



DCM



Dordt College Defender Capital Management Annual Report For the Year December 31, 2016

The 4th quarter of 2016 ended on a very high note, with the markets reaching new highs with the help of surprising events (Presidential Election), Fed raising the interest rates 0.25 percentage points, and of course DCM reaching new highs in portfolio value and beating the S&P 500 returns for 2016. Pre-election night, everyone thought they knew the outcome and the markets had already adjusted for Clinton to win, but when the sight of Trump winning the futures markets tumbled before the opening the next morning. Since, the election the S&P 500 has reached record highs gaining 3.5%, with the financial and energy sector performing the best because of the hope of better economic conditions for these sectors coming from the Trump administration. Financial stocks spiked after the election being spurred on by rising interest rates and looser regulations. The Energy sector rose 7% in the quarter with the stabilizing price of oil. For the first time in 2016, the Federal Reserve raised rates because of positive economic data and encouraging signs of a strengthening US economy, but also a positive outlook on global expansion. US GDP grew only 1.9% for the year, which was hampered by the lag in the beginning of the year, but increased toward the end of the year. Consumer spending increased by 2.5% and US imports increased 8.3%, which reflects a stronger economy and a strengthening US dollar.

For DCM, the 4th quarter was busy but also exciting, with the portfolio value ending at \$400,158.52 and our return for the quarter being 4.54% and our yearly return being 15.97%, beating the S&P 500's return of 11.96% by 4.01%. DCM had three purchases during the quarter, which involved buying \$5,000 position in PEP, \$10,000 position in NKE, and switching C shares of Under Armour to the A shares. We also had two sales in the quarter, which consisted of reducing our exposure in IBM by selling half our position and selling our entire position in MSFT. DCM sold MSFT for \$21,058.66 with a realized gain of \$10,000. DCM is still looking to have our sector weights be closely correlated with S&P 500 weights, but understand that we are looking for sectors that will get us the best returns. In the 4th quarter DCM saw a change in value of \$65,240.80 which was credited to the biggest gainers C +25.83%, WFC +24.46%, and MET +21.29%, but weighed down by UAA -24.90%, BABA -17.00%, and PG -6.32% who were the biggest losers for the quarter. As a club, we are excited to see the portfolio increasing to record highs, as well as learning more about investing together. With the opportunities in the market in the coming year and the increased involvement from students, we believe the future of the club is bright.

The members of DCM are thankful to those who have made contributions to the club over the years. As the challenges of managing a growing portfolio continue, we look forward to serving and honoring the Lord with the talents and funds we have been given. Thank you.

Sincerely,

Dylan Reinders, President

Lucas Jacobsma, President

Zach Van Vugt, Vice President



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Defender Capital Management

I. Transactions

Dordt College Defender Capital Management					
Trade Log					
For the Year Ended December 31, 2016					
Trade Date	Quantity	Security	Unit Price	Amount	Commission
PURCHASES					
2/18/2016	695	KMI	14.37	9994.15	\$ (7.00)
3/31/2016	235	MET	42.61	10020.35	\$ (7.00)
5/12/2016	137	C	43.786	6005.68	\$ (7.00)
5/12/2016	210	RIO	28.576	6007.96	\$ (7.00)
10/17/2016	47	PEP	105.785	4978.9	\$ (7.00)
11/1/2016	289	IWB	118.44	34236.16	\$ (7.00)
11/22/2016	195	NKE	51.26	10002.7	\$ (7.00)
11/22/2016	93	UA	32.12	2994.16	\$ (7.00)
				\$ 84,240.06	\$ (56.00)
SALES					
2/18/2016	100	IWB	101.771	10169.87	\$ (7.23)
3/31/2016	89	IWB	112.382	9994.78	\$ (7.22)
10/4/2016	63	IBM	158.8101	9997.83	\$ (7.21)
10/31/2016	346	MSFT	60.8836	21058.24	\$ (7.49)
11/21/2016	82	IWB	121.2434	9934.75	\$ (7.21)
11/21/2016	121	UA/C	25.2085	3043.16	\$ (7.07)
				\$ 64,198.63	\$ (43.43)



Defender Capital Management

II. Portfolio Diversification

Dordt Defender Capital Management				
Portfolio to S&P 500 Diversification				
12/31/2016				
Industry	% of S&P 500	% of DCM Portfolio	Targeted Amount for Future Investments (%)	Targeted Amount for Future Investments (\$)
Consumer Discretionary	12.00%	7.94%	4.06%	\$16,263.52
Consumer Staples	9.40%	9.97%	-0.57%	(\$2,283.17)
Energy	7.60%	10.44%	-2.84%	(\$11,350.50)
Financials	14.80%	16.68%	-1.88%	(\$7,509.85)
Health Care	13.60%	11.11%	2.49%	\$9,977.08
Industrials	10.30%	7.67%	2.63%	\$10,525.89
Information Tech	20.80%	17.18%	3.62%	\$14,471.95
Materials	2.80%	4.52%	-1.72%	(\$6,871.76)
REITs	2.90%	0.00%	2.90%	\$11,604.60
Telecommunications	2.70%	1.52%	1.18%	\$4,722.49
Utilities	3.20%	2.39%	0.81%	\$3,258.26
Totals	100.00%	89.40%		
IWB		10.14%		
Cash		0.46%		
Total		100.00%		
*Targeted investment amounts are calculated based on a total portfolio value of				
\$	400,158.52			

	Last Quarter	This Quarter	Change
Consumer Discretionary	36,327.82	31,755.50	-12.59%
Consumer Staples	26,447.14	39,898.07	50.86%
Energy	41,386.07	41,762.55	0.91%
Financials	56,431.07	66,733.31	18.26%
Health Care	41,587.64	44,444.48	6.87%
Industrials	29,031.57	30,690.44	5.71%
Information Tech	98,822.63	68,761.02	-30.42%
Materials	15,698.00	18,076.20	15.15%
REITs	-	-	#DIV/0!
Telecommunications	5,807.23	6,081.79	4.73%
Utility	8,955.01	9,546.81	6.61%



Defender Capital Management

III. Statement of Position

Dordt College Defender Capital Management														
Statement of Position														
December 31, 2016														
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	115.82	17,025.54	7,290.29	74.89%	4.3%	1.45	0.062	113.05	2.45%	\$ 11,781.42	\$ 5,244.12
AFL	132	45.56	6,014.04	69.6	9,187.20	3,173.16	52.76%	2.3%	1.05	0.024	71.87	-3.16%	\$ 8,817.60	\$ 369.60
ANTM	154	91.05	14,021.01	143.77	22,140.58	8,119.57	57.91%	5.5%	0.73	0.041	125.31	14.73%	\$ 14,021.01	\$ 8,119.57
BABA	120	74.98	8,997.76	87.81	10,537.20	1,539.44	17.11%	2.6%	0.00	0.000	105.79	-17.00%	\$ 14,022.01	\$ (3,484.81)
C	300	45.09	13,527.00	59.43	17,829.00	4,302.00	31.80%	4.5%	1.55	0.069	47.23	25.83%	\$ 14,023.01	\$ 3,805.99
CAT	109	100.39	10,942.58	92.74	10,108.66	(833.92)	-7.62%	2.5%	1.61	0.041	88.77	4.47%	\$ 14,024.01	\$ (3,915.35)
CSCO	330	19.87	6,557.50	30.22	9,972.60	3,415.10	52.08%	2.5%	1.41	0.035	31.72	-4.73%	\$ 7,401.90	\$ 2,570.70
CVX	106	83.52	8,853.16	117.7	12,476.20	3,623.04	40.92%	3.1%	1.19	0.037	102.92	14.36%	\$ 13,240.46	\$ (764.26)
ESLT	202	59.23	11,964.94	101.89	20,581.78	8,616.84	72.02%	5.1%	0.64	0.033	95.82	6.33%	\$ 11,964.94	\$ 8,616.84
EXC	269	37.33	10,042.77	35.49	9,546.81	(495.96)	-4.94%	2.4%	0.38	0.009	33.29	6.61%	\$ 7,367.91	\$ 2,178.90
GOOG	23	516.97	11,890.32	771.82	17,751.86	5,861.54	49.30%	4.4%	0.94	0.042	777.29	-0.70%	\$ 11,923.06	\$ 5,828.80
HPE	194	24.72	4,795.58	23.14	4,489.16	(306.42)	-6.39%	1.1%	0.00	0.000	22.75	1.71%	\$ 11,924.06	\$ (7,434.90)
HPQ	622	14.92	9,282.23	14.84	9,230.48	(51.75)	-0.56%	2.3%	1.78	0.041	15.53	-4.44%	\$ 11,925.06	\$ (2,694.58)
IBM	62	178.24	11,050.57	165.99	10,291.38	(759.19)	-6.87%	2.6%	0.87	0.022	158.85	4.49%	\$ 11,926.06	\$ (1,634.68)
IWB	326	115.59	37,682.96	124.46	40,573.96	2,891.00	7.67%	10.1%	0.00	0.000	120.46	3.32%	\$ 11,927.06	\$ 28,646.90
JNJ	100	50.14	5,013.80	115.21	11,521.00	6,507.20	129.79%	2.9%	0.68	0.019	118.13	-2.47%	\$ 11,928.06	\$ (407.06)
KMI	695	14.38	9,994.17	20.71	14,393.45	4,399.28	44.02%	3.6%	0.81	0.029	23.13	-10.46%	\$ 11,930.06	\$ 2,463.39
MET	235	42.64	10,020.35	53.89	12,664.15	2,643.80	26.38%	3.2%	1.44	0.046	44.43	21.29%	\$ 11,931.06	\$ 733.09
NKE	195	51.26	9,995.70	50.83	9,911.85	(83.85)	-0.84%	2.5%	0.42	0.011	#N/A	#N/A	\$ 11,932.56	\$ (2,020.71)
PEP	154	85.63	13,186.46	104.63	16,113.02	2,926.56	22.19%	4.0%	0.70	0.028	108.77	-3.81%	\$ 11,933.96	\$ 4,179.06
PG	165	63.47	10,472.47	84.08	13,873.20	3,400.73	32.47%	3.5%	0.53	0.018	89.75	-6.32%	\$ 11,935.36	\$ 1,937.84
RIO	470	38.97	18,315.52	38.46	18,076.20	(239.32)	-1.31%	4.5%	1.12	0.051	33.4	15.15%	\$ 11,936.06	\$ 6,140.14
SYK	90	55.58	5,002.00	119.81	10,782.90	5,780.90	115.57%	2.7%	0.60	0.016	116.41	2.92%	\$ 11,938.06	\$ (1,155.16)
T	143	26.08	3,729.20	42.53	6,081.79	2,352.59	63.09%	1.5%	0.43	0.007	40.61	4.73%	\$ 11,939.06	\$ (5,857.27)
TM	128	109.05	13,959.00	117.2	15,001.60	1,042.60	7.47%	3.7%	0.68	0.025	116.06	0.98%	\$ 11,940.06	\$ 3,061.54
UA	214	34.73	7,432.76	29.05	6,216.70	(1,216.06)	-16.36%	1.6%	0.06	0.001	38.68	-24.90%	\$ 11,941.06	\$ (5,724.36)
USB	370	30.07	11,124.61	51.37	19,006.90	7,882.30	70.85%	4.7%	0.93	0.044	42.89	19.77%	\$ 9,190.05	\$ 9,816.85
WFC	146	51.30	7,490.30	55.11	8,046.06	555.76	7.42%	2.0%	1.02	0.021	44.28	24.46%	\$ 8,502.80	\$ (456.74)
XOM	165	85.68	14,137.50	90.26	14,892.90	755.40	5.34%	3.7%	0.64	0.024	87.28	3.41%	\$ 7,815.55	\$ 7,077.35
			\$ 315,231.48		\$398,324.13	\$ 83,092.65		99.5%		0.791				\$ 65,240.80
	Cash		\$ 1,834.39		\$ 1,834.39			0.5%						
	TOTAL PORTFOLIO		\$ 317,065.87		\$400,158.52			100.0%						

*Calculate using FIFO cost method net of commissions

As indicated in the statement above, the majority of our stocks have been profitable, the notable exceptions being Alibaba (BABA), Kinder Morgan (KMI), and Under Armour (UA). However, even with these underperformers as a whole our portfolio has done very well in 2016 and puts us in a good position for 2017 and beyond. Since we look for long term growth in our portfolio, we don't panic when a stock doesn't perform as well as we hope. Some of our biggest gainers are Anthem (ANTM) Citigroup (C), Elbit Systems (ESLT), and Apple (AAPL).



Defender Capital Management

IV. 2016 Income

Dordt College Defender Capital Management								
Statement of Dividends and Interest								
For the Year Ended December 31, 2016								
DIVIDENDS								
Security	Q1	Q2	Q3	Q4	2016 Total	2016 Yield	2015 Total	2015 Yield
AAPL	\$ 76.44	\$ 83.79	\$ 83.79	\$ 83.79	\$ 327.81	1.93%	\$ 495.41	1.63%
AFL	\$ 54.12	\$ 54.12	\$ 54.12	\$ 56.76	\$ 219.12	2.39%	\$ 330.02	2.13%
ANTM	\$ 100.10	\$ 100.10	\$ 100.10	\$ 100.10	\$ 400.40	1.81%	\$ 600.62	1.39%
BABA	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	-
C	\$ 8.15	\$ 8.15	\$ 48.00	\$ 48.00	\$ 112.30	0.63%	\$ 208.31	0.08%
CAT	\$ 83.93	\$ 83.92	\$ 83.93	\$ 83.93	\$ 335.71	3.32%	\$ 503.60	1.89%
CSCO	\$ 69.30	\$ 85.80	\$ 85.80	\$ 85.80	\$ 326.70	3.28%	\$ 498.33	2.27%
CVX	\$ 113.42	\$ 113.42	\$ 113.42	\$ 114.48	\$ 454.74	3.64%	\$ 682.68	2.44%
EXC	\$ 83.39	\$ 85.54	\$ 85.54	\$ 85.54	\$ 340.01	3.56%	\$ 511.13	5.31%
ESLT	\$ -	\$ 80.80	\$ 80.80	\$ 80.80	\$ 242.40	1.18%	\$ 404.01	5.31%
GOOG	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	-
HPE	\$ 10.67	\$ 10.67	\$ 10.67	\$ 10.67	\$ 42.68	0.95%	\$ 64.03	4.10%
HPQ	\$ 24.06	\$ 77.13	\$ 77.13	\$ 77.13	\$ 255.45	2.77%	\$ 409.74	2.57%
IBM	\$ 162.50	\$ 175.00	\$ 175.00	\$ 86.80	\$ 599.30	5.82%	\$ 861.16	1.97%
IWB	\$ 142.99	\$ -	\$ 131.43	\$ 221.24	\$ 495.66	1.22%	\$ 848.34	1.24%
JNJ	\$ 75.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 315.00	2.73%	\$ 475.03	2.83%
KMI	\$ -	\$ 86.88	\$ 86.88	\$ 86.88	\$ 260.64	1.81%	\$ 434.42	2.23%
MET	\$ -	\$ 94.00	\$ 94.00	\$ 94.00	\$ 282.00	2.23%	\$ 470.02	2.59%
MSFT	\$ 124.56	\$ 124.56	\$ 124.56	\$ -	\$ 373.68	2.95%	\$ 498.27	0.00%
NKE	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	0.00%
PEP	\$ 150.34	\$ 80.52	\$ 80.52	\$ -	\$ 311.38	1.93%	\$ 391.92	1.25%
PG	\$ 109.38	\$ 110.47	\$ 110.47	\$ 110.47	\$ 440.79	3.18%	\$ 661.76	2.91%
RIO	\$ -	\$ 277.32	\$ 209.57	\$ -	\$ 486.89	2.69%	\$ 696.49	-
SYK	\$ 34.20	\$ 34.20	\$ 34.20	\$ 34.20	\$ 136.80	1.27%	\$ 205.21	1.41%
T	\$ 68.64	\$ 68.64	\$ 68.64	\$ 68.64	\$ 274.56	4.51%	\$ 411.89	5.12%
TM	\$ -	\$ 254.91	\$ -	\$ 223.73	\$ 478.64	3.19%	\$ 702.40	4.03%
UA	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	-
UA/C	\$ -	\$ -	32.75	0	\$ 32.75	0.53%	\$ 65.51	1.40%
USB	\$ 94.35	\$ 94.35	\$ 94.35	\$ 103.60	\$ 386.65	6.22%	\$ 584.66	2.05%
WFC	\$ 54.75	\$ 55.48	\$ 55.48	\$ 55.48	\$ 221.19	3.56%	\$ 332.19	2.55%
XOM	\$ 120.45	\$ 123.75	\$ 123.75	\$ 123.75	\$ 491.70	7.91%	\$ 739.28	2.43%
Total Dividends	\$1,760.74	\$2,443.52	\$2,324.90	\$2,115.79	\$8,644.95		\$13,086.41	
Interest	\$ 0.02	\$ 0.26	\$ 209.57	\$ 0.15	\$ 210.00		\$ 0.85	
Foreign Tax	\$ -	\$ 71.36	\$ 100.10	\$ 50.42	\$ 221.88		\$ (77.54)	
Total Income	\$1,760.76	\$2,372.42	\$2,436.77	\$2,065.52	\$8,725.47		\$13,009.72	



Defender Capital Management

V. 2016 Performance

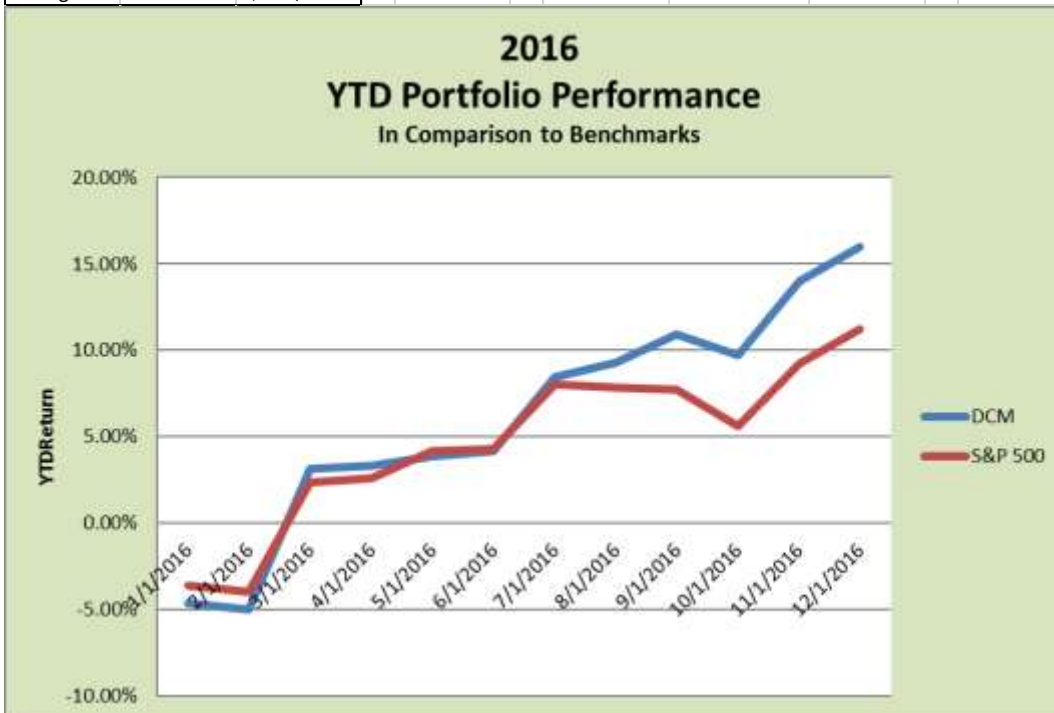
Dordt College Defender Capital Management
 Consolidated Performance Reports
 For the Quarter Ended December 31, 2016

Change in Portfolio Value				Returns by Period			
Portfolio Value on 9-30-16			\$ 382,775.73		DCM	S&P 500	DJIA
Contributions				January	-4.63%	-4.96%	0.00%
Realized Gains*			\$ 9,806.65	February	-0.41%	-0.13%	0.00%
Change in Unrealized Gains**	\$ 5,511.32			March	8.59%	6.78%	0.00%
Interest	\$ 0.15			April	0.20%	0.39%	0.00%
Dividends	\$ 2,065.37			May	0.52%	1.80%	0.00%
Change in Portfolio Value			\$ 7,576.84	June	0.27%	0.26%	0.00%
Portfolio Value on 12-31-16			\$400,158.52	July	4.13%	3.69%	0.00%
				August	0.75%	0.14%	0.00%
				September	1.53%	0.02%	0.00%
				October	-1.07%	-1.82%	0.00%
				November	3.90%	3.70%	0.00%
				December	1.71%	1.98%	0.00%
				Quarter One	3.14%	1.35%	0.00%
				Quarter Two	0.98%	2.46%	0.00%
				Quarter Three	6.51%	3.85%	0.00%
				Quarter Four	4.54%	3.82%	0.00%
				Year-to-Date	15.97%	11.96%	0.00%

Fourth Quarter Returns			
Beginning Invested Value			\$374,828.92
Ending Invested Value			\$398,324.13
Money Weighted Return***			1.99%
Risk Weighted IRR****			2.52%
Total Period Return			4.54%
S & P 500			2.46%
DJIA			0.00%

Cash Activity	
Beginning Cash	\$ 7,946.81
Dividends	2,065.37
Interest	0.15
Sales	34,036.14
Invested Cash	(52,155.92)
Trading Fees	(49.77)
Contribution	-
Ending Cash	\$ 1,834.39

*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.
 *****Total unrealized gains and losses of DCM as of end of first quarter





VI. Cumulative Performance

Money Weighted Returns computation						DCM money-weighted	S&P money-weighted	
Comparison to S&P returns						annual returns	comparative annual returns	
						since inception	since inception	
						10.52%	12.42%	
Contribution	Contribution	Y-Charts	Google Fin SP500TR	S&P Index	Accumulation	Accumulation +	Contribution	
Dates	Amounts	S&P w Divs	Green =Imputed	return between	if invested in	most recent	Dates	
				contributions	S&P Index Fund	contribution	Amounts	
2/28/2007	\$ 12,025.00	115.71	2179.87				2/28/2007	\$ 12,025.00
3/12/2007	\$ 3,500.00	115.76	2180.81	0.04%	\$ 12,030.20	\$ 15,530.20	3/12/2007	\$ 3,500.00
9/14/2007	\$ 1,000.00	123.26	2322.10	6.48%	\$ 16,536.39	\$ 17,536.39	9/14/2007	\$ 1,000.00
1/28/2008	\$ 2,975.00	113.08	2130.32	-8.26%	\$ 16,088.06	\$ 19,063.06	1/28/2008	\$ 2,975.00
10/23/2008	\$ 10,000.00	77.88	1467.19	-31.13%	\$ 13,129.03	\$ 23,129.03	10/23/2008	\$ 10,000.00
11/10/2008	\$ 40,000.00	78.68	1482.26	1.03%	\$ 23,366.62	\$ 63,366.62	11/10/2008	\$ 40,000.00
6/17/2010	\$ 65,000.00	98.65	1858.47	25.38%	\$ 79,449.89	\$ 144,449.89	6/17/2010	\$ 65,000.00
9/12/2012	\$ 20,000.00	132.96	2504.84	34.78%	\$ 194,688.87	\$ 214,688.87	9/12/2012	\$ 20,000.00
9/11/2013	\$ 22,000.00	159.47	3010.94	20.20%	\$ 258,066.51	\$ 280,066.51	9/11/2013	\$ 22,000.00
9/3/2014	\$ 8,000.00	192.46	3639.35	20.87%	\$ 338,518.88	\$ 346,518.88	9/3/2014	\$ 8,000.00
7/24/2015	\$ 20,000.00	203.59	3850.15	5.79%	\$ 366,590.10	\$ 386,590.10	7/24/2015	\$ 20,000.00
4/8/2016	\$ 15,000.00	203.44	3841.98	-0.21%	\$ 385,769.75	\$ 400,769.75	4/8/2016	\$ 15,000.00
12/31/2016	\$ (400,158.52)	209.48	4278.66	11.37%	\$ 446,321.30		12/31/2016	\$ (446,321.30)
	DCM ending bal.							Balance if invested in S&P index