

Stock guide seeks good bets in uncertain world

By JOHN STANCAVAGE World Business Columnist | Posted: Sunday, September 27, 2015 6:00 am

When your computer gets overwhelmed, you usually hit the reset button.

Perhaps that's just what the bad day last month — Aug. 24 — did as the Dow Jones industrial average plunged more than 1,000 points early and finished down 588 points.

For stockholders who hadn't ever seen a significant market downturn before, the move was frightening. Some did the worst thing fear can cause an investor to do: They panicked and sold their shares.

What was the “smart money” doing on that same day? Buying, of course.

“We bought some stocks at dream prices,” said Jake Dollarhide, CEO of Longbow Asset Management in Tulsa.

Dollarhide and some other financial analysts expect the market to be volatile at least through the end of the year, as investors have their nerves frayed by problems in China and the Middle East, slow economic growth in the U.S. and the direction of interest rates.

But downswings should create more chances to buy solid stocks at good prices, the experts say.

Many analysts recommend that local stocks make up a portion of your portfolio.

Why? The reasons go beyond supporting hometown names.

Local stocks can be easier to track than other stocks, as they get in-depth coverage here at the Tulsa World. You may know someone who works for an area public firm and be able to glean some (legal) clues about how the company is doing from them. Or, since they are close by, you could just ask for a tour.

To give you some assistance on your quest, we offer the 2015 Tulsa World Investment Guide. It collects the top stocks, as chosen by a panel of local analysts.

What makes our guide a little different from similar lists is that we poll our stock-pickers to select companies that have the best prospects of doing well over the next 12 months. We feel this is more relevant than simply listing last year's winners.

So grab a red pen and get ready to circle some companies that sound interesting in these pages. Then go do some more research and ask your investment professional about them.

Finally, you may want to wait for a day your picks get knocked down a bit — it doesn't have to be a "Black Monday" type of crash — and buy some shares.

"I know volatility is upsetting, but at the end of the day, that's where you find more opportunities," said Jim Huntzinger, chief economist for BOK Financial and another of our Investment Guide analysts.

Before you buy, though, make sure you have the stomach for more volatility and a long-range horizon, warned Fred Russell, owner of Fredric E. Russell Investment Management in Tulsa.

"If you are going to need the money sooner than five years from now, put it into something else," Russell said.

Finally, here's where we add our standard words of caution about using the guide: Know that the information is provided for general reader information only; realize that the ratings do not equal a recommendation or endorsement of any stock; and see a professional before investing your hard-earned cash.

Now, since the market has reset, maybe it's time to do the same with your portfolio.

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Stock market

A visitor to the financial district walks past the New York Stock Exchange earlier this month. Stock market downswings should create more chances to buy solid stocks at good prices, the experts say.

MARY ALTAFFER/Associated Press

Rankings of area-interest stocks

1. Wal-Mart
2. BOK Financial Corp.
3. Williams Cos. Inc.
4. Sonic Corp.
5. ConocoPhillips
6. ONEOK Inc.
7. Tyson Foods
8. American Electric Power

9. Helmerich & Payne (last year's No. 1)
10. BancFirst Corp.
11. (tie) AAON Inc.
11. (tie) Magellan Midstream Partners
13. Phillips 66
14. (tie) Devon Energy
14. (tie) Dillards
16. ONEOK Partners
17. Continental Resources
18. OGE Energy Corp.
19. Chesapeake Energy
20. (tie) WPX Energy
20. (tie) Matrix Service