

Investment Forum Program for Wednesday, December 17 at 10:00

Future Meeting Schedule

This will be the last meeting of the forum for 2008. Perhaps a sense of relief is in order. After the New Year, the forum will meet on **January 7, 14 and 21 at 10:00.**

Perspective: *BusinessWeek.com* posted a recent article entitled "Economy's Best Bet: The Intangible Sector," written by *BusinessWeek* magazine's chief economist Michael Mandel. For purposes of discussion, Mandel divides the economy into two sectors; tangible and intangible. The tangible sector produces stuff and moves things around. The intangible sector does things that lack solid and/or visible forms. The latter includes education, financial services, health care and research. (Of course some sectors such as technology and pharmaceuticals do both.) Throughout this decade, the intangible sector has accounted for about 75% of job growth and continues to grow employment during the current recession. This trend raises a fundamental question: Can the U.S. afford to let most of its tangible economic activity move abroad?

Strategies: Turning again to *BusinessWeek.com*, the website carried a recent article entitled "Five Sparks for a Stock Market Comeback." They include an end to downward revisions to GDP growth, enactment of a federal government stimulus spending package, an end to forced liquidation by hedge and mutual funds, restoration of credit markets, and tax cuts. Until that day comes, *BusinessWeek* recommends "hunkering down" with stocks of financially strong companies that pay sustainable dividends.

Stock Talk: So, what might be the sort of stocks to hunker down with until the market begins to recover? (Caveat: In this volatile market few, if any, stocks are worth chasing on an upswing.) One place to begin is *Value Line's* Portfolio of Stocks for Income and Potential Price Appreciation which includes 20 familiar names. Then one could move on to the pipeline MLP sector which also includes a list of names receiving favorable mention. Then one might also consider some names that have recently appeared on the *BusinessWeek.com* website which included 3M (MMM) and Procter & Gamble (PG). Additional names that appear among buy recommendations include AT&T (T), ExxonMobil (XOM), Genuine Parts (GPC), Unilever (UL) and even Intel (INTC) has become an income stock at its current quote.

On the Website: New articles which may be of interest to retired investors are posted regularly at www.olligmu.org/~finforum/.