

## Arizona Republic

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### **WHAT THEY'RE BUYING: GE GETS NOD ALONG WITH FOREIGN EQUITIES, MEDICAL FIRMS**

*Compiled by Russ Wiles, The Arizona Republic*

Valley investment advisers have mixed views on the health of the economy and a mix of recommendations.

Harry Papp

L. Roy Papp & Associates, Phoenix

Papp views the economy as in fine shape with strong growth and robust profits. That, coupled with investor worries over Mideast issues, oil prices and other factors, has created opportunities. "We think stocks are cheap," he said.

Papp prefers large-growth companies with global reach and positions of industry dominance. For example, he likes General Electric (GE) on the basis of double-digit earnings growth and a low price-earnings ratio. Other favorites include technology giant Cisco Systems (CSCO) and 3M (MMM).

Stan Rulapaugh

Stanley E. Rulapaugh Investment Counsel, Scottsdale

Rulapaugh holds selected stocks despite concerns over the economy and lofty energy prices.

One favorite is General Electric (GE), which he calls an improved company whose shares haven't moved much over the past five years. He also likes Williams-Sonoma Inc. (WSM), a high-end retailer that he doesn't expect to be significantly hurt by an economic slowdown. And Rulapaugh likes several non-pharmaceutical medical firms, including artificial-joint maker Stryker Corp., (SYK) and biotech giant Amgen (AMGN).

David Fernandez

Wealth Engineering LLC, Scottsdale

Fernandez thinks rising interest rates could make it tough for the stock markets to advance. That's why Fernandez recommends a well-balanced portfolio that includes an ample stake in foreign equities. One favorite is Vanguard Pacific Stock Vipers (VPL), an exchange-traded fund. He also likes StreetTracks Gold Shares (GLD) and Hussman Strategic Growth (HSGFX), a mutual fund with a heavily hedged investment position.

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