



INVESTMENT CONSULTING GROUP, INC.

246 West Third Street, Davenport, Iowa 52801 TEL. (563) 322-2322 * TOLL FREE (800) 824-8668 * FAX (563) 322-4966

ICG TIMELY TOPICS



FROM THE TOP

As we all lament over the performance of this current stock market, remember there are two costs to managing assets. One cost is investment management fees. The other is return, or lack of return, compared to the appropriate index. Continue to monitor both costs when the market is up and when it is down.

Donald R. Stanforth, President
Certified Investment Management
Analyst



“Let the brief and uncertain years roll by, and face the future with faith. Perhaps a future winter will be longer and colder than usual, or a summer will be drier and hotter. In the long run, however, our economy and our financial markets are stable and rational. Don’t let short-run fluctuations, market psychology, false hope, fear, and greed get in the way of good investment judgment.” – John Bogle, Common Sense on Mutual Funds



Jacobius, Arleen “Execs say fees are fair, yet don’t know how much they pay” Pensions & Investments June 25, 2001: 3, 38

48% of plan sponsors did not know the plan’s average fund expense ratio, and only 52% knew the plan’s average annual investment management fees.

Carlson, Dan H. “Monitoring the Performance of Retirement Plans” Employee Benefits Digest July, 2001, Vol. 38, No. 7: 1, 4, 5

Over the next two quarters we will discuss issues in monitoring the performance of retirement plans. In this issue we highlight Outside Assistance and Documentation.

Williamson, Christine “Lincoln Capital Management’s assets down by 30% this year” Pensions & Investments July 9, 2001: 2, 46

Clients lost patience with Lincoln Capital Management’s flagship growth strategy.

Editorial “Broker-dealer rule leaves too much room for abuse” Investment News June 25, 2001, Vol. 5, No. 25: 10

The Financial Planning Association is making sure that the Senate Banking Committee is well aware of the Association’s stance on the proposed SEC regulation, informally known as the “Merrill Lynch rule.”

Gasparino, Charles “Merrill Is Paying in Wake of Analyst’s Call on Tech Stock” The Wall Street Journal July 20, 2001: C1

Merrill Lynch & Co. settled a high-profile arbitration case brought by a former client who claimed he was misled by a bullish stock call by technology-stock analyst Henry Blodgett.

Editorial “Too close for comfort” Pensions & Investments August 20, 2001: 10

Proxy Monitor’s acquisition of its chief competitor means it will have a monopoly on corporate governance advisory services.

Chernoff, Joel “Someone get this currency a parachute” Pensions & Investments August 20, 2001: 3, 39

International equities could do better than domestic stocks over the next 3 to 5 years because they are currently undervalued and because managers are expecting a significant improvement in economic performance.

Clowes, Mike “When opportunity knocks...buy, buy, buy” Investment News July 2, 2001, Vol. 5, No. 26: 12

Investors who can fight their emotions and buy when the future looks bleak are the most successful purchasers.

Burr, Barry B. “Ibbotson, Chen say equity risk premium alive and well in 2001” Pensions & Investments June 11, 2001: 1, 38

Roger Ibbotson, chairman of Ibbotson Associates inc., and Peng Chen, vice president of research at Ibbotson say investors should continue to look to equities as the favored place to invest, at least over bonds.

Anand, Vineeta “Money purchase plans to lose out” Pensions & Investments June 11, 2001: 1, 36