

# Arizona Republic

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## **What they're buying: Energy funds, gold funds and REITs**

*Compiled by Max Jarman, The Arizona Republic*

Valley money managers encouraged by rate cuts, but see more volatility

Michael Phillips Black

Michael Phillips Black Wealth Management, Scottsdale

Black is advising his clients to prepare for extreme volatility as uneasiness is expected to continue in global markets.

He sees high energy prices as a threat to the economy and as a hedge is buying energy companies.

He likes the iShares S&P GSSI Natural Resources Index exchange-traded fund (IGE). He also is buying the iShares Lehman Aggregate Bond exchange-traded fund (AGG) and Thornburg Mortgage Inc. (TMA), a mortgage company that has been hurt by the real-estate downturn but that Black believes has survivability.

Robert Wong

Raymond James Financial Services, Scottsdale

Wong notes that the two recent Fed rate cuts provided much needed balance to shaky markets.

Still, he sees market volatility continuing as the economy works through a bottom and the banks get out from under the present real-estate debacle.

As an inflation hedge, Wong is buying gold producer Yumana Gold Inc. (AUY). He also is investing in Shaw Group Inc. (SGR), a company that provides products and services to the nuclear-power industry, and in PFF Bancorp Inc. (PFB), a California bank-holding company that he believes is undervalued.

David Fernandez

Wealth Engineering LLC, Scottsdale

Fernandez is encouraged that the Fed has made a commitment to help keep the economy out of a recession.

Still, he also sees a tremendous amount of volatility continuing in markets. Fernandez is buying the iShares S&P 500 exchange-traded fund (IVW) and the DFA Real Estate Securities Fund (DFREX). He also likes the Vanguard Real Estate Investment Trust exchange-traded fund (VNQ) and the iShares MSCI Emerging Markets Index exchange-traded fund (EEM).

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