



2 for 1[®]

Neil Macneale's
Stock Split
Newsletter

Volume 21 Issue 7

2-for-1.com

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PORTFOLIO ITEMS

20 Years and Counting

This is the 240th issue of 2 for 1, marking the end of twenty years of continuous publication. I'm happy to say I still very much enjoy researching and writing about stock splits and intend to keep doing it for the foreseeable future. I'll take this milestone as an opportunity to thank all my subscribers, past and present, for their support and encouragement.

What have I learned over these twenty years? I've learned that patience is the most important virtue any investor can have, and that time is your greatest friend. I've also learned the wisdom offered up by just a few writers, past and present, is worth paying close attention to and absorbing to the best of your ability. Benjamin Graham, John Bogle, Warren Buffett, Jason Zweig, Mark Hulbert, and Jonathon Clements are all giants in my eyes. A common thread through all their teachings is "investing need not be complicated". Another message, over and over, is "find a strategy that makes sense to you and then stick with it through thick and thin."

Mark Hulbert, until recently, published the Hulbert Financial Digest where up to 160 different financial newsletters were tracked. While never favoring one specific newsletter over another, Hulbert observed, over and over again, that choosing an advisor with a long winning track record (the longer the better) was a far better strategy than jumping from one "hot" newsletter to another. 2 for 1's twenty-year record of over a 10% annualized return is something I'm very proud of and is an indicator that 2 for 1 has much to offer the investor searching for a strategy that really works for the long term.

The economic landscape has changed over these twenty years, and will continue to change, but I believe searching out and owning a diverse list of thirty great companies will always be a sound investing strategy. And the split signal will always provide a great way to find that special list.

JUNE SPLITS – OUR BUY

The Drought Continues

It's ironic, on the eve of the twentieth anniversary of 2 for 1, there are no splits considered worthy enough to add to the 2 for 1 portfolio. Once again, I'm going to skip the monthly add and delete routine and let the existing list go another month, hoping better candidates will emerge. One might ask, with five split announcements in May, why there wouldn't be at least one company with enough of the "right stuff" to be picked for inclusion in the 2 for 1 portfolio. This situation provides an opportunity to review the methodology used to construct the 2 for 1 Index[®] and perhaps provide a better understanding of how the ranking system works.

Each month all companies having announced 2 for 1 (or higher) splits are put through over a dozen screens and each metric is given a score. The scores are added and the total provides a way to compare any stock on the list with all the others. The top scorer is almost always the stock added to the portfolio for that month. However, in addition to allowing comparison of the companies on the list to one another, these scores also provide an absolute number. By rare coincidence, all the scores for the five May split announcements were far lower than usual for the company chosen to be added to the portfolio. Therefore, no pick this month.

THIS MONTH'S SELL

No Sale, only Rebalancing

As indicated in last month's issue, there was extra cash on hand after the sale of WST. Because sales and purchases will pretty well balance out over the coming months, I could spend most of the excess cash to bolster two of the poorest performing positions in the portfolio. CF Industries was mentioned and I did add 150 shares to the 250 already owned. I also added 68 shares to our MGA holding, bringing it up to an even 300 shares. These purchases lowered our basis per share and hopefully, as has often happened in the past, will eventually help move these positions from the red column to the black.

2 for 1 MODEL PORTFOLIO – JUNE STATEMENT

| | | # SH | BOUGHT | COST PER SHARE | QUOTE ON 6/30/16 | BASIS | START MONTH \$2,282.68 | END MONTH \$2,234.08 | % OF PORT 0.59% |
|-------------------------|-------------------------------|------|----------|----------------------|------------------------|--------------|------------------------------|----------------------------|-----------------------|
| CASH | | | | | | | | | |
| TSCO | TRACTOR SUPPLY | 150 | 09/16/13 | 65.317 | 91.180 | 9,797.49 | 14,415.00 | 13,677.00 | 3.64% |
| DVA | DAVITA HEALTHCARE PARTNERS | 170 | 10/21/13 | 57.429 | 77.320 | 9,762.89 | 13,144.40 | 13,144.40 | 3.49% |
| CNI | CANADIAN NATIONAL RAILWAY | 184 | 11/18/13 | 56.302 | 59.060 | 10,359.53 | 10,909.36 | 10,867.04 | 2.89% |
| RLI | RLI CORP. | 220 | 12/16/13 | 46.470 | 68.780 | 10,223.49 | 14,544.20 | 15,131.60 | 4.02% |
| TD | TORONTO-DOMINION BANK | 300 | 01/21/14 | 43.848 | 42.930 | 13,154.25 | 13,080.00 | 12,879.00 | 3.42% |
| MLI | MUELLER INDUSTRIES | 350 | 03/17/14 | 30.554 | 31.880 | 10,693.74 | 10,881.50 | 11,158.00 | 2.97% |
| AWH | ALLIED WORLD ASSURANCE | 300 | 04/21/14 | 34.667 | 35.140 | 10,399.99 | 11,124.00 | 10,542.00 | 2.80% |
| AAPL | APPLE CORP | 119 | 05/19/14 | 86.355 | 95.600 | 10,276.29 | 11,883.34 | 11,376.40 | 3.02% |
| UNP | UNION PACIFIC | 130 | 06/16/14 | 83.431 | 87.250 | 10,846.00 | 10,944.70 | 11,342.50 | 3.01% |
| OTEX | OPENTEXT INC | 230 | 07/21/14 | 47.719 | 59.160 | 10,975.33 | 13,496.40 | 13,606.80 | 3.62% |
| COLM | COLUMBIA SPORTSWEAR | 220 | 08/18/14 | 37.668 | 57.540 | 8,287.03 | 11,697.40 | 12,658.80 | 3.36% |
| APH | AMPHENOL | 216 | 09/15/14 | 52.086 | 57.330 | 11,250.63 | 12,683.52 | 12,383.28 | 3.29% |
| CALM | CAL-MAINE FOODS | 280 | 11/17/14 | 41.936 | 44.320 | 11,741.96 | 12,460.00 | 12,409.60 | 3.30% |
| HAIN | HAIN CELESTIAL GROUP | 300 | 12/15/14 | 36.803 | 49.750 | 11,040.87 | 14,832.00 | 14,925.00 | 3.97% |
| GNTX | GENTEX CORP | 660 | 01/20/15 | 17.395 | 15.450 | 11,480.79 | 10,942.80 | 10,197.00 | 2.71% |
| NJR | NEW JERSEY RESOURCES | 380 | 02/17/15 | 31.920 | 38.550 | 12,129.73 | 13,357.00 | 14,649.00 | 3.89% |
| MGA | MAGNA INTERNATIONAL INC | 300 | 03/16/15 | 49.120 | 35.070 | 14,736.13 | 9,402.96 | 10,521.00 | 2.80% |
| SBUX | STARBUCKS CORP. | 260 | 04/20/15 | 47.963 | 57.120 | 12,470.36 | 14,271.40 | 14,851.20 | 3.95% |
| PPG | PPG INDUSTRIES | 133 | 05/18/15 | 110.692 | 104.150 | 14,722.05 | 14,321.44 | 13,851.95 | 3.68% |
| NTT | NIPPON T & T | 350 | 06/15/15 | 35.340 | 47.080 | 12,368.84 | 15,323.00 | 16,478.00 | 4.38% |
| CF | CF INDUSTRIES HOLDINGS | 400 | 07/20/15 | 48.350 | 24.100 | 19,339.80 | 6,915.00 | 9,640.00 | 2.56% |
| EXPO | EXPONENT INC. | 285 | 08/17/15 | 43.895 | 58.410 | 12,510.09 | 15,364.35 | 16,646.85 | 4.42% |
| FBIZ | FIRST BUSINESS FINANCIAL SERV | 520 | 09/21/15 | 23.019 | 23.470 | 11,969.99 | 12,859.60 | 12,204.40 | 3.24% |
| AZN | ASTRAZENECA | 370 | 11/16/15 | 32.394 | 30.190 | 11,985.78 | 10,989.00 | 11,170.30 | 2.97% |
| AFSI | AMTRUST FINANCIAL SERVICES | 400 | 12/21/15 | 30.754 | 24.500 | 12,301.63 | 10,608.00 | 9,800.00 | 2.60% |
| HRL | HORMEL FOODS | 292 | 01/19/16 | 38.784 | 36.600 | 11,324.99 | 10,047.72 | 10,687.20 | 2.84% |
| NKE | NIKE, INC. | 200 | 02/16/16 | 57.990 | 55.200 | 11,597.99 | 11,044.00 | 11,040.00 | 2.93% |
| ENSG | ENSIGN GROUP | 550 | 04/18/16 | 23.249 | 21.010 | 12,786.99 | 10,917.50 | 11,555.50 | 3.07% |
| HOMB | HOME BANCSHARES | 600 | 05/16/16 | 20.351 | 19.790 | 12,210.63 | 13,185.00 | 11,874.00 | 3.16% |
| LNT | ALLIANT ENERGY | 320 | 06/20/16 | 39.040 | 39.700 | 12,492.74 | 12,492.74 | 12,704.00 | 3.38% |
| TOTAL CASH AND EQUITIES | | | | | | \$355,238.02 | | \$376,205.90 | 100.00% |

ACCOUNT VALUE SUMMARY - 6/30/16

| Description | Amount |
|-----------------------------|--------------|
| Last Month's Closing Equity | \$376,697.27 |
| Change in Stock Value | -\$1,061.77 |
| Interest & Dividends | \$570.40 |
| This Month's Closing Equity | \$376,205.90 |

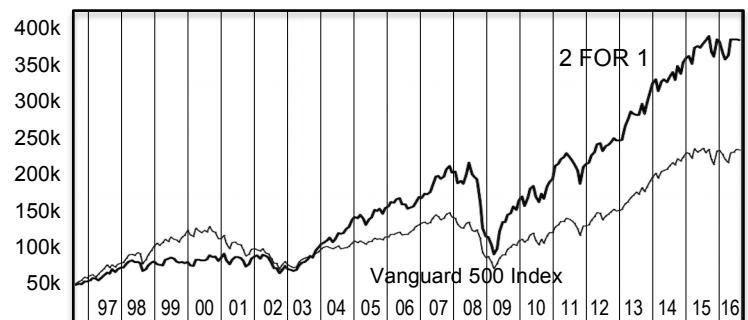
ANNUALIZED RETURN 7/31/96 – 6/30/16

2 for 1: + **10.66%** Vanguard 500 Fund: +8.02%
(all costs and dividends included for both)

THE FINE PRINT

The above list represents all of the securities recommended, bought, and which are now present in the 2 for 1 portfolio, an IRA account with E*Trade in the editor's name. The 30 stocks on this list constitute the entire 2 for 1 portfolio. The graph of the performance of the 2 for 1 portfolio to the right was adjusted to equal the Vanguard 500 Index Fund at the end of July, 1996, adjusted for and including dividends. The Vanguard 500 Index Fund tracks the S&P 500, an index tracking the 500 largest U.S. companies. 2 for 1 tracks the 2 for 1 Index®, based on a portfolio of 30 companies, large and small. The 2 for 1 portfolio was started in July, 1996 with \$50,000. The \$355,238 basis above reflects \$305,238 in capital gains, dividends, and interest accrued since the portfolio's inception. It shall not be assumed that recommendations made in this issue of 2 for 1, or in any future issues, will be profitable or will equal the performance of the securities on this list.

PORTFOLIO PERFORMANCE



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