

The Origins of the AAI Model Shadow Stock Portfolio



AAII InvestoGraphic: Adjusting Overweight Positions

Allowing a portfolio position to become oversized relative to your other holdings undermines the concept of diversification. This AAI InvestoGraphic offers guidance on how to pare down a position in a stock whose gains have caused it to have an outsized weighting relative to the other portfolio positions.

The Model Shadow Stock Portfolio's Origins and Newest Stock

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AAII's Model Shadow Stock Portfolio is one of the most important benefits of membership. Only AAI members have access to this easy-to-manage, real-world stock portfolio that has outperformed the S&P 500 index by over six percentage points a *year* since its inception in 1993. This article discusses the origins of this micro-cap value portfolio, as well as recent changes to the portfolio.

Consensus Stocks: Passing the Most Screens

This First Cut article identifies 22 stocks that meet the criteria of several of the screening strategies AAI members have access to at the Stock Ideas area of AAI.com.

Analyzing Value: The Internal Growth Rate



Earnings and dividend growth rate assumptions are a primary factor in almost all fundamental models of common stock valuation. But estimating earnings growth potential is difficult. Arriving at a numerical estimate of growth for use in valuation requires the use of accounting data and a close look at the components of growth.

Our [Member Question](#) for this week is:

As an equity investor, are you more worried about rising inflation or slowing economic growth?

[Vote Now »](#)

Vote to answer this week's Special Question: *The latest data shows that U.S. gross domestic product grew by 4.1% in the second quarter. How sustainable do you think the current economic expansion is? Why?*

Last Week's Results:

More than \$2.5 trillion in deals were announced during the first half of the year, putting mergers and acquisitions in 2018 on pace to surpass \$5 trillion. That would be the largest yearly total on record. Which statement about mergers and acquisitions do you agree with the most?

They are bad for consumers because they create bigger companies that will raise prices : 54% - Votes: 545



They are good for shareholders—the companies doing the acquiring typically see their stock prices rise while the shareholders of the companies being acquired see even bigger benefits : 46% - Votes: 463



Poll results are as of 9 a.m. (Central) on Monday. 1,038 respondents.



[AAII Survey: Slight Majority View Mergers in a Negative Light](#)

Through the first half of 2018, the year is on pace to be the biggest in terms of mergers and acquisitions (M&A) activity. Our latest AII survey asked our readers whether mergers were good for shareholders or bad for consumers. Historically, a jump in M&A activity is a precursor to an economic slowdown. The latest special question asked whether readers see this current M&A environment as a sign of a healthy economy or one poised for a downturn.



[Stock Investing Strategies](#)

One of the biggest difficulties for individuals interested in investing in stocks is getting started. This AAI e-book provides a general outline for analyzing stocks and walks through the process as it is practically applied to specific types of investment approaches. It first describes, in very broad terms, the basic process that is followed in fundamental analysis. It then goes into the various steps in more detail and shows how they can be adapted and practically applied to an individual's specific approach using commonly found information sources.

The AAI Weekly Digest is one of the many **benefits** of AAI membership. To learn more, consider a **30-day Trial AAI Membership** to start becoming an effective manager of your own assets.