



DCM



Dordt College Defender Capital Management Annual Report For the Year December 31, 2015

2015 was a bit of a rough patch for most U.S. stock market investors. The S&P 500 index, after seeing some volatility in the beginning of the year and reaching an all-time high of 2,131 in May, took a large dive in August, dropping 235 points in a week before closing the year 0.7% down. The Dow Jones Industrial Average closed the year down 2.29%. DCM ended the year with a 0.15% return, adjusted for donations, for 2015 which is encouraging for the club. DCM also received 7,800 in dividends in 2015, a strong indicator that we are making wise investments. DCM were advanced \$20,000 based on donations and pledges. Surprising many investors was the value of the U.S. dollar, rising 10% in 2015 after a 12% rise in the previous year even though the Federal Reserve didn't raise rates as quickly as anticipated. The Fed didn't raise interest rates until their last meeting in December. Their hesitancy due to a lack of confidence in U.S. economic growth, in part because of the effect of investors losing confidence and the stock market falling in late summer and into the fall. Another factor hurting markets was the crude oil price decline. The drop in crude oil starting in 2014 continued its trend in 2015 due to OPEC, Russia, and others not reducing production of oil. Crude oil is now under \$40 a barrel, the lowest it has been in a decade.

We believe that by continuing to follow the guidelines that DCM has set for investing that we will continue to perform well and outperform our benchmarks. Thanks to generous donations and strong performance, the future looks bright as DCM looks for further opportunities to grow and create value.

Throughout 2015, DCM was very active, making eleven transactions. We began the year by buying shares in Rio Tinto, an international mining company. Unfortunately, Rio has seen steady decline throughout the year due to falling metal prices. We next purchased Under Armour, a sports clothing and accessories company. The stock has fluctuated some since we bought it, but finished the year slightly up. We then sold our stake in Staples, which was a good move since the price has fallen over 40% since the sale. We also sold our stake in Kellogg, which unfortunately has increased in value since then. Our final purchase in the spring semester was Exxon Mobil, the oil and gas giant. The stock price has fallen about 10% since we bought it, largely due to the decline in crude oil prices. We ended the year with several sales, including Darden Restaurants, Cliff Natural Resources, and Target. Both Cliff and Target have lost value since their sale, while Darden is relatively unchanged.

We began the fall semester with purchasing a stake in Alibaba, which ended the year with a positive. We also increased our position in Proctor and Gamble, a consumer goods company. This was a good call since the price increased right before the end of the year. Our final transaction of the year was to increase our stake in HPQ, which increased slightly by the end of the year. We also made decisions to simply hold our position in several other stocks in our portfolio throughout the year.

As another year passes and DCM continues to send graduates into the work place, it is exciting to be a part of DCM and the value it creates. We look forward to another year of using the gifts God has given us to invest wisely and build on the knowledge we have already learned.

Sincerely,

Dylan Reinders, Vice President

Zach Veenstra, President



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Defender Capital Management

I. Transactions

Dordt College Defender Capital Management					
Trade Log					
For the Year Ended December 31, 2015					
Trade Date	Quantity	Security	Unit Price	Amount	Commission
PURCHASES					
2/18/2015	260.00	RIO	\$ 47.31	\$ 12,307.60	\$ (7.00)
3/16/2015	121.00	UA	\$ 74.69	\$ 9,044.49	\$ (7.00)
3/20/2015	72	IWB	\$ 116.43	\$ 8,389.96	\$ (7.00)
4/2/2015	64	IWB	\$ 116.70	\$ 7,468.79	\$ (7.00)
4/24/2015	81	XOM	\$ 87.16	\$ 7,059.95	\$ (7.00)
5/6/2015	58	IWB	\$ 117.36	\$ 6,806.88	\$ (7.00)
5/19/2015	102	IWB	\$ 118.74	\$ 12,111.19	\$ (7.00)
7/30/2015	87	IWB	\$ 115.41	\$ 10,040.58	\$ (7.00)
8/27/2015	110	IWB	\$ 106.07	\$ 11,667.39	\$ (7.00)
10/28/2015	120	BABA	\$ 74.92	\$ 8,990.76	\$ (7.00)
11/20/2015	65	PG	\$ 76.58	\$ 4,977.64	\$ (7.00)
12/28/2015	428	HPQ	\$ 11.68	\$ 4,996.90	\$ (7.00)
				\$ 66,651.30	\$ (56.00)
SALES					
2/17/2015	95	IWB	\$ 115.38	\$ 10,953.88	\$ (7.22)
2/18/2015	4	IWB	\$ 116.46	\$ 458.83	\$ (7.01)
3/13/2015	77	IWB	\$ 115.76	\$ 8,906.36	\$ (7.16)
3/18/2015	468	SPLS	\$ 16.15	\$ 7,551.02	\$ (7.18)
4/2/2015	129	K	\$ 63.80	\$ 8,230.21	\$ (7.16)
4/24/2015	54	IWB	\$ 117.73	\$ 6,357.43	\$ (7.11)
5/6/2015	104	DRI	\$ 64.05	\$ 6,661.21	\$ (7.13)
5/19/2015	110	CLF	\$ 5.63	\$ 619.63	\$ (7.02)
5/19/2015	143	TGT	\$ 77.02	\$ 11,013.46	\$ (7.20)
10/28/2015	80	IWB	\$ 115.21	\$ 9,217.12	\$ (7.16)
11/20/2015	21	IWB	\$ 116.66	\$ 2,449.86	\$ (7.04)
12/31/2015	30	IWB	\$ 113.78	\$ 3,413.49	\$ (7.06)
				\$ 75,832.50	\$ (85.45)



II. Portfolio Diversification

Dordt Defender Capital Management				
Portfolio to S&P 500 Diversification				
12/31/2015				
Industry	% of S&P 500	% of DCM Portfolio	Targeted Amount for Future Investments (%)	Targeted Amount for Future Investments (\$)
Consumer Discretionary	12.87%	10.95%	1.92%	\$6,358.49
Consumer Staples	10.11%	6.91%	3.20%	\$10,569.73
Energy	6.53%	6.77%	-0.24%	(\$807.69)
Financials	16.46%	12.12%	4.34%	\$14,354.38
Health Care	15.20%	12.13%	3.07%	\$10,144.65
Industrials	9.96%	7.64%	2.32%	\$7,679.96
Information Tech	20.68%	26.80%	-6.12%	(\$20,228.86)
Materials	2.82%	2.29%	0.53%	\$1,752.43
Telecommunications	2.39%	1.52%	0.87%	\$2,886.93
Utilities	2.98%	2.26%	0.72%	\$2,382.50
Totals	100.00%	89.39%		
IWB		10.56%		
Cash		0.09%		
Total		100.00%		
*Targeted investment amounts are calculated based on a total portfolio value of				
\$	330,625.07			



III. Statement of Position

Dordt College Defender Capital Management														
Statement of Position														
December 31, 2015														
Security	Shares Owned	Purchase Price	Total Cost*	Current Price	Market Value	Gain / (Loss)	Percent Change	Percent of Portfolio	Ending Beta	Weighted Beta	Last Period Price	Current Period Return	Last Period Value	Change in Value
AAPL	147	66.23	9,735.25	105.26	15473.22	5,737.97	58.94%	4.7%	1.35	0.063	110.38	-4.64%	\$ 16,225.86	\$ (752.64)
AFL	132	45.56	6,014.04	59.9	7906.8	1,892.76	31.47%	2.4%	1.16	0.028	61.09	-1.95%	\$ 8,063.88	\$ (157.08)
ANTM	154	91.05	14,021.01	139.44	21473.76	7,452.75	53.15%	6.5%	0.63	0.041	125.67	10.96%	\$ 19,353.18	\$ 2,120.58
BABA	120	74.98	8,997.76	81.27	9752.4	754.64	8.39%	2.9%	1.34	0.040	-	-	-	-
C	163	46.14	7,521.59	51.75	8435.25	913.66	12.15%	2.6%	1.61	0.041	54.11	-4.36%	\$ 8,819.93	\$ (384.68)
CAT	109	100.39	10,942.58	67.96	7407.64	(3,534.94)	-32.30%	2.2%	1.09	0.024	91.53	-25.75%	\$ 9,976.77	\$ (2,569.13)
CSCO	330	19.87	6,557.50	27.16	8962.8	2,405.30	36.68%	2.7%	1.18	0.032	27.82	-2.37%	\$ 9,180.60	\$ (217.80)
CVX	106	83.52	8,853.16	89.96	9535.76	682.60	7.71%	2.9%	1.17	0.034	112.18	-19.81%	\$ 11,891.08	\$ (2,355.32)
ESLT	202	59.23	11,964.94	88.33	17842.66	5,877.72	49.12%	5.4%	0.55	0.029	60.735	45.44%	\$ 12,268.47	\$ 5,574.19
EXC	269	37.33	10,042.77	27.77	7470.13	(2,572.64)	-25.62%	2.3%	0.04	0.001	37.08	-25.11%	\$ 9,974.52	\$ (2,504.39)
GOOG	23	516.94	11,889.63	758.88	17454.24	5,564.61	46.80%	5.3%	1.03	0.054	518.39	46.39%	\$ 11,922.97	\$ 5,531.27
HPE	194	24.72	4,795.58	15.2	2948.8	(1,846.78)	-38.51%	0.9%	1.64	0.015	-	-	-	-
HPQ	622	14.92	9,282.23	11.84	7364.48	(1,917.75)	-20.66%	2.2%	1.60	0.036	40.13	-70.50%	\$ 24,960.86	\$ (17,596.38)
IBM	125	176.22	22,027.99	137.62	17202.5	(4,825.49)	-21.91%	5.2%	0.66	0.034	160.44	-14.22%	\$ 20,055.00	\$ (2,852.50)
IWB	308	113.41	34,929.18	113.31	34899.48	(29.70)	-0.09%	10.6%	0.00	0.000	114.63	-1.15%	\$ 35,306.04	\$ (406.56)
JNJ	100	50.14	5,013.80	102.72	10272	5,258.20	104.87%	3.1%	0.89	0.028	104.57	-1.77%	\$ 10,457.00	\$ (185.00)
MSFT	346	31.82	11,010.76	55.48	19196.08	8,185.32	74.34%	5.8%	1.02	0.059	46.45	19.44%	\$ 16,071.70	\$ 3,124.38
PEP	107	65.53	7,012.04	99.92	10691.44	3,679.40	52.47%	3.2%	0.70	0.023	94.56	5.67%	\$ 10,117.92	\$ 573.52
PG	165	60.77	10,027.64	79.41	13102.65	3,075.01	30.67%	4.0%	0.66	0.026	91.09	-12.82%	\$ 15,029.85	\$ (1,927.20)
RIO	260	47.34	12,307.59	29.12	7571.2	(4,736.39)	-38.48%	2.3%	1.25	0.029	94.33	-69.13%	\$ 24,525.80	\$ (16,954.60)
SYK	90	55.58	5,002.00	92.94	8364.6	3,362.60	67.23%	2.5%	0.71	0.018	33.59	176.69%	\$ 3,023.10	\$ 5,341.50
T	143	26.08	3,729.20	34.41	4920.63	1,191.43	31.95%	1.5%	0.29	0.004	125.48	-72.58%	\$ 17,943.64	\$ (13,023.01)
TM	128	109.05	13,959.00	123.04	15749.12	1,790.12	12.82%	4.8%	0.58	0.027	44.95	173.73%	\$ 5,753.60	\$ 9,995.52
UA	121	74.75	9,044.50	80.61	9753.81	709.31	7.84%	3.0%	0.10	0.003	54.82	47.04%	\$ 6,633.22	\$ 3,120.59
USB	370	30.07	11,124.61	42.67	15787.9	4,663.30	41.92%	4.8%	0.78	0.037	51.3	-16.82%	\$ 18,981.00	\$ (3,193.10)
WFC	146	51.30	7,490.30	54.36	7936.56	446.26	5.96%	2.4%	0.96	0.023	92.45	-41.20%	\$ 13,497.70	\$ (5,561.14)
XOM	165	85.68	14,137.50	77.95	12861.75	(1,275.75)	-9.02%	3.9%	0.92	0.036	92.45	-15.68%	\$ 15,254.25	\$ (2,392.50)
			\$ 287,434.13		\$ 330,337.66	\$ 42,903.53		99.9%		0.748				\$ (35,258.98)
	Cash		\$ 287.41		\$ 287.41			0.1%						
	TOTAL PORTFOLIO		\$ 287,721.54		\$ 330,625.07			100.0%						

As indicated in the statement above, the majority of our stocks have been profitable, the notable exceptions being International Business Machine (IBM), Rio Tinto (RIO), Caterpillar (CAT), and Exelon (EXC). RIO and EXC's falling stock prices can be attributed to falling metal and crude oil prices, respectively. Even though these stocks were not profitable for the year of 2015 we still believe they are good long term investments. Some of our biggest gainers are Microsoft (MSFT), Anthem, (ANTM), Elbit Systems (ESLT), and Apple (AAPL).



IV. 2015 Income

Dordt College Defender Capital Management								
Statement of Dividends and Interest								
For the Year Ended December 31, 2015								
DIVIDENDS								
Security	Q1	Q2	Q3	Q4	2015 Total	2015 Yield	2014 Total	2014 Yield
AAPL	\$ 69.09	\$ 76.44	\$ 76.44	\$ 76.44	\$ 298.41	1.93%	\$ 271.32	1.63%
AFL	\$ 51.48	\$ 51.48	\$ 51.48	\$ 54.12	\$ 208.56	2.64%	\$ 198.00	2.13%
ANTM	\$ 96.25	\$ 96.25	\$ 96.25	\$ 96.25	\$ 385.00	1.79%	\$ 269.52	1.39%
BABA	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
C	\$ 1.63	\$ 8.15	\$ 8.15	\$ 8.15	\$ 26.08	0.31%	\$ 6.52	0.08%
CAT	\$ 76.30	\$ 76.30	\$ 83.93	\$ 83.93	\$ 320.46	4.33%	\$ 283.40	1.89%
CLF	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 66.00	2.29%
CSCO	\$ 62.70	\$ 69.30	\$ 69.30	\$ 69.30	\$ 270.60	3.02%	\$ 244.20	2.27%
CVX	\$ 113.42	\$ 113.42	\$ 113.42	\$ 113.42	\$ 453.68	4.76%	\$ 446.26	2.44%
DRI	\$ 57.20	\$ 57.20	\$ -	\$ -	\$ 114.40	1.20%	\$ 228.80	3.86%
EXC	\$ 83.39	\$ 83.39	\$ 83.39	\$ 83.39	\$ 333.56	4.47%	\$ 333.56	5.31%
ESLT	\$ -	\$ 141.40	\$ 74.74	\$ 74.74	\$ 290.88	1.63%	\$ 254.52	5.31%
GOOG	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
HPE	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
HPQ	\$ 31.04	\$ 31.04	\$ 34.14	\$ 34.14	\$ 130.36	1.77%	\$ 118.42	2.57%
IBM	\$ 137.50	\$ 162.50	\$ 162.50	\$ 162.50	\$ 625.00	3.63%	\$ 335.75	1.97%
INTC	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 222.75	3.47%
IWB	\$ 34.62	\$ -	\$ 139.36	\$ 412.45	\$ 586.43	1.68%	\$ 422.53	1.24%
JNJ	\$ 70.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 295.00	2.87%	\$ 276.00	2.83%
K	\$ 63.21	\$ -	\$ -	\$ -	\$ 63.21	0.62%	\$ 245.10	2.23%
MSFT	\$ 107.26	\$ 107.26	\$ 107.26	\$ 124.56	\$ 446.34	2.33%	\$ 348.06	2.59%
PEP	\$ 140.18	\$ 75.17	\$ 75.17	\$ -	\$ 290.52	2.72%	\$ 261.62	2.31%
PG	\$ 64.36	\$ 66.29	\$ 66.29	\$ 66.29	\$ 263.23	2.01%	\$ 253.23	2.91%
RIO	\$ -	\$ 300.98	\$ 272.84	\$ -	\$ 573.82	7.58%	-	-
SPLS	\$ 56.16	\$ -	\$ -	\$ -	\$ 56.16	0.74%	\$ 224.64	2.27%
SYK	\$ 31.05	\$ 31.05	\$ 31.05	\$ 31.05	\$ 124.20	1.48%	\$ 109.80	1.41%
T	\$ 67.21	\$ 67.21	\$ 67.21	\$ 67.21	\$ 268.84	5.46%	\$ 263.12	5.12%
TGT	\$ 74.36	\$ -	\$ -	\$ -	\$ 74.36	1.51%	\$ 271.70	2.50%
TM	\$ -	\$ 254.50	\$ -	\$ 205.36	\$ 459.86	2.92%	\$ 161.68	4.03%
UA	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-
USB	\$ 90.65	\$ 90.65	\$ 94.35	\$ 94.35	\$ 370.00	2.34%	\$ 351.50	1.40%
WAG	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ 45.05	2.05%
WFC	\$ 51.10	\$ 54.75	\$ 54.75	\$ 54.75	\$ 215.35	2.71%	\$ 51.10	2.55%
XOM	\$ 57.96	\$ 120.45	\$ 120.45	\$ 120.45	\$ 419.31	3.26%	\$ 226.80	2.43%
Total Dividends	\$ 1,688.12	\$ 2,210.18	\$ 1,957.47	\$ 2,107.85	\$ 7,963.62		\$ 6,790.95	
Interest	\$ 0.04	\$ 0.03	\$ 0.02	\$ 0.05	\$ 0.14		\$ 0.85	
Foreign Tax	\$ -	\$ 67.26	\$ 14.95	\$ 46.40	\$ 128.61		\$ (77.54)	
Total Income	\$ 1,688.16	\$ 2,142.95	\$ 1,944.94	\$ 2,061.50	\$ 7,837.55		\$ 6,714.26	

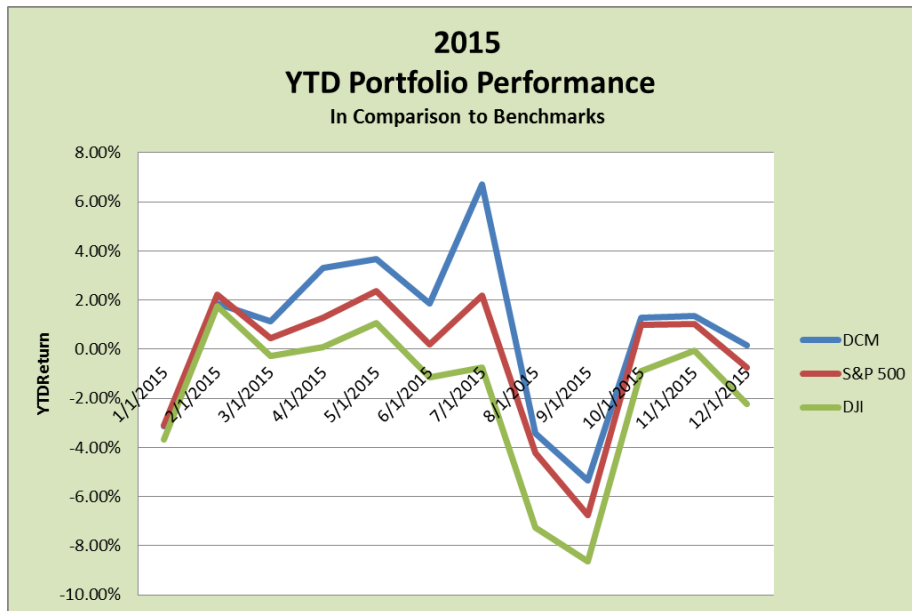


Defender Capital Management

V. 2015 Performance

Dordt College Defender Capital Management			
Consolidated Performance Reports			
For the Quarter Ended December 31, 2015			
Change in Portfolio Value			
Portfolio Value on 1-1-2015		\$ 308,614.17	
Contributions		\$ 20,000.00	
Realized Gains*		\$ 2,278.42	
Change in Unrealized Gains**	\$ (8,105.07)		
Interest	\$ 0.14		
Dividends	\$ 7,837.41		
Change in Portfolio Value		\$ (267.52)	
Portfolio Value on 12-31-15		\$330,625.07	
Annual Returns			
Beginning Invested Value		\$308,047.71	
Ending Invested Value		\$293,181.31	
Money Weighted Return***		0.74%	
Risk Weighted IRR****		0.86%	
Total Period Return		0.15%	
S & P 500		-0.73%	
DJIA		-2.23%	
Cash Activity			
Beginning Cash	\$ 566.46		
Dividends	7,837.41		
Interest	0.14		
Sales	75,832.50		
Invested Cash	(66,651.30)		
Trading Fees	(141.45)		
Contribution	20,000.00		
Ending Cash	\$ 37,443.76		
		*Realized and unrealized gains are shown on a net basis reflecting all applicable fees and commissions.	
		**The amount shown as an unrealized gain is the net change in unrealized gains since the previous report.	
		***The Money Weighted Return is calculated assuming net invested cash was added to the portfolio midquarter.	
		****The Risk Weighted IRR is calculated using the weighted beta of the portfolio at the end of the reporting period.	

Returns by Period			
	DCM	S&P 500	DJIA
January	-3.12%	-3.10%	-3.69%
February	5.13%	5.49%	5.64%
March	-0.70%	-1.74%	-1.97%
April	2.15%	0.85%	0.36%
May	0.35%	1.05%	0.95%
June	-1.76%	-2.10%	-2.17%
July	4.79%	1.97%	0.40%
August	-9.52%	-6.26%	-6.57%
September	-1.98%	-2.64%	-1.47%
October	7.01%	8.30%	8.47%
November	0.07%	0.05%	0.85%
December	-1.20%	-1.75%	-2.18%
Quarter One	1.13%	0.44%	-0.26%
Quarter Two	0.70%	-0.23%	-0.88%
Quarter Three	-9.45%	-6.94%	-7.58%
Quarter Four	5.80%	6.45%	7.00%
Year-to-Date	0.15%	-0.73%	-2.23%



As you can see, DCM follows the trends of the S&P 500 as well as the DJI, and has outperformed both benchmarks in 2015 thanks to strong leadership and accurately anticipating the shifts of the market. With positive returns in all but two sectors, DCM is well-poised to continue to exceed our expectations.



Defender Capital Management

VI. Cumulative Performance

Defender Capital Management Cumulative Performance vs. S&P 500 December 31, 2015			
Contribution Date	Contribution Amount	Historic S&P Level	12/31/2015 S&P Value
2/28/2007	\$ 12,025.00	1406.82	\$ 17,470.88
3/12/2007	\$ 3,500.00	1406.6	\$ 5,085.87
9/14/2007	\$ 1,000.00	1484.25	\$ 1,377.09
1/28/2008	\$ 2,975.00	1353.96	\$ 4,491.06
10/23/2008	\$ 10,000.00	908.11	\$ 22,507.63
11/10/2008	\$ 40,000.00	919.21	\$ 88,943.33
6/17/2010	\$ 65,000.00	1116.04	\$119,042.42
9/12/2012	\$ 20,000.00	1436.56	\$ 28,456.03
9/11/2013	\$ 22,000.00	1689.13	\$ 26,621.21
9/3/2014	\$ 8,000.00	2000.72	\$ 8,172.82
7/24/2015	\$ 20,000.00	2079.65	\$ 19,656.58
	\$ 204,500.00		\$341,824.91
	12/31/2015 S&P Level:	2043.94	
12/31/2015 Portfolio Value:			\$330,625.07
Total Portfolio Gains:			\$126,125.07
Portfolio MW Cumulative Return:			61.67%
S&P MW Cumulative Return:			67.15%
Yearly Average Portfolio Versus S&P 500 Return (Since Inception):			-0.62%