

Economic Forecasts for the Year 2002

"We've Got High Hopes"

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Two thousand and two? Maybe we will use the expression "ought-2"! Sounds more like the messages left by parents on their kids cell phone, doesn't it?

The past three years have left you exhausted. You see unemployed, or under-employed, as an opportunity to sit down and straighten out your personal economic situation. You will bring down expenses; evaluate your personal space; turn on all the new toys you've purchased; explore the Internet and let your imagination soar. Two thousand and two will be the year to sort out the trash. If you've been one of the full-employed and it has probably kept you so busy that useless items have migrated only as far as the closets or the garage. It will be now the time to determine what you have collected and which hobby you really want to pursue. This will be the year to believe yourself when you say, "I "ought-2" toss this or sell that."

This will be the year you can officially call for a "Time Out." Now is the time to take advantage of any opportunity to clean your den, dispose of paper, and pare your expenses.

(Household Hint: Think of it as supplying raw materials for recycling companies.)

Now, grab a pen and a post it note. Let's make some predictions or intelligent guesses before you read the rest of the lecture.

Write your own headlines for Dec. 31st 2002:

- The recession will end. Which month?_____
- How about the indexes? The Dow will be _____ NASDAQ_____ S&P 500_____
- The Fed's interest rate in Dec. '02_____ and the average 30 yr. mortgage interest rate?_____

Paste them on your astrological calendar.

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My goal in this lecture will be to give you ideas for your economic year ahead, so we'll start at the beginning. To look at the year's economic climate we start with the Capricorn Ingress at the Winter Solstice, Dec. 21, 2001. This ingress predicts

business. Throughout the year there will be a trine between Saturn and Uranus then a trine between Saturn and Neptune plus a trine of Jupiter and Pluto. These three aspects are going to expose deceptions and accounting irregularities.

Nimble will be the key word; thinking out of the box will be rewarded. People will be thinking for themselves and taking opportunities as they arise; small Businesses will blossom. Infinite hold, along with impatience, will seed the formation of these new businesses.

The focus of the financial media's attention will be on accounting practices, fiduciary trusts, personal and corporate taxes, and insurance. Multinational corporations will be caught up with infinite paperwork and endless forms. The rules of SEC change throughout the year and accounting types will find employment opportunities everywhere. Those with the ability to fill in the gaps will be hired by the corporate giants to contemplate their mysterious ledger sheets. The newspaper headlines will be about publicly held corporations, but even tiny businesses will discover which employee had their hand in the cash register.

Pensions and Social Security will also be important topics of discussion. The Baby Boom will be ready to retire and they will not be told what they "ought 2" do. People have their own agenda and will be setting unheard-of goals. Municipalities and high tax states will find their older population moving. This new group of retired folks will not wait for changes in the local laws that they consider an unfair burden; Baby Boomers will put their houses on wheels and leave.

All of the above will take a full year to sort out. So let's look at what will affect us individually. Let's look at sectors first:

- The price of fuel will be holding steady since there has been a systematic decrease in consumption. Electricity demand will remain at the same level. People will be using their communications equipment to save time. Wages and inflation will be inching higher. Higher prices for consumer goods will be the result of buyers unwilling to purchase marginal quality products. Price inflation will be erratic and interest rates will move slightly higher. There will be surplus housing, food and home appliances. The change in shopping routines will be leaving mall owners searching for tenants. There will be a shortage of hardware, lumber, garages and music. Consumer spending on fashion, jewelry and home heating/cooling devices will push up the earnings in these businesses.
- Folks will have moved their traffic to the countryside. The cities housing stock will become plentiful as Baby Boomers begin to retire. Office building managers will be challenged to keep their spaces rented. Infrastructure problems continue to plague the downtown of cities. Impatient CEOs suggest that moving could be a fine solution. Hospitals, museums, government offices, and universities do not move easily, however, and therefore will dominate the downtown scene.

- Down-home fun will be the recipe for spring, summer and fall. Families will be connecting during the cold months and any excuse will bring them together for a party. Prepared food, home service workers, and party stores will benefit. Boats, bicycles, skidoos, scooters, all terrain vehicles will be popular. Helmets will be in demand.
- Kids will be a big deal this year. Group # 1 will be about to be born. Their parents and grandparents will love to indulge them. Group #2 will be between the ages of 8 and 12. There are a lot of them and they love games. They will also need teachers desperately, and the layoffs in industry just might bring them a fresh supply. Expect educational institutions to change as a result.

Now, where do you invest your money:

- Financial institutions will finish cleaning their house this year. Boutique banks will offer good interest rates on CDs and free services for your deposits. Check these carefully and look for the leaders offering personal service. The shares of many big banks will be at bargain prices. You might want to add one to your portfolio.
- Places to look for growth will be insurance, accounting, financials, plumbing supplies and the funeral business. Most of these businesses will be overlooked early in 2002, but keep your eyes open for new leaders in each sector.
- Retail will have also completed some pretty serious housekeeping. High-end shops will be the first to succeed in the new market place. Online sales will help. Discounters will be rethinking their floor space and by midsummer will present some serious competition. Pay attention to the stores in your area and watch their sales. Quality will be the byword for any purchases.
- Print media has already had some serious problems. Advertisers will be tired of their inability to produce results. Newspapers, magazines, and books have some renewed serious competition from the net. The surviving Dot-Coms will provide far more information on products, along with instant communications with the product manufacturer.
- Places to look for serious oversupply early in 2002 will be drugs, fast food, oil, and housing. Later in 2002, look at entertainment, personal care products, and metals. Transportation and communications equipment will be under pressure all year.

Time for more guesses:

- In your neighborhood or town which type of store will have the most new business? _____
- Which industry in your state or country is most likely to succeed? _____
- Aunt Bertha left you some money. You paid off all of your bills, bought an interest bearing treasury bond, and paid for the cruise to Alaska. You have

- \$5,000 left to invest. Which type of business do you think you would like to invest in?_____.
- Which industry do you think will have the biggest percentage of gains?_____
 - Which individual Dow company will have the largest percentage gain?_____

North Americans will be basically hard working, optimistic people with an eye on having as much fun as possible when the chores are done. They will say they “Ought 2” take care of their jobs, do them, then play. Family fun rules in 2002.

If you are interested in learning the basics of Financial Astrology, you should check out my classes (for current schedules, check the Online College of Astrology website at www.astrocollege.org. While you’re looking around, take a look at the books I offer for sale through the Bookstore.

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