

AAll Reno-Sparks Investor Education Group Meeting

Date and Time: **Thursday, June 1, 2017, 7 to 9 p.m.**

Presentation Title and Synopsis:

The Wages of Sin

At one time Reno was America's Sin City. [Las Vegas later claimed that pejorative title... they steal every great idea from Northern Nevada but when their well runs dry in a few years, Reno will get all its stolen crowns back!]

In the field of investing, "sinfulness" has been associated in the popular mind both with the entire enterprise of making money from money; as well as from particular investing activities [e.g. trading naked options] and from particular investments. In the latter category, there are long-standing claims by social activists that companies making money from gambling, alcohol, tobacco and military equipment should be untouchable.

This has given rise to the market segment usually called "socially responsible investing" ["SRI"]. In a new analysis, Larry Swedroe, an investment adviser leader and author of a half dozen investing books, tells us that 23% of US investment assets are now pledged to SRI policies. He further claims that this is costing investors a diminished return of 1% to 2% a year. Is that a price worth paying for being "sinless"? Well, if an unrestricted portfolio delivers 7% per year, then SRI is culling out 14% to 29% of that annual return. After 20 years, an SRI investor would fall about 120% behind in cumulative return. That's enough to drive you to drinking, smoking, gambling and shooting!

The implication of Swedroe's analysis [which we'll review] is that "sin stocks" can be a significant profit source for "irresponsible" investors. This month, Reno AAll will look at candidate companies in the four "sindustries" listed above. You'll come away from this meeting better informed about the potential wages of sin.

Location: **ArrowCreek Residents Center, 2900 Arrowcreek Pkwy, Reno 89511**

Directions: Exit I-580 at Damonte Ranch and go west across Virginia St. Bear left onto Arrowcreek Pkwy and continue west about four miles to the entry gate of the Arrowcreek Community. Tell the guard you are attending the AAll meeting at the Residents Center. Proceed straight 1/2 mile to the first stop sign. Turn right (*downhill*) into the parking lot for the Residents Center. It's a 10 minute drive from I-580 to the

Center building. [NOTE: If you arrive at the Arrowcreek *Country Club* by mistake, just go directly back across Arrowcreek Parkway to the *Residents Center*.]

Cost: Free [\$1 voluntary donation for copying may be requested]

RSVP Necessary: To use the Residents Center facility, we must provide a list of attendees to the Arrowcreek Security Office prior to the meeting. **If you plan to attend, please e-mail your name by midnight Wednesday, May 31st to.... RenoAAll@AmericanSuperior.ORG**

Speaker / Discussion Leader: **Alan J. Liebman**

Alan Liebman has been helping investors for more than three decades. He earned a bachelor's degree from Columbia University in physics and a doctorate from Yale in applied physics. Liebman worked in corporate R&D at Xerox Corporation and AT&T for 15 years.

In 1984, Liebman founded American Superior Company in suburban Chicago, a fee-only investment advisory firm. During 33 years of practice, Alan has published a stock market advisory letter, managed stock and bond assets of \$60 million, led monthly meetings of AAll-Chicago groups, served as Vice President of the AAll-Chicago Board, and lectured across the country on investment topics.

In 2011, Liebman moved American Superior Company to Reno, Nevada where he continues to serve high-net-worth clients in six states and to help all investors make more informed choices.

NEXT Meeting Date: **Thursday, July 6, 2017**

Arrowcreek Residents Center, 7 to 9 PM