

Investment Forum Program for Wednesday, August 29 at 10:00

Future Meeting Schedule

The forum will not meet next week, 09/05/07. The forum will meet at 10:00 on September 12. The next meeting after that date will be on September 19 at 11:30 under the Fall Program schedule.

Perspective: Talk is cheap, but actions speak louder than words. In the context of actions, both *The Wall Street Journal* and *Barron's* report that insider buying is the strongest it's been since the market bottom in 2002. Bank of America is buying a \$2B equity position in troubled Countrywide Financial. James Stewart, writing a weekly column for *SmartMoney.com* on August 21, reported that he recently committed his own money to energy, materials, industrial and financial stocks in expectation of a healthy global economy. Bill Miller of Legg Mason has publicly expressed his belief that financials are the most attractive stocks, but the public won't know if his actions match his words until the current quarterly reports for his Legg Mason funds are published. However, some talk comes with a price. Talk of the federal government providing financial assistance to distressed homebuyers facing the prospect of foreclosure could have consequences for investors as well as taxpayers.

Sectors and Stock Talk: Comments on financials, drugs, oil and utilities.

Bonds: Both *The Wall Street Journal* and *Kiplinger's* have published articles in recent days suggesting that the current financial market turmoil has resulted in attractive buying opportunities for bonds—on a selective basis. For individual investors, that may mean seeking opportunities in bond funds. Input from members who follow individual bonds and/or bond funds is solicited.

Over the Border: There are three ways to invest in commodities: (1) Buy commodities directly or through a mutual fund, (2) buy stocks in companies that produce commodities, or (3) invest broadly in countries that produces commodities. Canada is a country that prospers greatly on commodities, yet it is largely ignored by U.S. investors. *Morningstar* argues that it may be timely to give some consideration to Canadian investments.

Mutual Funds: Now that our mood has crossed the threshold from greed to panic, *Kiplinger's* offers a commentary on mutual funds with records of consistent performance in good markets and bad. It can be read on the forum website at www.olligmu.org/~finforum/.