

Bull and Bear Portfolio Update

5.4.2018



Model Guidance: No Changes for the Week

My short-term Bull & Bear Portfolio consists of 10 equally-weighted long positions and 5 equally-weighted short positions. Both the long and short stocks are selected from the Dow Jones Industrial Average. If the Dow advances over the period in which my 15-Dow stock portfolio is open, the model will make money with the stocks that advance and will lose money with the stocks that decline. And the opposite will prevail for the short stocks. Each week, I will review the model portfolio for potential changes. If no changes are required, I'll simply post no changes for the week. You can read more about my Bull & Bear Portfolio [here](#).

Symbol	Description	L / S	Initial Investment	Starting Price	Qty L/S	Prior Day Close	Current Price	Current Value	% Chg. Day	% Chg. Inception
AAPL US	Apple Inc	Long	10,000.00	165.70	60.34	187.00	187.00	11,283.49	0.00	12.83

Symbol	Description	L / S	Initial Investment	Starting Price	Qty L/S	Prior Day Close	Current Price	Current Value	% Chg. Day	% Chg. Inception
CSCO US	Cisco Systems Inc	Long	10,000.00	44.10	226.81	43.50	43.50	9,857.11	0.00	-1.43
HD US	Home Depot Inc	Long	10,000.00	177.00	56.49	185.30	185.30	10,470.03	0.00	4.70
INTC US	Intel Corp	Long	10,000.00	51.50	194.06	54.80	54.20	10,523.97	-1.06	5.24
JPM US	Jpmorgan Chase & Co	Long	10,000.00	111.50	89.71	113.00	113.00	10,133.67	0.00	1.34
TRV US	Travelers Cos Inc/The	Long	10,000.00	136.80	73.08	130.70	130.70	9,552.76	0.00	-4.47
UNH US	Unitedhealth Group Inc	Long	10,000.00	235.10	42.54	243.00	243.00	10,336.08	0.00	3.36
UTX US	United Technologies Corp	Long	10,000.00	123.10	81.25	124.60	124.60	10,124.31	0.00	1.24
WMT US	Walmart Inc	Long	10,000.00	87.00	114.97	84.50	84.20	9,683.84	-0.31	-3.16
VZ US	Verizon Communications Inc	Long	10,000.00	47.90	208.77	47.90	47.90	9,989.56	0.00	-0.10
KO US	Coca-Cola Co/The	Short	-8,000.00	43.70	-182.90	42.30	42.30	-7,736.63	0.00	3.40
CVX US	Chevron Corp	Short	-8,000.00	122.30	-65.41	129.50	129.50	-8,467.66	0.00	-5.52
DWDP US	Dowdupont Inc	Short	-8,000.00	66.04	-121.14	68.16	68.16	-8,256.81	0.00	-3.11
MRK US	Merck & Co. Inc.	Short	-8,000.00	58.83	-135.99	59.07	59.07	-8,032.64	0.00	-0.41
IBM US	Intl Business Machines Corp	Short	-8,000.00	144.90	-55.21	144.50	144.50	-7,977.92	0.00	0.28
	Longs		100,000.00					101,955.00	-0.14	1.95
	Shorts		-40,000.00					-40,471.66	0.00	-1.17

Featured Company:Walmart (NYSE: WMT)

In July of 1962, Sam Walton opened the first Walmart in Rogers, Arkansas. After growing rapidly through the 1960s, Walmart went public in 1970, and Walton took his strategy of “the lowest prices anytime, anywhere,” national. In 1980, Walmart reached \$1 billion in annual sales for the first time, faster than any company before it. By that time, the store had 276 locations and employed 21,000 associates. In 1983 the company opened its first Sam’s Club location in Midwest City, Oklahoma. In 1988, Walmart opened its first “Supercenter,” combining a full-scale supermarket with its general merchandise store for shopper

convenience.

In the 1990s Walmart began its quest to go global. The first step was opening a Sam's Club in Mexico City via a joint venture with the Mexican retail company Cifra. By 1993, only 23 years after its first \$1 billion year, Walmart recorded its first \$1-billion-week of sales. Walmart would continue to expand globally in the 90s, opening stores near and abroad in places like Canada and China.

By 2000, Walmart had 3,989 stores and had created its first online shopping experience, Walmart.com. In 2002 Walmart topped the Fortune 500 for the first time. By 2009 Walmart had reached \$400 billion in annual sales.

Over the last eight years Walmart has made large expansions in India, South Africa and online. In China, Walmart purchased all of Yihaodian, an e-commerce business it had partially owned. During 2016, Walmart bought Jet.com, an American e-commerce website. Walmart also created a strategic alliance with JD.com, one of China's largest e-commerce retailers. Recent news reports have said Walmart is attempting to buy India's largest e-commerce business, Flipkart. The retailer's directors have agreed to the deal, but it hasn't been fully approved yet. Successful completion of the deal would give Walmart an advantage in the Indian market.

Today Walmart employs 2.3 million people in 28 countries. The company runs more than 11,700 stores and serves nearly 270 million customers each week. A recent initiative has expanded online grocery pickup to over 1,100 stores in the U.S., and will add another 1,000 in 2018, as well as locations in Canada, Mexico, and China. To better compete with online retailer Amazon.com, Walmart has also added free 2-day shipping to Walmart.com. Walmart has been paying its shareholders a dividend every year since 1973, and has been increasing those dividends every year for 41 years. Over the last ten years the average

dividend growth rate at Walmart has been 11.56%. Shares yield 2.37% today.