

THE MONTHLY RESEARCH CONFERENCE CALL

BUILDING A MILLENNIAL GENERATION PORTFOLIO



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ARGUS RESEARCH COMPANY



WHAT'S NEW AT ARGUS

APRIL 2018

■ Joseph F. Dorsey

- Argus mourns the passing of Joe Dorsey (8/16/27-3/30/18)
- Son of founder Harold Dorsey, Joe served as a US Marine
- Joe joined Argus in 1949 as an oil analyst
- First to spot importance of Middle East Oil
- Broadened offerings to money management, data, Intl.
- Argus has thrived while many other research firms have fallen away
- Joe Dorsey will always be celebrated at Argus

■ New to Coverage

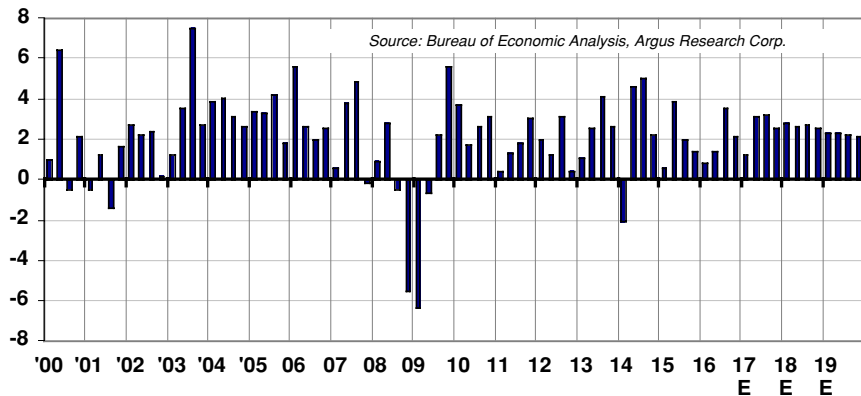
- J.B. Hunt:
Leading long haul trucking firm
- Laboratory Corp of America:
Top-tier outsourcing solutions provider in Bio/Pharma
- Recent additions: Albemarle, Marvell

■ U.S. Stock Market Technical Comment

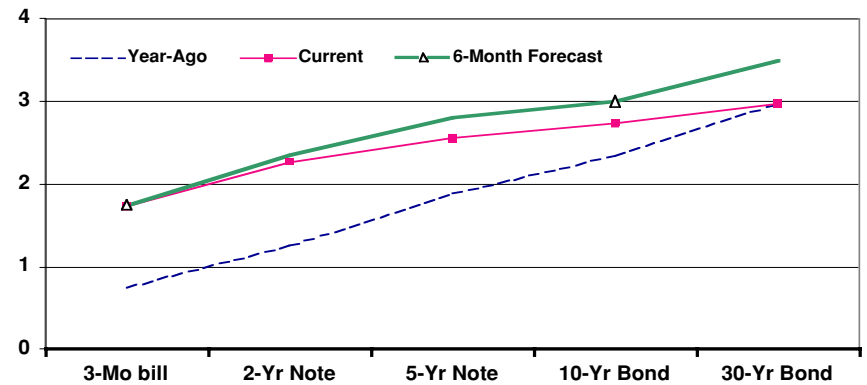
- CMT Mark Arbeter analyzes recent selling
- "the road likely to remain rocky for a little longer"
- Important support shapes up around 2,533
- A 3-5 day break below that level would be "concerning"
- Sentiment: mixed signals, with put-call inconclusive
- Breadth: advance-decline inconsistent with bear market
- Conclusion: "just a nasty corrective" within ongoing bull
- Mark's technical analysis report is available on the website

MACRO FORECASTS

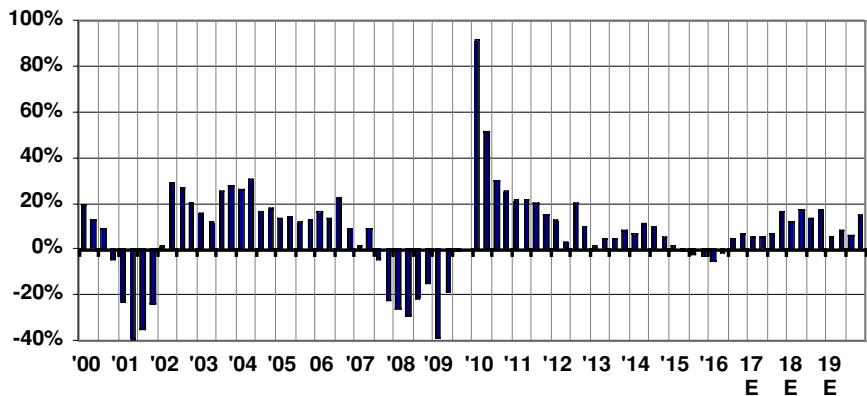
REAL GDP W/FORECASTS (%)



TREASURY YIELD CURVE (%)

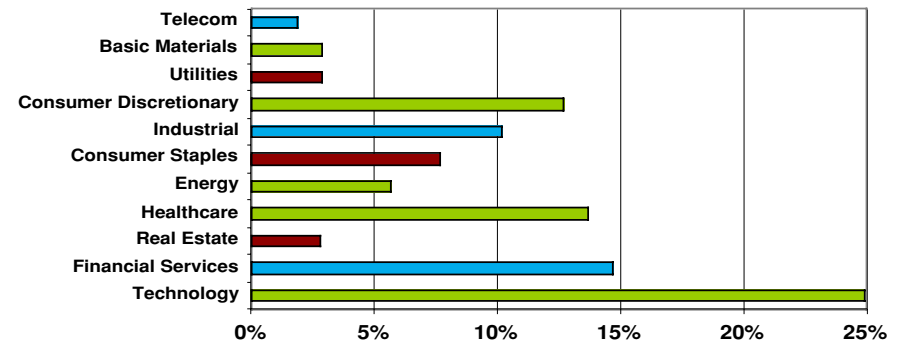


S&P 500 QUARTERLY EARNINGS GROWTH



MARKET SECTOR DISTRIBUTION - PERCENT OF S&P 500

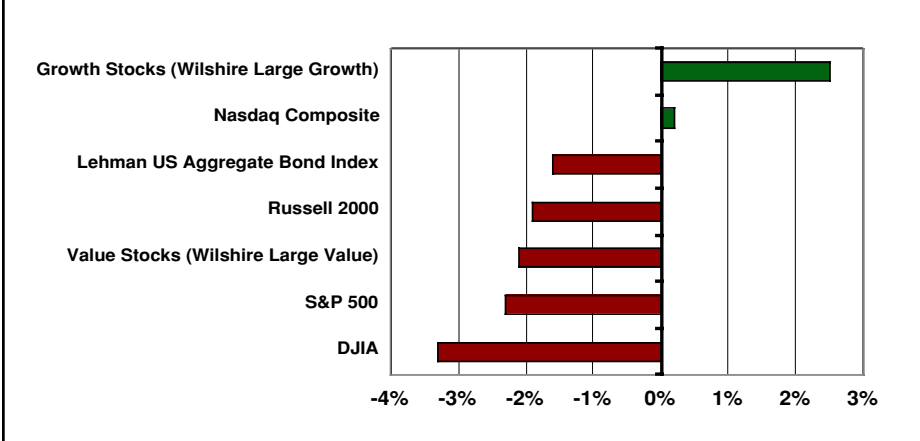
Sectors in Green are Recommended Overweight; Blue are Marketweight; Red are Underweight



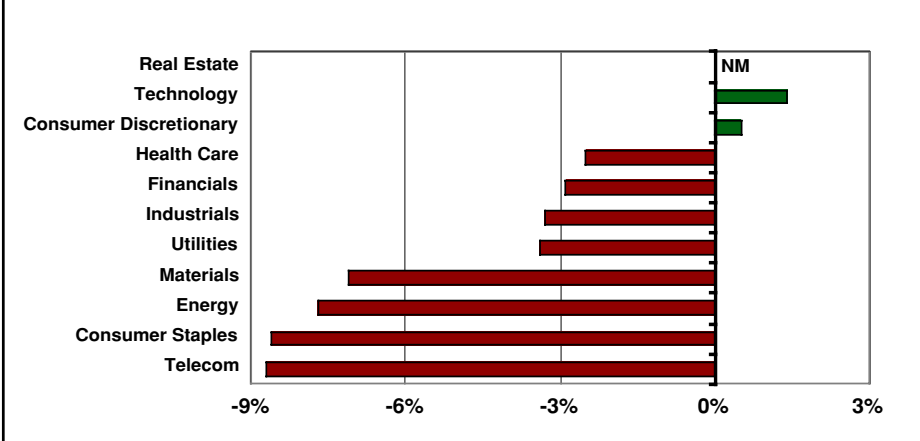
MARKET PERFORMANCE

DATA AS MARCH 30, 2018

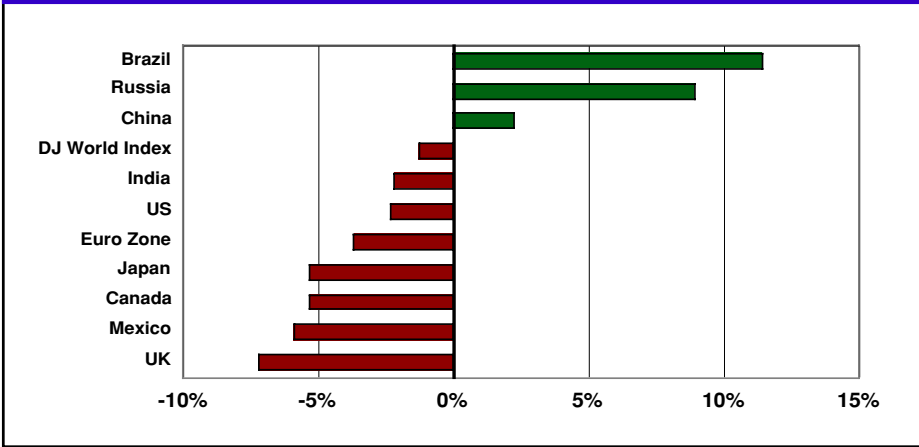
MAJOR INDEX



SECTOR



GLOBAL EQUITY MARKETS



WHEN WE BUILD A PORTFOLIO

- **Investment Policy Statement**
- **Investment Theme**
- **Establish Goals**
- **Manage Risks**
 - **Industry Diversification**
 - **Vary Market Cap Sizes**
 - **Dividends**

MILLENNIAL GENERATION STATISTICS

- **Born Between 1980-2000**
- **92 million strong – the largest cohort**
- **Not as wealthy as previous generations**
- **But sheer size generates purchasing power**
- **And they have a different set of values....**

INVESTMENT THEMES

■ Entrepreneurial Spirit

- FB, AMZN, TSLA

■ Evolving Economy

- IQVA, FDX, MAN, RTN

■ Healthier Living

- ILMN, MRK, INCY

■ Modern Lifestyle

- EQR, ACC, GRUB

■ Popular Products

- AAPL, NVDA, MNST

■ Sustainable Impact

- NEE, AWK, GOOGL

ADDITIONAL STOCKS IN THE PORTFOLIO

- **Consumer:** BKNG, LULU, DIS, MNST, STZ
- **Financial:** PGR, BLK, V, PYPL, SCHW
- **Industrial:** LDOS, ITRI, JEC
- **Info Tech:** PAYX, NFLX, AAPL, ACN
- **Health:** INCY, JNJ, ILMN, MRK, UNH
- **Energy/Materials:** FSLR, ECL

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