

FOR IMMEDIATE RELEASE

Economist, Futurist and Market Strategist David L. Smith keynotes Office Business Center Association International annual conference in San Antonio, TX and Financial Planning Association meetings in Fairhope, AL; Tampa, FL and Phoenix, AZ.

October-December 2001: In presentations before the Office Business Center Association International and the Gulf Coast, Tampa and Phoenix Financial Planning Association chapters, David L. Smith presented the "Economic and Financial Aftermath of September 11" in which he outlined "worst-case" and "best-case" scenarios following the attack. "Fortunately, we appear to be tracking along the 'best-case' scenario, with a calibrated retaliation using appropriate international Intelligence Community and Police Force assets in a multi-national coalition, including Muslims, which can be expected to assure widespread support and restraint, so as to avoid escalation into a holy war." He cautioned against the use of massive "blunt force" alternatives in the Middle East which would inflame the region into holy war.

Smith described three additional policy initiatives which offer hope of defusing the Middle-Eastern threat:

- A Marshall Plan for the Middle East
- Energy independence for the U.S. along the lines of President Ford's "Project Independence"
- The partition of Israel along the lines suggested by the Royal Commission of 1937

In addition, Mr. Smith presented "Chairman Greenspan's 'Goldilocks Economy,' What happens now that the bears have shown up?" In his presentation, Mr. Smith discussed the 5 major "imbalances" likely to dominate the economic and financial outcome during the foreseeable future:

- Too much new money
- Overvalued stocks
- Excessive corporate and personal debt
- An overvalued dollar
- Excessive dependence on foreign oil

For each of these imbalances, Mr. Smith described not only the associated dangers, but also the inherent opportunities for those who are aware of the dangers and prepared to respond in a timely and profitable way.

The following page from the Phoenix FPA's newsletter summarizes the events:



THE FINANCIAL PLANNING ASSOCIATION
OF GREATER PHOENIX

Newsline

Dec. 2001

**Wednesday, December 19 at the
Phoenix Country Club
12 - 12:45 Lunch & Chapter Mtg.
12:45 - 2:45 2 hr. CE session**

**“CHAIRMAN GREENSPAN’S
‘GOLDILOCKS ECONOMY’ ”
- What happens now that the
bears have shown up?
- Financial and Economic
Aftermath of September 11,
2001**

When David L. Smith spoke to us last December, the title of his presentation was “Profit and Peril in the 21st Century”. He DIDN’T predict what took place 9-11, but did warn us to expect a foreign crisis with potential repercussions in the Middle East. He also warned us of an approaching recession, further weakness in stock prices, both of which have come to pass. Among his many other predictions over the past 17 years:

- The oil price collapse of 1986 and accompanying surge in stock and bond prices
- The stock market crash of 1987 and prompt stock market recovery
- The Gulf War of 1991 and accompanying spike on oil prices and stock market dip
- The 1994 stock market correction
- The sideways drift in the Dow since April 1999 and drop in the NASDAQ since March 2000.

Back by popular demand, David L. Smith, MBA, Economist, futurist and market strategist is an internationally known speaker and author who offers penetrating insight, accurate forecasts and profitable advice regarding:

- U.S. and world economies
- Financial and investment markets
- International trade
- Energy markets
- U.S. monetary and fiscal policy

With singular independence of mind and uncanny insight, David explains what is going on in the global economy and financial markets -- the good, the bad and

the ugly -- and how investors and businesses can avoid surprises and deploy resources so as to avoid losses and capture profits in volatile times. If you want “nothing but blue skies,” try a sunshine pundit. However if you want to know what is really going on and how you and your clients can profit from it, attend our December 19 meeting! You’ll leave with:

- A clear understanding of the current and forecasted economic and financial situation
- Appreciation of how powerful economic forces will affect your business and personal lives
- No surprises: early warning of events that will affect you positively and negatively
- Knowledge of how to position resources prudently to avoid losses and capture gains

Using the U.S. stock market since its early days as an economic and financial barometer, David reveals a three-phase “Megacycle” underlying the process of economic transformation and applies this template to the current transformation. The presentation continues with a summary of the present “Goldilocks Economy” and poses the question: “What happens when the bears have shown up?” What follows is an evaluation of what Fed Chairman Greenspan refers to as the numerous “imbalances” in the U.S. - potential crises that present investors with both danger and opportunities. The emphasis will be on how to recognize the signs of developing crises and how to profit from such dangers through adroit, timely asset redeployment as these events unfold.” It could be just the most valuable information you can get, and the most expensive advice to ignore.

Author of the *Cyclical Investing Quarterly* Report since 1984, David has achieved a remarkable record of accurate contrarian predictions and sound investment advice. Born and raised in Buenos Aires, Argentina, he earned his bachelor’s degree with honors in economics. After serving as a U.S. Naval officer, he attended Stanford Graduate School of Business where he was awarded his master’s degree with distinction in finance. His 30+ years in the

financial arena includes securities analysis with a major bank and NY Stock Exchange-member firm, mergers and acquisitions, financial planning and national underwriting as the president and CEO of an NASD-member firm.

In addition to writing a highly regarded newsletter, for the past 20 years, David has lectured throughout North America, in Japan and Europe, and is widely quoted in the press, including Money Magazine and CNBC, and has been interviewed on PBS and by numerous local newspapers, television and radio stations.

We’re pleased to have David Smith join us again from Texas, and know it will be a lively and educational 2 hours. See you December 19...and be sure to reserve by December 14.

**Please bring some canned/
nonperishable goods to go to
the local Food Banks to our
December meeting. They
especially need our charitable
gifts this year! If you prefer,
you can bring a check and we’ll
see that it gets to the Food
Banks.**

Agenda - Dec. 19

**Phoenix Country Club
7th Street and Thomas / Phoenix**
11:45 Registration
12:00 Luncheon/Chapter Mtg.
12:45-2:45 Education Session, 2 hr C.E.

Luncheon/Education Session:
FPA members \$25
1st time Non-member Guest: \$30
Repeat Non-member Guest: \$40

RSVP by 12/14:480/483-9035
FPA - Greater Phoenix Chapter
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