JON LANSNER @ ORANGE COUNTY AAII MEETING 1/9/2010

2008 (-37%)

▶ WATCH

Election and U.S. dollar. Cramer!
Apple (-31%), Google (-39%)
Fast-food discounts

▶ RETHINK

Overseas (-41%)

▶ AVOID

Luxury: Starbucks (-49%), Tiffany (-39%)
Anything real estate (-37%)

▶ ACQUIRE

Mac computer
Nerve to pounce. ready cash, CDs: 3 years at 4.8%; 9 months at 5%
Taxable bonds: Harbor Bond (Pimco) +3.3%
Boring balanced: FASIX Fidel 20% (-14%) or VBIAX (-22%)
Regional banks (-42%)
Berkshire Hath (-35%)
Communications: Verizon -22%
Odd plays: Water (PHO) -32% or farm (MOO) -51%
If you must, consumer bargains (McDonald's +8%, Big Lots -23%, TJX -38%)

2009 [+27%]

▶ WATCH

Obama
Starbucks (+38%)
Stores (RTL 'etf' -35%)
Sales (BOGO)
Inflation plays: Vanguard Energy (VGENX, +32%) or farm (MOO, +38%) or Weyerhaeuser (WY, +42%)

▶ RETHINK

Everything

▶ AVOID

Banks (KBE -29%), retailers (XRT +13%) Treasury bond funds (5 yr = 6%) Real estate (-26%)
Overseas (+4%, x-US)

▶ ACQUIRE

Twitter account (I'm jonlan)
Nerve to sit
Treasury Direct
Ready cash
CDs: 2 years at 3.3%
Broader bond funds: Harbor Bond (Pimco +14%)
Diversification overall (MS Conservative +21%)
If you must: McDonald's +3%, Wal-Mart +3%, 99 Cents (NDN +35%)

2010 (WEAK RECOVERY?)

▶ WATCH

Sports stadiums
Democratic Congress
Housing (1st Am – FAF)
Apple (AAPL)
Target or Urban Outfitters (URBN)
China (GXC)
Darden Restaurants (DRI)

▶ RETHINK

Debts (Lock in low rates)
Fixed income w/2-yr CD @ 2%
California munis

▶ AVOID

Bonds, Gold, Tourism (Airlines, Hotels, Casinos)

▶ ACQUIRE

Nerve to act
Bitotech (IBB)
Cell phones (NOK, MOT, RIMM)
Schools (COCO, DV)
Shippers (Norfolk Southern or FedEx/UPS)
If you dare: Newspapers! Gannett (GCI) or Lee (LEE)

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2003 [+29%]

▶ WATCH

McDonald's [+51%]
Steel [US Steel +160%] Housing [+15%] President Bush [58% v 63% -- Fox]

▶ ACQUIRE

Patience; Used Cars; Stocks [+28% S&P]
TIPS [+17%]; Vanguard Balanced Indx [+16%]

2004 [+9%]

▶ WATCH

High-end retailers [Nordstrom +34%, Neiman +27%]; Gold [23%]; Jobs [flat]; Housing [+24%]
Democrats [lost]

▶ ACQUIRE

Humility
Good Money Market account – ING Direct; TIPS [+7%]; Bigger, Value Stocks [+9%]
Foreign stocks [+12%]

2005 [+6%]

▶ WATCH

Theme Parks [FUN -13%, PKS +133%]; Disney [-8%]; Inflation

▶ AVOID

Bonds (Rydex Juno) [-5%]

▶ ACQUIRE

Biggest home-equity loan possible
Diversification [T. Rowe Spectrum Growth] [+9%]
Cash [+3%]
Bigger stocks; Healthcare [EFTs: XLV [+6%], IYH [+7%], VHT +3%]
Asia (Vanguard Pacific Index) [+22%]

▶ IF YOU MUST ...

Avalon Bay (upscale apartments) [+36%]

2006 [+13%]

▶ WATCH

Energy (Vanguard Energy – VGENX) [+2%]
Mid-range retailers (Costco [+13%], Target [+17%], CKR [+21%], Yum [+21%], JBX {+75%])
Ben Bernanke

▶ AVOID

Anything Real Estate – Builders [-22%], REITs [+37%], Lenders [-14%] ... even Home Depot [-2%]

▶ ACQUIRE

Antacids; Ralph's MasterCard; CDs @ 4.9%
Bonds: Harbor Bond (Pimco) [+3%] or T. Rowe Spectrum Income [+7.4%]
Value: Small [+16%] or if you must ... Large [+19%]

2007 [+6%]

▶ WATCH

Republicans
Masco [-35%], Black & Decker [-20%]
Newspapers: NY Times [-33%], McClatchy [-72%]
Spin-Offs (Claymore CSD) [+8%]

▶ AVOID

Cycle: Bonds [+7%], Retailers [-16%]
Value: REITs, [-23%] Energy [+40%], Emerging Markets [+46%]

▶ ACQUIRE

Neck brace
CDs: 3 years at 5.25%
Netflix [+3%]
Large Value [–3%]
Berkshire Hathaway [+20%]
Japan (Vanguard Pacific) [+5%] or Int'l (Harbor Int'l) [+22%]
If you dare, builders! (XHB or ITB) [-53%]

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