

The dangers of *blind Dividend Harvesting*

Dividend Harvesting strategy update
with real case studies

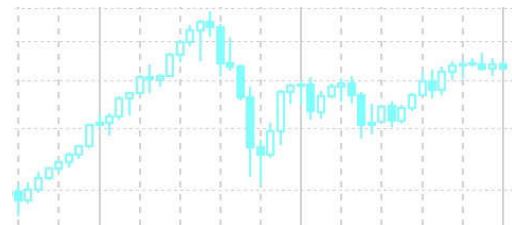
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(Brainy's Share Market Toolbox)

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"The share market can seem mystical and almost like black magic; but with the right support and assistance, it just seems like magic."

Robert Brain



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Version 1

About this material

This set of presentation slides in July 2020 is an update to the introduction to dividend harvesting that was presented to a meeting of the ATAA Melb group in January 2020.

The members of Brainy's Share Market Toolbox can download these slides plus the more detailed Speaker Notes from the Share Market Toolbox

www.robertbrain.com/presentations/



Introduction

I studied dividends in 2H 2019, and I reported details and research conclusions in my January 2020 presentation:

- Not as simple as some people make out
- Useful information is not that easy to get
- Share prices do NOT generally fall by the amount of the dividend on the ex-dividend date
- The deep-pocketed players play “games”
- A ***dividend harvesting strategy*** may not be as straightforward as we think.



Introduction

Many investors engage in:
“Blind” dividend harvesting

*The purchase of shares
in a public company
with the sole intention of
profiting from the dividend,
without due consideration
for any capital loss.*

BUT there are traps!



In January's session

In the January 2020 presentation:

- Shared some observations about dividends and share price performance — they might be surprising!
- Explained some of the key details about dividends;
- Showed some example share price charts and the impacts of the dividend;
- Refuted the claims about simple dividend strategies;
- Explained where to find relevant details about dividends (both upcoming and historical).

The slides and recording of that session are in the ATAA Contribution Library.



Today's session purpose

In today's presentation:

- Share the real-life results of my attempts at ***dividend harvesting*** in early 2020;
- Highlight the traps for the unwary;
- Draw some conclusions about the strategy;
- Prepare some tips for dividend harvesting next time.

(and learn from my own mistakes!!)

