

Investment Forum Program for **Thursday, January 10 at 10:00**

Future Meeting Schedule

The next meeting of the forum will be on **Thursday, January 17 at 10:00.**

Perspective: Attempting to predict tops and bottoms for either individual stocks or broad market averages is a fool's game. But, perceiving opportunity, either on the buy side or the sell side, is the essence of successful investing. (Sir John Templeton was fond of saying "Buy at the moment of maximum pessimism.") At some point there will be significant opportunities within the financial sector. Whether that moment is at hand is the subject of considerable speculation.

Gold: Brief comments on the fundamentals of the gold market and the role of new exchange traded funds that offer individual investors easy access to the precious metal.

Stock Analysis: The bearish case against Berkshire Hathaway (BRK) and a brief look at Loews Corporation (LTR) as a potential alternative investment. This topic was inspired by an attention-getting cover article in the December 17 issue of *Barron's* strongly advising Berkshire investors to sell now.

Strategy: The December 24 issue of *Dow Theory Forecasts* offers commentary and suggestions on buy-and-hold as a basic strategy. A handout will be provided.

Anecdotal: Under current law, the tax rate on dividend income from stocks will approximately double in 2011. The economic/political consulting organization ISI Group has been surveying their blue-chip clients for months asking what tax rate the clients anticipate after 2011. Almost uniformly, clients expect only a modest increase in dividend taxation. However, the ISI leadership cadre does not share their clients' optimism. Instead, they foresee tax policy firmly in the hands of Democrats who will strongly favor taxing dividend income at the same rate as ordinary income. Should this tax policy take effect, it has the potential to impact financial markets, devaluing dividend income from stocks and enhancing the attractiveness of tax-free municipal bond interest.

On the Website: Reading material on several new topics has been posted at www.olligmu.org/~finforum/