Rolling Stocks

Investment Club

(ProShare reference number 12707)

MEETING MINUTES

Meeting:	**Monthly Meeting - March 2005**		
Held at:	**Square One, Crewe**	Date:	**23rd March 2005**
		Time:	**16:45 – 17:50**
Prepared by	**Dave G (from Adrian T's notes)**		
Chairperson:	**Adrian T**		
Present:	Adrian T Richard W Simon B		
Apologies:	Chris B Dave G Kit P		

Chairman's Acceptance of Minutes

_____ ____ / _____ / ____

Signature *Date*

1 NEXT MEETING

Proposed dates of next meetings:-

Wednesday 20th April

Wednesday 18th May

Wednesday 15th June

Wednesday 13th July (AGM)

Wednesday 10th August (to include strategy review)

Wednesday 7th September

Wednesday 5th October

Wednesday 2nd November

December date to be arranged.

2 MINUTES OF PREVIOUS MEETING

Accepted.

MEETING MINUTES

3 ACTIONS FROM PREVIOUS MEETING

3.1 Actions Closed Since Last Meeting

Ref.	Description & Progress	Status
CB/0106/03	Produce some exit criteria for UBC Media *0222: No progress*	COMPLETED
CB/0106/04	Prepare a further buy proposal for UBC Media if we should be spending more on UBC Media than just what was remaining in the Abbey account *0222: Left open just in case Chris was still considering this.*	COMPLETED
CB&AT/0106/07 (action changed from DG/0106/07 at 22nd February 2005 meeting)	Propose a form of words as a rule change to allow ad-hoc purchases of additional units and to remove upper limit on monthly subs *0222: Was done but has not been formally approved. Those attending voted unanimously to go with the rule change but we need 75% of the membership to agree before the rules can be changed. As neither Chris nor Adrian could attend the meeting, action left open until either one agrees the change or until both reject the change.* *0323: CB agreed to wording so rule is now formally agreed*	COMPLETED
RW/0222/01	Purchase appropriate "top up" of Wagon	COMPLETED
SB/0222/03	Look in Kit's storage for the pot llama. *0323: The llama has been found and passed to Dave G.*	COMPLETED
ALL/0222/04	Attempt to register and submit an entry for the Investaquest regional competition (as per Simon's email in January) as the deadline is 4th March	COMPLETED
DG/0222/05	Consider whether or not to also attend the Proshare Awards Dinner and get a ticket as necessary *0323: Dave did attend with Chris and Kit*	COMPLETED
SB/0222/06	Discuss with Chris the possibility of taking notes during the Proshare Awards Dinner *0323: Dave G and Chris B took notes and will write them up.*	COMPLETED

3.2 Actions Carried forward to Next Meeting

See end of these minutes.

4 TREASURER'S REPORT

4.1 Monthly Report Summary

See separate report for detail.

Highlights/Lowlights A reasonably good month with a rise of £677 on holdings. Unit value up from 601.064 to 611.193. We have £5987.98 of non-mechanical cash.

4.2 Matters Arising From Report

None

5 PORTFOLIO MANAGEMENT

5.1 Monthly Money Management Checks

Fundamental portfolio is still "Too low" (16% against strategic minimum of 25%).

5.2 Mechanical Portfolio

This is a month for the 'Growth' side of the portfolio. Horizon is the one to be sold, our first sale within the growth sub-portfolio. The replacement will be Carclo is the top selection. Richard to make purchase of appropriate amount.

The table below now reflects the sell situation for each mechanical holding. The appropriate sell condition (i.e. "Anniversary" or "Sell If Below") is shown in **bold.**

Company	Portfolio	"Anniversary"	Purchase Price	Target Price	Trailing Stop Loss	High Since Purchase	Target Met?	Sell If Below
4Imprint	Growth	**May 2005**	141.50	212.25	21.23	250.00	Yes	228.78
Fyffes	Value	**Jun 2005**	117.34	176.00	17.60	160.00	No	176.00
Sportingbet	Growth	**Jul 2005**	99.05	148.58	14.86	349.00	Yes	334.14
McAlpine	Value	**Aug 2005**	254.70	382.05	38.21	337.00	No	382.05
Hyder	Growth	**Sep 2005**	150.00	225.00	22.50	231.50	Yes	209.00
Lambert Howarth	Value	**Oct 2005**	272.00	408.00	40.80	363.00	No	408.00
Oystertec	Growth	**Nov 2005**	24.65	36.98	3.70	30.75	No	36.98
Taylor Woodrow	Value	**Nov 2005**	242.39	363.59	36.36	312.25	No	363.59
Bellway	Value	**Dec 2005**	724.40	1086.60	108.66	894.00	No	1086.60
Hunting	Growth	**Jan 2006**	184.75	277.13	27.71	247.50	No	277.13
Wagon	Value	**Feb 2006**	182.85	274.28	27.43	199.50	No	274.28

5.3 Monthly Reports For Each Company in Fundamental Portfolio

CodaSciSys	HOLD – Not yet met sell criteria (see table in 5.5 below)
ISG	HOLD – Not yet met sell criteria (see table in 5.5 below)
Parity	HOLD – Not yet met sell criteria (see table in 5.5 below)
Infast	HOLD – Not yet met sell criteria (see table in 5.5 below)

5.4 Speculative Portfolio

Cape	HOLD – Not yet met sell criteria (see table in 5.5 below)

We have other holdings in our speculative portfolio but, as per Strategy, those do not currently justify the effort of doing a monthly report for them.

5.5 Stop Loss / Sell Criteria (as of date of treasurer's report)

The following is the summary of sell criteria for each stock held within the Speculative or Fundamental portfolios (the Mechanical holdings are dealt with as part of section 5.2 above). The stop loss is invoked against the "end of day" price, but the sell decision may wait for the opening price to avoid rogue trades at the end of day.

Stock EPIC	Stock Name	Reportee	"High" Price	Stop Loss	Exit Criteria
CSY	CodaSciSys	Richard	420	210p	Hold until at least May 05 and then review. In addition, review following any trading or results statement that expects / reports a fall in either revenues or profits over the previous reporting period;Trailing stop loss of 210p to start from purchase price (based on mid-price due to large spread). (High = 420.0p)
ISG	Interior Services Group	Dave	228.0	182.5	20% trailing stop loss
PTY	Parity Group	Adrian	38.8p (based on average purchase price of 19.4p)	5.0	Sell half the holding if it should double to 20p or sell holding if it falls to below 5p.
BFP	Big Food Group	Simon	103	51.5	Wait for the takeover to go through
CIU	Cape	Richard	169.5	135.6	20% trailing stop loss
INS	Infast	Dave	23.25	19.25	4p trailing stop
EGG	Egg	N/A	118.25	94.6	[a] 20% trailing stop loss from purchase [b] Initiate a 20p stop loss if share price closes above 140p [c] Sell if any sudden spike due to realistic bid speculation
JRVS	Jarvis	N/A	29.0	N/A	Hold until price reaches 50p then review.
UBC	UBC Media	Chris	29.0	N/A until Feb 2006	Hold for 12 months (Feb 06) then invoke 20% trailing stop loss. Also review criteria on issue of any company announcement affecting prospects.

5.6 New Buy Proposals

Chris submitted a buy proposal for UBC Media to buy £1000 more and to consider it as a fundamental holding rather than a speculative holding. This was agreed. Richard to purchase an additional £1000.

Simon submitted a buy proposal for Ray Marine. It was agreed that £1500 worth should be purchased.

Simon was actioned to correct the buy proposal form, especially with respect to the market capitalisation.

6 LUCKY LLAMA COMPETITION

From Richard's mail….

> "Wooden spoon for the second month in a row goes to Richard with a 8.4% drop. Oasis Healthcare was the main culprit.

Simon's poor competition finished on a low note, down 5.6% as Jarvis once again headed lower.

Dave fell 4.2% as Colt Telecom and Eurodis Electronics gave up some of their previous gains.

Chris also failed to breakeven on the month, falling by 1.6% with non of his picks doing very much either up or down.

Congratulations to this month's winner, Adrian whose shares rose a very healthy 9.1% in an otherwise lacklustre market. Most of the rise was down to ZI Medical which rose strongly before being suspended pending details of a reverse takeover.

Despite Adrian's late surge, Dave's huge lead proved to be insurmountable in the overall competition and he ran out the clear winner. Well done Dave!

Dave £129,714.08
Adrian £122,200.66
Chris £111,619.45
Richard £104,799.90
Kit £100,000.00
Simon £87,403.19"

Simon awarded the pot llama to Dave ahead of the meeting.

New round of the competition starts this month.

7 COMPETITIONS

Everyone has submitted an entry to the "Investaquest" competition.

Dave, Kit and Chris attended the Proshare Awards dinner of 22nd March and Rolling Stocks won the award for "Most Successful Club – Alternative Share Trading". Dave had passed the certificate and glass plaque to Simon ahead of the meeting. Full results are on the proshare website www.proshareclubs.co.uk

8 SPENDING ON "FUN" AND "LEARNING"

Nothing to discuss.

ACTIONS CARRIED FORWARD TO NEXT MEETING

Ref.	Description & Progress	Target Date
RW/1219/03	Find out which instruments can be traded via our stockbroker *0123: No progress* *0227: No progress* *0323: No progress* *0421: No progress* *0520: No progress – need to also consider what can be traded via City Deal now that we are about to have an account with them too* *0629: No progress* *0720: No progress* *0817: No progress* *0907: No progress* *1004: No progress* *1102: No progress* *1207: No progress* *0106: No progress* *0222: No progress* *0323: No progress*	20/04/2005

Ref.	Description & Progress	Target Date
KP/0227/04 (changed from ALL/0227/04 at 23/03/204 meeting)	Send Richard W your weighting values for the second mechanical portfolio *0323: Kit still needs to send his weightings in to Richard* *0421: No further progress. Ideally Kit should get his weightings in by 14/05/2004 so that Richard can incorporate into screener ahead of the next run* *0520: Still awaiting Kit's* *0629: No further progress* *0720: No progress* *0817: No progress* *0907: No progress. Discussion took place about the adjusted weightings being limited to 10 for the Value portfolio. Richard to remove this restriction (see new action RW/0907/05)* *1004: No progress* *1102: No progress* *1207: No progress* *0106: No progress* *0222: No progress* *0323: Will be closed at the April if Kit does not want to send any weightings.*	20/04/2005
AT/0720/03	Issue Chairman's annual statement via email *0817: No progress* *0907: No progress* *1004: No progress* *1102: No progress* *1207: No progress* *0106: No progress* *0222: No progress* *0323: No progress*	20/04/2005
ALL/1102/08	Consider how we could get a better return from our cash pile *1207: No progress* *0106: No progress* *0222: Left open to allow us to consider whether we should open an account in trust with a higher rate of interest* *0323: No progress*	20/04/2005

Ref.	Description & Progress	Target Date
ALL/0222/02	Consider whether we should exploit the 'gap' in April in the mechanical portfolio to make a mechanical purchase, or create a 3rd mechanical sub-portfolio. All to discuss at March meeting so decision can be made ahead of the April meeting *0323: Decided to do nothing on this occasion but left open to allow discussion at the April meeting if necessary*	20/04/2005
RW/0323/01	Purchase additional £1000 of UBC Media	24/03/2005
RW/0323/02	Purchase £1500 of Ray Marine	24/03/2005
SB/0323/03	Correct the buy proposal form, especially the market cap entry.	20/04/2005

MEETING MINUTES

PROPOSED AGENDA FOR NEXT MEETING.

RSIC Monthly Meeting – Wednesday 20th April 2005 - between 16:45 and 18:15

Venue: The Brocklebank

1. Agenda Changes? (2 mins)
   [Any items for AOB or any suggested reordering of agenda?]
2. Date of Next Meetings (2 mins)
   [Agree a date for the next meetings]
3. Minutes of last meeting (1 min)
   [Any comments on minutes from previous meeting
4. Actions from last meeting (10 mins)
   [Progress on actions]
5. Treasurer's Report (10 mins)
6. Portfolio Management (30 mins)
   - 6.1. Monthly "Money Management" threshold checks
   - 6.2. Mechanical Portfolio
   - 6.3. Monthly Report for each Company in Fundamental Portfolio
   - 6.4. Speculative Portfolio
   - 6.5. Latest sell conditions for each share held
   - 6.6. New Buy Proposals
7. Lucky Llama Competition (5 mins)
   [Latest positions and any new buy/sell decisions]
8. Competitions (1 min)
9. Spending of the "Fun" and "Learning" budgets (5 mins)

AOB