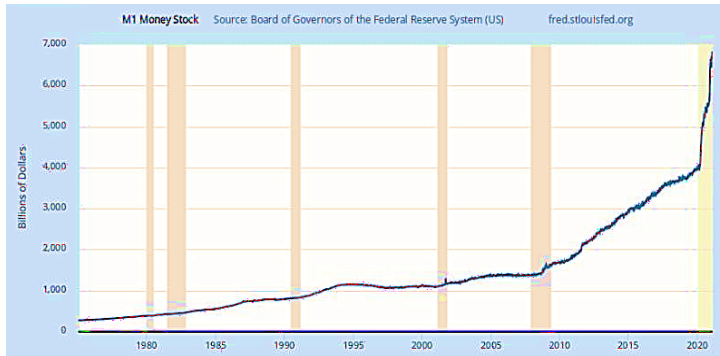


2 for 1 Index[®]

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March 12, 2021

I'm not an economist and my eyes glaze over when reading "expert" opinions on the impacts that interest rates, quantitative easing, increased money supply, and/or inflationary pressures may have on our economic future. However, one can't help but be alarmed when basic measurements of the nuts and bolts of our economy go



completely haywire. A clear example would be the graph to the left, showing one of the crazy aberrations we have experienced in this time of Covid. The M1 Money Supply includes coins and notes that are in circulation and other money equivalents that can be converted easily to cash. So why has M1 gone haywire? Where is all this cash? I know that, personally, I have been using almost no cash for an entire year. I can only surmise there are many mattresses around the country that are getting very uncomfortable. Is this OK? Is this telling us

we're about to go off the rails? I have no idea, and that's what makes me nervous. The 2 for 1 Index will continue to be comprised of only exchange-listed equities but I'm thinking most investors, not just old-timers like me, should be much more widely diversified with a weighting favoring capital preservation.

Eight companies that would be eligible for the 2 for 1 Index have announced splits so far this year. From this list we selected Sherman-Williams (SHW) last month. For March, I'm going with Life Storage Inc. (LSI), a January 3 for 2 split. In LSI we have the 6th largest self-storage REIT, owning over 600 storage facilities and operating an additional 300+ facilities, owned by others, in 30 U.S. states and Ontario, Canada. LSI's 93% occupancy rate is higher than its peers and supports an impressive cash flow, in addition to the fees earned from its operation of the third-party owned facilities. Steady growth, a good balance sheet, a safe and growing dividend, and a very low Beta are all numbers to my liking. Another factor, relating to storage REITs in general, is the steady appreciation of their real estate. Thus, there is often hidden value not shown on the balance sheet. Life Storage, Inc. looks like a good long-term growth prospect and will add some diversity to the 2 for 1 Index.

Argan Inc. (AGX) will be deleted from the 2 for 1 Index next Monday. AGX has been a steady contributor and will give us an overall annualized return of close to 15% when all is said and done. This includes two very generous special dividends, the latest just this past December.

In summary, **LSI will be added and AGX will be deleted this month.** There will be a rebalance, maintaining the 30 equally balanced positions in the 2 for 1 Index, as of the market close on 3/15.

Neil Macneale

AGX	ARGAN INC	APR-18	FAST	FASTENAL CO	AUG-19	2 for 1 Index inception 7/31/1996
EXPO	EXPONENT INC	AUG-15	MBCN	MIDDLEFIELD BANC CORP	OCT-19	
SWK	STANLEY BLACK & DECKER	MAY-18	TKR	TIMKEN CO.	NOV-19	Value at inception = 100
HBNC	HORIZON BANCORP INC	JUN-18	TU	TELUS COMMUNICATIONS INC	MAR-20	
NEW	NORTHWESTERN CORP	JUL-18	BEN	FRANKLIN RESOURCES	APR-20	Value as of 3/11/21 = 1788.38
PFC	PREMIER FINANCIAL CORP	AUG-18	AWR	AMERICAN STATES WATER	MAY-20	
NHC	NATIONAL HEALTHCARE	SEP-18	EW	EDWARDS LIFESCIENCES	JUN-20	All time high - 03/11/21 = 1788.38
TJX	TJX COMPANIES	OCT-18	MRTN	MARTEN TRANSPORT LTD	AUG-17	
CASS	CASS INFORMATION SYS.	NOV-18	COST	COSTCO WHOLESALE CORP	JUL-20	52week low - 3/23/20 = 970.29
T	AT&T	JAN-19	TREX	TREX COMPANY INC	AUG-20	
WRB	W. R. BERKLEY	MAR-19	APPL	APPLE INC.	SEP-20	Overall annualized return = 12.4%
WHF	WHITEHORSE FINANCIAL	APR-19	NEE	NEXTERA ENERGY INC.	OCT-20	
FFIN	FIRST FINANCIAL BANKSHARES	MAY-19	BEP	BROOKFIELD RENEWABLE	NOV-20	Comparable S&P total return = 9.7%
PPL	PPL CORP	JUN-19	WAFD	WASHINGTON FEDERAL, INC	DEC-20	
KELYA	KELLY SERVICES, INC	JUL-19	SHW	SHERMAN-WILLIAMS, INC.	FEB-21	