SNOW 184.43 ▼ | SPR 27.81 ▲ | ERJ 17.22 ▲ | LTRN 3.85 ▲ | ATOM 6.74 ▼ | UP 2.27 ▲ | EVER 10.16 ▲ | SASI 2.72 ▲

DECEMBER 2023

One Bar Ahead®

BY KEITH FITZ-GERALD

TIME FOR ZEROS!

This just might be the best trade of 2024... *in 2023*

3 SMART MOVES to make by year-end

Let's Get Trashy!

PORTFOLIO REVIEW, LATEST MMI® CHARTS AND CRITICAL UPDATES

THE HIDDEN SECRET TO BIG TECH INVESTING

HP50+ 3 WAYS TO CRUSH YOUR GOALS, NOT YOUR BODY

Disclaimers

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Keith Fitz-Gerald's ONE BAR AHEAD™

Dear Reader,

People often tell me that they could never buy individual stocks because it's just too darn risky. Yet in the same breath, they laud billionaires like Warren Buffett who has 71% of his bazillion-dollar portfolio concentrated in just four stocks.

The uncomfortable truth of the matter for many is that diversifying your investments is a far riskier proposition than it once was.

Diversification the way Wall Street practices it hasn't worked the way it's supposed to for more than a decade. The risks of being left behind are becoming more apparent by the day as conventionally constructed portfolios fail, inflation continues to rage, and the markets become riskier as everything accelerates.

If I've said it once, I'll say it a thousand times.

Wall Street isn't in the business of making you money. Your goals mean diddly-squat in the scheme of things, and the sooner you can wrap your head around that concept, the sooner YOU can get down to the business of building real financial freedom and sustainable wealth.

It's one thing to diversify your investment methods, your tactics, and your investing dollars because doing so meets *your* goals, but quite another to do so because an advisor wants to stuff you and your money into a preapproved product mix that checks their boxes.

The most successful investors of our time concentrate their wealth.

Like us, they play to win.

Carl Icahn put $5B into Apple when he was worth perhaps $10B… and made a cool $2B for his trouble in just three years by the time he sold.

Joe Rosenfield took over management of the Grinnell College endowment in 1969 when it was valued at $11 million. 31 short years later, he left, and it was valued at $1B+, yet held no more than half a dozen investments the entire time and despite the fact that he paid 4.75% of its assets to the college annually.

Stanley Druckenmiller told George Soros that he intended to invest 100% of the fund he ran at the time in the British pound against the Deutschmark… only to have Soros look at him with disdain and wonder why it wasn't 200% because the trade he wanted to make was a "once-in-a-generation opportunity," according to an interview in the Hustle a few years back.

The rules of money have changed.

It doesn't matter what you think about making money or how ingrained the habits that govern your decisions have become.

You must think differently if you want to get ahead.

Let that sink in.

Contrary to what a lot of folks think, the stock market is not designed to reflect the economy. It's intended to reflect the performance of great companies, the strongest of which consistently replace the weakest over time. That's why you see stocks regularly added to and dropped from indices like the S&P 500, the Dow Jones Industrial Average, and the Nasdaq.

Believe it or not, YOU have the upper hand.

1. You are investing your own money, which means that volatility shouldn't bother you because you can invest in must-have companies the world cannot live without. Pros often fall prey to corporate policies or investment guidelines that hold 'em back because they've got a fund to run using other people's money.
2. You can be more agile because you can focus on stocks that match up to your view of the world and where the money is going rather than where it's been. You can mix and match with your funds as needed in one of the few moves that makes diversification work the way it's supposed to. Pros must deal with what they can sell, their compliance department, and more.
3. And finally, you can adapt as conditions change, which means you can reverse your thinking and even reconsider your goals as needed. Pros are often locked in by investment policies set in a mahogany-lined boardroom way above their pay grade.

I think it's a tremendously exciting time to be alive and a positively astounding time as an investor.

Nvidia, Palantir, and Shopify have all returned triple digits YTD as I type… 227.04%, 199.07%, and 102.68% YTD. The S&P 500 has tacked on 18.68% by comparison.

Tesla, Apple, and Microsoft have returned 955.71%, 326.43%, and 245.12% over the past 5 years, respectively. Plus, they're all thinking like startups at a time when they've got the scale and the cash needed to create an entire new generation of millionaires in the years ahead. The S&P 500 has turned in 65.04% over the same time frame.

There is no doubt in my mind that beaten-down medical choices like PFE, GILD, and ABBV will power higher as customizable medicine emerges. Reinvesting has never made more sense under the circumstances!

There's still one hat trick left, though.

That's why we're going to start our time together this month by setting that up with a choice predicated on something everybody sees coming but very few investors have recognized as an opportunity… a drop in interest rates.

Buying in now could be one of the best trades you make *next* year!

We'll move on to 3 super-smart moves to make before year-end. Not for nothing, but making money doesn't do you any good at all if you can't keep more of it.

I've also got a look at why it pays to get trashy in this month's Dividend Fortune Builder. And, of course, the latest MMI charts, the portfolio review, and a look at which companies are making headlines.

We'll wind up with a discussion that's near and dear to my heart or, more precisely, my C-spine. I'm healing—thank goodness—but I'm hoping my journey can help you when it comes to crushing your goals and not your body.

We're on the home stretch, and I say let's finish 2023 with a bang.

Thanks, as always, for being part of the One Bar Ahead® Family and for the trust you place in Noriko, myself, and the entire OBA Team. We're thrilled you're here!

Merry Christmas, Joyeux Noël, Happy Hanukkah, Happy Kwanzaa, and Salam Alaikum!

Best regards for health and wealth,

KF

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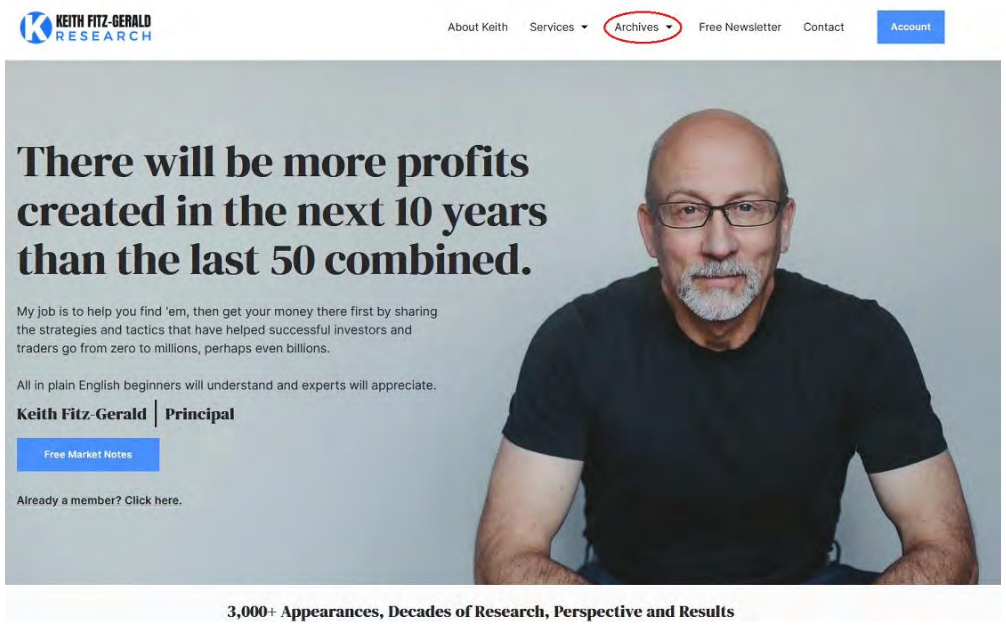

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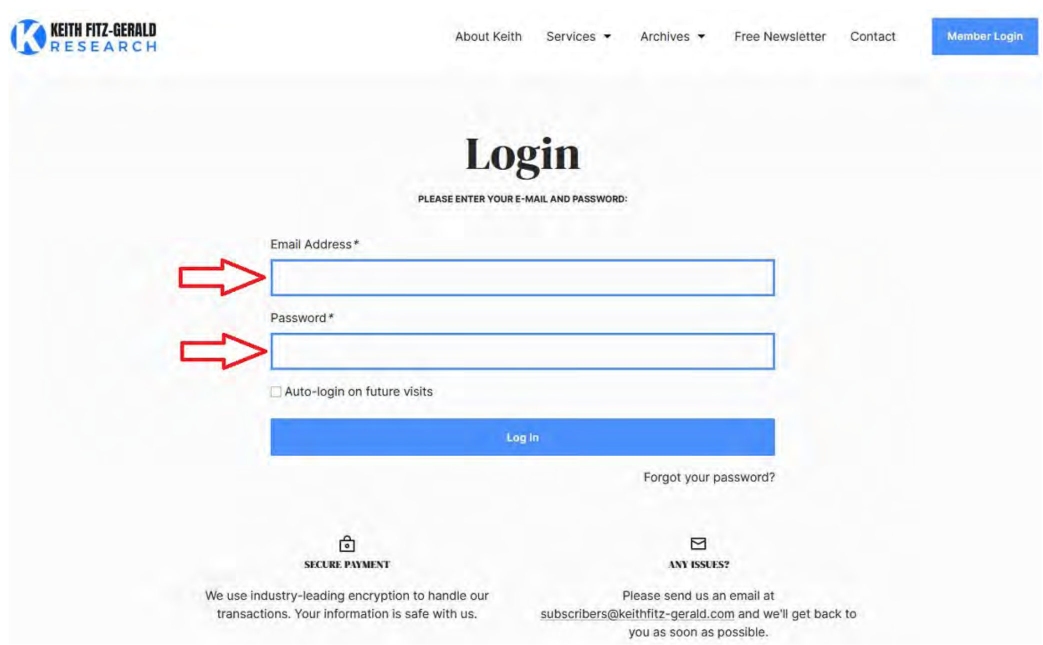
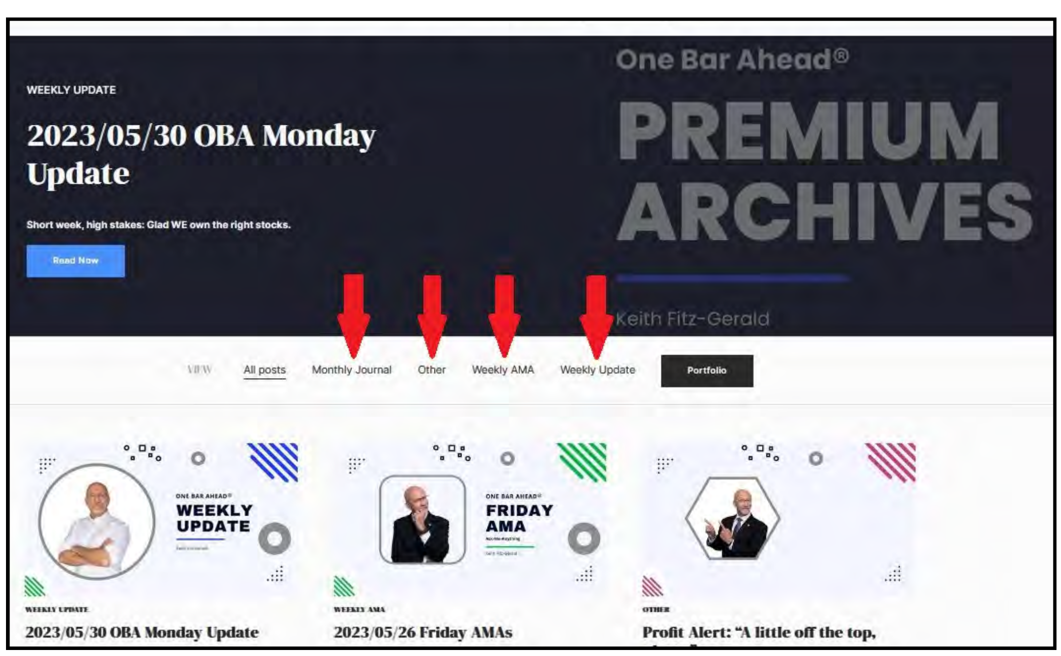


3. Filter by what you're looking for, and voila!



If you try the above steps and that doesn't work, please contact us at **subscribers@keithfitz-gerald.com**

Chapter 1

TIME FOR ZEROS!

Setting up what could be the best trade of 2024... in 2023

TIME FOR ZEROS!

> "There's nothing wrong with earning 5–6% on a bond. It just shouldn't take a year to do it."
>
> —Anonymous

What would you say if I told you now could be the perfect time to buy bonds? Moreover, that they could be one of the best "trades" you'll make next year?

Not just any ol' bond, though.

I'm talking about a super-specialized version that pays no income until maturity, that the IRS taxes you on meanwhile because it assumes you get paid anyway, and that is more volatile than most every other bond out there because it's so interest rate sensitive?

Would you think I've gone around the bend?

If you're like many investors, you may remember a time when bonds were considered to be the safest game in town, practically like watching paint dry—and how they've blown up spectacularly in recent years as Team Powell's gone on a rate hike bender.

Long-dated bonds—meaning those with a duration of 20 years or more—have been particularly hard hit.

Bank of America noted recently, for example, that some US 30-YR Treasuries have lost 50% of their value since the summer of 2020. While that's astonishing, similar long-dated international bonds have had it even worse, with one 100-Year Austrian bond shedding 75% over the same time frame, according to the New York Times.

Now investors are clamouring for yield, and rates could go the opposite direction.

The timing may be perfect for Zero-Coupon Bonds.

First, the basics.

What's a Zero-Coupon Bond?

Zero-coupon bonds—simply called "zeros"—are bonds that have no coupon, meaning they don't pay interest at a fixed, periodic rate like normal bonds.

Coupon, in case you're interested, is a term that dates back to the 19th century when bonds were issued on paper. Owners would clip the attached coupons, then present 'em to the issuer or a bank in exchange for interest payments.

These days, physical bond certificates are rarer than hens' teeth because of advances in electronic record keeping, but the term "coupon" is still used to describe the periodic interest payments bond holders are entitled to.

Anyway...

Zeros typically trade at a very deep discount and repay at par—meaning face value—when they mature because they don't pay interest in cold, hard cash over time, just at maturity.

You make your money based on the discount in the price paid to buy 'em and the par value—meaning what the bond is worth at maturity.

How Do They Work?

Here's an example adapted from Investopedia that'll help.

Imagine you want to buy a zero-coupon bond with a face value of $20,000 that matures in 20 years, with a 5.5% yield, and that you can purchase it for roughly $6,855.

At the end of the 20 years, you'll get your $20,000.

The difference between the $20,000 you will receive at maturity and the $6,855 you'll fork over now ($13,145) represents the imputed interest that compounds automatically until the bond matures.

I say roughly $6,855 because the discount is calculated by dividing the bond's face value by its yield and the time remaining until it matures. Generally speaking, the longer the time remaining to maturity, the deeper the discount.

If you're thinking cool beans when it comes to the prospect of no interest and the possibility of no taxes meanwhile… hold on to your bippies.

There is a catch.

The IRS is waaaaay ahead of you and assumes you need to pay taxes on any zero-coupon bonds you own until maturity as the interest (you haven't received) accrues. That's not as bad as it sounds, though, because you can hold zeros in tax-advantaged accounts, buy corporate zeros that may have tax-exempt status, or even buy zeros issued by municipalities. Or as is the case here, buy Treasuries that have been turned into zeros.

Are They Popular?

Yes, when rates are falling because bond yields and interest rates move in opposite directions. In fact, zeros can be about the most predictable bonds on the planet if you hold to maturity.

And especially if they're created through the Treasuries STRIPS program, which carves the principal and interest of eligible US Treasury bonds into principal and interest components that are then traded separately as two separate securities on secondary exchanges.

STRIPS, in case you're not familiar with the term, stands for Separate Trading of Registered Interest and Principal Securities. STRIPS are created by taking a Treasury bond with 10 or more years remaining to maturity and breaking it into separate, individual bonds, "stripping it."

Treasury STRIPS are particularly favoured because they're backed by the full faith and credit of the US government, which makes 'em among the safest bonds available today.

No doubt those in the weaker dollar crowd will take issue with that statement—and that's fair.

MyPOV is that we'll have quite a few other things to worry about if the USD goes to heck in a handbasket.

Why Do You Think Zeros Could Be One of the Best Trades of 2024?

Two reasons:

1. The ideal time to buy zero-coupon bonds is *before* rates start to fall or just ahead of a change in Fed rate policy while prices are dirt cheap; and,
2. Interest rates move in cycles. Rate hikes tend to play out over a period of years, but declines often happen much more quickly, which means that the potential for gains could be considerably faster than the losses that have pasted so many shocked investors over the past few years.

What's the Best Way to Buy Zeros?

My choice is the PIMCO 25+ Year Zero Coupon US Treasury Index Exchange-Traded Fund (ZROZ).

The fund invests exclusively in STRIPS, which are the final payments of US Treasuries with at least 25 years remaining until maturity and, as such, could be an ideal choice for savvy investors willing to bet on a decline in rates.

I like the fact that the fund is a basket of STRIPS because management handles the ongoing analysis needed to ensure the best performance possible. Moreover, bond funds typically offer a cost advantage over trying to DIY it. Plus, it's just convenient.

- The fund is down ~60% from a high of $187.59 on April 20, 2020 to about $75.72 as I type, which means that it's "on sale," comparatively speaking. ZROZ is trading at a slight discount to net asset value, too.
- The effective maturity is 27.46 years, and there are just 22 holdings, which parallels our emphasis on concentration.

- The 30-day SEC yield is 4.25% as of 11/24/23 while the estimated yield to maturity is 4.60%, also on 11/24/23.
- The gross expense ratio is 0.15%.

Action to Take:

There's obviously no way to predict what Team Powell and his merry marauders will do next. While I sense that he's beginning to see the light on more hikes, I would not rule out more shenanigans. In fact, my research leads me to believe that he will hike once more this year and once more in Q1 2024.

Moving now could be ideal, especially if you use tactics like Dollar Cost Averaging and Value Cost Averaging (VCA/DCA) to stage your entry while we wait for him and his squad of PhDs to do their thing.

Keep in mind that ZROZ will come under pressure if rates rise from here, which is why I insist on using DCA/VCA to control that risk ahead of time rather than after the fact, which is how most investors do it, if they think about managing risk at all.

Consider ZROZ a Zinger (the "10" in our proprietary 50/40/10 OBA Model Portfolio). If you're following along as directed, that means limiting a full position to 1–2% of overall investable assets.

And finally, check with a financial professional who knows your personal risk tolerance, circumstances, and situation. Bonds are a language all their own, especially when it comes to using 'em as a speculative investment, as is the case here.

Note to New Subscribers: I typically present several alternatives for each recommendation to ensure that everyone has a range of tactics to choose from.

Mixing and matching is encouraged but entirely dependent on your personal situation, risk tolerance, and circumstances (which I don't know). It's your money and your responsibility.

If you're interested in learning to use options (and I hope you are), we're going to roll out updated and new Options with Keith courses next year. Stay tuned.

Got questions about the tactics mentioned in this issue?

That's what the Friday AMA's are for.

Make sure you send your questions to **subscribers@keithfitz-gerald.com.**

My team and I read every email I get and try our best to answer every question, so I'd love to hear from you.

Chapter 2

3 SMART MOVES TO MAKE BY YEAR-END

3 SMART MOVES

Many investors spend all their time thinking about how to make money. That's fantastic, but it won't do you much good if you can't keep more of it.

Now's the time to think about doing both.

Why?

Because making a few smart moves now can help you set up a fabulous 2024.

Smart Move #1: Hold the Right Investments in the Right Accounts.

Generally speaking, you want to hold comparatively tax-efficient investments like stocks, index funds, master limited partnerships (MLPs), and ETFs in regular, non-retirement brokerage accounts. Tax-advantaged investments like municipal bonds could be a great fit, too.

This is particularly true if you've got short-term investment goals like saving for a car, making a down payment on a house, or have other anticipated short-term needs that will require access to your money.

If you can leave it alone for a while—your money, that is—consider putting all the inefficient stuff, like bonds, high-dividend stocks, and real estate investment trusts (REITS) into retirement accounts where taxes are minimized. If you're a good trader, that's also a very attractive way to potentially minimize taxes.

While we're at it, now's the time to review your workplace retirement accounts to ensure they're set up for optimal investing as well as any stock or equity compensation elections you need to make before year-end.

If you've got questions about what goes where, by all means ask a financial professional who is familiar with your personal situation while there's time to take action!

Smart Move #2: Lose Money Selectively.

Normally, I hate taking losses, but if you're coming into the end of the year with some big winners, it can really pay off to let some of your underperformers go at a loss before the year ends. That's because the IRS allows you to use capital losses as a way to offset recognized capital gains.

The current maximum net capital loss in any tax year is $3,000 for individuals and those who are married filing jointly, and $1,500 for those who are married but filing separately.

Excess losses—meaning any unused capital losses that exceed the $3,000 threshold—can be rolled forward and claimed in future years or used to offset future gains and, in one of the few pieces of good news associated with our tax code, do not expire.

Smart Move #3: Donate to Your Favourite Charities.

Donating to charity can not only make you feel fabulous but can do a heck of a lot of good for those who need help. What's more, donating can potentially reduce your taxable income, too.

Be sure to check with a financial professional first, though, because not all donations are as tax efficient as you'd think.

For example, many people want to sell stocks, real estate, or other non-cash assets that have appreciated significantly and *then* donate the proceeds. But gifting the assets *directly* to the charity may make more sense.

Generally speaking, doing so can help you mitigate or eliminate the capital gains tax that would otherwise be incurred from selling the assets—as long as you've held them for over a year—while claiming a charitable deduction for the fair market value of the assets.

Perhaps more importantly, eliminating the capital gains tax can further boost the amount available for charities by up to 20% as well (which strikes me as a good thing)!

Donating private business interests, including C-Corp, Limited Partnership, or Limited Liability Company interests, has also become popular in recent years. This can be a particularly effective strategy if the interests have been held more than one year, have appreciated significantly over time, and retain more value than other assets you may be considering for donation.

Giving a percentage of privately held business interests generally eliminates the long-term capital gains tax that you would otherwise incur if you sold the assets first and then donated the proceeds. Current tax code allows you to claim a charitable deduction for the fair market value of the assets as determined by a qualified appraiser.

Two of our long-time faves—just in case you'd like to throw a few bucks their way—are the Navy SEAL Foundation and Pet Partners.

As with all things in tax law, there are some limitations that apply to charitable donations, so please consult with your tax advisor to maximize charitable donations that fit your specific tax situation.

Thanks to the hopelessly convoluted nature of our tax system, there's also a multi-billion-dollar industry centered on "internationalizing" your assets. Some of the more commonly accepted practices that can take legally saving money to the next level include relocating offshore, reincorporating your assets in far-flung places, or forming family trusts, just to name a few alternatives. But be very, very careful. It's hard to know if you're getting good—or even legal—advice.

In closing, let me leave you with a thought.

I don't believe anyone should pay more tax than necessary. Despite that, the way I see the world under our current tax regime, paying taxes is a good thing because it means you've had a good year.

What I have a problem with is forking over money to a government that wastes it and is acting at the expense of the people it ostensibly serves. But that's just me—you may have a different opinion, and I respect that completely.

KF

DIVIDEND FORTUNE BUILDERS

Let's Get Trashy

Let's get trashy!

Imagine being able to completely cover the state of Delaware with a pile of trash that's 200 feet high. That's so much trash, it would cover 9 million football fields, each evenly stacked with junk up to 200 feet.

Impossible, you say?

The world did just that in 2022.

We chewed up and spit out roughly 2.01 billion tons of waste, according to Frank Van Woerden, author of *What a Waste 2.0*. By comparison, we produced 1.3 billion tons globally in the year 2000.

That's a 53% increase in 22 years.

There is no question in my mind that this trend *will* continue to grow, which makes it one of the most important investment opportunities on the planet today.

And, of course, we do need somebody to manage all that trash.

Waste Management (WM) is the dominant player in the United States in that industry with a 53.86% market share as of the end of Q3 2023.

What's more, the company has consistently increased dividend payouts since 2004—at an average rate of 10.81% a year! And they've never missed a payment.

Waste Management is overlooked by many investors who simply don't understand the numbers.

Here's the breakdown.

Waste Management has a 5-year compound annual revenue growth rate (CAGR) of 6.34%, which shows us that the company is growing revenues consistently. In 10 years and at that pace, we could be talking about a 71.56% increase.

Why is that important, you ask?

Remember something we talk about all the time... *revenue directly translates to earnings after all expenses are taken into account.*

Waste Management has a payout ratio of 42.68% quarterly, meaning 42.68% of their earnings are paid out as dividends to us, the shareholders. That means there is plenty of money left over for reinvestment and growth that management can plow back into the company, which, of course, should produce ever more profit potential for investors.

WM's dividend yield is 1.63% as I type, which sounds low in an era of 5% Treasuries, but don't forget that the company's grown dividends by an average of 6.61% over the past decade.

Not for nothing, the stock has returned 106.78% over the past 5 years and 366.64% over the past decade.

Our target is $180.38, and shares are currently sitting near 52-week highs at $170.55. That's only $9.83 away from our target, which, if we hit that in the weeks ahead like I think we will, is gonna be adjusted higher.

Continue to accumulate/reinvest.

KF

With the assistance of Andre (Dre) Appleton, our newest ace-analyst

Chapter 4

PORTFOLIO REVIEW

Plus the Fund Folio™ and the December OBA 50™

Foundation Stones (50%)

This category contains companies intended to be the base around which all other choices are built and will account for roughly 50% of overall investable capital. The intent is to create stability that gives you the freedom to pursue more aggressive choices in the other two tiers over time.

There will be some turnover here but, odds are, not much over time because the emphasis is on fundamental underpinnings in line with the 5Ds.

Global Growth & Income (40%)

This category houses companies offering a unique twist on one or more of the "5Ds" or which are technically of interest and will represent roughly 40% of overall investable capital. The goal with this segment is appreciation potential AND an income boost so expect to see dividend payers and players here.

Turnover here may be based on a combination of technical and fundamental data and may be slightly higher. Market action could also trigger entries and exits.

Zingers (10%)

This category is home to the most speculative choices and will account for roughly 10% of overall investable capital.

Zingers are fundamentally compelling but are going to be selected based on a higher relative technical analysis weighting using the OBA engine and the MMI specifically.

Expect turnover to be highest in this tier based on technical market action. The probability of losses is highest in this segment.

"Vegas Money"

Vegas Money is exactly like it sounds - it's where we put the stocks that can be heroes or zeros.

Not every stock will be a winner; in fact, quite a few probably won't to be blunt. We'll control risk by position sizing before we buy once we've identified an opportunity that interests us.

This means keeping positions small enough that you don't care if they flame out completely but big enough that you'll feel good if and when they do take off.

0.5%-1.0% each or less at your discretion. Skip entirely if this much risk makes you uneasy.

Hedges

Studies show having between 1-3% in non-correlated investments can help take the sting out of otherwise painful down days by dampening overall portfolio volatility. The tradeoff, of course, is that you give up some upside but that's acceptable to me given current market conditions. 3-5% may be prudent if conditions continue to deteriorate.

SH, PSQ, DOG and **RYURX** are 1:1 inverse funds which make them perfect for the task. **UVXY**, though, is a 1.5X hedge designed only for short-term holds at best which is why I advocate using it very opportunistically when the risks of a downdraft are highest.

Position Sizing Guidelines	
Foundation Stones	50%
Global Growth and Income	40%
Zingers	10%
Hedges/Inverse	1-3%
Vegas Money	Investor's discretion

**Every OBA reader is encouraged to work with a financial advisor to adjust the suggested percentages as needed to reflect your specific financial situation, risk tolerance and circumstances.*

A special note for new subscribers

The One Bar Ahead® Model Portfolio remains in **Accumulate Mode.**

Missing opportunity is the more expensive proposition than trying to avoid risks you cannot control.

If you've just joined us and that statement doesn't make sense, please see Masterclass #1. It will, particularly when you understand that the markets have a very pronounced upside bias over time.

Profit targets and trailing stops are published as a convenience for those who need the money or who simply prefer to use 'em.

The portfolio will return to **Trending Mode** if and when there is an identifiable, sustainable push higher. You'll know because the Bull/Bear State Indicator will reflect that. And, of course, I'll remind you. 😊

New OBAers: I suggest establishing positions using Dollar Cost Averaging or its lesser-known cousin, Value Cost Averaging. This lowers risk "on the way" into stocks while boosting returns over time and keeping otherwise frayed emotions out of the equation. Reinvest as your share count increases to magnify compounding and profit potential.

Existing OBAers: I suggest "tinkering" with core holdings to rebalance risk and harvest profits. Reinvest dividends to boost income and magnify compounding. Doing so helps lower your tax basis while also boosting profit potential over time. It also keeps emotions at bay.

All data as of November 30, 2023

A quick note from Keith: Thanks to everyone for your feedback—it looks like the alphabetic order is a hit, but we fell short when it comes to labelling each recommendation. So, we're going to do that this month and potentially add colour coding next month. We're even working on a graphic "key" of sorts. As always, your feedback is both welcomed AND encouraged! 😊

AbbVie Inc. (ABBV)

Growth & Income

Beta
0.47

Yield
4.21%

30d
Δ vs SPX
-8.00%

Total
α vs SPX
-11.90%

Notes

It's been a slow news month for AbbVie, save two items.

First, the company's migraine drug Ubrelvy has proven to proactively prevent or reduce a migraine if taken in the prodrome phase of the migraine. That's the earliest stage where most people suffering from the condition realize a migraine seems to be coming around the corner. The symptoms during that stage are sensitivity to light/sound, fatigue, and neck pain. Migraines affect about 40 million Americans, so the market for this drug is sizeable.

And second, management just announced a dividend boost to $1.55 per share, a 4.73% hike. Critics are quick to point out that ABBV's dividends were greater than its profits before the announcement, but I don't see that as a problem. ABBV generates more than enough free cash flow to cover the anticipated payout.

AbbVie is currently sitting 17.74% above 52-week highs. The 24-analyst median price target for AbbVie has also increased 21.66% to $168.50. My target is $180.

Instructions: Continue to accumulate/ reinvest.

Advanced Micro Devices, Inc. (AMD)

Growth & Income

Beta
1.75

Yield
0.00%

30d
Δ vs SPX
14.00%

Total
α vs SPX
-3.43%

Notes

It's an exciting month for AMD thanks to new products, new partnerships, and a significant jump in its share price.

I am particularly keen to see what AMD does now that it's teamed up with Microsoft as a way of bringing AI capabilities to Azure Cloud Services as well as Windows PCs using AMD processors and accelerators. The company is also closer to the release date of the powerful MI300 and has announced a launch event on December 6, 2023.

I expect both to translate into higher top and bottom-line results ahead.

Instructions: Continue to accumulate/ reinvest.

Ammo, Inc. (POWW)

Vegas Money

Beta
1.63

Yield
0.00%

30d
Δ vs SPX
-39.00%

Total
α vs SPX
-56.77%

Notes

AMMO Inc. biffed it with a double miss. Expected revenue was $34.46M, but the company posted $34.37M instead. What's more, management turned in EPS of $0.00 instead of the expected $0.03. Ouch!

Management just can't seem to get out of its own way.

As frustrating as this may seem, this is exactly why we kept our exposure to a minimum and treated shares as "Vegas" money.

Instructions: Let's move on to greener pastures—sell.

Apple Inc. (AAPL)

Foundation Stones

Beta
1.22

Yield
0.50%

30d
Δ vs SPX
2.00%

Total
α vs SPX
27.19%

Notes

Analysts expected revenue of $89.4B and EPS of $1.39 but, in fact, got $89.5B and $1.46 per share, respectively—a "double beat."

Not that I'm surprised or that you should be either.

Apple continues to set the bar in every product category and every consumer segment. Moreover, revenue reached an all-time high in emerging markets, including the best September ever in China.

I particularly like the fact that Apple returned $25 billion to shareholders in the form of dividend payouts, stock buybacks, and more in Q3.

Instructions: Continue to accumulate/ reinvest.

CareTrust REIT, Inc. (CTRE)

Growth & Income

Beta
0.77

Yield
4.77%

30d
Δ vs SPX
-2.00%

Total
α vs SPX
28.81%

Notes

CareTrust beat top-line estimates by 2%, posting $55.88M, but missed bottom-line expectations by 3.74% when it posted EPS of $0.23.

I'm not particularly bothered because the company has an exceptionally strong balance sheet, continues to collect 95% of contractual rents, and, according to CEO Dave Sedgwick, has a deal flow pipeline of roughly $175 million.

We're all getting older, and this is one of the few REITs with the specialization needed to sidestep brewing trouble in Class A and traditional retail property-driven REITs.

Instructions: Continue to accumulate/ reinvest.

Chevron Corporation (CVX)

Growth & Income

Beta
0.61

Yield
4.13%

30d
Δ vs SPX
-9.00%

Total
α vs SPX
62.86%

Notes

Buffett's Berkshire keeps selling, but I say keep buying.

For one thing, Chevron remains a key Berkshire holding and, in fact, is the 5th largest holding after Apple, BoA, Amex, and Coca-Cola.

For another, the company continues to be one of the least debt-driven of all the energy majors, which means that it efficiently moves revenue from the top line to the bottom. Share prices simply have disconnected for the moment, based on a perceived drop in dinosaur juice worldwide, not anything that's changed within the company itself.

Keep in mind that Chevron has increased dividends every year since 1988 and paid quarterly since 1984.

I am hard pressed to think of a more compelling choice at the moment!

Instructions: Continue to accumulate/ reinvest.

Costco Wholesale Corporation (COST)

Growth & Income

Beta
0.95

Yield
0.67%

30d
Δ vs SPX
-1.00%

Total
α vs SPX
31.59%

Notes

Costco shares just hit a new 52-week high on the back of resilient renewal rates (92.7% as of Q2 2023, according to CFO Richard Galanti), and new locations that are having a positive impact on the P&L.

It's also one of few stocks that the late investing legend Charlie Munger—aka Buffett's sidekick—held personally after Berkshire Hathaway sold. No doubt he saw many of the same things we see.

Notes (contd)

Costco is set to report earnings on December 14.

Instructions: Continue to accumulate/ reinvest.

CrowdStrike Holdings, Inc. (CRWD)

Zingers

Beta
1.49

Yield
0.00%

30d
Δ vs SPX
25.00%

Total
α vs SPX
16.17%

Notes

CrowdStrike reported a double beat by posting $786.01M top line and EPS of $0.81. Shares also recently reached $187.49, which means you should have another FreeTrade opportunity on your hands with any shares that have now returned 100% or more.

As noted in our most recent Monday update on 11/27/2023, CRWD has plenty of room to run.

Not many people are focused on this yet, but our newest ace-analyst Dre pointed out that the company plays a key role in urban infrastructure, especially when it comes to autonomous vehicles, smart traffic signals, and an open data hub.

That's cool with me... Forbes projects 43 smart megacities, each with over 10 million inhabitants, in the next 6 years!

Instructions: Continue to accumulate/ reinvest.

General Mills, Inc. (GIS)

Growth & Income

Beta
0.11

Yield
3.57%

30d
Δ vs SPX
-11.00%

Total
α vs SPX
-30.33%

Notes

We're still underwater to the tune of roughly 12% or so since I brought GIS to your attention. I'm not happy about that, but I'm not ready to give up anytime soon either.

Notes (contd)

We own GIS for three reasons: 1) it's a reliable dividend payer with a true shareholder yield of 5.61% versus the listed 3.60% dividend yield commonly cited on most financial sites; 2) it's poised for growth as COVID-era and inflation-challenged supply chains get restored; and 3) GIS has 100+ name brand products in the stable, including Cheerios, Cinnamon Toast Crunch, and Lucky Charms, to name a few—making it a "must have" consumer power player.

I'm also excited to see that General Mills purchased Fera Pets, Inc., the first purchase in the company's new growth equity fund. It's a page right outta the ol' tech playbook. Google, for example, started Google Ventures in 2009 and today has more than $8B under management via 400+ investments across North America and Europe, according to Yahoo! Finance.

Instructions: Continue to accumulate/ reinvest.

Gilead Sciences, Inc. (GILD)

Growth & Income

Beta
0.54

Yield
0.00%

30d
Δ vs SPX
6.00%

Total
α vs SPX
4.71%

Notes

Gilead recently reported a stellar double beat. Revenue was reported at $7.05B versus $6.79B expected. EPS came in at $2.29 versus $1.91 expected, a 19.68% beat.

Cost management is the real shiner here. The company paid off $2.3 billion in debt, distributed dividends of $953 million, and repurchased $300 million in common stock—all of which reinforces the confidence I have in where it goes next.

Instructions: Continue to buy/ accumulate.

JPMorgan Chase & Co. (JPM)

Foundation Stones

Beta
0.52

Yield
3.86%

30d
Δ vs SPX
8.00%

Total
α vs SPX
39.86%

Notes

CEO Jamie Dimon made headlines earlier this week saying that the US economy is on a "sugar-high" and to be prepared for a recession. I agree—and we are prepared, thanks to a blend of world-class, must-have companies and the tactics we use to buy 'em, among other things.

As scary as his comments may seem, keep this in mind… you can bet dimes to dollars that Dimon has his bases covered. JPM's balance sheet is like a fortress, and his product suite is well positioned to keep the money moving. Regional banks are not out of the woods yet, which means a big bank like JPM is still the place to be.

Case in point, Onyx. It's an outgrowth of the bank's ongoing digital currency/ clearing projects that have been underway since at least 2017 when I first shared 'em with investors. JPM currently processes about $1B a day through Onyx and is on track for $2B since launching the program in 2020.

Instructions: Continue to accumulate/ reinvest.

Lockheed Martin Corporation (LMT)

Growth & Income

Beta
0.52

Yield
3.86%

30d
Δ vs SPX
-11.00%

Total
α vs SPX
24.40%

Notes

The world is a complicated place at the moment, which means a stock like LMT remains a no-brainer. People continue to focus on quarterly earnings, but what they're missing is that defence is a long-cycle game—meaning it can take years to bring something from the top line to the bottom.

Notes (contd)

The number to focus on here is the company's backlog, which sits at ~$156 billion as of 10/17/2023.

While we're at it, remember that LMT is the player when it comes to next-gen hypersonics and defending against anything America's enemies can throw, shoot, or toss our direction.

Defence, for better or for worse, remains a growth industry.

Instructions: Continue to accumulate/ reinvest.

McDonald's Corporation (MCD)

Growth & Income

Beta
0.64

Yield
2.37%

30d
Δ vs SPX
1.00%

Total
α vs SPX
-4.65%

Notes

MCD continues to be one of my favourite tech companies; it just happens to make hamburgers. Case in point, food sales are roughly 1/3 of revenues but just 1/8 of profits.

Global sales are growing at roughly 8% a year, but I think profits are going to grow even faster thanks to an emphasis on app-based marketing, kiosks, and refined menu options that streamline kitchen operations.

News that Unka Ronnie is increasing its Carlyle's China stake is exciting because MCD management wouldn't make the deal if it didn't see bigger profits ahead.

News also broke as we went to press that the company will be making more than 50 changes to its burgers!

Instructions: Continue to accumulate/ reinvest.

Microsoft Corporation (MSFT)

Foundation Stones

Beta
1.12

Yield
0.73%

30d
Δ vs SPX
3.00%

Total
α vs SPX
30.56%

Notes

I stopped the super-savvy Stuart Varney cold earlier this month when I said that not only has Microsoft won the AI wars, but that I see $500 a share within the next 12–24 months. That, or a stock split.

Either way, AI is what you want to watch.

For every $100–$120 spent on Azure and AI, there's another $100 in AI-related spending. That could translate into $150B or more in that business segment alone, and that's not priced into shares at the moment.

Instructions: Continue to buy/ accumulate.

NIO Inc. (NIO)

Foundation Stones

Beta
1.56

Yield
0.00%

30d
Δ vs SPX
-9.00%

Total
α vs SPX
-71.28%

Notes

Nio reports earnings on December 5, 2023, and I will be watching closely… but not for the numbers.

Nio is one of two Chinese automakers we own because both are following Toyota's playbook from the late 1960s and early 1970s to the page. And yes, I think it's got Toyota-like potential, which is why I'm willing to put up with short-term price pressure, as long as they stick to the plan.

Nio has partnered with Changan (a major state-owned automotive manufacturer) in Chongqing, China, to establish a battery swap network and develop swappable vehicles. This may be a viable challenger to Tesla's charging network if the concept catches on.

Notes (contd)

Rather than having to wait for a charge, Nio owners simply swap out their batteries like you swap out a propane tank at the grocer.

Instructions: Continue to hold.

NVIDIA Corporation (NVDA)

Zingers

Beta
1.96

Yield
0.02%

30d
Δ vs SPX
6.00%

Total
α vs SPX
115.13%

Notes

Nvidia reported blockbuster results, beating analyst expectations for both revenue and income—another "double," in KeithSpeak. Revenue came in at $18.28B, or $2.01B and 12.47% more than analysts' expectations. Meanwhile, the company beat bottom-line expectations by $0.63 and 18.73%!

AI is clearly the game here, but what most investors have not yet begun to understand is the company's dominant lead in specific segments that have the possibility for huge growth. For example, "digital health" market size is estimated to grow at a CAGR of 25.8% between 2022 and 2027, which would translate into USD $563.59B, according to MarketWatch.

The company will pay a quarterly cash dividend of $0.04 per share on December 28, 2023, to all shareholders of record on December 6, 2023.

PepsiCo, Inc. (PEP)

Growth & Income

Beta
0.47

Yield
2.85%

30d
Δ vs SPX
6.00%

Total
α vs SPX
12.83%

Notes

There's a lot of concern about dawning health awareness when it comes to sugary sodas and the impact this could have on businesses like Pepsi. Most of it is totally overblown.

Management is adapting and will continue to adapt.

Notes (contd)

Case in point, "the demand for lemon-lime flavoured soda has never been greater, with category growth accelerating since 2019, there's a significant opportunity now to give people a choice in an area that's been dominated by one brand for years," the company shared in a press release.

This was on the back of their release of the newest Pepsi brand, "Starry," which clearly positions it as a Sprite-killer and targets a younger demographic.

Makes sense... researcher Euromonitor says 10% of all carbonated soft drinks sold in the US are lemon-lime, and Sprite and Sprite Zero account for almost three-quarters of that.

Don't forget that, like GIS, Pepsi has a world-class brand portfolio of edibles, including Fritos, Ruffles, and Cheetos, to name a few.

Instructions: Continue to accumulate/reinvest.

Pfizer Inc. (PFE)

Growth & Income

Beta
0.54

Yield
5.35%

30d
Δ vs SPX
-8.00%

Total
α vs SPX
-39.66%

Notes

Pfizer is down 35% or so YTD, and many investors are scratching their heads as to why.

There's a very simple explanation.

The go-fast crowd (which is, I might add, leveraged up to their eyeballs) is simply stomping on the stock as a way to shake the weak money out.

The "story" being reported—a drop-off in COVID-related revenue—sounds good but isn't even remotely the whole story.

Notes (contd.)

This is one of those moments where a) you look to the company itself, and b) remember that every one of the tech giants posting triple-digit gains we're enjoying now started in the doghouse at a time health stocks like Pfizer soared to new highs.

Pfizer has consistently reported strong growth from non-COVID products, even as it lowered expectations for its COVID-related products. Operational revenue growth excluding COVID products was 10% in Q3 2023 versus last year, for example. At the same time, Pfizer has reported multiple new regulatory approvals and product launches in the same quarter, including 13 out of 19 planned.

And finally, the company's new $3.5+ billion cost savings program will take hold shortly, which is why I expect to see higher operating margins and shareholder value soon.

Buying now when everybody "knows" it's a dog makes perfect sense.

Instructions: Continue to accumulate/ reinvest.

Palantir Technologies Inc. (PLTR)

Growth & Income

Beta
1.82

Yield
0.00%

30d
Δ vs SPX
27.00%

Total
α vs SPX
-0.36%

Notes

I've told you for months and about $7 a share that there would come a day when Team Karp would post such good numbers consistently that Wall Street would have a hard time keeping it down.

PLTR has roared higher this year and is 242.55% off 52-week lows, 211.60% YTD alone. Chances are you've had several opportunities to convert at least a few shares to FreeTrade status if you're following along as directed.

Notes (contd.)

The company recently posted a double beat, meaning it exceeded earnings on both the top and bottom lines.

What catches my attention is CEO Alex Karp's statement that clients—and I am paraphrasing here—can't get enough of the company's services. Recent contract wins include: a $250 million from the US Defence Department, a $360M contract from the UK's NHS, and $463M from USSOCOM.

More importantly, big money managers including Two Sigma Investments, Renaissance Technologies, and Coatue Management have all purchased millions of shares, according to the latest SEC filings. This is proof positive that they're tracking the same profit potential we are as the company grows.

Instructions: Continue to accumulate/ reinvest.

PIMCO Strategic Income Fund, Inc. (RCS)

Foundation Stones

Beta
0.71

Yield
10.24%

30d
Δ vs SPX
10.00%

Total
α vs SPX
-1.73%

Notes

As expected, RCS is beginning to wake up as the Fed positions for a pause or even lower rates. That makes sense because it's a specialized closed-end fund intended to generate a level of income higher than high-quality, intermediate-term US debt securities.

RCS has returned 10.21% YTD (at NAV) and 23.68% (at MOP). The daily NAV distribution rate is an appealing 14.43%.

I expect shares to power up if and when Team Powell finally sees the light, which means that after getting pummelled in 2020 and 2022, there could be some growth on tap too.

Instructions: Continue to accumulate/ reinvest.

Rocket Lab USA, Inc. (RKLB)

Zingers

Beta
1.76

Yield
0.00%

30d
Δ vs SPX
-5.00%

Total
α vs SPX
-70.38%

Notes

Rocket Lab posted a double beat, but not by much. Top line came in at $67.66M while the bottom line was $-0.04 EPS when $-0.05 was expected.

The low-orbit space business is potentially very lucrative—with some experts projecting that the market could reach $1T within a decade. I think that's low when you factor in related spending, btw.

RKLB remains the dominant player when it comes to small satellites, because of its efficiency and comparatively low price point when it comes to sending stuff up. The company even reused an engine for the first time.

I like owning RKLB in conjunction with LMT and RTX because it's now involved in the DOD's hypersonic programs. The company plans to 3D print a Mach 5 suborbital vehicle and test it by mid-2025.

Instructions: Continue to accumulate/reinvest.

RTX Corporation (RTX)

Growth & Income

Beta
0.64

Yield
2.84%

30d
Δ vs SPX
-8.00%

Total
α vs SPX
-30.46%

Notes

The engine recall a couple months back continues to haunt shares, which are down 20.48% YTD and 28.10% below the 52-week high.

History suggests this is a tailor-made situation for smart investors like us and despite Wall Street's best efforts to discredit the stock (while, I suspect, buying it behind the scenes).

Notes (contd.)

Remember, this is an industry where "revenue has increased at a CAGR of 4.6% over the past five years, reaching $40.1 billion, including a 3.3% increase in 2023 alone," according to IBIS world.

RTX continues to secure defence contracts like the $870 million contract it just landed from the US Air Force. And, not for nothing, the backlog totals $190 billion.

Instructions: Continue to accumulate/reinvest.

iShares 1–3 Year Treasury Bond ETF (SGOV)

Cash Alternatives

Beta
0.00

Yield
4.56%

30d
Δ vs SPX
-8.00%

Total
α vs SPX
5.03%

Notes

I suggested SGOV because it's convenient, easy to own, and a great cash alternative with the US10YR at 4% +.

Continue to roll excess cash into it (or a short-term Treasury alternative if your broker offers one).

Tesla, Inc. (TSLA)

Growth & Income

Beta
2.05

Yield
0.00%

30d
Δ vs SPX
11.00%

Total
α vs SPX
-24.11%

Notes

Lightning rod CEO Elon Musk doesn't shy away from controversy, and Tesla's stock price reflects that. People got bent outta shape because prices dropped recently, but I told you to "zoom out."

As I write, Tesla has returned 18.11% over the past month, 98.77% YTD, and 967.77% over the past 5 years.

Love him or hate him, Musk's mojo is impressive. The company's charging network is well on its way to being the global standard, he's moving into AI, self-driving vehicles, insurance, power trading, and more.

Notes (contd.)

Wall Street desperately wants to shake out the weak money so it can buy shares. Billionaire Ron Baron and I both see the business growing rapidly, even though we also both agree that Musk himself will likely continue to drive folks crazy.

Visionaries are like that.

Instructions: Continue to accumulate/ reinvest.

VanEck CLO ETF (CLOI)

Foundation Stones

Beta
0.03

Yield
5.32%

30d
Δ vs SPX
-8.00%

Total
α vs SPX
-16.29%

Notes

CLOI has returned 9.01% since I brought it to your attention on 10/07/22. It invests in investment-grade collateralized loan obligations of any maturity and is actively managed… which means that it offers incremental yield—a "pickup" in Wall Street Speak—while having built-in protection against credit losses that would otherwise be associated with similar non-collateralized debt.

The comparative stability is attractive because CLOs (Collateralized Loan Obligations) typically demonstrate lower-than-average sensitivity to interest rate changes.

That said, the total return is 10.76% over the past 12 months, a little less than the JPMorgan Collateralized Loan Obligation it's benchmarked against, which has returned 10.90% over the same time frame.

I'm watching this carefully, so please stay tuned.

Instructions: Continue to accumulate/ reinvest.

Waste Management, Inc. (WM)

Growth & Income

Beta
0.55

Yield
1.61%

30d
Δ vs SPX
-5.00%

Total
α vs SPX
3.61%

Notes

See this month's Dividend Fortune Builder: Get Trashy!

XPeng Inc. (XPEV)

Vegas Money

Beta
1.86

Yield
0.00%

30d
Δ vs SPX
6.00%

Total
α vs SPX
-53.34%

Notes

XPeng reported mixed earnings. Top line was $1.18B, down 0.91% from estimates of $1.19B, and bottom line barely skimmed past expectations by $0.01 at $-0.45.

As is the case with NIO, I'm willing to put up with the short-term headwind as long as the company continues to run from Toyota's playbook. Deliveries continue to increase, as does revenue. I'm beginning to think XPEV may move to the head of the class in China, particularly if the company's self-driving program shows promise and the company achieves use as planned in 50 mainland cities by the end of 2024. I'm also beginning to think it could be a viable Tesla challenger in that sense.

Instructions: Continue to accumulate/ reinvest.

YieldMax TSLA Option Income Strategy ETF (TSLY)

Zingers

Beta
2.32

Yield
73.44%

Notes

I recommended TSLY as a way to potentially augment shares in TSLA. It's returned -8.37%, but like Tesla itself, I think it's worth holding.

30d
Δ vs SPX
-2.00%

Total
α vs SPX
-8.16%

Notes (contd.)

Keep in mind that *TSLY is an extremely speculative recommendation that will not take defensive positions during adverse market conditions, so please do NOT invest if this makes you nervous.*

The yield—because of the specialized options strategy the fund's managers use—is an eye-watering 73.37%... and no, that's not a typo.

Instructions: Continue to accumulate/reinvest, but use position sizing to limit risk by maxing out this holding at 1–2% of total investable assets.

Hedges (as needed/desired)

Notes

I continue to believe that we are closer to the end of rate hikes than the beginning of a new cycle higher. Still, I expect Powell to hike rates one more time this year and again in Q1 2024. That's why I still believe it's prudent to keep our hedges in place for at least a little while longer.

SH

ProShares Short S&P500 (SH)

RYURX

Rydex Inverse S&P 500 Strategy Inv (RYURX)

PSQ

ProShares Short QQQ (PSQ)

DOG

ProShares Short Dow30 (DOG)

SPKX

ConvexityShares 1x SPIKES Futures ETF (SPKX)

Shares stopped trading on November 14, 2023, and proceeds were distributed to shareholders in the amount of $7.4472128 per share on November 28. No word on when or if trading will resume.

Notes (contd.)

Personally, I think it's a sad state of affairs because the SPIKES futures were the CBOE's *only* viable VIX competitor and, as such, a potentially powerful arrow in our quiver.

Foundation Stones	PORTFOLIO WEIGHT
Vanguard U.S. Quality Factor ETF (VFQY)	32%
Pimco Strategic Income Fund (RCS)	18%

Global Growth and Income	
BlackRock Science and Technology Fund (BST)	31%
Pfizer Inc. (PFE)	4%
Altria Group Inc. (MO)	2%
AbbVie, Inc. (ABBV)	2%
iShares MSCI Japan ETF (EWJ)	2%

Zingers	
BlackRock Science and Technology Fund (BSTZ)	9%

OBA Fund Folio™

My research suggests that Big Tech may have another 10-15% run ahead if earnings develop the way I expect them too.

This should translate into some healthy gains for the entire Fund Folio.

While that's great, it may also mean another mid-year adjustment to pare down risk while increasing upside capture.

Stay tuned!

KF

PORTFOLIO REVIEW

One Bar Ahead® Model Portfolio

PORTFOLIO DETAILS										
11/30/2023	STOCK	REC DATE	ENTRY $	CURRENT	BETA	YIELD	Profit/Loss	STOP	12-24mo Target	Last Instruction
FOUNDATION STONES	AAPL	1/8/2021	$ 129.76	$ 189.97	1.22	0.51%	46.4%	See October '23 Issue	$ 300.00	Buy/Accumulate
	CLOI	10/7/2022	$ 47.95	$ 52.26	0.03	5.52%	9.0%	See October '23 Issue	$ 52.00	Buy/Accumulate
	JPM	3/7/2022	$ 122.36	$ 153.38	1.00	2.70%	25.4%	See October '23 Issue	$ 175.00	Buy/Accumulate
	MSFT	3/7/2022	$ 274.46	$ 381.28	1.12	0.80%	38.9%	See October '23 Issue	$ 500.00	Buy/Accumulate
	RCS	10/1/2021	$ 5.46	$ 5.62	0.71	14.43%	2.9%	See October '23 Issue	$ 8.25	Buy/Accumulate
Global Growth	ABBV	2/3/2023	$ 140.89	$ 138.52	0.46	4.37%	-1.7%	See October '23 Issue	$ 180.00	Buy/Accumulate
	AMD	8/4/2022	$ 103.91	$ 110.46	1.75	0.00%	6.3%	See October '23 Issue	$ 132.65	Buy/Accumulate
	COST	8/6/2021	$ 442.25	$ 593.96	0.95	0.69%	34.3%	See October '23 Issue	$ 634.34	Buy/Accumulate
	CTRE	6/6/2022	$ 16.49	$ 22.95	0.77	4.86%	39.2%	See October '23 Issue	$ 25.00	Buy/Accumulate
	CVX	9/3/2021	$ 89.51	$ 146.05	0.61	4.23%	63.2%	See October '23 Issue	$ 219.00	Buy/Accumulate
	GILD	3/7/2022	$ 55.99	$ 74.33	0.54	3.92%	32.8%	See October '23 Issue	$ 107.90	Buy/Accumulate
	GIS	7/5/2022	$ 71.92	$ 63.77	0.12	3.72%	-11.3%	See October '23 Issue	$ 93.46	Buy/Accumulate
	LMT	11/5/2021	$ 322.08	$ 450.56	0.48	2.80%	39.9%	See October '23 Issue	$ 502.02	Buy/Accumulate
	MCD	7/17/2023	$ 293.10	$ 281.84	0.64	2.37%	-3.8%	See October '23 Issue	$ 364.44	Buy/Accumulate
	PEP	11/3/2023	$ 150.00	$ 169.25	0.47	3.00%	12.8%	See October '23 Issue	$ 170.00	Buy/Accumulate
	PFE	3/4/2022	$ 45.42	$ 29.75	0.54	5.39%	-34.5%	See October '23 Issue	$ 70.00	Buy/Accumulate
	PLTR	1/8/2021	$ 16.50	$ 19.61	1.82	0.00%	18.8%	See October '23 Issue	$ 50.00	Buy/Accumulate
	RTX	6/13/2022	$ 88.56	$ 80.36	0.64	2.90%	-9.3%	See October '23 Issue	$ 110.00	Buy/Accumulate
	TSLA	7/25/2022	$ 268.43	$ 243.70	2.05		-9.2%	See October '23 Issue	$ 300.00	Buy/Accumulate
	WM	10/31/2022	$ 155.64	$ 170.09	0.55	1.64%	9.3%	See October '23 Issue	$ 180.38	Buy/Accumulate
Zingers	CRWD	1/6/2022	$ 187.49	$ 212.42	1.48	0.00%	13.3%	See October '23 Issue	$ 300.00	Buy/Accumulate
	NVDA	3/7/2022	$ 213.28	$ 476.65	1.96	0.03%	123.5%	See October '23 Issue	$ 500.00	Buy/Accumulate
	RKLB	12/2/2021	$ 14.81	$ 4.29	1.76	0.00%	-71.0%	See October '23 Issue	$ 17.00	Buy/Accumulate
	TSLY	9/1/2023	$12.65	$ 11.71	2.31	73.44%	-7.4%	See October '23 Issue		Buy/Accumulate
Vegas Money	NIO	2/4/2022	$ 23.96	$ 7.19	1.56	0.00%	-70.0%	See October '23 Issue		Hold
	XPEV	2/4/2022	$ 37.25	$ 17.86	1.87	0.00%	-52.1%	See October '23 Issue		Buy/Accumulate
Cash Alternatives	SGOV	10/6/2023	$ 95.86	$ 100.68	0.00	4.56%	5.0%	See October '23 Issue	$ 100.00	Buy/Accumulate

	TICKER	NAME	YIELD	Trailing 12 Months	Last Instruction
Hedges	SH	ProShares:Short S&P500	4%	-3.10%	Add as needed
	RYURX	Rydex Inverse S&P 500 Strategy Fund;Investor	0%	-2.34%	Add as needed
	PSQ	ProShares:Sht QQQ	4%	-21.36%	Add as needed
	DOG	ProShares:Short Dow30	3%	-1.81%	Add as needed

OBA 50

Ticker	Name	Ticker	Name	Ticker	Name
AAPL	Apple Inc	GD	General Dynamics Co	PEP	PepsiCo, Inc
ABBV	AbbVie Inc.	GILD	Gilead Sciences Inc	PFE	Pfizer Inc
ABT	Abbott Laboratories	GIS	General Mills Inc	PG	Procter & Gamble Co.
ADBE	Adobe Inc	GOOGL	Alphabet Inc	PLTR	Palantir Technologies Inc
AMAT	Applied Materials Inc	HCA	HCA Healthcare Inc	QCOM	Qualcomm Inc
AMD	Advanced Micro Devices Inc	INTC	Intel Corp	REGN	Regeneron Pharma Inc
AMZN	Amazon Com Inc	JNJ	Johnson & Johnson	RTX	Raytheon Technologies Inc
CAT	Caterpillar Inc	JPM	JPMorgan Chase & Co	SBUX	Starbucks Corporation
CME	CME Group	LMT	Lockheed Martin Corp	TMUS	T-Mobile US Inc
COST	Costco Wholesale Corp	LNG	Cheniere Energy Inc	TSLA	Tesla Inc
CRWD	CrowdStrike Holdings Inc	LOW	Lowes Companies Inc	UNH	United Healthgroup Inc
CTRE	Caretrust REIT	LRCX	Lam Research Corp	UNP	Union Pacific
CVS	CVS Health Corp	MCD	McDonald's Corp	V	Visa Inc
CVX	Chevron Corporation	MRNA	Moderna Inc	WM	Waste Management Inc
DE	Deere & Co	MSFT	Microsoft Corp	WMT	Walmart Inc
F	Ford Motor Company	NET	Cloudflare Inc	ZTS	Zoetis Inc
FTNT	Fortinet Inc	NVDA	Nvidia Corp		

All data as of November 30, 2023

Chapter 5

MASTER MARKET INDICATOR®

Improve results, reduce risk, gain confidence!

Bull/Bear State Indicator

Understanding the "state" of the markets is key when it comes to investing.

Traditionally, investors have used the 200-day simple moving average (SMA) to gauge bullish or bearish conditions. But because today's markets move so quickly, the 200-day SMA has become too unwieldy and sluggish.

That's why I created the **Bull/Bear State Indicator®** (BBSI).

Reading the BBSI is very simple:

- The markets are **bullish** when the red line is above the blue line.
- The markets are **bearish** when the red line is below the blue line.

You'll notice that the BBSI tends to spike higher and lower very quickly, and that's by design. Institutional interest, liquidity, and volatility tend to cluster at or near key market turning points.

You cannot see those things using the 200-day SMA, but you can very clearly see 'em using the Bull/Bear State Indicator. And in doing so, invest accordingly.

When conditions shift, you will see that the red line crosses above the blue ushering in the promise of more sustainable momentum and a normal statistical range.

Current Reading = Bullish (as of 4/28/23)

KF

All other chart data as of November 30, 2023

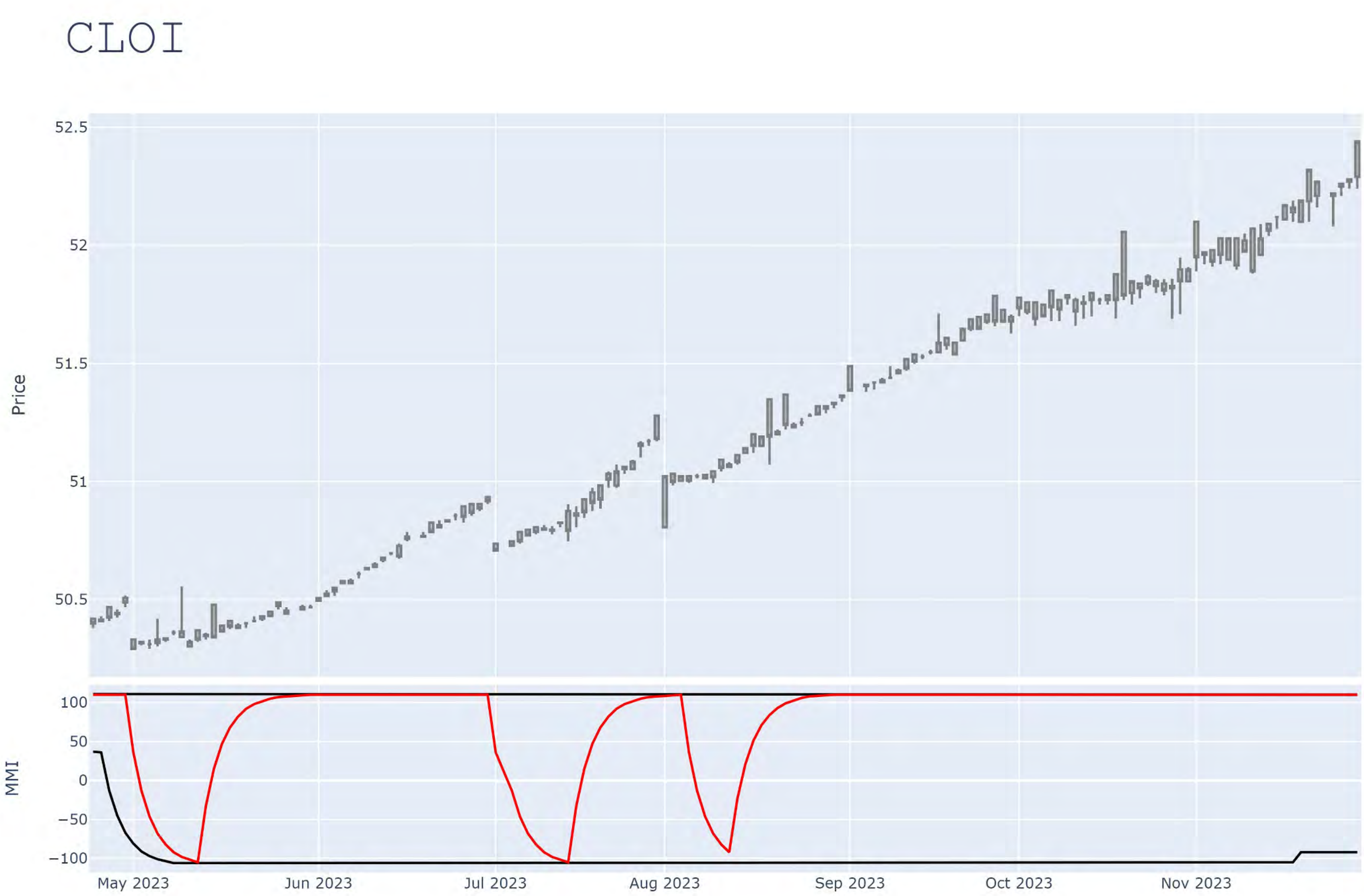
SIMPLE, UNDERSTANDABLE, ACTIONABLE

SIMPLE, UNDERSTANDABLE, ACTIONABLE

AAPL

ABBV

SIMPLE, UNDERSTANDABLE, ACTIONABLE



SIMPLE, UNDERSTANDABLE, ACTIONABLE

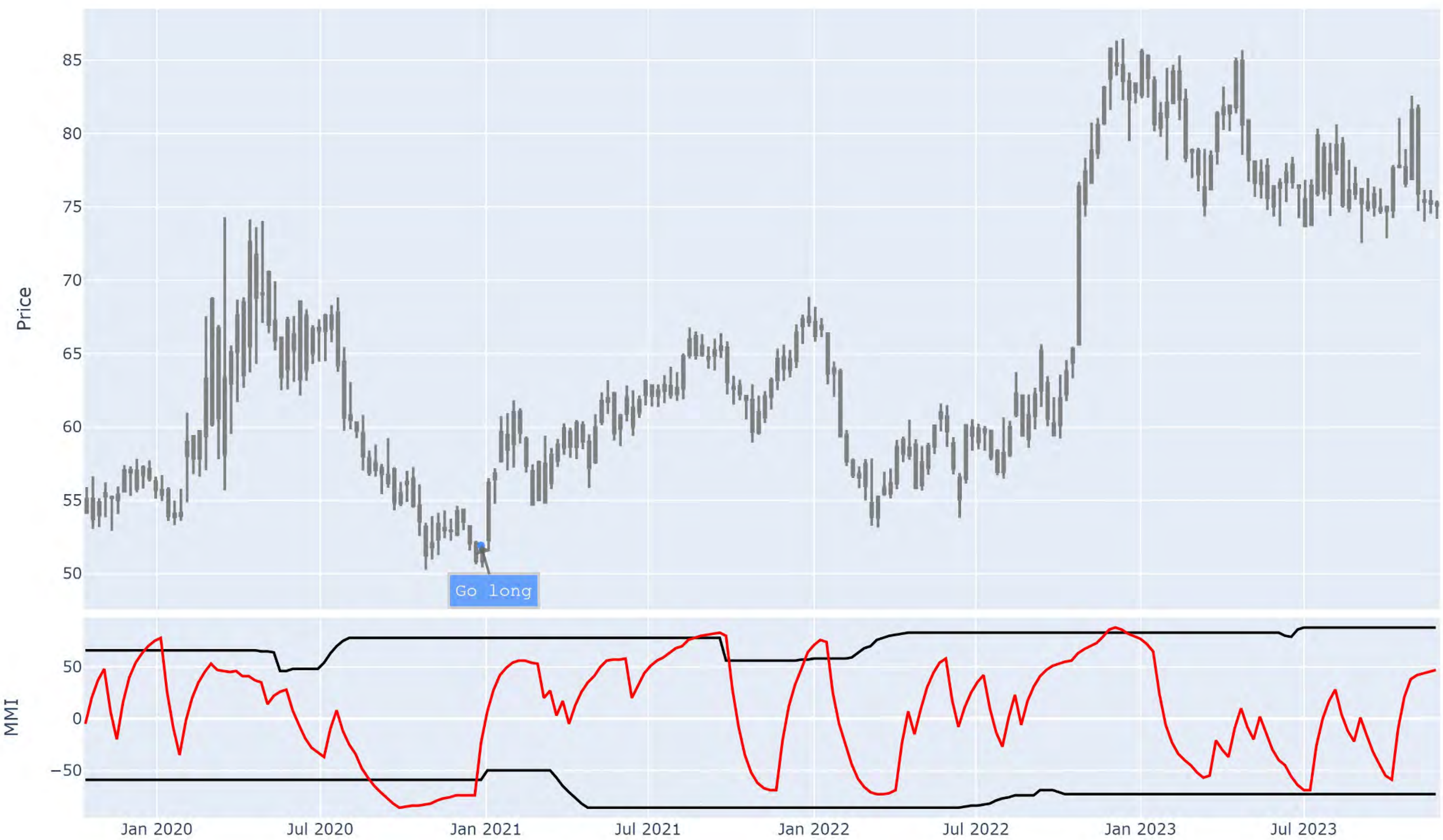
COST

CRWD

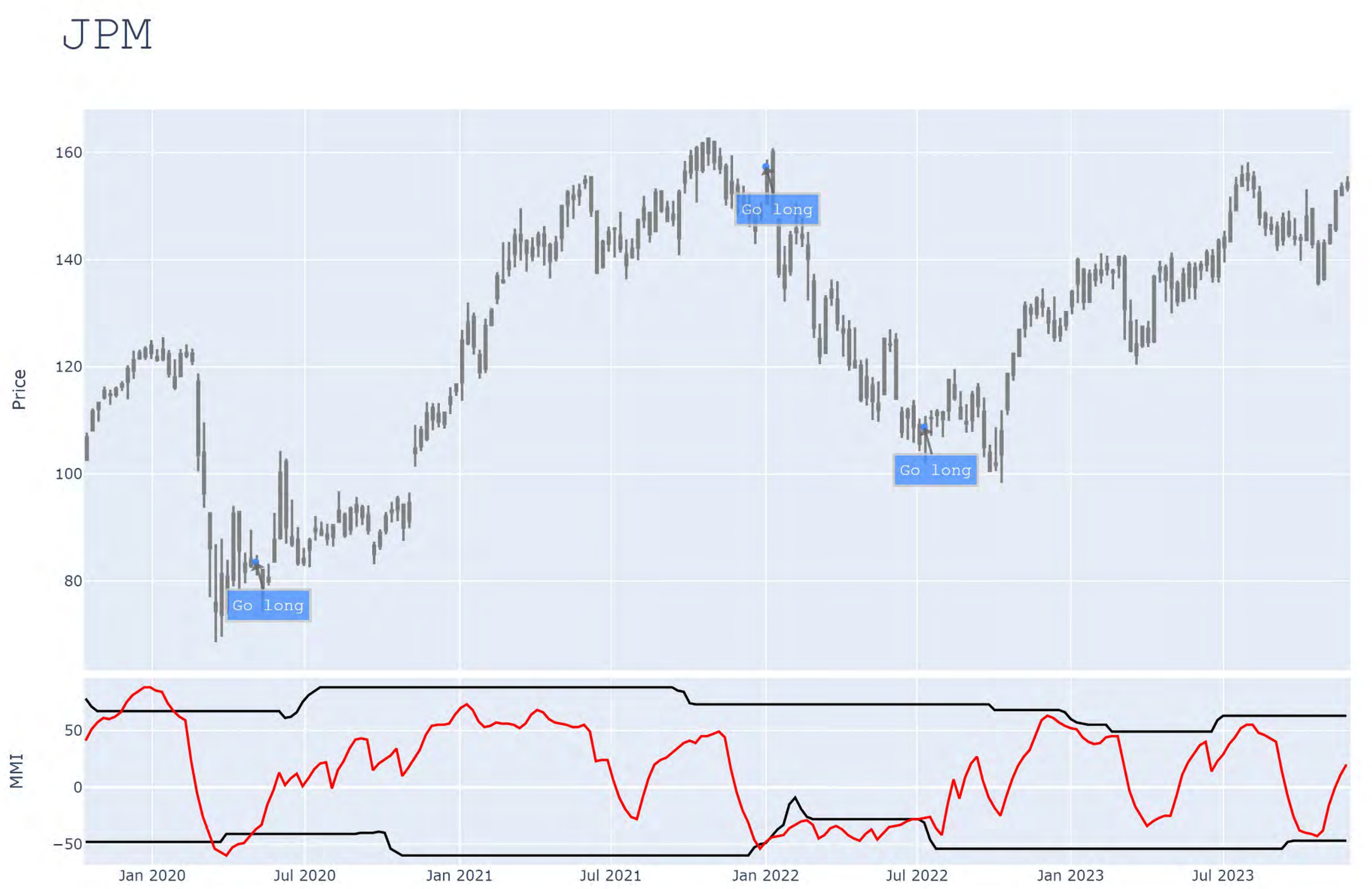
SIMPLE, UNDERSTANDABLE, ACTIONABLE

SIMPLE, UNDERSTANDABLE, ACTIONABLE

GILD



GIS


JPM
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SIMPLE, UNDERSTANDABLE, ACTIONABLE

SIMPLE, UNDERSTANDABLE, ACTIONABLE


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SIMPLE, UNDERSTANDABLE, ACTIONABLE

SIMPLE, UNDERSTANDABLE, ACTIONABLE

SIMPLE, UNDERSTANDABLE, ACTIONABLE

SIMPLE, UNDERSTANDABLE, ACTIONABLE

SIMPLE, UNDERSTANDABLE, ACTIONABLE

Chapter 6

FASCINATOR:
THE HIDDEN SECRET TO BIG TECH INVESTING

People have argued with me for years about Big Tech stocks, saying that they can't possibly get any bigger, more expensive, or more valuable. Yet, that's exactly what's happening.

Here's why.

Big companies are thinking like startups.

This catches a lot of investors by surprise because conventional wisdom for the past 40 years has been that you want to play around the edges with smaller-cap choices as a way of capturing new markets, new products, and, of course, new profits.

It's a breakthrough of the highest order, and savvy investors would be wise to pay attention.

Big companies have realized that they need to be agile to stay ahead. I like that because they've got the size, scope, and scale needed to do so, especially when it comes to names we talk about frequently, including Apple, Microsoft, and Nvidia, just to name a few.

Small companies, on the other hand, particularly startups, are often starving for financial resources, which means they've got to hit it big almost immediately or die.

Take AI, for example.

Many erstwhile analysts and scores of hype-driven clickbait artists are talking about small, undiscovered AI tech stocks like they're some sort of Holy Grail. They're far more likely to be a rock in the punchbowl.

What these folks are missing is that, in contrast to the past, *the best tech almost never goes public because big companies swoop in and buy the most promising companies long before they'd ever IPO.*

Sometimes, this is because they want to prevent a new competitor from entering the game—as was the case with Facebook buying Instagram. Or a bigger player simply wants access to the upstart's tech—as was the case in 2019 when Nvidia purchased Mellanox Technologies in the company's first major move outside GPUs and related chip tech. Occasionally, a company like Palantir surfaces, but that's an exception rather than the rule these days.

The new model requires new thinking.

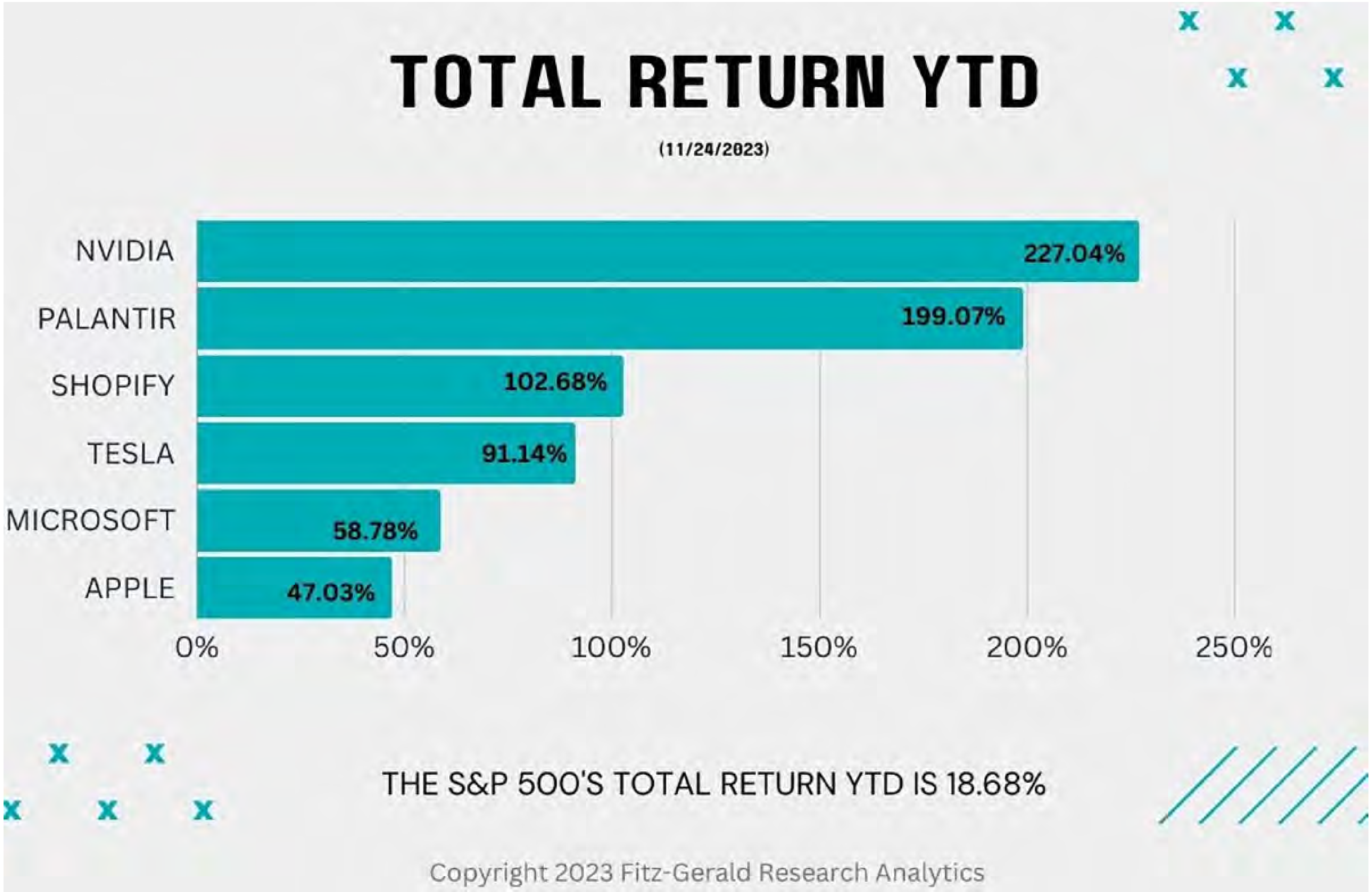
1. Buying the right Big Tech stocks locks in future profit potential but also, counter-intuitively, reduces risk.
2. Many tech unicorns—an expression meaning a privately held company worth $1B or more—stay private longer because it allows bigger companies that have invested in them to profit faster.
3. Buying small, promising tech companies before they go public helps Big Tech achieve constantly higher levels of revenue and profits without neglecting their core businesses or diverting valuable resources.

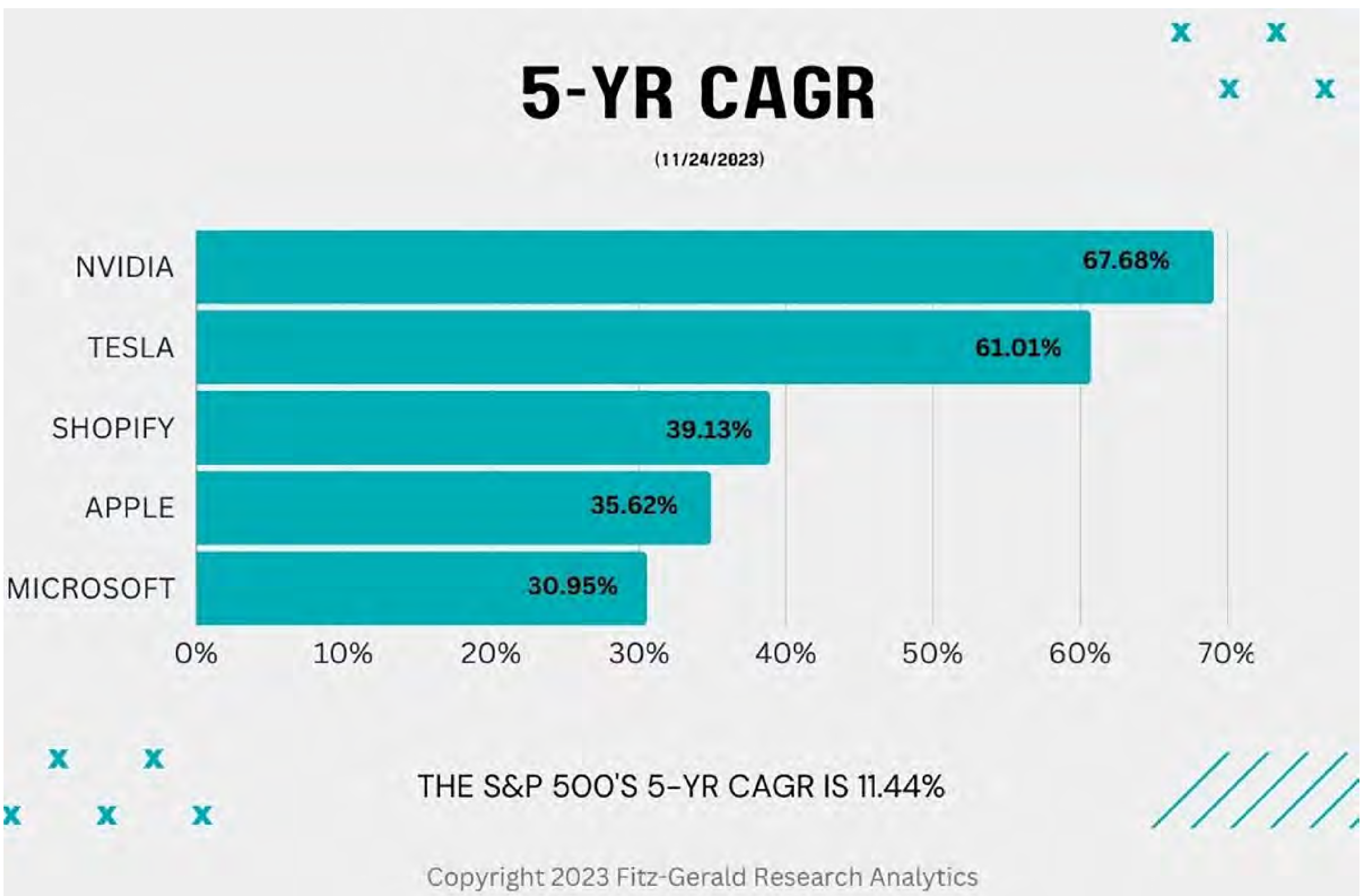
The numbers bear this out.

Six of the top OBA Model Portfolio recommendations have positively skunked the S&P 500 over the same time frame. And, more importantly, have over the past 5 years.

There are obviously no guarantees that this will continue—past performance does not guarantee future results and all that jazz—but I'd be hard pressed to see how it won't!

Buy the best, ignore the rest!


TOTAL RETURN YTD
(11/24/2023)
NVIDIA
PALANTIR
SHOPIFY
TESLA
MICROSOFT
APPLE
227.04%
199.07%
102.68%
91.14%
58.78%
47.03%
0%
50%
100%
150%
200%
250%
THE S&P 500'S TOTAL RETURN YTD IS 18.68%
Copyright 2023 Fitz-Gerald Research Analytics


5-YR CAGR
(11/24/2023)
NVIDIA
TESLA
SHOPIFY
APPLE
MICROSOFT
67.68%
61.01%
39.13%
35.62%
30.95%
0%
10%
20%
30%
40%
50%
60%
70%
THE S&P 500'S 5-YR CAGR IS 11.44%
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KF

Chapter 7

HIGH PERFORMANCE OVER 50

3 ways to crush your goals not your body

It doesn't matter how old you are or how young you feel, you're headed for failure if you don't have a strategy for dealing with injuries that inevitably come along as part of the aging process.

That's as true in life as it is with your money.

Not all that long ago, doctors would have us believe that we were supposed to slow down and to "age gracefully."

To heck with that!

I want to arrive on the other side with a huge Cheshire cat-like grin on my face, the wind in my hair (or at least all three that remain), and a card in my hand saying that I've left the world a better place for having done so.

To be fair, the docs had science on their side.

By the time we hit our 40s, research says our metabolism has slowed by 4–7% since officially becoming adults, which means we can't burn calories the way we once did.

At the same time, we all experience something called *sarcopenia*—the natural deterioration of muscle mass that starts when we're in our early 20s—which results in us losing a staggering 7–10 lbs of muscle by the time we hit our 50s. Once we pass 60, the latest research suggests we lose 1% of our muscle mass a year for the rest of our lives.

Comedians, of course, have a field day with this because aging is something that everybody undergoes. Creating humor helps break down barriers while easing discomfort we feel by keeping things lighthearted and amusing.

People want to talk about getting older because it's a shared experience. Not for nothing, it's often pretty dang funny to realize that we're all in this together, particularly when the stories get rolling about how we can't find our glasses when they've been on top of our head the entire time or why cell phones are designed with buttons so tiny, you need a microscope to see 'em.

What almost nobody wants to talk about, though, is pain.

Social scientists chalk this up to the fact that we're supposed to be wiser, more resilient, and have a greater ability to cope with challenges as we get older. So, we fear that talking about pain might be perceived as a sign that we're weak or vulnerable.

Psychologists say part of the reluctance is also associated with the trepidation of burdening others with one's problems, particularly if older individuals—like, ahem, yours truly—still want to believe we're invincible.

Insurance companies—as I discovered recently—make it worse, particularly if you've got symptoms that don't line up with common medical knowledge or their view of the world in the name of profits.

You and I are made to feel like idiots by claims algorithms that are programmed to deny and "experts" sitting in a dark room somewhere who rule like gods over the very patients they are supposed to value, according to their advertising.

I think it's one of the great fallacies of aging.

Somehow, we're supposed to believe that our best days are behind us when, in fact, I would argue that our health, like our money, should actually get better over time.

The way I see it, there's no reason in the world why we can't maintain a healthy, strong body well into our 90s, or even long past the century mark, if we use the most effective anti-aging weapon of all.

Our brain.

Case in point, the doctors couldn't believe that I walked into the ER a few weeks back given the state of my C-spine. They were incredulous when I began talking about a return to motorcycling and my exercise regime. And downright skeptical when I told 'em about the recovery plan I was already using.

This wasn't just wishful thinking on my part, mind you.

I had *already* decided that I'm going to get back to perfect health and I had *already* begun formulating a plan to get me there, no matter what the extent of my injury, which was unknown at that point.

Walking into the ER and into every physician's office since was a forgone conclusion. It was also the first step towards healing, quite literally.

I still don't have the full use of my right arm, and typing accurately is really tough, but I am making progress every single day. Painkillers seem to be a food group for now, and I've found that caffeine plus acetaminophen is very effective.

Just like the markets, I know *there is always a way into the game*.

I've learned a long time ago that thinking positively about anything—money, markets, my health—is a path forward. And as part of it, breaking down things that would otherwise be overwhelming is the surest way forward.

Thinking positively allows us to start from a position of "Let's make this happen" rather than the fear of why we "shouldn't" that holds too many people back.

Here's how I do it.

Step #1—Define what you want

You can't be vague.

In fact, thinking optimistically requires great specificity both in life and in the markets. It's not enough to want to be rich or financially secure; you've got to define what that looks like, then orient your life around doing everything needed to achieve your vision.

From then on, it's just a matter of making it happen.

Step #2—Believe that you will achieve

Performance expert Tony Robbins calls this "changing your state." What he means by this—and I agree—is that you've got to alter your physical and mental state to crush your goals.

Studies show very clearly that believing you can MAKE something happen results in a higher probability that it will. That's why I sign off the 5 with Fitz the way I do with "MAKE it a great day" because I truly believe that everybody reading along has the power to do just that.

My grandfather used to ask me every morning, “What have you decided to do today?” and if I didn’t have an answer, he’d smile and sit quietly until I did.

I understood very quickly that I’d better up my game if I wanted to win. He’s long since passed on, but the tradition continues. Noriko and I will often ask our boys what they’ve got “on tap” for the day and, to their credit, both are rarely at a loss for words.

Step #3—Take determined action

Many people think they’ve got skin in the game, but in reality, very few actually do.

Studies show that 90% or more of people fail to achieve something as simple as a New Year’s resolution, which doesn’t surprise me. They haven’t defined what they want, let alone believe they can make it happen.

To me, this is where the rubber meets the road.

Taking determined action moves you from merely thinking about something to an instant state of decisive momentum. Put another way, it commits you to action while forcing you to make progress towards your goals.

Take stocks and big down days, for example.

I will often buy a single share of something when the headlines get really nasty because I know doing so puts me on the path towards bigger profits, even if there is more selling ahead and even if every bone in my body tells me not to.

The other thing about determined action that very few people understand is that it helps you navigate unseen obstacles that trip up others, discover hidden opportunities many cannot see, and further refine my strategies as they apply to specific goals.

Determined action shapes success.

Speaking of which, 2024 is only a few days away, and yes, ***we’re going to MAKE it another great year together!***

KF

Additional Resources:

Conversano C, Rotondo A, Lensi E, Della Vista O, Arpone F, Reda MA. Optimism and its impact on mental and physical well-being. Clin Pract Epidemiol Ment Health. 2010 May 14;6:25-9. doi: 10.2174/1745017901006010025. PMID: 20592964; PMCID: PMC2894461.

https://www.health.harvard.edu/heart-health/optimism-and-your-health#

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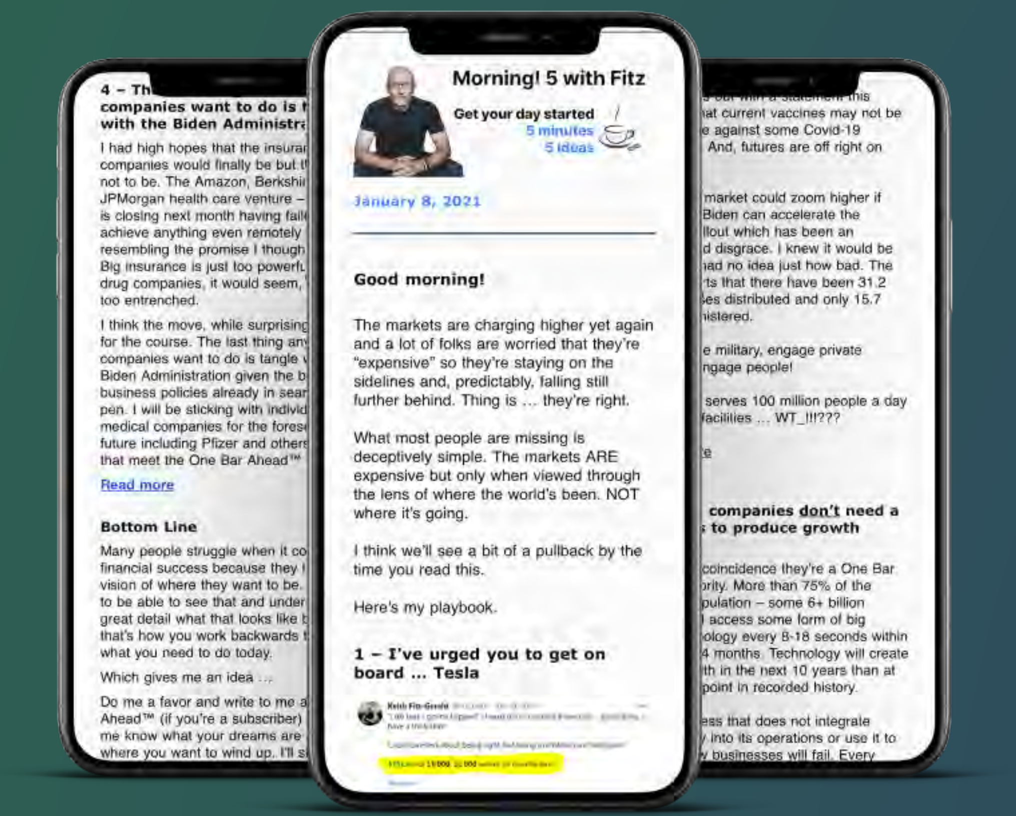
https://www.cnbc.com/2017/10/05/why-should-you-be-highly-optimistic-if-you-want-to-be-successful.html

Thank You for Reading One Bar Ahead®

The quest for consistent safety-first, big-picture profits never stops. You simply need access to the right stocks, the right strategies, and the right education. No gotchas, no gimmicks. In plain English.



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Often described as the next best thing to sitting next to him when the opening bell rings, some readers even go as far as saying it's the best part of their morning!

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