

Kass: My Recession Checklist

Notwithstanding the attempts by many to marginalize the role of the U.S. economy on worldwide economic growth, most of the world's economies will soon feel our pain.

That bullish cabal (especially of a Ben Stein kind) will recognize the existence of the downturn only after the fall in equity values (and after digesting the conclusive economic evidence that is forthcoming) -- in other words, after it is too late to prepare investors.

Note: I am hard on the permabulls because they were hard on me over the last 12 months. I will continue to take the high road, however, by not mentioning any of the names of that dogmatic constituency -- with the exception of the Bens, Stein and Bernanke -- whose economic heads and market "wisdom" have been firmly implanted in sand.

The short-term economic outlook is now practically cast in stone, and the sharp downturn in equities will only serve to exacerbate the growing economic weakness and loss of confidence on the part of consumers and businesses.

Expect market assumptions for retail sales, business spending and, most importantly, corporate profits to be ratcheted down in the weeks ahead.

In order to properly navigate the investment terrain, investors must answer the following five critical questions:

1. How long will the recession last?
2. How deep will the recession be?
3. How will corporate profits be affected?
4. What will the response be in the capital markets?
5. What wild cards could change the economic and capital market backdrop?

What follows is a summary of my conclusions, and these conclusions will serve as a blueprint for my overall market views and attendant investment strategies. How Long? Most recessions are relatively brief -- under a year in duration. The evolving supercycle of credit availability (mainly through securitizations) over the last decade, coupled with its unique profile/character of egregious risk-taking as seen from the eyes of both creditors and borrowers, is unlike any cycle in modern financial history. Problems in the residential real estate category have spread like a wildfire throughout the broader economy, putting a pinch on the banking system and, in a marked reversal, serving to restrict credit to many borrowers.

Corporations of all kinds now face a closed window of credit securitizations, so American industry's ability to grow lies squarely on direct bank lending. Unfortunately, with money market rates at 2.75%, the 10-year Treasury note at 3.55% and the federal funds and discount rates at 4.25% and 4.75% respectively, banks have little incentive to lend -- especially in a questionable economic setting.

The securitization market is broken and will take years to repair. Accordingly (and subject to the magnitude of the negative wealth effect of the eventual stock market hit), the 2008-2009 recession will likely be deeper and lengthier than those of the past. Even more important, the aftermath of the recession will be lingering, producing a period of inconsistent and uneven growth, and difficult for corporate managers and investment managers to navigate.

How Deep? Despite the current appearance of a tardy and timid Fed and a generally unresponsive and unimaginative administration, fiscal and monetary stimulation will be swift in its implementation and will, in the fullness of time, buffer somewhat the magnitude of the falloff in GDP. More aggressive policy moves could be hastened by the proximity of the presidential election in November 2008.

Impact on Corporate Profits? A profit drop of about 10%, skewed (and deepening) toward the second and third quarters, is about what we should expect in 2008. Mitigating against some of the profit pressure will likely be a reasonably swift decline in commodity prices (especially of an energy kind) and still historically low interest rates. Nevertheless, corporate pricing power will not likely stabilize until well into 2009 (at the earliest), so corporate profits in 2009 will likely be flat to up 5%, well below market expectations.

Set in the sea transport to digest some of the time / Even China Ocean also have a month to digest the time

I also bought a set of sea transport, and now bearing, but I am not radical, because I found some good new shares are to rectify that in a closed more than a month or several months, then started up, and this unit has a Comparison of common ground was to go far, as bank shares, and the China Ocean is the beginning of rectifying a month after the start rising

Now no matter what price you are not worried about Jin, bad news and how changes in the market in which day and hinder a good news, now 10.8 12

About the Author

From www.thestreet.com:

This is a discussion on MedHelp about Protein Digestion Time. Community members of MedHelp provide help, support, guidance and discussion.

Range includes microwave and pressure digestion systems for the preparation of solutions for elemental analysis by a range of techniques.

The digestion time of various foods is determined by how easy they are to digest and assimilate in the body. Foods that take less time do not require.

An opposite switching tended to increase the digestion time and its variability. However, the average digestion time of *A. aurita* in a physically.

Compact 20 place digestion system with high performance heater and tight suction module. Block temperature and digestion time can be set individually.

Gel digestion will occur more quickly when more enzyme is used. Table 3 shows the relative digestion times for a 300 mg gel slice under increasing.

Digestion information covering the digestion system and related diseases, procedures and tests, medications, and treatments. Produced.

The most important news which the studious editor of the American Journal of Roentgenology, Dr. Lawrence Reynolds of Detroit, had to impart.

Source: <http://www.products herbal.com>