

# Rocky Mountain News

## Material Disclosures

David Milstead

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### The investment pros weigh in

As we usually do at the end of a quarter, we quizzed a group of investment professionals and economists as to where we've been and where we're going. Although a couple of these thoughts will be sprinkled in Tuesday's paper, this is the only place you'll get the full conversation. Read on:

The panelists:

Don Cassidy, President, Retirement Investing Institute R-I-I.org

Kent Muckel, Senior Portfolio Manager, University of Colorado Foundation

Gregory Anderson, GRAnderson Wealth Management Group

Joe Sturniolo, Joseph S. Sturniolo and Associates

Greg Denewiler, Denewiler Capital Management

Fred Taylor, Northstar Investment Advisors

Martin Shields, Regional Economist/Associate Professor, Colorado State University

John Goltermann, Senior Vice President, Obermeyer Asset Management

Greg Evans, vice president of investments at The Millstone Evans Group of Raymond James & Associates

David A. Peterson, Peak Capital Investment Services

John Trujillo, UMB Vice President/Senior Portfolio Manager

Jay A. McCormick, Helm Investment Management

Jeff M. Wilson, Wilson Advisory Group

### The worst is now over. Agree or disagree? Discuss.

Don Cassidy: Not over by a long shot. Economy will take a long time for the housing problem to wear off, and major layoffs (airlines, auto) are now just starting to make headlines. Stock market will be burdened by growing risk that if Mr Obama wins capital gains taxes will rise sharply, prompting millions to sell by Dec 31.

Kent Muckel : It is unlikely that the worst is yet over and there certainly doesn't appear to be any near-term catalysts for improvement. The Fed has been very creative in dealing with the financial turmoil caused by the credit/subprime crisis, but is now "out of bullets" with the next move likely to be a tightening to support the dollar and stem inflationary pressures. The temporary bounce from the economic stimulus checks will soon pass. The consumer is getting hit on all fronts, which is now being seen in the consumer confidence indicators. The things consumers want to go up (stock and home prices) are falling and the things consumers want to go down (food, gas, and healthcare costs,) are going up.

Gregory Anderson: Agree. The markets are very efficient, and the markets have taken

into consideration all the bad news and anticipated bad news. We now find ourselves in an excellent buying opportunity, especially for value-stocks and well capitalized companies.

Joe Sturniolo: The worst may or may not be over. If the third quarter growth as measured by the GDP is sluggish like we have seen over the past three quarters, we may see a testing of the bottoms in the stock market. That being said, I strongly believe that something is going to happen over the next 12 months to strengthen the dollar and move oil prices dramatically down. We may see movement to drill for huge reserves in the US or Canada or OPEC may increase supply to make a new Democratic president a hero. Whatever the reason, I believe that anyone who bets on gold or oil has a limited upside. I also believe that the Federal Reserve is face with a dilemma. If they raise interest rates the dollar will strengthen and oil prices may go down. The dilemma is that they need to raise enough to compensate for the interest rate increases in Europe. That kind of movement in interest rates will have a devastating effect on real estate already dizzy from the mortgage crises. If real estate falls further and at the rate it has fallen so far in the past 12 months we will actually see negative economic growth. That downturn will not be long because the positive effects of the dollar rise and the fall of oil prices will help buffer the downturn.

Greg Denewiler: Agree, but it probably doesn't matter from an investment standpoint. The market is always trying to discount the future, and historically, starts to recover from 6 to 12 months before the economy does. Unless you believe that we will not see any improvement until after the summer of 2009, which I believe we will, we are getting close to a bottom.

Fred Taylor: I suspect the worst is not over for this current bear market until you have total capitulation by investors as evidenced by the CBOE VIX volatility index trading above 33, investor sentiment readings of either 20% bulls or 60% bears, or the DOW-S & P-NASDAQ indexes trade below the lows set in January. It would also be very helpful if gas went below \$ 3 a gallon, oil traded at \$ 80 a barrel, and banks-insurance companies stop reporting massive write downs every few weeks.

Martin Shields: Disagree. I expect unemployment rates to creep up, as gas prices put the brakes on summer travel for a lot of families. Also, I think that investors are playing a game of wait-and-see, which is going to mean the economy will continue to sputter through the summer.

John Goltermann: Disagree. There are more shoes to drop in the banking sector with LBO loans and commercial mortgage backed securities. Moreover, the US has underinvested in the development of domestic sources of the basic materials needed to keep our living standards high, and has overinvested in residential real estate and technology. It is time to pay the price for our folly. The skyrocketing cost of living puts pressure on banks because it lowers the realizable value of their assets (existing loans). Occurring now is a major transfer of wealth and power from the users of resources to the owners of resources. As a result, the viability of Wall Street as the leader of international financial markets is in serious doubt. While there are still many great investment opportunities, we strongly believe that they are scarce within the issuers that compose the S&P 500 at present.

Greg Evans: I agree that the worst is just about over for the stock market but not for the economy. The reason for the discrepancy is that the stock market is a discounting mechanism and usually moves 6 to 9 months ahead of economic events. The news will remain difficult in the financial, housing and consumer related arenas at least through the end of the year.

David A. Peterson: The worst should be over. We will continue to see write-downs and a string of bad news from some companies. However, that will continue to slow and soon we will be forced to look at the fundamentals and realize that each subsequent quarter will look pretty rosy in comparison to the prior quarter and the past year. The only things get worse is if oil continues to climb or if unemployment becomes an issue.

John Trujillo: Disagree. We see some near term volatility with a focus on five major issues: inflation, unemployment, oil prices, commodity prices and the weak dollar. The post-election market will bring decreased volatility followed by a recovery toward the end of the year.

Jay A. McCormick: We are in a near-bear market in equities, a near-recession in the economy and not far from a crisis with the price of energy and resulting inflation. Any one of these could get worse before things start to get better. But does that mean it's time to bail on stocks? Not at all. The stock markets around the world most likely will start moving up again several months before there's any sign of improvement in the economy. If you wait to see a recovery in the economy to invest, you'll miss much of the recovery in stocks.

Jeff M. Wilson: Disagree. The markets and the economy continue to be a slow motion train wreck. Despite claims by experts that "there is nothing to worry about, the worst is over," they are Dead Wrong! The massive credit bubble of the last 25 years will continue to unwind for many more years. Foreclosed properties are driving housing prices lower. The end of easy credit long with skyrocketing oil and food costs is crushing consumers.

### **Will 2008 be a year of stagflation - rising inflation plus stagnant growth/recession?**

Don Cassidy: Stagflation in feeling/perception but not technically by the numbers. Not yet 2 quarters of officially falling GDP, but don't tell consumers that! And the official inflation numbers are a joke.

Kent Muckel : It is likely that the economy is in the throes of stagflation whether it's reflected in official government statistics or not. Prices of goods and services are rising while economic growth is at best sluggish, and now unemployment figures are taking a turn for the worst. This is the classic definition of "stagflation". The key is whether this is a temporary phenomena or one that is going to persist over a period of a few years.

Gregory Anderson: This year is poised to be one of stagflation, with relatively lower interest rates and companies turning their attentions increasingly toward revenues from international markets.

Greg Denewiler: Yes, but the real question is: Are we at the beginning of a structural change in the economy? I think the magnitude of the price shocks are going to slow within the next six months. Commodities will trend higher over time, but in a more

controlled fashion, and without the headlines, the consumer becomes less interested. Fred Taylor: So far 2008 is playing out as the year of mild stagflation. The only reason the pundits aren't saying this is because the core rate of inflation does not include food or energy costs and GDP growth has remained slightly positive because of strong export growth due to a weak US dollar. However, if one digs deeper into the data we do have some stagflation as in higher inflation and slowing growth since housing prices across the country are down 15.3% year over year, consumer sentiment is the weakest in several years, and banks continue to report massive write downs. Certainly there is no shortage of bad news for the economy or the consumer and although the US is not technically in a recession with 2 negative quarters of GDP growth it sure feels like a recession.

Martin Shields: Stagflation has a lot of negative connotations that make things seem worse than they are. I expect slow to no growth for the US, and prices are certainly rising due to fuel and food costs. But we are a LONG ways away from what we saw in the 1970s, when that term entered the vocabulary.

John Goltermann: Yes it will.

David A. Peterson: If oil continues its run-up, then yes. However, the fundamentals for continuously higher oil prices is a weak argument with slowing oil demand, increased production and a dollar that appears to be bottoming.

John Trujillo: Our current economic outlook does not call for the U.S. to experience stagflation. The Fed has now turned a watchful eye on inflation and will work to manage that issue in concert with economic growth.

Jay A. McCormick: We already are experiencing substantial inflation - producers are beginning to push through price increases to cover their rising costs. At the same time, credit worries and the sagging housing market more or less ensure weak economic growth if not a recession in the near term.

Jeff M. Wilson: Yes. The end of easy credit and skyrocketing oil and food costs will crush consumers and wipe out corporate profits. Research in Motion and Oracles's negative outlook shows that no sector is immune from the current global recession.

### **Did the Fed take the proper course of action Wednesday?**

Don Cassidy: Fed sees new weakness so I imagine they will NOT raise rates. Their recent jawboning on inflation and the dollar makes it impossible to lower rather either. They are boxed in. Rates are not the issue; reserve ratios are the problem, as 'banks' reduced capital bases make lending near impossible. Right move by fed is NO move on rates.

Kent Muckel : I believe they did. The Fed can't risk rising rates at this point in the economic cycle. However, its not the cost of capital that is constraining the economy but rather the access to capital. The Fed also can't cut rates here because of the likely pressure it would put on the dollar and they need to maintain some vigilance against inflation. A steady-rate environment for an extended period of time seems the most prudent course of action to help mend the financial sector, improve access to capital, set a floor for the dollar, and balance growth versus inflation.

Gregory Anderson: The Fed's non-action is warranted. Moving lower would have

created artificial inflation; and raising rates would have stalled the slow growth that we have experienced since the Fed began lowering rates last year.

Greg Denewiler: Did they have a choice? They addressed the slowing economy, and they addressed the threat of inflation, but did nothing. Raising rates at the moment would probably do very little to cool inflation since commodities are up due to structural changes in supply and demand, not cyclical demand growth.

Fred Taylor: The Federal Reserve had no choice but to keep the Fed Funds rate at 2% and did just that. However, Bernanke and his colleagues did imply that the next change in rates would more than likely be up because of the threat of higher inflation due to extraordinarily high energy and food costs. The vote was 9 to 1 so there is discussion that short term interest rates need to go up. The increasing unemployment rate and stress on the financial system is keeping rates where they are for the time being but Wall Street has been put on notice that if energy and food costs do not stabilize or drop then the Fed will have to raise rates before year end to stop the slide in the dollar and combat inflationary pressures.

John Goltermann: No it didn't. It should have tightened credit and let the chips fall where they may. I don't know why everyone is so darned scared of recessions or a few more bank failures. They are inevitable and healthy. They bring sanity and opportunity back into the system. By trying to prevent them, it will likely make future recessions longer and more painful. My belief is that as a result of its trying to prop up the banking system by holding short-term rates well below the rate of increase in the cost of living, the Fed is throwing fuel on the fire and will bring an even greater uptick in the cost of living (and probably consumer prices as measured).

Greg Evans: I believe the Fed took the correct action at this time. They are attempting to balance the stability of the dollar with their stated goal of fighting inflation. Inflation is moving up but should subside later this year into 2009.

David A. Peterson: If the Fed's primary concern is growth, then yes, it did. Increasing rates would put the brakes on inflation by indirectly reducing consumption. However, with the high price of oil, I don't believe the American consumer needs any help in reducing spending. The only immediate advantage of a rate hike would be to strengthen the dollar which could potentially cut oil prices, but probably not significantly. So, yes they made the right call.

John Trujillo: Yes. Given the seemingly weak perception consumers have in this economy, the Fed cannot, at this time, raise rates. Additionally, a cut in rates would have made inflationary concerns increase.

Jay A. McCormick: What choice does the Fed really have in this situation? If they had cut rates to try to spur the economy, the dollar would have cratered. If they had raised rates to tamp down inflation and support the dollar, they would have locked in a recession. They're holding tight and hoping for some improvement on the commodities and energy prices front.

Jeff M. Wilson: No. They should have raised rates, thereby strengthening the dollar. While, the markets would have reacted negatively short term, this would help to drive down the outrageous cost of oil. The current high cost of oil is incredibly dangerous for our economy in the short term, and disastrous in the long term. Low interest rates

punish savers and fixed income investors. Most borrowers are being denied credit. Low loan rates don't help if you can't borrow it!

**Will Colorado fare any differently - better or worse - than the nation as a whole?**

Don Cassidy: CO a bit better due to our strength in energy production.

Kent Muckel : Colorado is more likely to fare better than the overall economy. Home prices didn't experience the large run-up as in other parts of the country, so aren't likely to correct as much either. Also, the Colorado job market has already been through a "recession" with the tech and telecom bust and is now less reliant on a single economic sector. The state should be able to attract companies given the highly educated work-force, cheaper housing, and a high quality of life.

Gregory Anderson: I believe that our economy began a slowdown earlier than the rest of the country, as exhibited in the slowdown in building and housing sales early last year. However, energy and mining continue to be strong contributors to the Colorado economy, so we should see growth sooner.

Greg Denewiler: Colorado is benefiting from oil demand since we are a regional center for oil and gas companies. We also have some agricultural and metals exposure. You see it in downtown rents. We also didn't have the big spike in real estate prices that the coasts and desert regions experienced, so our housing market is holding up better.

Fred Taylor: Colorado will fare better than the rest of the nation because our real estate did not get as inflated as Las Vegas, Miami, or San Diego. We also have a great climate, a highly educated population, and quite a few energy-mineral related companies either headquartered or moving to Denver. Denver Mayor John Hickenlooper has also been very effective in selling Colorado to the rest of the country as evidenced by the Democratic Convention coming here in August.

Martin Shields: I expect the state to do better than the US. Housing market problems--which certainly are affecting a lot of Colorado families--are just not as pervasive here as they are in many other places. Plus, energy should continue to do well, and that will make the numbers look better after all the adding up is done.

John Goltermann: I believe it will fare better as certain segments of our economy are tied to oil, gas, and agriculture. It also has a highly educated population, which helps.

Greg Evans: Colorado should fare better than the nation as a whole for several reasons. First, real estate in Colorado did not have the same appreciation as real estate in California, Florida, Arizona and other parts of the country. Second, Colorado has a diverse industry base with interests in areas that are doing well including mining, oil and technology.

David A. Peterson: Colorado has a few things working in its favor. First, we have an energy industry and second, our housing prices did not get completely overpriced like some other regions (South Florida, Nevada, Arizona, etc.).

John Trujillo: Colorado is a resilient state and historically has done as well, if not slightly better, than the nation, so I don't see this market as any different.

Jay A. McCormick: Colorado is in the funny position of having missed most of the housing boom during the first part of this decade. Now it's in the enviable position of not suffering quite as much from the popping of the housing bubble. Let's let what happened in Vegas stay in Vegas.

Jeff M. Wilson: Colorado will be better. Speculative real estate buying was relatively limited here. Housing prices, outside of a few affluent areas, grew steadily, but not astronomically. The oil and gas, and agricultural industries are strong and profitable. Colorado is a leader in alternative energy. Consumers will be hard hit, However, due to our stronger business environment, unemployment should be lower than the national average.

**Which economic indicator currently gives you the most hope? Which makes you most pessimistic?**

Don Cassidy: Unemployment is not rising too badly, altho who knows if that continues! Mortgage delinquencies have yet to peak, and home-price declines have a negative wealth effect on spending and also freeze some people in present homes/locations. The consumer is rightfully very unnerved, and any promised quick fix from Washington is a sham. There IS no quick fix.

Kent Muckel : U.S. Productivity is the one economic indicator that continues to support the US economy. Strong productivity growth will allow companies to maintain profit margins without relying on price increases, thus reducing inflationary pressures. Productivity is measured by how much an employee produces for each hour of work. So, to the extent that productivity gains are a factor of reduction in labor hours or the workforce, leads me to the statistic that worries me the most- Unemployment. The Payroll report has shown job losses for the last five consecutive months and the unemployment rate has risen one-half percentage point for the year and is up one percentage point over the last twelve months. A continued weakness in the labor markets will make this downturn more severe and longer-lasting than currently anticipated.

Gregory Anderson: Real GDP is at 3.3 percent for the year, and that's an encouraging number. However, housing starts continue to decline, reflecting negatively upon consumer confidence.

Greg Denewiler: Consumer confidence being so weak. It is darkest before the dawn. The banking sector write-offs. We had too much leverage buying 'under' priced assets. We are now borrowing from future growth to re-stimulate the banking sector, which leaves us with a less vigorous recovery.

Fred Taylor: The economic indicator that gives me the most hope is the positive GDP number. Despite the worst credit and housing crisis since the depression GDP is still positive. The most disturbing numbers are the Case-Shiller housing report of a 15.3% drop in housing prices across the country and last month's dramatic jump in unemployment from 5% to 5.5%.

Martin Shields: Like a true economist, I would say the unemployment numbers, in both cases. Over the past 12 months, the total number of unemployed workers has increased around 43 percent. That is a lot of people out of work. Yet while the unemployment rate and number of unemployed are up from last year, they are still lower than in 2005.

John Goltermann: Hope: That global portfolio managers are still willing to buy 10-year treasuries at 4.04% because they're denominated in a weak currency and there are big-time inflation pressures. It means that perhaps I'm wrong. Pessimism: The (KBW

Bank) index falling below 61.

David A. Peterson: The price of oil gives me the most hope and the most concern. I believe that we are experiencing an oil bubble, and if that pops it should create a tremendous tailwind for investors. The flipside is that if oil prices continue to be disconnected from fundamentals, as it is in our opinion, there is no way to know when this bear market ends and how much oil prices rise until the bubble finally bursts.

John Trujillo: While GDP has been low this year, it gives me hope that it has not turned negative. However, unemployment and inflation are concerning to me. I may not say pessimistic, but historically high unemployment and/or high inflation is not good for markets in general.

Jay A. McCormick: Productivity continues to move higher and so far the unemployment/household employment numbers are holding up. But the problems in housing are going to linger for a long time, possibly well into next year.

Jeff M. Wilson: Most hope: Many businesses are still profitable, at least so far. Even though profits are lower than previous years, many businesses have more cash and less debt than in previous recessions. Most pessimistic: Inflation. It is high, getting higher, and is under estimated in the government statistics. Shadowstats.com reports CPI at 12% versus the 4% the current manipulated rate as reported by the Bureau of Labor Statistics (BLS).

### **Is now the time to get in to commodities?**

Don Cassidy: It has been a time to get there for a couple of years and remains timely. The inflation is not over. Demand from Chindia will hold commod prices up even if USA economy is flattish.

Kent Muckel : I would not be a buyer of commodities today. Although there is a strong secular case to own commodities given the rising demand from emerging economies, today's valuations are unrealistic. With that being said, I would rather be an owner of soft commodities, then industrial commodities and precious metals, and lastly energy-related commodities.

Gregory Anderson: Positioning one's portfolio with commodities such as gold, energy, agriculture, and some financial assets presents an outstanding hedge. But save some money for those value stocks.

Greg Denewiler: I would never buy anything as a long-term investor that everyone on the planet is aware of.

Fred Taylor: The commodity markets have been the only place to make money on Wall Street in 2008. That in itself should be a red flag. However, as we saw with the dot com bubble and housing bubble these bubbles take time to play out. If you already have a diversified portfolio it may be time to take some profits in these sectors that have benefited from the boom in commodity prices over the next few months and begin looking to add money to beaten down stocks in the financial, telecom, and health care sectors, particularly those large cap companies with overseas exposure that pay secure dividends.

John Goltermann: If someone doesn't have any commodities-related positions at all, they need to be added to the portfolio (forget about trying to time it). Rising incomes in Asia means continuing strong global resource demand (and the continued bidding up of

raw material prices) and past underinvestment means supply constraints. The pressure on commodity prices is to the upside across the board (and it won't happen in a straight line), but this means different things for different kinds of investments. Commodity investing is one of the few ways people can protect themselves from a loss of their share of global wealth. Food prices are a wild card this year because yields/acre in grains looks to be down, which means higher prices ahead perhaps causing a greater-than-expected slowdown in the global economy.

Greg Evans: Now is absolutely the wrong time to be getting into commodities unless you are looking for a short term trade. Historically, commodities have produced almost no inflation adjusted returns; they are also coming off a five-year period of great returns, and therefore, you are not buying cheap. I believe a lot of the recent price spike has to do with "Index Speculators" who distribute their allocation of dollars across the 25 key commodities futures dictated by the popular indexes and not due to supply/demand imbalances. Assets committed to index trading strategies have risen from \$13B at the end of 2003 to \$260B as of the first quarter of 2008. The commodities chart looks very similar to the NASDAQ chart from 1995 to 2000.

David A. Peterson: It really depends upon "why" you are getting in to commodities. If you are trying to speculate, then you are probably late to the party. However, if you are using commodities as a hedge to protect your stock and bond portfolios from further oil shocks or your checkbook from prices at the pump and grocery store, then investing in commodities is as important as always.

John Trujillo: Yes and No. Gold is an excellent inflation hedge, so metals continue to be an important investment. However, agriculture commodities are extremely expensive, and the volatility surrounding speculation due to recent weather conditions has moved prices unsustainably higher. Energy as a commodity has a unique benefit because there is not currently a better alternative and given global demand, it will continue to be a necessary position at a reasonable percentage of your portfolio.

Jeff M. Wilson: No. It makes as much sense as buying dot.com stocks in January 2000 or buying a condo in Miami in 2005. In 2000 37% of all commodity investing was done by speculators, currently it is over 73%. The current US recession is slowly spreading globally. This will play out over months, even years. With lower or even negative economic growth, commodity demand will drop. Speculators will rush to get out and will trample to death the unsuspecting.

**An investor puts \$10,000 into an S&P 500 Index fund on July 1. How much money will they have Dec. 31?**

Don Cassidy: \$9,000 or less.

Gregory Anderson: We see the overall U.S. markets relatively flat or declining for the remaining year. With reinvestment of dividends, we think an investor would have approximately \$10,300 at the end of the year.

Greg Denewiler: \$10,400

Fred Taylor: With the S & P down 10% year to date I think there is a chance the S & P gets back to even by year end if oil prices collapse, housing prices firm, the Fed doesn't raise interest rates, GDP growth stays positive, unemployment remains around 5%, and corporate profits surprise to the upside. If these positive events take place an investor

could make 10% on their money. If not, I am not sure there will be much more than \$ 10,000 in the investors pocket come December 31 and could be 5% less.

John Goltermann: \$9,232

David A. Peterson: Somewhere between \$8,000 and \$15,000. There is no way to predict the value of the market over a short time period. Over the longer term, we expect that stocks will return four to six percent above inflation. Nonetheless, with prices at this level, I am fairly bullish and wouldn't be surprised by a ten percent rise in the second half of the year.

John Trujillo: \$10,850

Jeff M. Wilson: There are so many variables and major uncertainties; it would be foolish to speculate. How will the Presidential campaign play out? Who will be the winner?

Where will there be war? What will happen with Iran, oil, Iraq, inflation, unemployment, housing prices, foreclosures, commercial real estate, commodities, etc?

### **How much will a barrel of oil cost on Dec. 31?**

Don Cassidy: \$155 per barrel as the U.S. dollar become ever worth less.

Kent Muckel : Less than the price today, barring any geopolitical events.

Gregory Anderson: Based on the recent speculative run-up in oil prices, we see prices ending the year closer to a more reasonable \$100 per barrel. We don't think people will be chopping up their furniture for the fireplace.

Greg Denewiler: \$100

Fred Taylor: Oil could be \$ 70 or \$ 200 on December 31. A lot depends on how greedy OPEC is, the growth in the BRIC countries, and how the hedge funds on Wall Street continue to speculate/trade in the commodity markets. Economics 101, as in supply vs. demand, is going to be the determining factor. If oil gets too high demand will dry up and the all the hedge funds will sell their positions at the same time bringing the price of oil crashing down in a hurry. If this happens there will be a tremendous rally in the stock and bond markets because short interest on the NYSE and money parked in money market funds are at an all time high.

John Goltermann: \$126.32

Greg Evans: The cost of a barrel of oil should be 20% lower by the end of the year.

David A. Peterson: We anticipate lower oil prices and \$115 a barrel would not surprise us. Even this assumes there is some fundamental basis for the current price; otherwise, I would expect it to be even lower given our belief that there is a substantial amount of speculation in the current price. Slowing demand, increased output, and a dollar that is not declining precipitously indicate that oil prices should be on the decline. If we are in a bubble all bets are off--just look at the NASDAQ in early 2000.

John Trujillo: \$132.50

Jeff M. Wilson: Between \$64.50 and \$305.01. There are so many variables and major uncertainties; it would be foolish to speculate. How will the Presidential campaign play out? Who will be the winner? Where will there be war? What will happen with Iran, oil, Iraq, inflation, unemployment, housing prices, foreclosures, commercial real estate, commodities, etc?