

2015 **BOOK of LISTS** Excel® Downloads available
Purchase Here

CRAIN'S DETROIT BUSINESS

Detroit and Southeast Michigan's premier business news and information website

Originally Published: September 27, 2015 8:00 AM Modified: September 27, 2015 11:44 AM

What Detroit-area wealth management experts like, dislike – and advice they give clients

By Tom Henderson



Photo by GLENN TRIEST Marie Vanerian, managing director of wealth management for the Vanerian Group: "We've been way, way due for a correction. ... The market was looking for a reason to sell — and the last few years hasn't had one. China was the excuse."

One local wealth manager calls it the "crisis du jour," a way of looking at the world that is a side effect of a 24-hour news cycle that has investors worrying about bear markets and falling skies.

Four years ago, everyone was speculating about a double-dip recession in the U.S., followed in short order by fears that the BRIC countries of Brazil, Russia India and China — which had made investors a bundle of money in recent years — were running out of steam.

Would landings be hard? Time to sell. Or soft? Time to buy?

Two years ago, Europe was in tatters. What in the world would happen to the European Union with Ireland, Spain, Greece and Cyprus swamped in debt and unemployment?

Last year, it was the Russians in Ukraine, fighting in Gaza, continued negligible growth in Europe and bond defaults in Argentina.

Through it all, wealth managers have generally been optimistic. And a long bull market has proven them right.

Despite all the recent volatility, they are still bullish. Here are some of the things they like, now. Here are some of the things they're selling or avoiding. And here are some of the things they are telling clients. (Hint: Think large-cap stocks and technology.)

Mike Dzialo

Founder, president and chief investment officer, Managed Asset Portfolios LLC, Rochester

Likes: Consumer staples, particularly **Nestle**, **Campbell Soup** and **Bob Evans**; tobacco, particularly Stockholm-based **Swedish Match**, which makes smokeless tobacco products, and **Imperial Tobacco Group plc**, a maker of a wide variety tobacco products in the United Kingdom; large energy stocks such as **Exxon Mobil**, **Royal Dutch** and **British Petroleum** that can survive a low-price environment while providing sustainable dividend yields; and **Tetra Tech Inc.**, a California company that does water purification

Dislikes: Companies such as **John Deere** and **Caterpillar** that thrive in strong economies; large manufacturers; chemical companies; mining stocks

Quote: "U.S. markets are the cleanest shirts in a dirty laundry pile."

Pete Gargasoulas

Vice president and senior portfolio manager, Fifth Third Bank, Southfield

Likes: Technology, including **Apple Inc.**, **Google Inc.** and **Amazon.com**; health care, including **Gilead Sciences Inc.**; financials, energy-infrastructure stocks; master limited partnerships in energy sector

Dislikes: Energy producers, commodities; emerging markets

Quote: "Interest-rate sensitive stocks will react as the Fed normalizes interest rates. I emphasize the word 'normalize.' "

Robert Gardner

Senior portfolio manager, KeyBank, Ann Arbor

Likes: U.S. large-cap stocks, developed international markets, especially Europe and Japan; master limited partnerships in the energy sector

Dislikes: U.S. small-cap stocks, emerging markets, commodities with the exception of energy

Quote: "We think this is a correction. I'd go whole hog and double down if I was convinced it was just a correction."

Dennis Johnson

Chief investment officer, Comerica Bank, Detroit

Likes: U.S. equities; emerging and established international equities; health care, especially hospital stocks and both branded and generic pharmaceuticals; insurance; biotech; medical products; regional banks; high-quality municipal bonds; oil as a long-term play

Dislikes: U.S. multinational industrial companies because of the strengthening U.S. dollar; utilities; U.S. Treasuries

Quote: "The European Central Bank will have a very accommodating interest-rate environment through 2016, which will push equities there higher."

Aubrey Lee Jr.

Senior resident director, first vice president wealth management, Aubrey Lee Jr., Readus and Plowden Group, Merrill Lynch, Novi

Likes: Technology, health care, financial sector, U.S. and European equities

Dislikes: Emerging markets

Quote: "We think volatility will be with us for some time to come, although we are still positive about the market."

Leon LaBrecque

CEO, LJPR LLC, Troy

Likes: Oil, small-cap U.S. equities; European equities; high-quality municipal bonds; short-term high-quality corporate bonds

Dislikes: Metals; large U.S. companies like **Boeing** and **Caterpillar**, which do a lot of selling in foreign markets and will be hurt by the rising dollar; U.S. Treasuries

Quote: "Mexico looks promising. The other emerging markets are cheap, but not cheap enough."

Anne MacIntyre

President and CEO, Annie Mac Financial LLC, Sterling Heights

Likes: Large-cap U.S. stocks; technology; consumer discretionary, including retail apparel; biotech; high-yield corporate bonds

Dislikes: Utilities, long-term U.S. Treasuries, small-cap stocks

Quote: "I don't see the excesses that need to be there for a bull market – the overleveraging, the overspending. And it drives me nuts when everyone obsesses about when the Fed interest hike is coming."

Nancy Meconi

Partner, Plante Moran Financial Advisors LLC, Auburn Hills

Likes: Municipal bonds, European stocks, master limited partnerships in energy sector

Dislikes: Developing markets, U.S. small-cap stocks, long-term U.S. Treasuries

Quote: "International developed markets have better evaluations than U.S. stocks."

Lisa Sampson

Senior vice president, managing director of wealth management, PNC Bank, Troy

Likes: Large-cap domestic stocks, dividend-paying stocks, bank stocks, real estate investment trusts

Dislikes: Long-term bonds

Quote: "Have a plan with your investment adviser and stick to it. Stay the course in these volatile times."

Jim Robinson

CEO, Robinson Capital LLC, Grosse Pointe

Likes: Master limited partnerships in energy sector, large-cap energy stocks, European stocks, corporate debt

Dislikes: Gold, industrial metals, emerging market stocks

Quote: "At some point, emerging markets will be a screaming buy, but that's a long way off. Energy has been so beat up; if you stick with larger-cap stocks, you'll probably do well. The Saudis are playing a long game by keeping production high, which is driving the small fracking players out of the business."

David Sowerby

Chief market strategist and portfolio manager, Loomis Sayles & Co. LP, Bloomfield Hills

Likes: U.S. equities; the developed stock markets of Japan, Europe, Australia and New Zealand; some corporate junk bonds and investment-grade corporate bonds; financials and health care

Dislikes: Emerging markets, U.S. Treasuries

Quote: "Energy is interesting if you're patient and not looking for a short-term trade. I'm always interested in areas that have had their own bear market. I'm not backing up the truck, but what was first sold off is a great place to hunt and fish."

Peter Schwartz

Principal, Gregory J. Schwartz & Co., Bloomfield Hills

Likes: Energy stocks, dividend-paying stocks, small-cap stocks with little or no debt, European stocks, corporate bonds

Dislikes: Chinese stocks, health care, technology

Quote: "You don't let the short-term news cycles affect what you do with long-term money. We're short-term skeptics and long-term optimists."

Marie Vanerian

Managing director wealth management, the Vanerian Group, Merrill Lynch, Troy.

Likes: Equities in U.S., Japan, Europe; large companies with strong balance sheets and strong cash flow that are paying rising dividends; information technology, health care; high-quality corporate bonds

Dislikes: Emerging markets, utilities, telecom

Quote: "There is such a thing as good deflation. Lower oil prices have to equate to a better economy because it moves money from producers to consumers."

Lyle Wolberg

Partner, Telemus Capital LLC, Southfield

Likes: Alternative investments that have a low correlation to the stock market, such as reinsurance portfolios and catastrophe bonds, known as cat bonds, which are bonds issued by insurance or reinsurance companies to limit their exposure to catastrophic losses; managed futures contracts

Dislikes: Utilities, real estate investment trusts, long-term U.S. Treasuries

Quote: "The expected return for the stock market in the next 12 months is 6 to 8 percent. Alternative investments will yield 7 to 9 percent with much less volatility."

Tom Henderson: (313) 446-0337. Twitter: [@TomHenderson2](#)

Use of editorial content without permission is strictly prohibited. All rights Reserved 2015 www.crainsdetroit.com