

## INVESTMENT FORUM AGENDA FOR WEDNESDAY, SEPTEMBER 11, 2013, 10:50AM

The Forum will meet at **11:50AM** starting Wednesday, September 18,  
the beginning of the OLLI Fall Term

**Market Perspective.** Markets were up last week: 0.8% for the DOW, 1.4% for the S&P; and 2% for the NASDAQ. On news that did not seem much different compared to previous weeks, when the markets were down.

Bond rates moved up again, with the 10 year T crossing 3% on Thursday, and finishing the week at 2.93%. Of note, short term rates (under two years) have moved up little since May 2, and the "yield curve" has steepened.

**Bonds and Bond Funds.** Over several sessions, I will talk about bonds and bond funds, and how they have performed since the bond market peak on May 2, 2013. I will compare price changes and current yields for various bond sectors and durations: corporates, junk, governments, bank loan funds, TIPS, munis, and mortgages. In future sessions, we will look at similar bond funds in those sectors, how they perform, their yield, and what kinds of bonds are in them.

If you have or are thinking about a bond fund and you would like to have it discussed, please send me an e-mail with their name, or mention them during the discussion. I will pull those up on the screen and we will have a look.

**Four High-Quality stocks.** Tom will talk about four stocks (you have heard of them) with moderate P/Es, and promising growth prospects. Per a talking head on PBS Nightly Business Report last Friday.

**Forum Program for September 18.** Katherine Hurley, an investment advisor who has spoken to the Forum previously, will discuss the economy, recent moves by the Fed, tapering, and the next Fed Chairman, on September 18.

**Your moves on Verizon-Vodafone.** Verizon (VZ) and Vodafone (VOD) will be front page

news at least through closing of Verizon's purchase of Vodafone's 45% interest in Verizon Wireless, expected in the first quarter of 2014. As indicated in our discussion of this deal last week, nobody really knows how it will turn out, or how it will impact the sector and the other players in it, such as AT&T (T). In the past two weeks, VZ shares have declined slightly, and VOD shares are up about 11%, which suggests that the market thinks that VZ is overpaying, but not by much. This week, VZ will be going to market with \$50 billion of bonds; the market's reception to these bonds will be important.

There are many ways investors can play this transaction. Buying VZ or VOD, or selling one or both if you already own it. Or sell one and buy the other, or buying something else, like AT&T (T). To say nothing of options. And of course, doing nothing (which is a decision.)

If you do something related to either of these companies or because of the deal, I invite you to advise me, and why. Or in the "buys and sells" sheet that goes around.

### ***Buys and Sells***

#### Buys

Vodafone (VOD)  
Qualcomm (QCOM)  
SPDR S&P 500 ETF (SPY)  
Berkshire Hathaway (BRK)

#### Sells

Nokia (NOK)

#### Thinking About . . .

Apple (AAPL) - 2  
Baker Hughes, Inc. (BHI) - oilfield services.  
Market Cap \$22B. P/E 11.9. Dividend 1.2%

*Al Smuzynski, Forum Moderator*