

Howard's Portfolio

This portfolio aims to beat the benchmark through capital growth by selecting quality and profitable companies with high growth potential. It carries a higher risk as it is more prone to market conditions, but it also has potential to deliver higher returns. Inclusion of the stock is based on factors including profitability, balance sheet health, rate of increase in net income etc.

Stocks chosen:

1. FPH - 2000 (82.5 shares)
2. TNE - 2000 (257 shares)
3. XRO - 2000 (26.81 shares)
4. APX - 2000 (104.275 shares)
5. A2M - 2000 (128.53 shares)

Week 1 - 02/03 to 06/03

FPH - 2006

- No news has been released since the company updated their revenue and earnings based on strong sales. The market has had a volatile week due to coronavirus fears however FPH remains relatively unaffected and closed the week flat.

TNE - 1937

- Similarly, the week has been volatile. No news from the company and the share price has dropped following global market indices.

XRO - 2011

- No news from the company. Closed flat after volatile week

APX - 2047

- No news from the company, following the release of an earnings guidance beaten just over a week ago. Also a volatile week for the stock.

A2M - 2176

- The company had been impacted favourably by the outbreak as it reported increased sales in China. Due to the coronavirus outbreak, the local dairy companies or infant formula makers were closed in China. Still, the A2 milk Company and its distributions partners continued to deliver the products to consumers. Over a week ago the company posted strong growth in revenue/sales which could also be the reason behind the great performance this week compared to the rest of the market.

Net position = 10,177. Beat the index for the week. Performed very well given the coronavirus fears within the market.

Week 2 - 09/03 to 13/03

Another rocky week for the ASX due to fears and uncertainties around the coronavirus and potential lockdown. Volatility is high.

FPH - 1984

- FPH followed the market downtrend despite not releasing any news/updates.

TNE - 1817

- TNE closed the week slightly down without any news/updates.

XRO - 2155

- XRO had a good week increasing over 10 percent in contrast with the poor performance of the index. This may be attributable to the increased volatility as no news was released from the company.

APX - 1910

- APX closed the week lower following the market. No news emerged from the company.

A2M - 2019

- A2M ended the week down slightly despite news that it will expand into the Canadian market with a deal struck with Agrifoods.

Net position = 9885.

Week 3 - 16/03 to 20/03

Once again a very volatile week with the index slipping another 10 per cent. Fears around the coronavirus acting as a catalyst for a recession.

FPH - 2128

- FPH has had a good week and closed higher in contrast to the index. Attributable to investors moving to more defensive stocks in the health sector, high volatility and FPH's focus on respiratory health.

TNE - 1935

- TNE also closed the week up without any news. Most likely through volatility but it may also be investors entering the stock due to its online nature and the possibility of people having to work more from home.

XRO - 1655

- XRO followed the market and closed the week lower, almost 10 per cent.

APX - 1944

- APX closed the week higher without news. This is likely due to volatility but also perhaps investors moving into tech stocks due to potential lockdown and work from home policies.

A2M - 2082

- A2M ended the week higher (but close to flat from last week). This is once again due to volatility but may also be due to students going on holidays and having to stay at home earlier.

Net position = 9744

Week 4 - 23/03 to 27/03

The ASX ended the week positive up over 6 percent. I believe this is due to market volatility rather than a genuine reversal but only time will tell whether the market is heading back up or will continue its downtrend.

FPH - 2249

- FPH once again rose likely as a result of strong demand due to the COVID-19 breakout. No other prominent news was announced.

TNE - 1960

- TNE ended the week with modest gains with no news releases, following the broader index.

XRO - 1748

- XRO had a great week riding off the back of the broader index, gaining over 10 percent. No major news releases.

APX - 1980

- APX also had a good week rising 8 percent. No major news releases.

A2M - 2039

- A2M ended the week with modest gains, up around 3 per cent. It traded lower on Monday after releasing an update that it would be increasing its holding in Synlait Milk to almost 20 per cent, however, it recouped these losses quickly. Also saw an amusing article from the Motley Fool which said markets were pricing in a potential baby boom in 9 months time due to lockdown laws.....

Net position = 9976. An increase from the previous week. Although since inception our holdings have not appreciated in value, they are performing well and steadily in comparison to the broader market which has dropped more than 20 percent. This is a combination of a bit of luck (especially with FPH) and the selection of fundamentally strong companies well-positioned to ride out this storm.

Week 5 - 30/03 to 03/04

The ASX rallied this week on the back of the government's stimulus package - Jobkeeper payments.

FPH - 2405

- FPH followed the market trend and ended the week on a positive.

TNE - 2048

- Also rallied on the back of the market boost.

XRO - 1760

- XRO underperformed the market this week and ended relatively flat. No significant news came from the company.

APX - 2081

- Also rallied on the back of the market trend.

A2M - 2136

- Also followed the market.

Net position: 10,430. Up 4.3 percent.

Week 6 - 06/04 to 10/04

A shorter trading week due to the Good Friday holiday but once again a good week for the market in general. Up 5%.

FPH - 2140

- Did not have a good week. In contrast to the market, FPH dropped more than 12 percent. However, there was no news released from the company.

TNE - 2127 (257 shares)

- TNE finished the week mostly flat.

XRO - 2093

- XRO had a stellar week and finished more than 15 percent up.

APX - 2373 (104.275 shares)

- Also had a great week up more than 10 percent.

A2M - 2174

- Up a little but mostly flat.

Net position = 10,907

Final return = 9.07%.