



DCM



Dordt College Defender Capital Management Annual Report For the Year December 31, 2014

2014 was good year for U.S. stock market investors. As the economy continued its stabilization, confidence was on the rise and returns increased. The S&P 500 increased an impressive 11.74%, while the Dow Jones Industrial Average netted 7.55%. The Defender Capital Management portfolio came in just ahead of these benchmarks with a return of 15.03%. It was very encouraging to outperform our benchmarks as we know that even professionally managed funds often underperform the S&P. Another indicator of our portfolio's success this year was in increase in dividends of over \$1300 from last year. We believe that by continuing to follow the guidelines that DCM has set for investing that will continue to perform well and outperform our benchmarks. Thanks to generous donations and strong performance, DCM closed the year with an all-time high in assets. The future is bright as DCM looks for further opportunities to grow and create value.

Throughout 2014, DCM was very active, making nine transactions. We began the year by increasing our holding of IBM. Unfortunately IBM experienced a severe drop in value in October and did not finish the year well. The next purchase we made was of an Israeli defense company, Elbit Systems. It was our first investment in the defense industry. Since our purchase Elbit has remained fairly stagnant. We made one sale during the spring semester of 2014. After considering their poor diversification as well as some other weaknesses we decided to sell our standing in Walgreens. Near the end of the 2014 spring semester, made two more purchases. We increased our current investment in Microsoft and purchased stock in Toyota Motors. Since these purchases Microsoft has grown steadily and we are seeing great returns from our investment in Toyota. Our first action in the fall semester was the sale of our Intel stock. We felt that Intel had entered well into the maturity phase of its lifecycle and we didn't see much potential for growth. Unfortunately, after our sale of Intel its stock did increase in value. The Club's next transaction was another purchase in IBM. As IBM had recently experienced a large drop in value we saw a great opportunity to purchase an undervalued stock. Our final transaction of the year was the purchase of Google. Again, we saw a stock that was undervalued and were rewarded quickly as the value of Google's increased just before the end of the year. Along with these transactions we also made decisions to simply hold our position in a few different 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.

Sincerely,

Zachary Veenstra, Vice President

Micah Spoelstra, President



Table of Contents

I.	Transactions.....	Page 3
II.	Portfolio Diversification	Page 3
III.	Statement of Position	Page 4
IV.	2013 Income	Page 5
V.	Annual Performance	Page 6
VI.	Cumulative Performance	Page 7



Defender Capital Management

I. Transactions

Dordt College Defender Capital Management					
Trade Log					
For the Year Ended December 31, 2014					
Trade Date	Quantity	Security	Unit Price	Amount	Commission
PURCHASES					
2/4/2014	35	IBM	\$ 177.40	\$ 6,209.00	\$ (7.00)
3/12/2014	202	ELSLT	\$59.20	\$ 11,957.94	\$ (7.00)
5/9/2014	178	MSFT	\$ 39.30	\$ 6,995.40	\$ (7.00)
5/12/2014	128	TM	\$109.00	\$ 13,952.00	\$ (7.00)
11/12/2014	146.00	WFC	\$51.26	\$ 7,490.30	\$ (7.00)
11/12/2014	67	IWB	\$112.84	\$ 7,567.20	\$ (7.00)
11/20/2014	46	IBM	\$164.25	\$ 7,562.50	\$ (7.00)
12/18/2014	23	GOOG	518.0895	\$ 11,923.06	\$ (7.00)
				\$ 73,657.40	\$ (56.00)
SALES					
2/3/2014	22	IWB	\$ 99.80	\$ 2,195.60	\$ (7.04)
3/12/2014	124	IWB	\$106.09	\$ 13,155.16	\$ (7.23)
3/21/2014	143	WAG	\$67.26	\$ 9,618.18	\$ (7.23)
5/9/2014	81	IWB	\$ 105.29	\$ 8,528.49	\$ (7.19)
11/3/2014	330	INTC	\$ 33.76	\$ 11,133.55	\$ (7.25)
12/18/2014	99	IWB	\$ 112.61	\$ 11,141.13	\$ (7.26)
				\$ 55,772.11	\$ (43.20)

II. Portfolio Diversification

Dordt Defender Capital Management				
Portfolio to S&P 500 Diversification				
31-Dec-14				
Industry	% of S&P 500	% of DCM Portfolio	Targeted Amount for Future Investments (%)	Targeted Amount for Future Investments (\$)
Consumer Discretionary	11.70%	16.72%	-5.02%	(\$15,504.31)
Consumer Staples	9.60%	5.69%	3.91%	\$12,076.20
Energy	9.20%	6.37%	2.83%	\$8,735.62
Financials	16.40%	13.45%	2.95%	\$9,093.69
Health Care	14.30%	12.41%	1.89%	\$5,831.95
Industrials	10.40%	7.21%	3.19%	\$9,850.63
Information Tech	19.60%	26.38%	-6.78%	(\$20,937.20)
Materials	3.30%	0.25%	3.05%	\$9,398.87
Telecommunications	2.40%	1.63%	0.77%	\$2,391.73
Utilities	3.20%	3.23%	-0.03%	(\$98.87)
Totals	100.00%	93.35%		
IWB		6.54%		
Cash		0.18%		
Total		100.00%		
*Targeted investment amounts are calculated based on a total portfolio value				
\$	308,614.17			



III. Statement of Position

Dordt College Defender Capital Management														
Statement of Position														
December 31, 2014														
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	110.38	16,225.86	6,490.61	66.67%	5.3%	1.06	0.056	80.15	37.72%	\$ 11,781.42	\$ 4,444.44
AFL	132	45.56	6,014.04	61.09	8,063.88	2,049.84	34.08%	2.6%	1.04	0.027	66.8	-8.55%	\$ 8,817.60	\$ (753.72)
ANTM	154	91.05	14,021.01	125.67	19,353.18	5,332.17	38.03%	6.3%	0.51	0.032	92.39	36.02%	\$ 14,228.06	\$ 5,125.12
C	163	46.14	7,521.59	54.11	8,819.93	1,298.34	17.26%	2.9%	1.82	0.052	52.11	3.84%	\$ 8,493.93	\$ 326.00
CAT	109	100.39	10,942.58	91.53	9,976.77	(965.81)	-8.83%	3.2%	1.16	0.038	90.81	0.79%	\$ 9,898.29	\$ 78.48
CLF	110	63.26	6,958.67	7.14	785.40	(6,173.27)	-88.71%	0.3%	1.95	0.005	26.21	-72.76%	\$ 2,883.10	\$ (2,097.70)
CSCO	330	19.87	6,557.50	27.82	9,180.60	2,623.10	40.00%	3.0%	1.31	0.039	22.43	24.03%	\$ 7,401.90	\$ 1,778.70
CVX	106	83.52	8,853.16	112.18	11,891.08	3,037.92	34.31%	3.9%	1.23	0.047	124.91	-10.19%	\$ 13,240.46	\$ (1,349.38)
DRI	104	48.42	5,035.30	58.63	6,097.52	1,062.22	21.10%	2.0%	0.65	0.013	54.37	7.84%	\$ 5,654.48	\$ 443.04
ESLT	202	59.23	11,964.94	60.735	12,268.47	303.53	2.54%	4.0%	0.00	0.000	59.23	2.54%	\$ 11,964.46	\$ 304.01
EXC	269	37.33	10,042.77	37.08	9,974.52	(68.25)	-0.68%	3.2%	0.46	0.015	27.39	35.38%	\$ 7,367.91	\$ 2,606.61
GOOG	23	518.39	11,923.06	526.4	12,107.20	184.14	1.54%	3.9%	1.07	0.042	518.39	1.55%	\$ 11,922.97	\$ 184.23
HPQ	194	46.77	9,073.96	40.13	7,785.22	(1,288.74)	-14.20%	2.5%	1.35	0.034	27.98	43.42%	\$ 5,428.12	\$ 2,357.10
IBM	125	176.22	22,027.99	160.44	20,055.00	(1,972.99)	-8.96%	6.5%	0.88	0.057	187.57	-14.46%	\$ 23,446.25	\$ (3,391.25)
IWB	176	101.24	17,819.07	114.63	20,174.88	2,355.81	13.22%	6.5%	0.00	0.000	103.17	11.11%	\$ 18,157.92	\$ 2,016.96
JNJ	100	50.14	5,013.80	104.57	10,457.00	5,443.20	108.56%	3.4%	0.94	0.032	91.59	14.17%	\$ 9,159.00	\$ 1,298.00
K	129	62.47	8,059.18	65.44	8,441.76	382.58	4.75%	2.7%	0.97	0.027	61.07	7.16%	\$ 7,878.03	\$ 563.73
MSFT	346	31.82	11,010.76	46.45	16,071.70	5,060.94	45.96%	5.2%	0.79	0.041	37.41	24.16%	\$ 12,943.86	\$ 3,127.84
PEP	107	65.53	7,012.04	94.56	10,117.92	3,105.88	44.29%	3.3%	0.48	0.016	82.94	14.01%	\$ 8,874.58	\$ 1,243.34
PG	100	50.43	5,043.00	91.09	9,109.00	4,066.00	80.63%	3.0%	0.93	0.027	81.41	11.89%	\$ 8,141.00	\$ 968.00
SPLS	468	15.02	7,031.51	18.12	8,480.16	1,448.65	20.60%	2.7%	1.60	0.044	15.89	14.03%	\$ 7,436.52	\$ 1,043.64
SYK	90	55.58	5,002.00	94.33	8,489.70	3,487.70	69.73%	2.8%	1.23	0.034	75.14	25.54%	\$ 6,762.60	\$ 1,727.10
T	143	26.08	3,729.20	33.59	4,803.37	1,074.17	28.80%	1.6%	0.30	0.005	35.16	-4.47%	\$ 5,027.88	\$ (224.51)
TGT	143	48.97	7,002.30	75.91	10,855.13	3,852.83	55.02%	3.5%	0.93	0.033	63.27	19.98%	\$ 9,047.61	\$ 1,807.52
TM	128	109.05	13,959.00	125.48	16,061.44	2,102.44	15.06%	5.2%	0.59	0.031	109.05	15.07%	\$ 13,958.40	\$ 2,103.04
USB	370	30.07	11,124.61	44.95	16,631.50	5,506.90	49.50%	5.4%	0.79	0.043	40.4	11.26%	\$ 14,948.00	\$ 1,683.50
WFC	146	51.30	7,490.30	54.82	8,003.72	513.42	6.85%	2.6%	0.91	0.024	51.3	6.86%	\$ 7,489.80	\$ 513.92
XOM	84	84.17	7,070.55	92.45	7,765.80	695.25	9.83%	2.5%	1.16	0.029	101.2	-8.65%	\$ 8,500.80	\$ (735.00)
			\$ 257,039.11		\$ 308,047.71	\$ 51,008.60		99.8%		0.839				\$ 27,192.76
	Cash		\$ 566.46		\$ 566.46			0.2%						
	TOTAL PORTFOLIO		\$ 257,605.57		\$ 308,614.17			100.0%						

As indicated in the statement above, the majority of our stocks have been profitable for us, the notable exceptions being Hewlett-Packard (HPQ), Cliffs Natural Resources (CLF), International Business Machines (IBM), and Caterpillar (CAT). Cliffs Natural Resources has dropped 88.71% since our purchase. Hewlett-Packard has started to turn around this year and showed decent gains in the last few months of the year.



IV. 2014 Income

Dordt College Defender Capital Management								
Statement of Dividends and Interest								
For the Year Ended December 31, 2014								
DIVIDENDS								
Security	Q1	Q2	Q3	Q4	2014 Total	2014 Yield	2013 Total	2013 Yield
AAPL	\$ 64.05	\$ 69.09	\$ 69.09	\$ 69.09	\$ 271.32	1.67%	\$ 192.15	1.63%
AFL	\$ 48.84	\$ 48.84	\$ 48.84	\$ 51.48	\$ 198.00	2.46%	\$ 187.44	2.13%
C	\$ 1.63	\$ 1.63	\$ 1.63	\$ 1.63	\$ 6.52	0.07%	\$ 6.52	0.08%
CAT	\$ 65.40	\$ 65.40	\$ 76.30	\$ 76.30	\$ 283.40	2.84%	\$ 187.48	1.89%
CHK	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 73.84	
CLF	\$ 16.50	\$ 16.50	\$ 16.50	\$ 16.50	\$ 66.00	8.40%	\$ 66.00	2.29%
CSCO	\$ 56.10	\$ 62.70	\$ 62.70	\$ 62.70	\$ 244.20	2.66%	\$ 168.30	2.27%
CVX	\$ 106.00	\$ 113.42	\$ 113.42	\$ 113.42	\$ 446.26	3.75%	\$ 323.50	2.44%
DRI	\$ 57.20	\$ 57.20	\$ 57.20	\$ 57.20	\$ 228.80	3.75%	\$ 218.40	3.86%
EXC	\$ 83.39	\$ 83.39	\$ 83.39	\$ 83.39	\$ 333.56	3.34%	\$ 391.40	5.31%
ELST	\$ -	\$ 125.24	\$ 64.64	\$ 64.64	\$ 254.52		\$ -	
GOOG	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
HPQ	\$ 28.17	\$ 28.17	\$ 31.04	\$ 31.04	\$ 118.42	1.52%	\$ 139.46	2.57%
IBM	\$ 75.05	\$ 86.90	\$ 86.90	\$ 86.90	\$ 335.75	1.67%	\$ 162.80	1.97%
INTC	\$ 74.25	\$ 74.25	\$ 74.25	\$ -	\$ 222.75		\$ 297.00	3.47%
IWB	\$ 124.80	\$ -	\$ 193.49	\$ 104.24	\$ 422.53	2.09%	\$ 556.34	1.24%
JNJ	\$ 66.00	\$ 70.00	\$ 70.00	\$ 70.00	\$ 276.00	2.64%	\$ 259.00	2.83%
K	\$ 59.34	\$ 59.34	\$ 63.21	\$ 63.21	\$ 245.10	2.90%	\$ 175.44	2.23%
MSFT	\$ 47.04	\$ 96.88	\$ 96.88	\$ 107.26	\$ 348.06	2.17%	\$ 162.96	2.59%
PEP	\$ 121.44	\$ 70.09	\$ 70.09	\$ -	\$ 261.62	2.59%	\$ 204.56	2.31%
PG	\$ 60.15	\$ 64.36	\$ 64.36	\$ 64.36	\$ 253.23	2.78%	\$ 236.65	2.91%
SPLS	\$ 56.16	\$ 56.16	\$ 56.16	\$ 56.16	\$ 224.64	2.65%	\$ 168.48	2.27%
SRE					\$ -		\$ 58.20	
SYK	\$ 27.45	\$ 27.45	\$ 27.45	\$ 27.45	\$ 109.80	1.29%	\$ 95.40	1.41%
T	\$ 65.78	\$ 65.78	\$ 65.78	\$ 65.78	\$ 263.12	5.48%	\$ 257.40	5.12%
TGT	\$ 61.49	\$ 61.49	\$ 74.36	\$ 74.36	\$ 271.70	2.50%	\$ 225.94	2.50%
TM				\$ 161.68	\$ 161.68	0.00%	\$ -	
USB	\$ 85.10	\$ 85.10	\$ 90.65	\$ 90.65	\$ 351.50	2.11%	\$ 209.96	1.40%
WAG	\$ 45.05	\$ -	\$ -	\$ -	\$ 45.05		\$ 168.76	2.05%
ANTM	\$ 67.38	\$ 67.38	\$ 67.38	\$ 67.38	\$ 269.52	0.00%	\$ -	
WFC	\$ -	\$ -	\$ -	\$ 51.10	\$ 51.10	0.00%	\$ -	
XOM	\$ 52.92	\$ 57.96	\$ 57.96	\$ 57.96	\$ 226.80	2.92%	\$ 206.64	2.43%
Total Dividends	\$ 1,616.68	\$ 1,614.72	\$ 1,783.67	\$ 1,775.88	\$ 6,790.96		\$ 5,400.02	
Interest	\$ 0.08	\$ 0.15	\$ 0.11	\$ 0.11	\$ 0.45		\$ 0.85	
Foreign Tax		\$ (25.05)	\$ (36.93)	\$ (37.69)	\$ (99.67)		\$ (77.54)	
Total Income	\$ 1,616.76	\$ 1,589.82	\$ 1,746.85	\$ 1,738.30	\$ 6,691.74		\$ 5,323.33	



Defender Capital Management

V. 2014 Performance

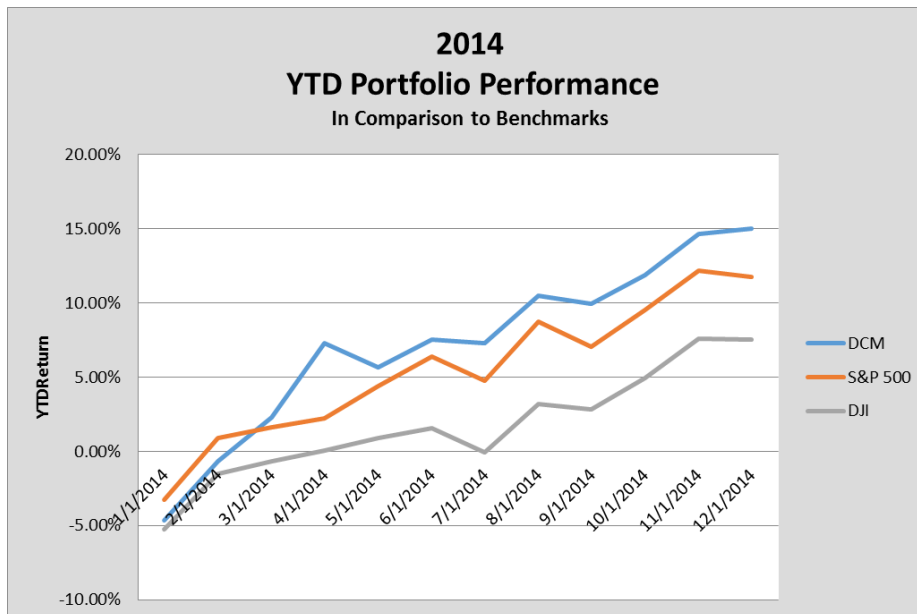
Dordt College Defender Capital Management
Consolidated Performance Reports
For the Quarter Ended December 31, 2014

Change in Portfolio Value			Returns by Period			
Portfolio Value on 1-1-2014		\$ 260,985.63		DCM	S&P 500	DJIA
Contributions		\$ 8,000.00	January	-4.67%	-3.26%	-5.27%
Realized Gains*		\$ 19,727.46	February	4.23%	4.31%	3.97%
Change in Unrealized Gains**	\$ 13,209.34		March	2.97%	0.69%	0.83%
Interest	\$ 0.45		April	4.86%	0.62%	0.75%
Dividends	\$ 6,691.29		May	-1.52%	2.10%	0.82%
Change in Portfolio Value		\$ 19,901.08	June	1.77%	1.91%	0.65%
Portfolio Value on 12-31-14		\$308,614.17	July	-0.21%	-1.51%	-1.56%
			August	2.96%	3.77%	3.23%
			September	-0.47%	-1.55%	-0.32%
			October	1.73%	2.32%	2.04%
			November	2.51%	2.45%	2.52%
			December	0.32%	-0.42%	-0.03%
			Quarter One	2.31%	1.61%	-0.69%
			Quarter Two	5.09%	4.69%	2.24%
			Quarter Three	2.26%	0.62%	1.29%
			Quarter Four	4.62%	4.39%	4.58%
			Year-to-Date	15.03%	11.74%	7.55%

Annual Returns		
Beginning Invested Value		\$257,168.93
Ending Invested Value		\$308,047.70
Money Weighted Return***		15.55%
Risk Weighted IRR****		18.06%
Total Period Return		18.25%
S & P 500		11.74%
DJIA		7.55%

Cash Activity	
Beginning Cash	\$ 3,816.70
Dividends	6,691.29
Interest	0.45
Sales	55,786.62
Invested Cash	(73,629.40)
Trading Fees	(99.20)
Contribution	8,000.00
Ending Cash	\$ 566.46

*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 last year



Showing positive returns in all but one sector the market continues to grow and rebound from the 2009 recession. In 2014 DCM took advantage of this growth and showed great performance, beating our benchmarks.



Defender Capital Management

VI. Cumulative Performance

Defender Capital Management			
Cumulative Performance vs. S&P 500			
December 31, 2014			
Contribution Date	Contribution Amount	Historic S&P Level	12/31/2014 S&P Value
2/28/2007	\$ 12,025.00	1406.82	\$ 17,598.75
3/12/2007	\$ 3,500.00	1406.6	\$ 5,123.10
9/14/2007	\$ 1,000.00	1484.25	\$ 1,387.17
1/28/2008	\$ 2,975.00	1353.96	\$ 4,523.94
10/23/2008	\$ 10,000.00	908.11	\$ 22,672.36
11/10/2008	\$ 40,000.00	919.21	\$ 89,594.33
6/17/2010	\$ 65,000.00	1116.04	\$119,913.71
9/12/2012	\$ 20,000.00	1436.56	\$ 28,664.31
9/11/2013	\$ 22,000.00	1689.13	\$ 26,816.05
9/3/2014	\$ 8,000.00	2000.72	\$ 8,232.64
	\$ 184,500.00		\$324,526.35
	12/31/2014 S&P Level:	2058.90	
12/31/2014 Portfolio Value:			\$308,614.17
Total Portfolio Gains:			\$124,114.17
Portfolio MW Cumulative Return:			67.27%
S&P MW Cumulative Return:			75.90%
Yearly Average Portfolio Versus S&P 500 Return (Since Inception):			-1.16%