

Looks like good times are ahead for AT&T

I have about 150 shares of AT&T stock. I was wondering if it is a good idea for me to keep my AT&T at the present time or sell it and put the money in a money market account or CDs. I have been told that AT&T is going to raise its dividends from \$1.20 to \$1.60 or higher or even offer a two-for-one split. I don't know what direction to take. Also I think AT&T can do better things overseas. FNN News keeps talking about how well they are doing. What are your thoughts?

A company is able to increase its dividend when its sales increase and when its earnings increase. It would appear that AT&T will be having

modest increases in sales and substantial increases in earnings in the next few years. This should permit the company to increase its dividend. It is also higher earnings that make the price of the stock go up.

At the end of 1988 the company charged off almost \$7 billion. This was done to speed up the modernization of its equipment.

This was not a cash loss and did not affect the strength of the company. The company acknowledged that in its drive to modernize it had a lot of plans and equipment that were obsolete and were not going to be used in the future.

THIS WRITE-OFF should put the



today's investor

Thomas E. O'Hara

of the National Association of Investors Corp.

company in good shape for the future and is expected to push earnings in 1989 and 1990 ahead at almost 20 percent a year. Earnings for 1989 are expected to be \$2.25 and in 1990 are estimated by Standard and Poor's to be \$2.95. It looks like 1989 will hit that target.

Earnings at that rate could certainly cover a dividend increase to

\$1.40 or possibly more.

AT&T has acquired a 20-percent interest in Italtel, a manufacturer of telecommunications equipment in Italy. It provides telephone services into just about every nation in the world.

AT&T is not without competition. However, that seems to be invigorat-

ing the giant and may well produce better results both for the customer and for the shareholder.

The entire industry seems to offer a very substantial future, and I would suspect your total return over the next five years will be greater in AT&T than it would be in an 8-percent certificate of deposit.

Thomas O'Hara of Bloomfield Hills welcomes your questions and comments but will answer

them only through this column. Readers who send in questions on a general investment subject or on a corporation with broad investor interest and whose questions are used will receive a free one-year subscription to the investment magazine "Better Investing." For a sample copy of "Better Investing" or information about investment clubs, write: Today's Investor, P.O. Box 220, Royal Oak, Mich. 48068.

Auto sector sinks business survey

In its November summary, the Purchasing Managers Association of Detroit reported a second overall monthly decline in business conditions for southeast Michigan.

PMAD's Composite Index was 44.0 versus 46.0 in October and 60.3 a year earlier.

"This was the eighth consecutive monthly reading below 50.0. Survey results above 50.0 indicate an expanding economy, whereas levels below 50.0 suggest contraction.

"I have rarely seen such sharp divergence between the automotive and non-automotive conditions in our region," said David L. Littman, first vice president and senior economist of Manufacturers National Bank of Detroit.

"NOVEMBER'S COMPOSITE INDEX for the auto segment of the survey was 26, versus 53 for the non-automotive respondents."

Respondents unanimously observed new order activity that was less vigorous than current production, when compared with the prior

month.

When coupled with softening prices and employment over the past two months, further weakness is likely to develop by year-end, Littman said.

The good news from November's results was the degree of offsetting

improvement in non-auto-related production and new order activity.

TYPICALLY, NOVEMBER, in Detroit's manufacturing-oriented economy, is a bellwether, signaling likely economic conditions over the

	Auto	Non-auto	Total
Production	22.9	57.6	45.7
New orders	16.7	53.2	40.8
Inventories	29.2	43.6	38.7
Employment	20.8	44.7	36.6
Vendor performance	47.9	51.1	50.0
Prices	41.7	50.0	47.2
Weighting	34.0%	66.0%	100.0%

next 12 months. From this perspective, the outlook appears weak but does not yet suggest severe contraction.

Respondents to November's survey cited several items in short supply. Among them were some forgings, galvanized coils, paper pulp, high-horsepower motors, copper, carbon spring wire and vinyl disposable work garments in short supply.

The PMAD survey report is compiled from monthly responses of local purchasing managers belonging to the 400-member PMAD. The report indicates whether fundamental measures of the economy are stronger, weaker or unchanged from the prior month.

The Composite Index is a seasonally adjusted weighted average measure of new orders and production activity along with employment, inventories and the promptness of supplier company deliveries.

The index ranges from 0 to 100. A CI below 50 generally means conditions are deteriorating. CI levels above 50 denote expansion.

Nursing job fair opens in Detroit

More than 5,000 nursing positions are available at the Detroit Nursing Job Fair, Thursday-Saturday at the Westin Hotel in the Renaissance Center.

Recruiters from nearly 60 Detroit-area and other U.S. hospitals will seek experienced and student nurses to fill an estimated 5,000 jobs, especially critical-care positions.

Nursing education and possible tuition reimbursement options, plus a desire by nurses for professional fulfillment will be discussed. Allied health-care personnel also may attend.

NEARLY 80 percent of U.S. hospitals report a nursing shortage that is expected to grow, while U.S. nursing school enrollment is down 32 percent in the past four years, said Richard A. DeVito, publisher of Nursingworld Journal.

Recent U.S. data shows nursing vacancies between 11 and 13 percent, with spot shortages estimated at 20 percent.

Of high priority to hospitals are

special skill and medical/surgical nurses who can help relieve staff shortages in intensive-care units, operating rooms, pediatrics and other critical-care areas.

"Nursing Job Fair visits major cities in the U.S., Canada and the United Kingdom. Recruiters from large hospitals seek 50-150 nurses up dramatically from the 10-20 openings they had a few years ago," DeVito said.

A drawing will occur for a \$250 Nursing Job Fair Continuing Education Scholarship.

Free career counseling for experienced and student nurses will be available from Marie Bean, former nurse recruiter at University of Texas Medical Branch Hospital (Galveston) and special consultant on nursing career recruitment.

The job fair is sponsored by Nursingworld Journal, a national monthly magazine about nursing.

For more information, call (toll-free) 1-800-869-2700, weekdays from 9 a.m. to 5 p.m.

datebook

LONG-TERM CARE

Thursday, Nov. 30 — Free long-term care seminar at 7-8:15 p.m. in Troy. Reservations: Deborah Kessler, 879-1400. Sponsor: Shearson Lehman Hutton.

TRAINING SOCIETY

Monday, Dec. 4 — American Society for Training and Development, Greater Detroit Chapter, technical training special interest group meets at 6:30 p.m. at the Southfield Steak & Ale, Northwestern Highway just south of 10 Mile. Information: Jack Baum, 642-4767.

INVESTOR RELATIONS

Tuesday, Dec. 5 — Detroit Chapter of the National Investor Rela-

tions Institute meets at 11:30 a.m. at the Michigan Inn, 16400 J.L. Hudson Drive, Southfield. Program: "Mortal Sins of Financial Communications." Information: Mary Ann Robb, 433-4273.

OAKLAND CHAMBER

Wednesday, Dec. 6 — Oakland County Chamber of Commerce holds mixer 6:30-8 p.m. at the Kingsley Inn, Bloomfield Hills. Non-member fee: \$10. Information: 644-1229.

WILLS AND TRUSTS

Wednesday, Dec. 6 — Free seminar on wills, trusts and property ownership begins at 6:30 p.m. at Empire of America Federal Savings Bank's Rochester Hills office, 1266

Walton Blvd (Great Oaks Mall). Reservations: 656-1040.

REAL ESTATE WOMEN

Wednesday, Dec. 6 — Commercial Real Estate Women - Detroit meets at 6:30 p.m. at the Radisson Plaza Hotel, 1500 Town Center, Southfield. Information: Carol Bosché, 446-0291.

RETIREMENT INVESTING

Thursday, Dec. 7 — Free seminar, "Will You Be Able To Retire?" begins at 7 p.m. at the Holiday Inn, 1500 Opdyke, Auburn Hills. Reservations: Emily Ferry, 652-3200 or 1-800-772-6225. Sponsor: PalineWebber Inc.

BIRMINGHAM CHAMBER

Thursday, Dec. 7 — Florine Mark, president of the WW Group Inc., will

speak on "You Can Do Anything You Want To If You Want To Do It Badly Enough" at noon at the Kingsley Inn, Bloomfield Hills. Non-member fee: \$20. Sponsor: Birmingham-Bloomfield Chamber of Commerce.

VENTURE GROUP

Friday, Dec. 8 — Southeastern Michigan Venture Group meets at Walsh College, 3838 Livernois, Troy. Information: Scott Eisenberg, 446-0160. Members include accountants, lawyers, consultants and other service providers who can assist in the development of new businesses.

SELF-EMPLOYED TAX SAVINGS

Tuesday, Dec. 12 — Free seminar on tax-saving plans for the self-employed will be 7-8 p.m. at the Mar-

riott Hotel, 27033 Northwestern Highway, Southfield. Reservations: 350-3016 or 1-800-343-9632. Sponsor: Fidelity Investments.

ACCOUNTANTS ASSOCIATION

Thursday, Dec. 21 — Oakland County Chapter of the National Association of Accountants meets at 8 p.m. at Meadow Brook Hall, Oakland University, Rochester. Topic: "Cashless Economy." Information: 927-1172.

SMALL BUSINESS DIRECTORY

Copies of the free "Small Business Resource Directory" are available at all National Bank of Detroit offices. The booklet, produced by New

Detroit and NBD, offers resource information for operators of small business.

bob stern COMPANY

ADDITIONS • KITCHENS • BATHS

6150 Dunwoody, West Bloomfield • 655-5800

THE BANK OF AMERICA GUIDE TO MAKING THE MOST OF YOUR MONEY

H. Darden Chambliss, Jr.

I learn to manage your money... profitably! While most books offering advice on financial planning take a conservative, numbers-oriented approach, Chambliss shows you an easy-to-use style of money management based on your unique personality and circumstances. With plenty of real-life examples, you'll learn step-by-step techniques to design a budget specific to your needs; save, invest, and plan for college and retirement; buy, sell, and fix up a home, plus much more!

DOW JONES • IRWIN \$11.95 paper

BORDERS BOOK SHOP

Southfield Rd., at 13 Mile
Birmingham, 644-1515

In the Novi Town Center, 347-0780
(off Novi Rd., just south of I-96)

ODDS & ENDS, NEW AND USED EQUIPMENT & CLOTHING SKI SALE

WE HAVE GATHERED UP ALL THE USED ALPINE & CROSS COUNTRY MERCHANDISE, ODDS & ENDS, NEW & USED (OVER 1000 PR. OF ALPINE BOOTS, SKIS, BINDINGS, POLES AND CROSS COUNTRY EQUIPMENT FOR MEN, WOMEN & KIDS) FROM OUR 13 BAVARIAN VILLAGE SKI SHOPS & PUT IT ALL TOGETHER DOWNSTAIRS IN OUR BIRMINGHAM STORE, 101 TOWNSEND, CORNER OF PIERCE, DOWNTOWN BIRMINGHAM. GO TO THE BACK DOOR for this GIGANTIC 3 DAY SALE. FRI. DEC. 1 NOON-9, SAT. DEC. 2 10-5:30 p.m., SUN. DEC. 3 NOON-5 CASH & CARRY ONLY. LOTS OF CLOTHING TOO! LAST YEARS STYLES & BARGAIN PRICED. IF YOU ARE LOOKING FOR SOME GOOD USED SKI GEAR, THIS IS IT! A SKI BARGAIN HUNTER'S PARADISE.

CHRISTMAS Crystal

There is absolutely nothing to compare with the glitter and glimmer and holiday shimmer of keepsake-quality crystal. Dazzling creations shipped from Europe — now in abundant array at Brose — gorgeous chandeliers, floor and table models. This year, why not give your home a gift of a lifetime?

We suggest that you be among the first to visit our elegant showroom. Say "Merry Christmas" in a very special way.

Prices starting at \$39.95

Lighting Fixtures For Every Decor • Wiring Supplies and Light Bulbs

BROSE ELECTRICAL CONSTRUCTION, INC.

37400 W. 7 MILE ROAD
LIVONIA, MI 48152 • (313) 404-2211

MON., TUES., WED., SAT. 9:30-6:00
THURS., FRI. 9:30-5:00