

## Investment Forum Program for **Thursday, January 17 at 10:00**

### Future Meeting Schedule

The OLLI Winter Program starts next week. The next meeting of the forum will be on **Wednesday, January 23 at 11:30.**

**Perspective:** Amid the constant drumbeat of negative economic and financial news being reported, several contradictory indicators flourish. One is simultaneous rising gold prices and falling interest rates on U.S. Treasury securities. According to Larry Kudlow opining on CNBC, both trends cannot persist indefinitely because one signals inflation and the other recession. Another is an insider stock buying boom. According to the January 12 issue of *The Wall Street Journal*, “Stock purchases by company executives and directors are close to all-time highs.” Some specific corporate names cited in the article include **Dillard’s, Limited Brands, Sears Holdings, BB&T, Wachovia, Starwood Hotels and General Electric.** Caveat emptor: Insider buying isn’t a foolproof signal. Finally, Abby Cohen is quoted in the January 14 issue of *Barron’s* as opining “The corporate sector is in much better condition than usual heading into a period of weak growth. Inventories are under control, and corporate balance sheets are healthy.”

**Sectors:** Back in a simpler age, utility stocks were held in favor by retirees for consistency and income. That time is long gone. Good investments in the sector are difficult to find in the current market. Two handouts will illustrate the point.

**Member Contribution:** Life on the farm—when farming is serious business.

**Potpourri:** Over the past decade, the closed-end H&Q Healthcare Fund (HQH) has generated double-digit returns in a troubled sector. Is Arlington-based AES (AES) a strong play on global infrastructure development or is it an over-leveraged stock to be avoided? The announced takeover of distressed Countrywide Financial (CFC) by Bank of America (BAC) precipitated a torrent of diverse commentary in the financial media.

**On the Website:** Reading material on several new topics has been posted at [www.olligu.org/~finforum/](http://www.olligu.org/~finforum/) since last week.

NY GIANTS RULE !!