

# THE NO-STAR TEAM

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Be very wary of investment firms who tout their research as being the best. Institutional Investor Magazine turns out an all-star list every year that many firms use in their marketing pieces to lure new clients. In a recent study by Investors, the truth comes out about these so-called star analysts. In this study 110,000 analyst recommendations were reviewed.

The results:

Only one of the magazine's top 51 analysts selected was the best stock picker among analysts covering the same industry.

Only one of more than 100 members of the 2000-2001 first team All-Stars ranked first in their sector.

Only 16 of this year's 51 first team All-Stars are in their sector's top five.

More than 40% of this year's first team All-Stars did not perform as well as the average analyst for their sector.

Kei Kianpoor who co-founded Investors in 1999 to track analyst stock picking for individual investors states there is overwhelming evidence that independent firms perform better. We would like to thank Mr. Kianpoor for letting everyone in on what we have been telling people for years. The funny thing about this whole All-Star list is that Institutional Investor Magazine states that stock picking is not a top priority of the selection process. Instead, the All-Star team is based upon accessibility and other services. Quite frankly, individual investors do not care what color your tie is, who your tailor is, or how your golf game is going. To judge an analyst based upon anything else but picking stocks is nothing more than misinformation.