

Investment Forum Program for Wednesday, March 24 at 11:45

Greeting and Orientation for New Members

This is the first meeting of the Spring Semester and Craig, serving as class liaison, will provide a greeting and orientation for new members.

Perspective: At the moment, there is nothing on the economic horizon to suggest that either inflation or short-term interest rates controlled by the Federal Reserve will rise in the foreseeable future. This motivates individual investors to seek returns on investments elsewhere than in traditional safe-haven fixed-income instruments. Seldom has the relationship between risk and reward been so stark.

Strategies: Market timing stock investments is difficult to practice on a long-term basis. One approach that has a track record of success is to use the 200-day moving average of a major stock index, such as the S&P 500 or the Wilshire 5000, as a signal as to whether a portfolio should be in stocks or in cash. Columnist Mark Hulbert recently examined this methodology and found it be good, but not perfect.

Fixed-Income: A potpourri of recent commentary on fixed income investing in the current market with special emphasis on what investors are getting into when they buy bond index funds.

Stock Talk: Is General Electric (GE) finally emerging from the dog house? Perhaps. At least it can now be stated with certainty that last year was too soon to write it off. (For the benefit of new members, please be advised that the forum encourages free exchange of information. However, nothing said at the forum constitutes a recommendation to buy or sell any particular investment.)

Member Contribution: Leo has information to share that has been gleaned from the pages of *Fortune* magazine on a different way of ranking the relative standing of various companies within their sectors. What is different with this approach is that the input comes from a company's peers, not from Wall Street analysts or financial journalists.