FAS

GE

AMG American general finance.

BLK RCK

COLUMBIA Mid cap g  
EATON VANCE VHINA

INVESTCO TECH

STILL LIKE ALL ABOVE.

EXISTING STUFF:

KFT down trend in strong market don’t like it.

|  |  |
| --- | --- |
| Yield | 3.70% |
| Sales Growth\* | -3.70% |
| Income Growth\* | +64.30% |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Company** | **Enterprise Value** | **EBIT** | **Earnings Yield** | **ROA** |
| **Altria** (NYSE: [MO](http://caps.fool.com/Ticker/MO.aspx?source=isssitthv0000001)) | $60,616 | $6,416 | 10.6% | 11.0% |
| **Lorillard** (NYSE: [LO](http://caps.fool.com/Ticker/LO.aspx?source=isssitthv0000001)) | $10,917 | $1,788 | 16.4% | 35.7% |
| **Reynolds American** (NYSE: [RAI](http://caps.fool.com/Ticker/RAI.aspx?source=isssitthv0000001)) | $20,623 | $2,600 | 12.6% | 9.3% |
| **Philip Morris International** (NYSE: [PM](http://caps.fool.com/Ticker/PM.aspx?source=isssitthv0000001)) | $118,207 | $10,944 | 9.3% | 19.4% |

Source: Capital IQ, a division of Standard & Poor's. Trailing-12-month figures.

To find cheap companies, the Magic Formula looks for a high [earnings yield](http://wiki.fool.com/Earnings_yield?source=ihlsitlnk0000001) -- basically, a company's EBIT divided by its [enterprise value](http://wiki.fool.com/Enterprise_value?source=ihlsitlnk0000001). EBIT is [earnings before interest and taxes](http://wiki.fool.com/Earnings_Before_Interest_and_Taxes?source=ihlsitlnk0000001), otherwise known as operating earnings. Enterprise value includes the company’s [market capitalization](http://wiki.fool.com/Market_capitalization?source=ihlsitlnk0000001), then adds its net debt. In general, the higher the earnings yield, the better.  Magic Formula looks for a yield higher than 10%.

To find profitable companies, Greenblatt's Magic Formula seeks businesses that generate returns on assets (ROA) greater than 25%. In other words, for every $100 in assets it holds, the company would produce at least $25 in net profit. In general, the higher the ROA, the better the business.  Greenblatt looks for companies with an ROA higher than 25%

MO broke below 52 w ma no good 6.31% div Yield.

|  |  |
| --- | --- |
| Sales Growth\* | +21.70% |
| Income Growth\* | +5.90% |

PM no good also below 52 w ma 4.5% yeld divs

|  |  |
| --- | --- |
| Sales Growth\* | -2.50% |
| Income Growth\* | -8.10% |

OAKBX oakmark equity + income good

Oakwx oak global

Zebra tech love it.

AEPGX American Euro Pacific G … Looks toped off…

BA boing HOLD GREAT CHART.

CAT caterpillar HOLD good charts.

3M MMM Hold to see if it can break clearly above 90 if so then 95 is next stop and if it breaks above that then it is in clear territory and shoul;d keep going. 90 is the test.

USB US Bank Corp. Good chart, good sales growt and income growth keep for now.

TROW PRICE FUNDS…. Not particularly impressed with the positions but at the moment they are holding up ok so woud stand by. Or we could swap out to a bit more aggressive positions.