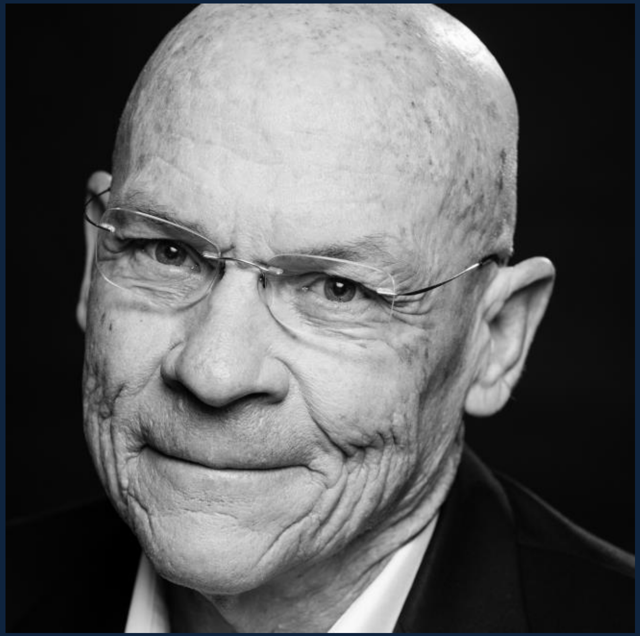
# HUGHES FINANCIAL SERVICES, LLC

HUGHES FINANCIAL SERVICES, LLC

WEDNESDAY LUNCH & LEARN

# Fundamentals of Investing 102: Stocks

# PRESENTER



PAUL HUGHES, ChFEBC, CEPA
Managing Partner
& Financial Advisor

# ABOUT HUGHES FINANCIAL SERVICES

RIA

Independent Registered Investment Advisor

Comprehensive financial planning and wealth management

Fiduciary

Professional certifications and continuing education

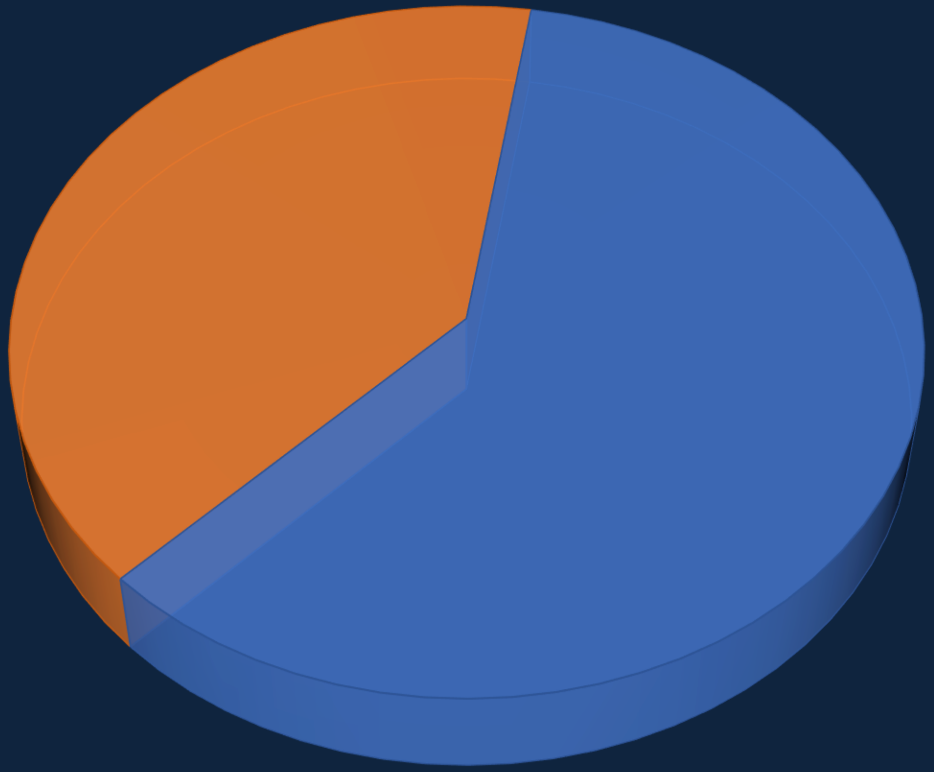
Over 80 years combined experience


"An investment in knowledge pays the best interest."
Benjamin Franklin

# FUNDAMENTALS OF INVESTING: 102

*A Typical Portfolio Mix*

- Stocks (60%)
- Bonds (40%)



# FUNDAMENTALS OF INVESTING: 102

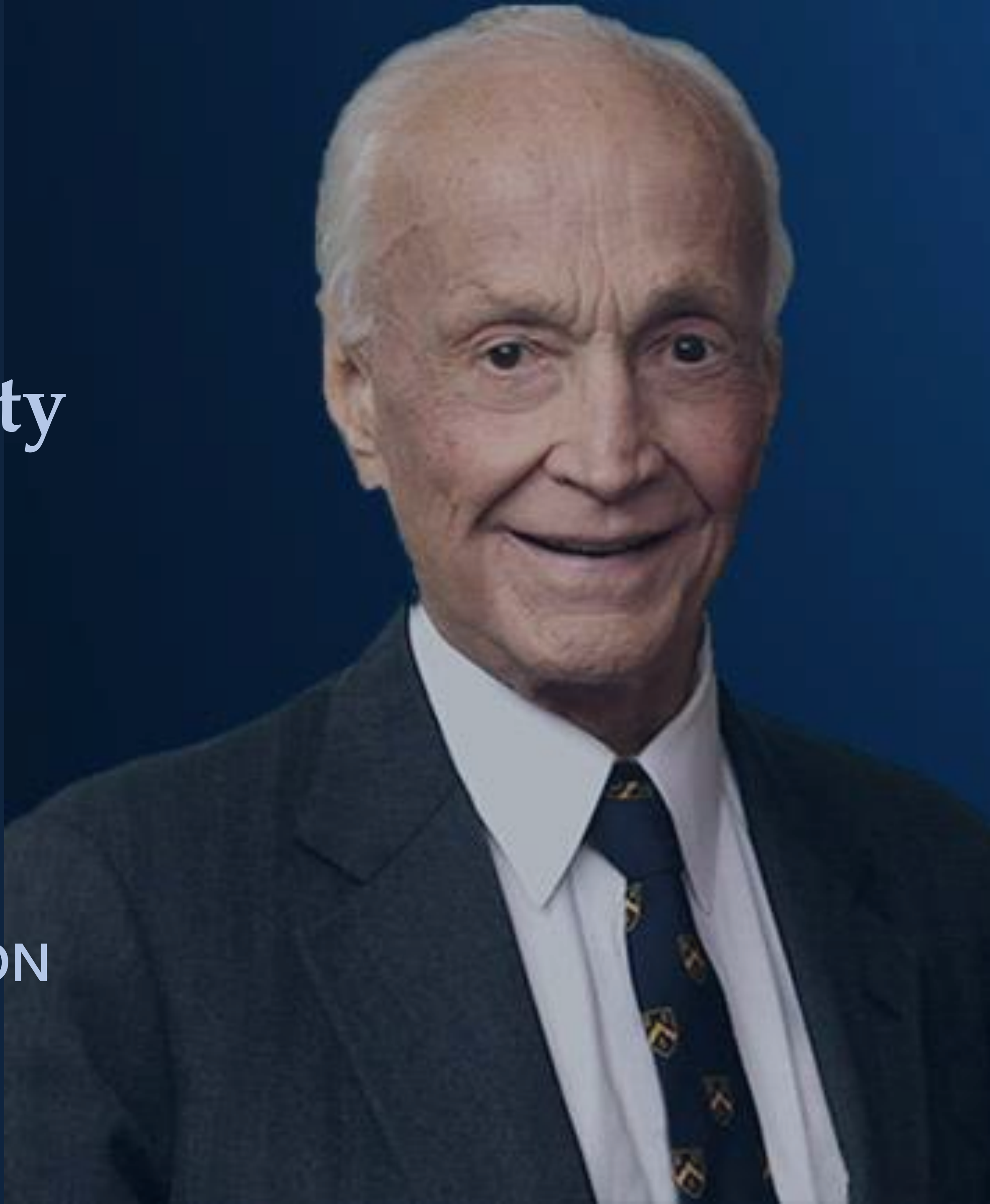
*Stocks*

# FUNDAMENTALS OF INVESTING: 102

*Stock Features*

“In my 45-year career as an investment counselor, humility did show me the need for worldwide diversification to reduce risk.”

| SIR JOHN TEMPLETON



# FUNDAMENTALS OF INVESTING: 102

*Stock Categories*

## Growth Stocks

- New/fast-growing industries
- Have potential for greater returns
- Most volatile class of stock

## Value Stocks

- Companies with growth potential
- Sells at low price relative to intrinsic value
- Can take time to reflect true value

# FUNDAMENTALS OF INVESTING: 102

*Stock Categories: Growth*

Growth Stocks

TESLA

# FUNDAMENTALS OF INVESTING: 102

*Stock Categories: Value*

Value Stocks


SMALL
MEDIUM
LARGE

# U.S.

# DEVELOPED FOREIGN COUNTRIES


EMERGING
MARKETS

# FUNDAMENTALS OF INVESTING: 102

*Factors*

## MACROECONOMIC

- Growth
- Financial Conditions (interest rates, currencies)
- Inflation
- Credit
- Emerging Markets
- Liquidity

## STYLE

- Value
- Size
- Momentum
- Volatility
- Quality
- Dividend Yield

# FUNDAMENTALS OF INVESTING: 102

*Diversification & Asset Classes*

| U.S. | | | International | | | Emerging Market | |
|---|---|---|---|---|---|---|---|
| Large | Medium | Small | Large | Medium | Small | Large | Small |

# PORTFOLIO DIVERSIFICATION


# MANAGEMENT

# FUNDAMENTALS OF INVESTING: 102

*Mutual Funds & Exchange-Traded Fund (ETF)*

| Mutual Fund | ETF |
| --- | --- |

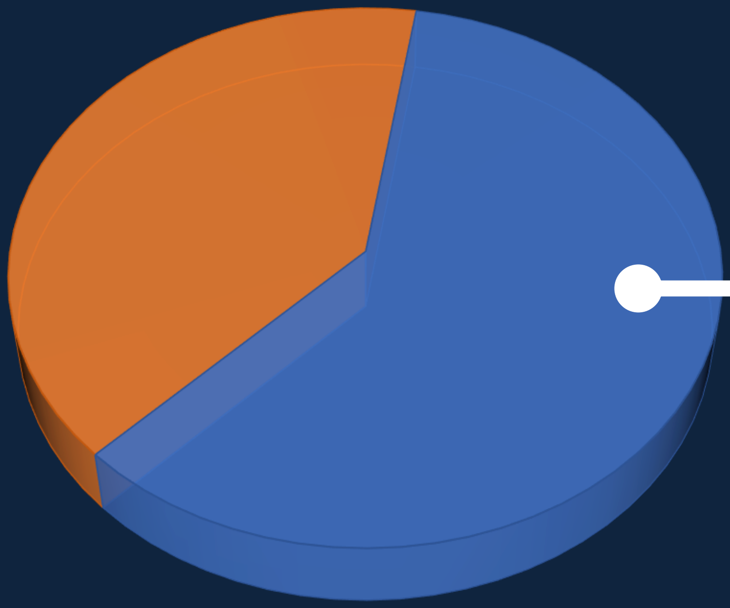
# FUNDAMENTALS OF INVESTING: 102

## *Mutual Funds & Exchange-Traded Fund (ETF) Top 10 Holdings*

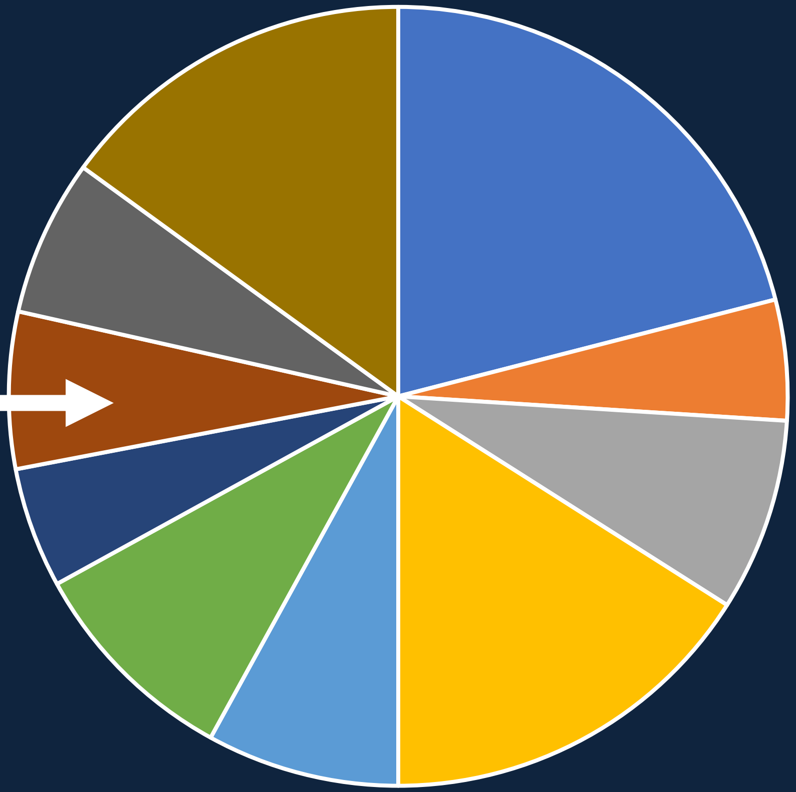
| American Century Equity Income I | SPDR MSCI U.S. StrategicFactors ETF |
|---|---|
| ▪ Johnson & Johnson | ▪ Apple |
| ▪ Emerson Electric Co. | ▪ Microsoft Corp. |
| ▪ Medtronic PLC | ▪ Johnson & Johnson |
| ▪ Verizon Communications Inc. | ▪ Visa Inc. |
| ▪ Kimberly-Clark Corp. | ▪ MasterCard |
| ▪ Texas Instruments Inc. | ▪ Procter & Gamble Co. |
| ▪ Microsoft Corp. | ▪ United Healthgroup Inc. |
| ▪ Walmart Inc. | ▪ Merck & Co, Inc. |
| ▪ Marsh & McClennan Companies | ▪ Pfizer Inc. |
| ▪ ONE Gas Inc. | ▪ Coca-Cola Co. |

# FUNDAMENTALS OF INVESTING: 102

*Stock Makeup*



Stocks (60%)
Bonds (40%)



- Core Fixed Income
- Real Return Fixed Income
- Large Cap Value
- Large Cap Core
- Large Cap Growth
- International Equity
- International Small Cap Equity
- Small Cap Value
- Small Cap Growth
- Alternatives

The best investment
you can make is in
yourself

- Warren Buffett

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WEDNESDAY LUNCH & LEARN

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**We offer our clients an impressive wealth of expertise in retirement and estate planning, investment and risk management, insurance, and education planning. Our advisers hold a variety of professional designations and certifications and are well versed in a number of financial disciplines. Our combined education and experience allows us to proudly offer you independent financial advice that you can trust.**



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