

Investment Forum Program for Wednesday, January 10 at 10:00

Mark Your Calendar

The forum will meet on January 17 at 10:00. Starting January 24, the forum will meet at 11:30.

Perspective: Amidst all the back and forth banter during and after last week's session, several important ideas were articulated that are worth repeating: (1) In the aggregate and over time, stock prices respond to corporate earnings, inflation, interest rates and market psychology. And, the response is often based upon anticipation, rather than realization. (2) The statements above are useful as a backdrop to making investment decisions, but informed timely stock or mutual fund selection is essential to successful investing. (3) Regarding individual stocks, successful investing is dependent upon finding companies with promising outlooks where favorable fundamentals have not yet been fully priced into market quotes. (4) Whether an investor uses mutual funds or individual securities, the best approach to investing is to determine a strategy with which he or she is comfortable, and stick with it through good times and bad.

Follow-Up: Central Fund of Canada (CEF), Macquarie Infrastructure Company Trust (MIC), REIT sector, and utility sector

Strategy: James Glassman had an interesting column entitled "Becoming a Better Investor" in the January issue of *Kiplinger's*. A synopsis of its salient points will be distributed as a handout.

Sectors: Commodities and large-capitalization growth stocks

Mutual Funds: It's almost become an article of faith that managed funds under perform the broad indexes. Well, here are three T. Rowe Price managed funds that have consistently outperformed the S&P 500 index for 3-years, 5-years and 10-years: (1) Capital Appreciation (PRWCX), (2) Equity Income (PRFDX) and (3) Growth Stock (PRGFX).