2 for 1 Index®

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This issue of 2 for 1 marks the beginning of the 30th year of uninterrupted monthly publication of your stock split newsletter. I'm hoping some of my long-time subscribers have benefitted from the 2 for 1 investing strategy, as I have. The newsletter no longer covers the ups and downs of my personal IRA account but I'm happy to report that "eating my own cooking" has guaranteed me and my family a comfortable retirement. I hope that is also true for at least some of my loyal subscribers. I always enjoy hearing from you as to how you have utilized the 2 for 1 strategy and how it has worked in your particular situation.

I have tried my best to stick to the original methodology laid out in the first issue of 2 for 1, still available at https://2-for-1.com/the-first-issue-august-1996/. However, things have evolved. There are now far fewer stock split announcements each month than there were at the 1996 inception of the 2 for 1 Index, and thus a much-diminished opportunity to pick and choose between candidates. Over the last ten years or so there have been many months with no split announcements at all. One of the core principles of the methodology is that the Index must be moved through time with an addition and deletion each month, thereby exploiting the stock split advantage that lasts for just two to three years. This has become more problematic over time.

This month, and last month as well, provide examples of just how the dearth of splits makes the management of the 2 for 1 Index more difficult and, possibly, makes beating the market less of a sure thing. Last month I chose to select a company that had no split announcement at all. This month we have only one 3 for 2 split and it's not a company that jumps out as a great candidate. Brookfield Corp. (BN) is going to be added to the Index, but not with a lot of enthusiasm.

Brookfield is a well-regarded $106B Canadian conglomerate, traded on the New York Stock exchange, invested primarily in asset management, real estate, and alternate energy infrastructure. That's a good start but many of the numbers I view as important indicators of value are not great. BN's PE, Price-to-Book, debt, and volatility numbers are far from ideal. However, there are several estimates, including that of Brookfield's management, putting its intrinsic value above that indicated by its current market cap. Analysts' predictions are always suspect, but there seems to be a consensus that BN is positioned for growth in both earnings and the stock price over the next few years. This is a gamble, but I'm going to go with the Brookfield insiders who own 18% of the company and are optimistic enough to split the stock.

Rex American Resources (REX) will be deleted on Monday. REX has been kind of an under-the-radar stock for the last three years, but the numbers don't lie. Just based on price, and not counting boosts due to rebalancing, REX's split adjusted value has grown 73% over its time in the Index. Not bad.

In summary, for August, **BN will be added to the Index and REX will be deleted**. The 27 stocks in the Index will be rebalanced to equally weighted positions at market close on Monday 8/18/25.

Neil Macneale

REX	REX AMERICAN RESOURCES	JUL-22	USLM	US LIME AND MINERALS	MAY-24	2 for 1 Index inception 7/31/1996
TECH	BIO-TECHNE CORP.	SEP-22	APH	AMPHENOL	JUN-24	
UHAL	U-HAUL HOLDING CO.	NOV-22	NVDA	NVIDIA	JUN-24	Value at inception = 100
PCAR	PACCAR, INC.	DEC-22	WRB	W.R. BERKLEY	JUL-24	
SSRM	SSR MINING INC.	FEB-23	RYAAY	RYANAIR HOLDINGS	SEP-24	Value as of 8/14/25 = 2637.26
GCBC	GREENE COUNTY BANCORP	MAR-23	ODC	OIL DRI CORP	OCT-24	
AAON	AAON INC.	JUL-23	RLI	RLI CORP.	NOV-24	All time high - 11/11/24 = 2685.98
CPRT	COPART, INC.	AUG-23	MTH	MERITAGE HOMES	DEC-24	
SRE	SEMPRA	AUG-23	SNEX	STONEX GROUP INC.	NOV-23	52-week low - 4/8/25 = 2090.30
NVO	NOVO NORDISK	SEP-23	IX	ORIX CORP	FEB-25	
MLI	MUELLER INDUSTRIES	OCT-23	ORLY	O'REILLY AUTOMOTIVE, INC.	APR-25	Overall annualized return = 11.93%
HUBG	HUB GROUP, INC.	JAN-24	FAST	FASTENAL, INC.	MAY-25	
ODFL	OLD DOMINION FREIGHT LN	MAR-24	CALM	CAL-MAINE FOODS, INC.	JUL-25	Comparable S&P total return = 10.29%
COO	COOPER INC.	MAR-24				