

Investment Forum Program for Wednesday, January 30 at 11:30

Meeting Cancellation Notice

Next Wednesday, February 6, the forum will not meet. Weekly meetings will resume on Wednesday, February 13 at 11:30.

Perspective: Often the conventional wisdom can lead investors astray. In the current market, investors are repeatedly being urged to retreat into defensive stocks such as utilities, consumer non-discretionary, beverages, tobacco and health care. No doubt, opportunities exist among these sectors. But, investors should proceed with some caution because these are not overlooked investments and more than a few stocks which fall into these categories are rather fully priced. Most often, the best opportunities lie in out-of-favor sectors.

Stock Talk: There is a roaring bull market in pessimism. However, careful stock pickers can often find opportunities in most any market. Here are four dissimilar stocks that may be worthy of due diligence.

- Arlington-based AES Corporation (AES) is a global electric power company with operations in 26 countries. It is a prime competitor in a global infrastructure market that will amount to trillions of dollars over the next decade.
- Bethesda-based American Capital Strategies Ltd. (ACAS) is a business development company with rapid growth. The stock price is beaten down in the current market and, by the way, it currently pays a 14% dividend!
- Should popularity disqualify a stock from consideration? If not, widely recommended Johnson & Johnson (JNJ) seems to be as well-positioned as any of the big-cap players in a sector with an expanding customer base.
- Finally, with much of the F-15 fighter fleet grounded because the planes are worn out, Lockheed Martin (LMT) seems well positioned to be a prime supplier of needed military hardware for years, if not decades, to come.

In-Depth Analysis: Bank of America (BAC)

On the Website: Reading material on new topics is posted regularly at www.olligmu.org/~finforum/.