

DOW 36,000

**THE NEW STRATEGY FOR
PROFITING FROM THE COMING
RISE IN THE STOCK MARKET**

James K. Glassman

and

Kevin A. Hassett

T I M E S B U S I N E S S



R A N D O M H O U S E

Investor class

50% of American own stock

29' Crash had big impact
on politics and country
p256

Stockholders -
R-38%
D-33%

Non Stockholders
R-27
D-41

1 negative yr. in 4

Stocks became more attractive because of gov. policy

The Japanese 40,000 - 1989
now 15+

Dutch Tulip Bulbs.

PRP - Perfectly Reasonable Price

Americans consume 26 lbs. of candy a year

General Electric
Toaster Roll Industries
Microsoft

Funds run by a computer

536. James Glassman

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BOOKNOTES
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5 questions to ask before you buy

- ① Does the company make money
- ② Does the firm have something special
- ③ Does the company have a long term record of earnings growth of at least 7.27%
- ④ Will the firm still exist 50 years from now
- ⑤ Is the P/E well below 100

How can you tell ahead of time if a firm will grow profitably for a long time?

- ① Consistent increase in earnings
 - ② High growth in earnings
 - ③ High Profit Margin
 - ④ Low Debt
 - ⑤ Managers who own stock
 - ⑥ Nearby companies
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