

B

"Coach, Is Offense or Defense More Important?"

Portfolio Evaluation Review Technique (PERT®)

Robin Ware, Mike Torbenson, John Blais



October 30, 2024



B 2

Disclaimer

- The information in this presentation is for educational purposes only and is not intended to be a recommendation to purchase or sell any of the stocks, mutual funds, or other securities that may be referenced. The securities of companies referenced or featured in the seminar materials are for illustrative purposes only and are not to be considered endorsed or recommended for purchase or sale by BetterInvesting™ / National Association of Investors™. The views expressed are those of the instructors, commentators, guests and participants, as the case may be, and do not necessarily represent those of BetterInvesting. Investors should conduct their own review and analysis of any company of interest before making an investment decision.
- Securities discussed may be held by the instructors in their own personal portfolios or in those of their clients. BetterInvesting presenters and volunteers are held to a strict code of conduct that precludes benefitting financially from educational presentations or public activities via any BetterInvesting programs, events and/or educational sessions in which they participate. Any violation is strictly prohibited and should be reported to the CEO of BetterInvesting or the Director of Chapter Relations.
- This presentation may contain images of websites and products or services not endorsed by BetterInvesting. The presenter is not endorsing or promoting the use of these websites, products or services.
- National Association of Investors™, BetterInvesting™ and the BetterInvesting™ Icon are trademarks/registered trademarks. All rights reserved. © 2021 BetterInvesting™.
- **We may be recording this session for our future use.**

B 3

Agenda


- "Coach, Is Offense or Defense More Important?"
- Portfolio Evaluation Review Technique (PERT®)
- Interpreting PERT®
 - Defense Strategy
 - Offense Strategy
- Best practices using PERT® for a club



B 4

What is the Portfolio Evaluation Review Technique (PERT)?

- Consolidates information from all SSGs in a portfolio into a single complex hard-to-read report
- Provides **quality (defensive)** information to determine which companies have improving or deteriorating fundamentals
- Provides **valuation (offensive)** information to identify potential buys, holds, and sells
- Use the PERT to take action (tactics) to improve your portfolio today!



B 5

How do you get the PERT Report ?

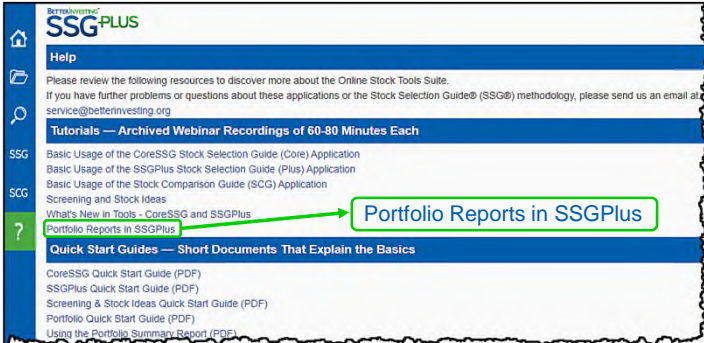
- Complete an SSG for all stocks in SSGPlus™
- Add the completed SSGs and number of shares held to a portfolio
- Generate Portfolio Reports
 - Summary
 - **PERT®**
 - Diversification

<https://www.betterinvesting.org/members/learning-center/video-learning-library/stockup/portfolio-management-using-ssgplus/portfolio-management-using-ssgplus>



B 6

Portfolio Evaluation Review Technique (PERT)



B 7

PERT Objectives

- Put the best team (of stocks) on the field (a portfolio)
- Bench or trade any players (stocks) that are not performing
- Keep the best players (stocks) in the game and continue to invest in them







B 8

What does the PERT Report do?

- Evaluate all players (portfolio stocks) by preparing an assessment (SSG)
- Create a team roster (portfolio) of the players (stocks)
- Update player assessment (data, prices, SSG) regularly on the roster (PERT report)
- Review the roster (PERT report) monthly or quarterly

9



Defensive Strategy

- Protect the team from losses
 - Identify each player's
 - Quality
 - Strengths
 - Weaknesses
 - Track performance
 - Quarterly
 - Annually
 - Determine each player's trend
 - Is each player meeting expectations?

10

Defense and Offense Using PERT

Company Name	Div	Yield	Est EPS		EPS		Sales		Pre-Tax Profit		TTM EPS		PE Ratio	P/E Ratio			Est 5 Years									
			12 Mo	Qtr	Qtr	% Chg	Mill \$	% Chg	Mill \$	% Chg	Mill \$	% Chg		Price	Hi	Avg		Low	Low	High						
Amphaster Pharma	0.00	0.0	3.51	0.24	0.73	49.0%	182.4	25.2%	50.2	53.1%	27.5%	3.13	45.80	13.0	13.0	17.5	11.0	12.0	1.1	7.8	23.9	34.4	152.3			
Clifgroup	2.15	3.6	3.96	0.24	1.52	14.3%	20144.0	3.6%	4310.0	-6.6%	21.4%	3.57	88.2%	14.9	59.50	142.1	13.0	10.5	8.0	11.0	1.4	1.1	4.3	42.0	78.1	
Coca-Cola	1.84	2.7	2.63	0.24	1.52	-5.1%	12363.0	-3.3%	3028.0	5.1%	24.5%	2.47	1.0%	27.0	59.00	102.9	34.0	26.0	24.0	14.0	2.1	4.3	14.7	315.0	772.3	
Deere	5.88	1.5	29.60	0.73	6.29	-30.3%	12649.0	-17.3%	2355.0	-34.7%	18.3%	29.31	-33.4%	28.0	48.00	69.1	34.0	36.0	43.0	2.1	4.9	15.7	36.0	1014.3		
Ford Motor	0.60	5.7	1.55	0.24	0.40	-2.1%	47600.0	6.3%	2438.0	0.6%	5.1%	1.00	13.3	13.7	307.50	90.3	29.0	17.0	14.0	8.0	1.7	4.4	14.8	285.0	732.4	
Lyft	0.00	0.0	1.89	0.23	0.47	-	665.4	-	221.7	-	0.0%	-0.16	1.0	59.00	139.1	18.0	12.0	8.0	11.0	1.3	1.8	5.3	50.0	1020.3		
Microsoft	3.00	0.7	13.46	0.24	2.85	9.7%	64727.0	15.2%	27250.0	-10.2%	42.1%	11.81	21.9%	29.8	55.00	102.9	34.0	26.0	24.0	14.0	2.1	4.3	14.7	315.0	772.3	
Monster Beverage	0.00	0.0	1.82	0.24	0.38	-	1855.0	-	538.0	2.3%	29.0%	1.61	18.8%	26.7	48.00	69.1	34.0	36.0	36.0	13.0	2.1	4.9	15.7	36.0	1014.3	
Synovus Finl	1.52	3.6	1.66	0.24	0.16	-	308.1	-	221.7	-	7.2%	1.63	66.2%	26.7	42.00	113.1	20.0	15.0	10.0	2.0	12.8	18.8%	3.3	32.0	36.0	1014.3
Ultra Beauty	0.00	0.0	26.91	0.73	5.30	-12.0%	2652.1	-0.9%	333.7	-15.7%	13.1%	24.60	0.0%	13.7	307.50	90.3	29.0	17.0	14.0	8.0	1.7	4.4	14.8	285.0	732.4	
United Rentals	6.52	1.0	42.01	0.24	9.54	11.2%	3773.0	8.2%	835.0	8.2%	22.1%	37.85	15.2%	58.2	149.00	139.1	18.0	12.0	8.0	11.0	1.3	1.8	5.3	50.0	1020.3	


Past Performance
Quality
Defense

Future Performance
Valuation
Offense

11

Why are the Boxes PINK?

- Indicates the % Change from last year to this year is less than the growth estimates on the most current SSG
- Review any stocks with PINK highlights and compare SSG growth estimates
 - Earnings Per Share – if the % Change is less than the EPS growth estimate on the SSG, it will be highlighted in PINK
 - Sales – if the % Change is less than the Sales growth estimate on the SSG, it will be highlighted in PINK
- No highlighting on a row indicates the % Change from one year to the next meets or exceeds your SSG forecasts



12

PERT Left Side Defense (Quality)

Company Name	Div	Yield	Est EPS		EPS		Sales		Pre-Tax Profit		TTM EPS		
			12 Mo	Qtr	Qtr	% Chg	Mill \$	% Chg	Mill \$	% Chg	Mill \$	% Chg	Price
Amphaster Pharma	0.00	0.0	3.51	0.24	0.73	49.0%	182.4	25.2%	50.2	53.1%	27.5%	3.13	45.80
Clifgroup	2.15	3.6	3.96	0.24	1.52	14.3%	20144.0	3.6%	4310.0	-6.6%	21.4%	3.57	88.2%
Coca-Cola	1.84	2.7	2.63	0.24	1.52	-5.1%	12363.0	-3.3%	3028.0	5.1%	24.5%	2.47	1.0%
Deere	5.88	1.5	29.60	0.73	6.29	-30.3%	12649.0	-17.3%	2355.0	-34.7%	18.3%	29.31	-33.4%
Ford Motor	0.60	5.7	1.55	0.24	0.40	-2.1%	47600.0	6.3%	2438.0	0.6%	5.1%	1.00	13.3
Lyft	0.00	0.0	1.89	0.23	0.47	-	665.4	-	221.7	-	0.0%	-0.16	1.0
Microsoft	3.00	0.7	13.46	0.24	2.85	9.7%	64727.0	15.2%	27250.0	-10.2%	42.1%	11.81	21.9%
Monster Beverage	0.00	0.0	1.82	0.24	0.38	-	1855.0	-	538.0	2.3%	29.0%	1.61	18.8%
Synovus Finl	1.52	3.6	1.66	0.24	0.16	-	308.1	-	221.7	-	7.2%	1.63	66.2%
Ultra Beauty	0.00	0.0	26.91	0.73	5.30	-12.0%	2652.1	-0.9%	333.7	-15.7%	13.1%	24.60	0.0%
United Rentals	6.52	1.0	42.01	0.24	9.54	11.2%	3773.0	8.2%	835.0	8.2%	22.1%	37.85	15.2%

1. Same Place Last Year (SPLY)
2. Qtr: EPS Growth should align with Pre-Tax Profit Growth
3. TTM EPS Change should be positive
4. Monitor negative trends by sorting % Change in TTM EPS
5. PINK – EPS lower than forecast on SSG

Which Players are Performing Well (Invest)?

13

Company Name	Div	Yield	Est EPS	EPS	Sales	Pre-Tax Profit	TTM EPS
Amphastar Pharma	0.00	0.0	3.51	0.73 49.0%	182.4 25.2%	50.2 53.1%	3.13 60.5%
Microsoft	3.00	0.7	13.46	2.95 9.7%	64727.0 15.2%	27250.0 10.2%	11.81 21.9%
Monster Beverage	0.00	0.0	1.82	0.41 5.1%	1900.6 2.5%	551.5 2.3%	1.61 18.8%
United Rentals	6.52	1.0	42.01	9.54 11.2%	3773.0 6.2%	835.0 8.2%	22.11 37.85 15.2%
Coca-Cola	1.94	2.7	2.63	0.59 -5.1%	11972.0 3.3%	3028.0 5.1%	2.43 1.6%
Lyft	0.00	0.0	-0.11	0.01 -0.30	1435.8 40.6%	6.9 106.2%	0.05 -0.16 -10.9%
Ultra Beauty	0.00	0.0	26.91	5.30 -12.0%	2552.1 0.9%	333.7 -15.7%	13.11 24.92 0.0%
Ford Motor	0.60	5.7	1.05	0.46 -2.1%	47808.0 6.3%	2438.0 6.6%	5.11 0.96 -5.9%
Deere	5.88	1.5	29.96	6.29 -38.3%	12848.0 -17.3%	2355.0 -34.7%	18.36 29.31 -13.4%
Citigroup	2.15	3.6	3.96	1.33 14.3%	20144.0 3.6%	4310.0 6.6%	21.41 3.57 -43.4%
Synovus Finl	1.52	3.6	1.66	0.23 1.13	565.4 -45.9%	-22.1 -109.9%	-7.21 1.63 -68.2%

- ✔ Sort by TTM EPS % Chg
- ✔ Which ones are positive?
- ✔ Compare % Change from SPLY in EPS to PTP

Are all Players Meeting Expectations?

14

- ✔ MSFT SSG EPS forecast = 14.0%
- ✔ Are EPS, Sales, PTP, & TTM EPS increasing?
- ✔ How are Coca-Cola's EPS, Sales, PTP, & TTM EPS?
- ✔ Lyft is speculative and does not meet BI criteria.

Which Players are NOT Performing (Trade)?

15



- ✔ ULTA SSG EPS forecast = 8.0%
- ✔ Review EPS, Sales, PTP, TTM EPS and compare to SSG forecasts
- ✔ Are the TTM EPS % Change good enough?

Pass the Ball to Offense PERT

16

17

Let's Go Offense

18

Offensive Strategy

- Every month
 - Improve team potential reward
 - ✓ Total Return
 - ✓ P/E
 - Reduce team risk
 - ✓ Relative Value
 - ✓ PEG
 - ✓ Upside/Downside Ratio



19

PERT Right Side Offense (Valuation)

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40 9/6/2024	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	132.5
Microsoft	29.8	401.81 9/6/2024	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	772.5
Monster Beverage	26.7	48.65 9/6/2024	89.1	34.0	30.0	26.0	13.0	2.1	4.9	15.7	38.0	101.0
United Rentals	16.2	681.10 9/6/2024	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	500.0	1020.5
Coca-Cola	27.0	71.14 9/6/2024	112.7	28.0	24.0	20.0	6.5	4.2	1.1	8.6	49.4	94.6
Lyft	NMF	11.06 9/6/2024	--	--	--	--	5.0	NMF	--	--	--	--
Ulta Beauty	13.7	367.58 9/6/2024	80.3	20.0	17.0	14.0	8.0	1.7	4.4	14.8	285.0	732.4
Ford Motor	10.1	10.58 9/6/2024	144.4	9.0	7.0	5.0	9.0	1.1	0.5	7.9	4.8	13.3
Deere	12.8	381.56 9/6/2024	91.2	17.0	14.0	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Citigroup	14.9	59.09 9/6/2024	142.1	13.0	10.5	8.0	11.0	1.4	1.1	8.3	42.0	78.1
Synovus Finl	25.7	42.68 9/6/2024	171.1	20.0	15.0	10.0	2.0	12.8	Invalid	-1.4	32.0	36.0

20

Consider buying
Consider selling

Offense

Reward (PE, TR) & Risk (RV, PEG, UD)

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40 9/6/2024	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	132.5
Microsoft	29.8	401.81 9/6/2024	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	772.5
Monster Beverage	26.7	48.65 9/6/2024	89.1	34.0	30.0	26.0	13.0	2.1	4.9	15.7	38.0	101.0
United Rentals	16.2	681.10 9/6/2024	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	500.0	1020.5
Coca-Cola	27.0	71.14 9/6/2024	112.7	28.0	24.0	20.0	6.5	4.2	1.1	8.6	49.4	94.6
Lyft	NMF	11.06 9/6/2024	--	--	--	--	5.0	NMF	--	--	--	--
Ulta Beauty	13.7	367.58 9/6/2024	80.3	20.0	17.0	14.0	8.0	1.7	4.4	14.8	285.0	732.4
Ford Motor	10.1	10.58 9/6/2024	144.4	9.0	7.0	5.0	9.0	1.1	0.5	7.9	4.8	13.3
Deere	12.8	381.56 9/6/2024	91.2	17.0	14.0	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Citigroup	14.9	59.09 9/6/2024	142.1	13.0	10.5	8.0	11.0	1.4	1.1	8.3	42.0	78.1
Synovus Finl	25.7	42.68 9/6/2024	171.1	20.0	15.0	10.0	2.0	12.8	Invalid	-1.4	32.0	36.0

"Coach, Is Offense or Defense More Important?"

October 30, 2024

21

Offense
Improve reward (TR)

Sorted High to Low

Consider buying
Consider selling

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	132.5
Monster Beverage	26.7	48.65	89.1	34.0	30.0	26.0	11.0	1.5	15.7	15.7	38.0	101.0
Ulta Beauty	13.7	367.58	60.3	20.0	17.0	14.0	11.0	1.1	14.8	14.8	285.0	732.4
Microsoft	29.8	401.81	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	772.5
United Rentals	16.2	681.10	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	500.0	1020.5
Deere	12.8	381.56	91.2	17.0	14.0	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Coca-Cola	27.0	71.14	112.7	28.0	24.0	20.0	11.0	1.1	1.8	8.6	49.4	94.6
Citigroup	14.9	59.09	142.1	13.0	10.5	8.0	11.0	1.4	1.1	8.3	42.0	78.1
Ford Motor	10.1	10.58	144.4	9.0	7.0	5.0	9.0	1.1	0.5	7.9	4.8	13.3
Lyft	NMF	11.06	-	-	-	-	-	-	-	-	-	-
Synovus Finl	25.7	42.68	171.1	20.0	15.0	10.0	2.0	Invalid	Invalid	-1.4	32.0	36.0

Avg TR
S&P 500

22

Offense
Improve reward (PE)

Consider buying
Consider selling

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	132.5
Monster Beverage	26.7	48.65	89.1	34.0	30.0	26.0	11.0	1.5	15.7	15.7	38.0	101.0
Ulta Beauty	13.7	367.58	60.3	20.0	17.0	14.0	11.0	1.1	14.8	14.8	285.0	732.4
Microsoft	29.8	401.81	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	772.5
United Rentals	16.2	681.10	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	500.0	1020.5
Deere	12.8	381.56	91.2	17.0	14.0	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Coca-Cola	27.0	71.14	112.7	28.0	24.0	20.0	11.0	1.1	1.8	8.6	49.4	94.6
Citigroup	14.9	59.09	142.1	13.0	10.5	8.0	11.0	1.4	1.1	8.3	42.0	78.1
Ford Motor	10.1	10.58	144.4	9.0	7.0	5.0	9.0	1.1	0.5	7.9	4.8	13.3
Lyft	NMF	11.06	-	-	-	-	-	-	-	-	-	-
Synovus Finl	25.7	42.68	171.1	20.0	15.0	10.0	2.0	Invalid	Invalid	-1.4	32.0	36.0

Avg TR
S&P 500

23

Offense
Improve Risk (RV)

Consider buying
Consider selling

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	132.5
Monster Beverage	26.7	48.65	89.1	34.0	30.0	26.0	11.0	1.5	15.7	15.7	38.0	101.0
Ulta Beauty	13.7	367.58	60.3	20.0	17.0	14.0	11.0	1.1	14.8	14.8	285.0	732.4
Microsoft	29.8	401.81	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	772.5
United Rentals	16.2	681.10	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	500.0	1020.5
Deere	12.8	381.56	91.2	17.0	14.0	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Coca-Cola	27.0	71.14	112.7	28.0	24.0	20.0	11.0	1.1	1.8	8.6	49.4	94.6
Citigroup	14.9	59.09	142.1	13.0	10.5	8.0	11.0	1.4	1.1	8.3	42.0	78.1
Ford Motor	10.1	10.58	144.4	9.0	7.0	5.0	9.0	1.1	0.5	7.9	4.8	13.3
Lyft	NMF	11.06	-	-	-	-	-	-	-	-	-	-
Synovus Finl	25.7	42.68	171.1	20.0	15.0	10.0	2.0	Invalid	Invalid	-1.4	32.0	36.0

Avg TR
S&P 500

24

Offense
Improve Risk (PEG)

Consider buying
Consider selling

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	132.5
Monster Beverage	26.7	48.65	89.1	34.0	30.0	26.0	11.0	1.5	15.7	15.7	38.0	101.0
Ulta Beauty	13.7	367.58	60.3	20.0	17.0	14.0	11.0	1.1	14.8	14.8	285.0	732.4
Microsoft	29.8	401.81	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	772.5
United Rentals	16.2	681.10	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	500.0	1020.5
Deere	12.8	381.56	91.2	17.0	14.0	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Coca-Cola	27.0	71.14	112.7	28.0	24.0	20.0	11.0	1.1	1.8	8.6	49.4	94.6
Citigroup	14.9	59.09	142.1	13.0	10.5	8.0	11.0	1.4	1.1	8.3	42.0	78.1
Ford Motor	10.1	10.58	144.4	9.0	7.0	5.0	9.0	1.1	0.5	7.9	4.8	13.3
Lyft	NMF	11.06	-	-	-	-	-	-	-	-	-	-
Synovus Finl	25.7	42.68	171.1	20.0	15.0	10.0	2.0	Invalid	Invalid	-1.4	32.0	36.0

Avg TR
S&P 500

25

Consider buying
Consider selling

Offense

Improve Risk (UD)

Company Name	Proj PE	Price	Proj RV	Proj SYr P/E Ratios	Est EPS Growth	PEG Ratio	UID Ratio	Total Return	Low Price	High Price	Est 5 Years
Amphastar Pharma	13.0	45.40	71.1	Hi	Avg	Low	7.8	23.9	34.4	132.6	
Monster Beverage	26.7	85.65	89.1	Hi	Avg	Low	4.9	15.7	38.0	101.0	
Ulta Beauty	13.7	367.58	80.3	Hi	Avg	Low	4.4	14.8	285.0	732.4	
Microsoft	29.8	401.81	102.9	Hi	Avg	Low	4.3	14.7	315.0	772.5	
United Rentals	16.2	681.10	135.1	Hi	Avg	Low	1.9	9.5	500.0	1020.5	
Deere	6.4	1.8	9.0	Hi	Avg	Low	1.1	9.0	290.0	550.1	
Coca-Cola	27.0	71.14	112.7	Hi	Avg	Low	4.2	8.6	49.4	94.6	
Citigroup	14.9	59.09	142.1	Hi	Avg	Low	1.4	8.3	42.0	78.1	
Ford Motor	10.1	10.58	71.14	Hi	Avg	Low	1.1	0.5	7.9	4.8	13.3
Lyft	NMF	11.06	---	Hi	Avg	Low	NMF	---	---	---	
Synovus Finl	12.8	42.68	17.1	Hi	Avg	Low	Invalid	-1.4	32.0	36.0	

Keep U/D risk between 3 & 10.
Consider buy U/D > 3
U/D risk may be unreasonable > 10. Check estimated high price.
U/D risk is unacceptable < 3. Check estimated low price.
Consider sell U/D < 3

Avg TR
S&P 500

26

Consider buying
Consider selling

Offense Strategy

Improve risk & reward (buy & replace)

Company Name	Proj PE	Price	Proj RV	Proj SYr P/E Ratios	Est EPS Growth	PEG Ratio	UID Ratio	Total Return	Low Price	High Price	Est 5 Years		
Amphastar Pharma	13.0	45.40	74.8	Hi	Avg	Low	11.0	12.0	23.9	132.6			
Monster Beverage	26.7	85.65	89.1	Hi	Avg	Low	13.0	2.1	4.9	15.7			
Ulta Beauty	13.7	367.58	80.3	Hi	Avg	Low	14.0	8.0	1.7	4.4	14.8	285.0	732.4
Microsoft	29.8	401.81	102.9	Hi	Avg	Low	14.0	2.1	4.3	14.7	315.0	772.5	
United Rentals	16.2	681.10	135.1	Hi	Avg	Low	11.0	1.5	1.9	9.5	500.0	1020.5	
Deere	12.8	381.56	91.2	Hi	Avg	Low	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Coca-Cola	27.0	71.14	112.7	Hi	Avg	Low	6.5	4.2	1.1	8.6	49.4	94.6	
Citigroup	14.9	59.09	142.1	Hi	Avg	Low	11.0	1.4	1.1	8.3	42.0	78.1	
Ford Motor	10.1	10.58	71.14	Hi	Avg	Low	9.0	1.1	0.5	7.9	4.8	13.3	
Lyft	NMF	11.06	---	Hi	Avg	Low	NMF	---	---	---			
Synovus Finl	25.7	42.68	17.1	Hi	Avg	Low	12.8	Invalid	---	-1.4	32.0		

Replace SYN w/AMPH
Avg TR
S&P 500
Sell SYN for profit



28

Coach, Is Offense or Defense More Important?

Company Name	Proj PE	Price	Proj RV	Proj SYr P/E Ratios	Est EPS Growth	PEG Ratio	UID Ratio	Total Return	Low Price	High Price	Est 5 Years		
Amphastar Pharma	13.0	45.40	74.8	Hi	Avg	Low	11.0	12.0	23.9	132.6			
Monster Beverage	26.7	85.65	89.1	Hi	Avg	Low	13.0	2.1	4.9	15.7			
Ulta Beauty	13.7	367.58	80.3	Hi	Avg	Low	14.0	8.0	1.7	4.4	14.8	285.0	732.4
Microsoft	29.8	401.81	102.9	Hi	Avg	Low	14.0	2.1	4.3	14.7	315.0	772.5	
United Rentals	16.2	681.10	135.1	Hi	Avg	Low	11.0	1.5	1.9	9.5	500.0	1020.5	
Deere	12.8	381.56	91.2	Hi	Avg	Low	11.0	2.0	6.4	1.8	9.0	290.0	550.1
Coca-Cola	27.0	71.14	112.7	Hi	Avg	Low	6.5	4.2	1.1	8.6	49.4	94.6	
Citigroup	14.9	59.09	142.1	Hi	Avg	Low	11.0	1.4	1.1	8.3	42.0	78.1	
Ford Motor	10.1	10.58	71.14	Hi	Avg	Low	9.0	1.1	0.5	7.9	4.8	13.3	
Lyft	NMF	11.06	---	Hi	Avg	Low	NMF	---	---	---			
Synovus Finl	25.7	42.68	17.1	Hi	Avg	Low	12.8	Invalid	---	-1.4	32.0		

Defense (Quality)
Offense (Valuation)


Use both Defense and Offense for a balanced game!

Coach, Is Offense or Defense More Important?

Differing Opinion Example...

Offense indicates consider Buying

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	1.1
Monster Beverage	26.7	48.65	89.1	34.0	30.0	26.0	13.0	2.1	4.9	15.7	38.0	1.1
Ulta Beauty	13.7	367.58	80.3	20.0	17.0	14.0	8.0	1.7	4.4	14.8	285.0	7.5
Microsoft	29.8	401.81	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	7.5
United Rentals	16.2	681.10	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	102.0	10.5




Coach, Is Offense or Defense More Important?

Differing Opinion Example...

Defense indicates stock is NOT performing

Company Name	Div	Yield	Est EPS	EPS		Sales		Pre-Tax Profit		TTM EPS			
				Qtr End	% Chg	Mill \$	% Chg	Mill \$	% Chg	Sales	% Chg	Qtr End	% Chg
Amphastar Pharma	0.00	0.0	3.51	06/24	0.73	49.0%	182.4	25.2%	50.2	53.1%	27.5%	3.13	60.5%
Microsoft	3.00	0.7	13.46	06/23	2.69	56189.0	24727.0	44.0%	9.69	42.1%	11.61	18.8%	
Monster Beverage	0.00	0.0	1.82	06/23	0.39	1855.0	539.0	29.1%	1.36	29.1%	1.36	18.8%	
United Rentals	6.52	1.0	42.01	06/23	8.58	3554.0	772.0	21.7%	32.86	21.7%	32.86	15.2%	
Coca Cola	1.94	2.7	2.63	06/23	0.59	11972.0	2880.0	24.1%	2.43	24.1%	2.43	1.0%	
Lyft	0.00	0.0	-0.17	06/23	-0.30	1020.9	-111.6	-10.9%	-3.61	-10.9%	-3.61	-	
Ulta Beauty	0.00	0.0	26.91	07/24	5.30	2552.1	333.7	13.1%	24.60	13.1%	24.60	0.0%	
Ford Motor	0.60	5.7	1.05	06/23	0.46	47808.0	6.3%	2438.0	5.1%	0.96	5.1%	-5.9%	




Coach, Is Offense or Defense More Important?

Mutual Opinion Example...

Defense indicates low level of Risk

Company Name	Div	Yield	Est EPS	EPS		Sales		Pre-Tax Profit		TTM EPS			
				Qtr End	% Chg	Mill \$	% Chg	Mill \$	% Chg	Sales	% Chg	Qtr End	% Chg
Amphastar Pharma	0.00	0.0	3.51	06/24	0.73	49.0%	182.4	25.2%	50.2	53.1%	27.5%	3.13	60.5%
Microsoft	3.00	0.7	13.46	06/23	2.69	56189.0	24727.0	44.0%	9.69	42.1%	11.61	18.8%	
Monster Beverage	0.00	0.0	1.82	06/23	0.39	1855.0	539.0	29.1%	1.36	29.1%	1.36	18.8%	
United Rentals	6.52	1.0	42.01	06/23	8.58	3554.0	772.0	21.7%	32.86	21.7%	32.86	15.2%	
Coca Cola	1.94	2.7	2.63	06/23	0.59	11972.0	2880.0	24.1%	2.43	24.1%	2.43	1.0%	
Lyft	0.00	0.0	-0.17	06/23	-0.30	1020.9	-111.6	-10.9%	-3.61	-10.9%	-3.61	-	
Ulta Beauty	0.00	0.0	26.91	07/24	5.30	2552.1	333.7	13.1%	24.60	13.1%	24.60	0.0%	
Ford Motor	0.60	5.7	1.05	06/23	0.46	47808.0	6.3%	2438.0	5.1%	0.96	5.1%	-5.9%	




Coach, Is Offense or Defense More Important?

Mutual Opinion Example...



Offense indicates opportunity to Buy

Company Name	Proj PE	Price	Proj RV	Proj 5Yr P/E Ratios			Est EPS Growth	PEG Ratio	U/D Ratio	% Total Return	Est 5 Years	
				Hi	Avg	Low					Low Price	High Price
Amphastar Pharma	13.0	45.40	74.0	24.0	17.5	11.0	12.0	1.1	7.9	23.9	34.4	1.1
Monster Beverage	26.7	48.65	89.1	34.0	30.0	26.0	13.0	2.1	4.9	15.7	38.0	1.1
Ulta Beauty	13.7	367.58	80.3	20.0	17.0	14.0	8.0	1.7	4.4	14.8	285.0	7.5
Microsoft	29.8	401.81	102.9	34.0	29.0	24.0	14.0	2.1	4.3	14.7	315.0	7.5
United Rentals	16.2	681.10	135.1	16.0	12.0	8.0	11.0	1.5	1.9	9.5	102.0	10.5



Who needs to use the PERT Report

- BetterInvesting Model Investment Clubs
- Private Investment Clubs
- Individual Investors
- SSGPlus™ online app users



Who needs to use the PERT Report?

PERT meets investment club needs:


- The PERT provides a club with:
 - Overall club Portfolio Management
 - A short interval snapshot or report card
 - Early warning for stocks with potential trends not displayed in the SSGs
 - e.g. overvalued or deteriorating performance
 - A **common** portfolio reference point for all club members




Club Team approach to the PERT

An Investment Club is

- A group of individuals –
 - Common goals in investing
 - Rely on each other for accomplishment
 - Work together in earnest





We are a TEAM!



Club Team approach to the PERT

Why not have a Defense and Offense

- Build Defense and Offense Squads
 - Select members to focus primarily on
 - Defense
 - Offense
 - Rotate squad roles quarterly




37

Club Team approach to the PERT

Roles for Defense and Offense

- Consult on current portfolio holdings
 - Defense brings attention to
 - Deteriorating performance
 - Downside risk
 - Offense brings attention to
 - Buy opportunities
 - Overvalued holdings
- Both work together for balanced portfolio game plan




38

Who needs to use the PERT Report?

Club Recommendation –


- Add the PERT to monthly agenda
 - Example ...
 - 8. Discussion and Buy/Hold/Sell Motions - What can we do to enhance and defend our portfolio in an organized method?
 - i. **We will start this topic with a review of the PERT Report to assess our portfolio strengths and weaknesses.**
 - ii. Review and updates of the Club Watchlist (Add/Remove Companies).
 - iii. This period will be a review of holdings and possible actions by the entire Club.

Each Member will be given the brief opportunity to openly discuss their thoughts and desired actions on the entire portfolio.




39

Best Club Practices for PERT


Club PERT Strategy	Offense and Defense Playbook
	Detailed quarterly portfolio reviews
	After updating SSGs
	Before replacing or adding a holding
	During monthly meetings (active monitoring)

***Tip – Test new stock In PERT prior to purchase**




40

Best Club Practices for PERT

StockWatcher Strategy	Offense and Defense Playbook
	Quarterly earnings reporting
	Reference PERT Quality and Valuation
	Anomalies: Earnings, Buybacks, Accounting
	Review company's forward guidance

Note – StockWatchers act as Special Teams players



41

Club Team approach to the PERT

Club Portfolio Recommendations


- Keep One Master Portfolio
- Each Club member create a local Portfolio in SSGPlus™
- Club consensus SSGs are shared out
- Do not change judgments of shared SSGs





42

Best Club Practices for PERT

PDF Copy Download



*Tip – Download and print PDF copy for Club Meetings



43

Summary

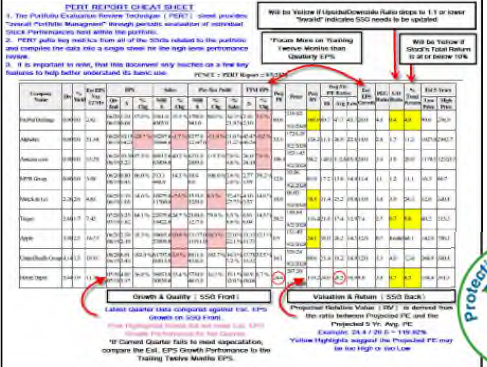

- Use the PERT monthly as a Team to make balanced decisions to improve the Club's Portfolio (Offensively and Defensively)
- The PERT helps achieve BetterInvesting's stated goal of a 15% return per year in a quality, growth-oriented portfolio
- Additional considerations must be used to determine which holdings are appropriate to buy, sell, or hold
- SSG + PERT + Diversity + Valuation = Buy/Sell




44

Summary



See the Go-To-Webinar Menu to download a copy of the 'PERT Report Cheat Sheet'

Any Questions




Email Questions or Comments to a Presenter...





Email Subject Line: *Coach ... Offense or Defense?*

Presenter: Robin Ware
Email Addr: rwfincon@gmail.com

Presenter: Mike Torbenson
Email Addr: mike@Torbenson.org

Presenter: John Blais
Email Addr.: Blais18@comcast.net



Upcoming 2025 Consortium Events

Save the Dates

- **March 31st ... Monday**
o Presenter & subject to be determined
- **May 29th ... Thursday**
o Presenter, Christi Powell
- **June 30th ... Monday**
o Presenter, Christi Powell
- **July 30th ... Wednesday**
o Presenter, Christi Powell
- **September 29th ... Monday**
o Presenter & subject to be determined
- **October 29th ... Wednesday**
o Presenter & subject to be determined











Make a Difference in Someone's Life

If you have benefited from **BETTERINVESTING™**

Please share some BetterInvesting materials and introduce others to this dynamic investment education opportunity!

Pay it forward!

"Coach, Is Offense or Defense More Important?"

October 30, 2024

