



**BELL TOWER**  
ADVISORS

## 07/20/12: Investment Quiz

I was interested in the following one-question quiz, which I did not get right. Perhaps some of you will do better?

Question:

The following 22 prominent firms (most of them you have heard of) share a common characteristic. What is it?

- AT&T Inc.
- Abbott Laboratories
- Allstate Corp.
- Altria Group
- Amgen Inc.
- Berkshire Hathaway 'A'
- Bristol-Myers Squibb
- Coca-Cola Co.
- Colgate-Palmolive
- Costco Wholesale
- Hershey Co.
- Hormel Foods
- Johnson & Johnson
- Kimberly-Clark
- Eli Lilly & Co.
- Merck & Co.
- Monsanto Co.
- PepsiCo Inc.
- Union Pacific
- Verizon Communications
- Wal-Mart Stores
- Weyerhaeuser Co.



Answer:

If you guessed each firm is a member of the S&P 500 Index, you would have been close-but wrong. (Weyerhaeuser is not included.) If you guessed that each firm pays a dividend, you were close again—but still wrong. (Berkshire Hathaway has not paid a dividend since 1967.)

The correct answer is that the stock price of every firm on the list (and dozens of others) hit a fifty-two-week new high last week.

We don't want to read too much into this notation lest we get tempted to start predicting market trends by studying the "new high" list. But we suspect many investors would be surprised to learn how many widely-held domestic stocks are quietly inching their way higher despite unsettling news from unemployment numbers, economic malaise, European finance ministers, or the presidential campaign trail. Investors waiting for a more opportune time to purchase stocks may discover that, by the time cheerier news headlines appear, the stock prices of a wide range of companies are sharply higher.

Source: Dimensional Fund Advisors