

**INVESTMENT FORUM AGENDA FOR WEDNESDAY,  
SEPTEMBER 17, 2014, 10:30AM, TA-1**

The OLLI Fall term begins on September 22. The Forum will meet from September 24 to November 12, at 11:50AM. Thanks to Tom Crooker and Sy Sherman for serving as Forum Moderators for the past two weeks.

**Market Perspective.** Markets were down for the week, after five weeks of gains. The DOW was down 0.9%; the S&P down 1.1%; and the NASDAQ down 0.3%. While some economic news was positive (consumer sentiment and retail sales) the focus was on interest rates. The yield on the 10-year T rose 1/4% - a lot for one week, but still only 2.6%. And markets continue to fear moves by the Fed to raise short-term interest rates, more than other economic indicators.

In an article in the New York Times (and posted on the Forum website,) Economist Paul Krugman argues that we are too focused on inflation. Controlling inflation drives much of the Fed's statutorily imposed policy mandates, and most investors strongly consider the impact of inflation on investment choices. But apart an eight year period ending in the mid 1980s, inflation has not been a serious problem in our lifetimes, which for OLLI members covers a long time! Are we too hung up on inflation?

**Inactive Investing and Bond Fund Yields.** Tom Crooker will discuss these two topics. An article on bond fund disclosure (lack of) is posted on the Forum website.

**ETF Mechanics.** I will discuss the role of "Authorized Participants" in ETFs. I dare say that most ETF investors do not know that Authorized Participants exist, let alone what they do. APs play a very important role in the ETF markets, controlling premiums and discounts and adding liquidity to the market. This will be a boring topic; if I see too many nodding off I will cut it short. Casual ETF investors who only buy SPY and other large ETFs do not need to know how ETFs work, but investors who purchase the smaller and more granular ETFs should know how ETFs work. And the "flash crash" of May 6, 2010 (and several mini flash crashes since) have been warning shots over the bow that things can go wrong that can potentially hurt investors.

**Investment Potpourri.** I invite you to send me the name of a stock, other investment, or fund that you would like to hear a five-minute Forum discussion. Please send it to me via e-mail by Tuesday (9/16) evening. It can be a stock that you are thinking of buying, or something you already own and want some feedback. Only publicly traded investments, that are covered on the popular investment websites; no penny stocks. You can participate in a discussion that you suggest and ask specific questions, or just listen to what others say.

***Buys and Sells***

I do not have a list from last week. This week, please include your buys and sells from the last few weeks, or since you last entered then on a list.

Al Smuzynski  
Investment Forum Moderator  
asmuzynski@verizon.net