



>: More Bang for Your Buck: "It's the Economy, Stupid."

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I bet you Tycoon readers never thought that I would use a term coined by Democratic Party strategist James Carville from 1992, but I thought it appropriate.

First, I will first comment on the economy, as well as other major happenings in the world. Second, I will give you a specific recommendation that I believe will put money in your pocket.

Commentary ?

The last time that I wrote to you, I argued that the Fed WOULD NOT raise the federal funds rate; I was right. They held the federal funds rate steady at 5.25%.

They are clueless as of this point as to what to do going forward. Will they raise rates at their next scheduled meeting on September 20th? They don't even know.

There are many contradictory factors in the U.S. economy right now. There are still some signs of inflation, as well as an economic contraction. The Fed's job is to hold economic growth steady.

If our economy grows too much, then we have inflation. If our economy grows too little, then we have a recession. It is a difficult balancing act, and I am not envious of Ben Bernanke's position.

The housing market has been slow and energy prices are high but retail sales rose 1.4% in July. This number was stronger than most economists had predicted. If retail sales rise, this casts a doubt as to whether consumer spending has slowed.

Remember that consumers account for two-thirds of our country's economy (GDP). They are the heart and lungs of our country's economic body. Despite what many people say: that economic issues aren't important, and to ignore them; this is an irresponsible and clueless statement.

Do you think if you are a shareholder in Wal-Mart that this economic statistic that I just mentioned about retail sales being up 1.4% would be important to you? Now you're starting to get it ?

It is extremely important to know economics. I do not suggest that you busy yourself on whether or not the Fed will raise rates ? old Ben himself doesn't even know the answer just yet. But you should know how each piece of economic data that gets released affects the stocks that you are holding. If you don't take care of what you own, then who will?

All of these pieces of economic data (such as the retail sales number) combine to form a decision on interest rates by the Fed. In other words, the decision about monetary policy is based on the summation of economic data, and this decision is VERY important.

As I write this article for you today sitting on my uncomfortable chair in my New York apartment, odds makers believe that there is only a 38% chance that the Fed will raise rates at the Sept 20th meeting. This is up from 27% just the other day.

Now let's switch gears just a bit ?

The attempted terrorist attack in the U.K. was great news for the economy. I know that some of you may think that I am crazy (you may actually be right??), but I believe that I am one crazy person who is right

What this attempted attack by these people who *truly are crazy* told us was:

I don't necessarily agree with those three thoughts, and I am not sure if you do either, but that is not the point. The point is that the market has already agreed with these points ? and therefore, should you.

In case you didn't notice, the market was *upon* the day that this terrorist plot was announced, and was down on 9/11. Do you follow me?

In closing ?

I know that you're probably saying, "When is he going to tell us about the stock already?" Okay here it is.

The stock that you want to own is called NICE-Systems LTD. The symbol is (try to guess???) NICE. When you read this is should be trading around \$26 per share. The company's website is (try to guess???) [www](#)

I have already written enough, and I'm sure that you have to get on with your day, so I'll try to make this quick. This is what the company does (taken straight from the company's website):

Why you want to buy it right now?

I could give you 52 reasons why you should own the stock, but the point is: I think it's a buy. I urge you to take a look at the website for yourself. I'm sure that you will arrive at the same conclusion.

If you think that investing money in Israel is stupid, then I guess that I am just as stupid as Warren Buffet; he did it. I don't mind my name being mentioned alongside his. If you didn't know, now you do.