |
| This reference sheet presents basic guidelines for beginners when completing your own Stock Selection Guide. | |
| Step 1: Perform a Quality Check on Your Selected Stock | |
| Historical Sales and EPS Growth | Increasing sales and EPS (UP) Sales and EPS are growing at a steady, consistent rate (STRAIGHT) Sales and EPS are growing at about the same rate (PARALLEL) <ul style="list-style-type: none"> Sales growing faster than EPS may be a red flag Is there sufficient growth for the size of the company? <ul style="list-style-type: none"> Small (< \$1 Billion in sales) expected growth rate > 12% Medium expected growth rate between 7% - 12% Large (> \$10 B in sales) expected growth rate between 3% - 7% Has growth been slowing over recent years? <ul style="list-style-type: none"> As a company gets larger, growth will slow, but check that it is not slowing down too much. Is recent quarterly growth in line with historical growth? <ul style="list-style-type: none"> Large changes warrant investigation. |
| % Pre-tax Profit on Sales (Profit Margin) | Historical profit margins should be steady (even) or increasing. Profit margins should be as good as or better than competitors' profit margins. |
| % Earned on Equity (ROE) | Historical Return on Equity (ROE) should be steady (even) or slightly increasing. Significant changes, either up or down, should be investigated. Look for companies with at least 15% ROE. Great companies achieve return on equity of 20%. |
| Debt | In general, look for debt levels to be less than 33% of capitalization. <ul style="list-style-type: none"> Compare to others in the industry Consider industry averages |
| ** Continue the study only for companies that pass the Quality Check ** | |
| Revision: 6-28-2016 | BETTERINVESTING Empowering Investors to Grow Wealth |

A Cheat Sheet for the Stock Selection Guide

Besides the multitude of other useful information, the BetterInvesting website has available for downloading **Guidelines for Beginners**. This is a reference sheet that “presents basic guidelines for beginners when completing your own Stock Selection Guide.”

It is set up in a logical sequence to work through an SSG. The first page covers **Step 1: Perform a Quality Check on Your Selected Stock**. The second page is **Step 2: Add Judgement to Complete your SSG**. The guide contains some **basic rules of thumb** to keep in mind while completing an SSG.

It's designed to help both novice and intermediate SSG users follow BetterInvesting Best Practices. If used consistently the guide can help develop “muscle memory” habits for doing SSGs, save time by quickly identifying poor candidates, and reinforce other SSG tools.

The guide can also be useful for clubs. It can be valuable helping new members learn to do SSGs but it can also help all the club members be in sync with the way they prepare SSGs.

The Guidelines for Beginners can be found here:

<https://www.betterinvesting.org/getattachment/d44786a0-91ef-4bef-9936-3e8b591a438e/ssg-beginner-guidelines.pdf>

Or from the home page of the BetterInvesting website click “Learning Center”, then “Worksheets”. Under “Introduction to the SSG Series Worksheets” section the last link is “SSG Guidelines for Beginners”. There are lots of other worksheets on the “Worksheets” page, too.

L'Argent Club Visit



From left to right: Heather Partin, Betsy Doucet, Suzanne McCrory, JoAnn Garland, Linda Finley, Jayme Champagne, Nancy Khoury, and Pam Edwards.

Not pictured: Gay Arnold, Roni Kemberly, Jessica Hutchings, Nancy Pullig, Mary Richardson, and Brook Haneman.

The **L'Argent Club** of Lake Charles invited Angela Lannen, the area Chapter Director, to visit their club this year. Angela presented a review of the club portfolio, which highlights stocks that they might consider for deeper study to decide if action needs to be taken.

Members also took the opportunity to ask about Better Investing principles and best practices. As part of the club visit, and because they met the qualifications, L'Argent's thirteen members were given a free one-year subscription to SSG Plus, which was received enthusiastically.

L'Argent is one of the older clubs in the Lake Charles area, celebrating their 45th anniversary this year.

By the way, l'argent is the French word for money. Several years ago when the LAMS Chapter was planning a Roundup in Lake Charles the L'Argent Club generously offered to prepare lunch for the attendees. Their offer was gratefully accepted and is still appreciated today.

LAMS 2024 Roundup in New Orleans

Doug Gerlach Day

Saturday, Nov. 2, 9:00 AM to 3:00 PM
Monroe Hall, Ochsner Medical Center New Orleans
1514 Jefferson Hwy, New Orleans, LA



Doug is a popular speaker at BetterInvesting events. He is the President of ICLUBcentral Inc., a wholly owned subsidiary of BetterInvesting, and author of six books. He is also editor-in-chief of the award-winning Investor Advisory Service, the SmallCap Informer, and the Dividend Informer. This is a great opportunity for LAMS Chapter members to learn from one of the best in the industry.

Whether you're a seasoned investor or just starting out, Doug's knowledge will leave you inspired and motivated.

Doug's topics will include:

- Stock Market Tactics in a Destabilized World
- Approach to Dividends for Long-Term Stock Investors
- Is Your Portfolio Haunted by Uncertainty?
- Doug's Favorite Small Cap Stocks for 2025

Doug will provide handouts. Registration is at Eventbrite:

<https://www.eventbrite.com/e/stock-roundup-2024-doug-gerlachdaytickets-892484032767?aff=oddtcreator>

Admission is \$40 and includes a light lunch.

For out of town attendees we've again secured a special group rate for the BetterInvesting LAMS Chapter at **Country Inns & Suites in Metairie, 2713 N. Causeway Blvd., Metairie, LA 70002.**

The special rate is \$109 for Friday night. Country Inns & Suites in Metairie is only a few minutes from Ochsner Medical Center. Rooms can be booked using this link:

<https://www.choicehotels.com/reservations/groups/HM22H2>

At **Ochsner Medical Center** park in the large parking garage (shown in orange at the bottom right on the map) and enter the main building from the garage. Walk down the first floor main hallway past the coffee shop and past the escalators until you reach the red brick floor. (It might feel like you passed the red brick floor and missed it, but keep walking--you'll see it). Take a right and then the first left.





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 12 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. 7, Nov. 4, and Dec 2. We use GoToWebinar for meetings. To attend please register ahead of time at:

<https://attendee.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

Annual Election Meeting

Just before the Roundup the LAMS Chapter will hold a very short election meeting to elect Chapter directors. This meeting is required by BetterInvesting for us to remain a chapter. We have four directors up for re-election this year.



Useful Links

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 the following page:

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>



Stock Picking Contest Update

Here's the status of the Stock Picking Contest. There was a little shuffling at the top of the list. Of note is the winning portfolio from last year. It wasn't entered in the contest this year but just for kicks it was listed with the other entrants using the same portfolio as last year and starting with \$100,000 like the rest. It is currently in first place again. This portfolio was 50% in technology stocks.

Each portfolio began at \$100,000. Two to ten securities could be chosen. You could enter a security if Yahoo could price it, no cryptocurrencies.

Black names are individuals.

Blue names are investment clubs.

Green names are benchmarks.

Red names are other information.

\$100 to winning club.

\$50 to winning individual.

Results will be announced at the 2024 Roundup.

| Portfolio Name | 8/30/24 Mkt Value | 7/31/24 Mkt Value | 6/28/24 Mkt Value | 5/31/24 Mkt Value |
|--|----------------------|----------------------|----------------------|----------------------|
| Winner 2022 Portfolio | 146,690.45 | 141,909.30 | 139,644.98 | 135,266.98 |
| Dennis Malcolm (LMMIC) | 140,634.97 | 127,863.57 | 134,155.14 | 133,149.42 |
| Dollar A Day IC (Jackson) | 140,142.93 | 139,377.54 | 142,676.08 | 130,488.68 |
| Karen Peavy (DSIC) | 129,148.17 | 180,402.43 | 202,391.22 | 195,733.63 |
| Jane Owens (LLIC) | 127,580.41 | 122,322.65 | 122,259.26 | 118,127.66 |
| Favorites - Top 10 Choices | 124,021.87 | 133,066.70 | 138,686.12 | 125,824.97 |
| Benchmark Index | 123,656.90 | 120,685.80 | 119,542.89 | 115,537.23 |
| Benchmark EFT | 123,505.69 | 120,685.80 | 119,241.89 | 115,549.95 |
| Kaye Clingan (LMMIC)(EIC)(DAD) | 115,182.68 | 117,292.24 | 110,095.40 | 111,178.81 |
| Dollars & Sense IC (DeRidder) | 113,779.57 | 114,550.53 | 119,237.33 | 115,348.69 |
| Gretchen Blondeau (LMMIC)(LLIC) | 113,310.09 | 114,480.07 | 113,615.27 | 103,875.96 |
| Janice Prejean | 111,130.56 | 111,063.68 | 111,676.17 | 108,545.21 |
| SW Investors | 110,954.59 | 110,032.15 | 106,848.79 | 108,769.69 |
| Janice Caamano (LLIC) | 110,866.12 | 106,096.23 | 102,145.77 | 97,844.66 |
| Jo Watkins | 105,582.54 | 111,203.26 | 110,779.79 | 109,462.88 |
| Deborah McKean | 101,853.12 | 99,621.95 | 99,722.70 | 94,400.47 |
| Ladies Lagniappe IC | 97,166.37 | 102,290.67 | 101,648.48 | 93,913.59 |
| Eric Resweber (LMMIC) | 91,076.32 | 97,157.97 | 94,601.22 | 93,669.23 |
| Everyday IC (Jackson) | 86,974.61 | 93,157.71 | 88,653.17 | 95,392.51 |
| Joe Farrell (Not in contest) 4 bank stocks | 120,020.77 | 123,782.58 | 104,079.18 | 103,584.17 |



Education Series on Artificial Intelligence (AI)

BetterInvesting's Suzi Artzberger is presenting a series on Artificial Intelligence in the TickerTalk webinars. The first part was in June. These webinars are archived on the BetterInvesting website. From the homepage, Learning Center, TickerTalk, Visit TickerTalk Video Archives (or at this URL:

<https://www.betterinvesting.org/members/learning-center/video-learning-library/video-library?p=2024>

These were the recent presentations:

- June: "AI Insights – Learning a New Language"
- August: "AI Insights – More Definitions and Recent News"
- September: "How Artificial Intelligence (AI) is Used in the Healthcare Sector"

You can watch only the section of TickerTalk that you're interest in.

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.