

# RISKY BUSINESS

TEMPLE UNIVERSITY, FOX SCHOOL OF BUSINESS, DEPARTMENT OF RISK MANAGEMENT, INSURANCE AND HEALTHCARE MANAGEMENT

## OBAMA IS PRESIDENT, NOW WHAT?

### A fair and balanced investment analysis from the StreetInsider.com.

With the election of Barack Obama as the next President of the US of A, investors are out in force today looking for ways to play the "New America". Here is a list, broken down by sector, of stocks that could either benefit or be harmed given proposed initiatives from the US's new, democratic Commander-in-Chief.

#### Those that can Benefit:

**Health Insurers** - Obama has certainly been an advocate of expanding health-care coverage to the middle-class; he plans to cut health costs, which would help every American find affordable coverage. **Related stocks:** Humana (NYSE: [HUM](#)), UnitedHealth (NYSE: [UNH](#)), WellPoint (NYSE: [WLP](#))

**Infrastructure** - along the campaign trail, Obama pledged to put spending on roads and bridges near the top of his economic agenda as he has previously made it clear that he feels infrastructure growth is one of the best ways to stimulate the US economy. **Related stocks:** Caterpillar (NYSE: [CAT](#)), Terex (NYSE: [TEX](#)), Deere (NYSE: [DE](#))

**Automakers** - promised to deliver "fast track" money to automakers and while campaigning Obama said in a speech said that the government should provide "more as needed". Obama has also proposed that the US could have at least 1 million plug-in

hybrid vehicles on the roads by 2015 and has that the government should provide "more as needed". Obama has also proposed that the US could have at least 1 million plug-in hybrid vehicles on the roads by 2015 and has previously offered families a \$7,000 tax credit if they purchased one of these efficient vehicles. **Related stocks:** General Motors (NYSE: [GM](#)), Ford (NYSE: [F](#))

**Renewable/Alternative Energy** - has proposed \$150 billion in spending over the next 10 years to create jobs in the solar, wind and clean energy sectors and has also announced plans to cut greenhouse gas emissions by 80% by 2050. **Related stocks:** First Solar (Nasdaq: [FSLR](#)), Chesapeake Energy (NYSE: [CHK](#)), Capstone Turbine (Nasdaq: [CPST](#))

**Defensive** - although voters have been previously concerned with Obama's perspective on national defense, many pundits now feel that Obama will continue to maintain record levels of defense spending. **Related stocks:** Lockheed Martin (NYSE: [LMT](#)), Northrop Grumman (NYSE: [NOC](#))

#### Those that can be Harmed:

**Drugmakers** - Obama wants to give Medicare the authority to negotiate medicine prices for its drug plans, something that former President Bush was opposed to. **Related stocks:** Pfizer (NYSE: [PFE](#)), Merck (NYSE: [MRK](#)), Bristol-Myers Squibb (NYSE: [BMY](#))

**Airlines** - given indications that Obama would strengthen airline regulation, maintain limits on foreign ownership of US airline companies, speed-up air-traffic control upgrades and improve controllers working conditions, many pundits believe the airline stocks could face higher labor costs under an Obama administration. **Related stocks:** Southwest Airlines (NYSE: [LUV](#)), Delta (NYSE: [DAL](#)), AMR Corp. (NYSE: [AMR](#))

**Oil Well Services & Equipment** - although President-elect Obama has previously said that he will find compromises related to offshore drilling of oil and natural-gas, individuals are now unclear whether Obama will block areas of potentially new offshore drilling sites given the recent slide in oil. **Related stocks:** Transocean (NYSE: [RIG](#)), Diamond Offshore (NYSE: [DO](#)), Atwood Oceanics (NYSE: [ATW](#))

While these investment ideas are just that, one thing can be certain: it will be interesting to see if **Barack Obama** can deliver on the change he has promised America as the next President.



Adapted from the StreetInsider.com article "So Obama is President... Now What? Some Investment Ideas"

## H. WAYNE SNIDER DISTINGUISHED GUEST LECTURER SERIES

### **RUSS BUCKLEY, FCAS, MAAA**

CHIEF ACTUARY, REGIONAL CLIENTS UNIT  
MUNICH REINSURANCE AMERICA

WEDNESDAY, NOVEMBER 12TH, 2008

11:40 AM - 12:30 PM: WALK AUDITORIUM

**Russ Buckley** is the **Chief Actuary** for the **Regional Clients Business Unit** of **Munich Reinsurance America**.

Russ Buckley started his career at Aetna Life & Casualty in Hartford CT, working in their actuarial program.

Russ has over 20 years of experience at Munich Re America,

most of which has been with Property and Casualty Business Units. Over the course of his career, Russ has been involved with pricing almost all lines of Property and Casualty insurance and reinsurance, both treaty and facultative business. This 20 years of experience with Munich Re America includes almost 10 years with **Munich Re American RiskPartners** (now Specialty Markets). Within **RiskPartners**, Russ worked with Fortune 1000 risks, government entities, insur-

ance pools, reciprocals and other non-insurance company organizations which retain significant insurance risk.

After being granted increasing positions of responsibility, **Russ** attained the position of **Chief Actuary**, and is now involved in a number of global projects as part of the **Munich Re Group**.



**Delaware Valley RIMS Meeting**

Tuesday November 11th, 2008

8:00 AM - 10:00 AM

Union League, Philadelphia

Join the **Delaware Valley RIMS Chapter** and insurance professionals to listen to John Q. Doyle, president and CEO of AIG Commercial Insurance. **Breakfast** will be served at **8:00am**, with the **meeting** to follow at **8:30am**. This is an excellent opportunity for you to meet and network with industry professionals, as well as learn about current trends and events within the industry.

Any questions regarding this event,  
Contact Edward Boyanoski: EdB@temple.edu

**Bowling NIGHT!!**

Tuesday November 11th, 2008

7:00 PM - 10:00 PM

Strikes - 4040 Locust Street

Do you have what it takes to take on R.B. Drennan? He claims he is the best bowler around, but various students (including the editor of *Risky Business*) have shown their superlative skills. I believe it was 186 to 134. There will be free Appetizers, eight lanes and drink specials! Come join on this awesome event. Tickets are \$20.

Any questions regarding this event,  
Contact Jim O'Hearn: OHearn@temple.edu

**Philadelphia CPCU Society Meeting**

Thursday, November 13th, 2008

8:00 AM - 10:00 PM

Union League, Philadelphia

The **CPCU Society** has opened their doors to all Sigma Chapter Members! Enjoy the opportunity to participate with the local Philadelphia CPCU chapter members at their monthly meeting. This month's meeting is titled: **Escaping the "Insurance as a Commodity Trap."** This is a great opportunity to get involved as an undergrad, so the transition from college will be easy!

Any questions regarding this event,  
Contact Edward Boyanoski: EdB@temple.edu

**CEBS Workshop**

Friday, November 14th, 2008

11:40 AM - 12:30 PM

Howard Gittis Center (SAC) North 217AB

Designations are an important part of our industry and if you are interested in the **Employee Benefits track, Certified Employee Benefit Specialist** designation is the way to go. Listen to **Dennis Mahoney** from the **Wharton School of the University of Pennsylvania** detail which courses coincide with these examinations.

Any questions regarding this event,  
contact Tiffany Calhoun: Tiffany.Calhoun@temple.edu

**Gamma's Birthday!**

Friday, November 21st, 2008

9:00 PM - 11:00 PM

Madd River - 3rd and Chestnut

**Gamma is turning 28!**

You know what that means...It's time for Gamma to settle down and move to the Suburbs! But before she takes the plunge, come celebrate the last vestiges of her youth with a party at **Madd River!** Drink Specials will be available.

Any questions regarding this event,  
Contact Jim O'Hearn: OHearn@temple.edu

**Life and Health Actuary**

Friday, November 14th, 2008

11:40 AM - 12:30 PM

Howard Gittis Center (SAC) North 217C

Interested in learning more about becoming a Life and Health Actuary?

**Matt Anthony (Class of 1992) from Milliman**, will detail the type of projects, clients and daily activities a Life and Health Actuary may participate in on a daily basis.

Any questions regarding this event,  
contact Usamah Rashid: Usamah.Rashid@temple.edu

## Sigma Chapter Clothing and Food Drive

Items can be dropped off at  
Mittie Davis's office throughout the  
semester. Ritter Hall Annex 410

## ACTUARIAL SCIENCE INTERNSHIP RECEPTION 2008

Thursday, November 13th, 2008  
1:00 PM - 6:00 PM

Looking for an internship this summer? You're in luck! For **Actuarial Science** students who have completed the **'Road the Resume Book,'** you will be able to meet recruiters from 17 companies who will be attending the Sigma Chapter's internship reception! Below you will find the comprehensive list:

Aetna  
Buck Consultants  
CIGNA  
GMAC Re  
Hewitt Associates  
Independence Blue Cross  
Mercer  
Munich Re  
Mass Mutual Financial Group  
Milliman  
Penn Mutual  
Prudential  
Reliance Standard Life Insurance Company  
Sentry Insurance  
Towers Perrin  
Watson Wyatt

This event will be held the  
**Owl Cove of Mitten Hall**  
Remember: 1:00 PM - 6:00 PM

## MORE FUN FACTS! - IMPRESS YOUR FRIENDS WITH RANDOM KNOWLEDGE!

- A can has 32 muscles in each ear
- Tigers have striped skin, no just striped fur
- The human brain is 80% water
- Everyone's tongue print is different
- Sea otters have two coats of fur
- Shark eggs are the largest laid in the world
- Crocodiles swallow stones to help them dive deeper
- Lobsters have blue blood...high society

- Shrimp's hearts are on their heads
- Emus and Kangaroos cant walk backwards
- An octopus's pupil is rectangular
- The average Ocean floor is 12,000 feet
- The moon is 27% the size of the Earth
- Hawaii is moving toward Japan 4 inches every year...it's still angry
- The North Atlantic grows 1 inch each year
- J.B. Dunlop was first to put air into tires

- According to an Old English system of time units, a moment is 1/2 minutes
- No matter its size or thickness, no piece of paper can be folded in half more than seven times - I promise this is true, Don't try it on my precious *Risky Biz!*
- A standard slinky stretched out measures 87 feet long
- Nov 10th is the 314th day of the year