Stock Track Report

Portfolio Analysis

Kesner McRobbie
Family Office
Kenser McRobbie Family Office, LLC utilizes the skills, experience, and knowledge of our investment committee to achieve outcomes that coincide with our client’s investment goals and risk preferences.

**Investment Direction:** Leaving a safe and yielding inheritance to client’s family

**Portfolio Size:** $10 million

**Included Industries:** Healthcare, Technology, Real Estate, Financials, Utilities, Energy, and Consumer Staples

### Allocation Methodology

<table>
<thead>
<tr>
<th>Exposure/Unit</th>
<th>Weight</th>
<th>Reasoning</th>
<th># of Equities</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000</td>
<td>0.5%</td>
<td>(-) Alpha</td>
<td>6</td>
</tr>
<tr>
<td>100,000</td>
<td>1.0%</td>
<td>(+) Alpha, Beta &gt; 1</td>
<td>5</td>
</tr>
<tr>
<td>750,000</td>
<td>7.5%</td>
<td>(+) Alpha, Beta &lt; 1.00</td>
<td>7</td>
</tr>
<tr>
<td>1,200,000</td>
<td>12.0%</td>
<td>Alpha &gt; 1% + Beta &lt; 1</td>
<td>3</td>
</tr>
</tbody>
</table>

**Client’s Characteristics**

- Low Risk
- Stable Growth
- Consistent Dividend
- Cash Flow
Top Picks

CME
INTC
WMT
JNJ
NEE
In the News:
- All-time Eurodollar options open interest record of 55.8 million contracts
- Positive Outlook from COMEX Copper options
- Negative Indications from the China-U.S. trade negotiations
- Values dropped in European Markets
Industry: Technology
Company: Intel Corporation

In the News:
- Partnership between Intel and the US Department of Energy
- The development of exa-scale supercomputer that will be used for scientific research
- Discontinue of Intel’s computer cards
- Stock price dropped 1.9% after the news broke.
Industry: Consumer Staples
Company: Walmart, Inc.

In the News:
- The announcement of Walmart’s CEO, Jeremy King, will leave the company at end of March
- The Stock price dropped 1.2% after the news broke
- A donation worth $100,000 provide through cash and product as response to floods in midwestern states

Statistics

<table>
<thead>
<tr>
<th>Ticker</th>
<th>Price</th>
<th>Alpha</th>
<th>Beta</th>
</tr>
</thead>
<tbody>
<tr>
<td>WMT</td>
<td>$99.85</td>
<td>0.55%</td>
<td>0.34629</td>
</tr>
</tbody>
</table>

WMT Key Indicators

- Beta 0.35
- Alpha 0.55%
- E(r) 4.99%
- EPS $2.26
- Market Cap $286.46 B
- Dividend Yield 2.14%
- P/E 43.63
- D/E 0.8
- Shares Outstanding $2.91B

PERFORMANCE (1 month)

Analyst Opinions

- Beta
- Alpha
- E(r)
- EPS
- Market Cap
- Dividend Yield
- P/E
- D/E
- Shares Outstanding
**Industry:** Consumer Staples  
**Company:** Johnson & Johnson

**JNJ (7.5%)**

In the News:
- The lack of valid post-market studies conducted by Johnson & Johnson
- The termination of the development of oral RSV candidate
- The company send application seeking the approval to expand the use of Darzalex, Celgene’s REVLIMID, and dexamethasone.

### JNJ Key Indicators

<table>
<thead>
<tr>
<th></th>
<th>Beta</th>
<th>Alpha</th>
<th>E(r)</th>
<th>EPS</th>
<th>Market Cap</th>
<th>P/E</th>
<th>D/E</th>
<th>Shares Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>JNJ</strong></td>
<td>0.68045</td>
<td>0.37%</td>
<td>7.45%</td>
<td>5.4</td>
<td>366.17 B</td>
<td>25.49</td>
<td>51.02%</td>
<td>12.66 B</td>
</tr>
</tbody>
</table>

### Analyst Opinions

<table>
<thead>
<tr>
<th>1-5 Linear Scale</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) BUY</td>
<td>5</td>
</tr>
<tr>
<td>(2) OUTPERFORM</td>
<td>4</td>
</tr>
<tr>
<td>(3) HOLD</td>
<td>8</td>
</tr>
<tr>
<td>(4) UNDERPERFORM</td>
<td>0</td>
</tr>
<tr>
<td>(5) SELL</td>
<td>1</td>
</tr>
<tr>
<td>No Opinion</td>
<td>0</td>
</tr>
<tr>
<td>Mean Rating</td>
<td>2.33</td>
</tr>
</tbody>
</table>

### Performance (1 month )

![Performance Chart](chart.png)
In the News:
- New project including the build of 100-MW solar PV<30-MW battery-based energy storage facility
- Open doors to independent solar and wind power producers
- Losses of -1.25% were made over the last 5 sessions. However, most analysts have an opposite view
Performers

TOP WINNERS

<table>
<thead>
<tr>
<th>Company</th>
<th>Percentage Return</th>
<th>Percentage Allocated</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTEL CORPORATION</td>
<td>7.85%</td>
<td>12.00%</td>
</tr>
<tr>
<td>CITIGROUP</td>
<td>6.69%</td>
<td>0.50%</td>
</tr>
<tr>
<td>JPMORGAN CHASE &amp; COMPANY</td>
<td>6.44%</td>
<td>1.00%</td>
</tr>
<tr>
<td>MICROSOFT CORPORATION</td>
<td>6.05%</td>
<td>1.00%</td>
</tr>
<tr>
<td>WAL-MART STORES</td>
<td>4.59%</td>
<td>7.50%</td>
</tr>
</tbody>
</table>
Losers

TOP LOSERS

- CARDINAL HEALTH: 8.84% (Percentage Return), 0.50% (Percentage Allocated)
- OCCIDENTAL PETROLEUM CORPORATION: 6.02% (Percentage Return), 0.50% (Percentage Allocated)
- CVS HEALTH GROUP: 5.36% (Percentage Return), 0.50% (Percentage Allocated)
- ABBVIE: 4.62% (Percentage Return), 1.00% (Percentage Allocated)
- GILEAD SCIENCES: 4.48% (Percentage Return), 0.50% (Percentage Allocated)
Introspective Analysis

- **Lesson learned: An improved strategy**
- **Lesson learned: Reduce detrimental transaction costs**
- **Lesson learned: Effective tool for achieving optimum portfolio**

**Beta vs. Standard Deviation**

**Transaction Volume**

**Correlation Coefficients**
Questions?