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THE TOP PICKS FROM 50 GREAT INVESTORS

By Yuval Rosenberg, David Rynecki, and David Stires

THEIR TRACK RECORDS SPEAK for themselves. They are the trapeze artists, the sixth-sensers, the odds beaters. Take, for starters, fund manager Bill Miller, who has outpaced the broader market for a stunning 12 straight years and counting. Or Jim Gipson, whose fund has averaged a 16% annual return over the past decade. Or George Mairs, an ever modest Minnesotan who, by the way, has returned 12% annually to his fund's shareholders since ... 1958! For the 2004 Guide, we went all-out, seeking the best investors in the business—50 of them, in fact. Some, like Miller, are already legendary in name. Others, like Mairs, are less well-known to the investing public. All, however, are worth listening to. We asked each of them—in some cases, cajoled them—for his or her single best pick for 2004. Here is their collective wisdom.



TOP 50 PICKS AT A GLANCE

Expert Affiliation	Pick TICKER	Price	52 week high-low	Market cap (millions)	P/E ratio
Rick Aster Meridian Growth	Silicon Valley Bancshares <i>SIVB</i>	\$36	\$37-\$16	\$1,258	28
Brian Berghuis T. Rowe Price Mid-Cap Growth	Oshkosh Trucking <i>OSK</i>	\$49	\$49-\$27	\$1,709	24
Susan Byrne Westwood Management	Rayonier <i>RYN</i>	\$37	\$38-\$23	\$1,879	29
Calamos Family Calamos Funds	International Game Technology <i>IGT</i>	\$34	\$35-\$18	\$11,898	31
Edward Bonham Carter Jupiter Asset Mgmt.	British Sky Broadcasting <i>BSY</i>	\$47	\$47-\$36	\$22,703	N.A.
Steven Cordell Cazenove Fund Management	Gamesa Corp. Tecnologica <i>GCTAF</i>	\$29	\$30-\$22	N.A.	N.A.
Chris Davis Davis Financial	Berkshire Hathaway Class B <i>BRK/B</i>	\$2,799	\$2,811-\$2,035	\$129,523	19
Colin Devine Smith Barney	Principal Financial Group <i>PFG</i>	\$34	\$34-\$26	\$10,861	14
Amy Domini Domini Social Equity	Johnson & Johnson <i>JNJ</i>	\$49	\$59-\$49	\$145,914	19
David Dreman Scudder Dreman	Altria Group <i>MO</i>	\$51	\$52-\$28	\$104,524	11
David Ellison FBR Small Cap Financial	Astoria Financial <i>AF</i>	\$37	\$38-\$23	\$2,961	14
David Fried The Buyback Premium Portfolio	Sears Roebuck & Co. <i>S</i>	\$55	\$56-\$19	\$13,925	12
Joe Frohna First American Small Cap Growth	Sypris Solutions <i>SYPR</i>	\$13	\$17-\$7	\$188	23
Nicholas Gerber Ameristock	Sara Lee <i>SLE</i>	\$21	\$23-\$17	\$16,478	15
Jim Gipson Clipper	Freddie Mac <i>FRE</i>	\$55	\$65-\$47	\$37,998	7
George Greig William Blair International Growth	Infosys Technologies <i>INFY</i>	\$84	\$90-\$40	\$11,068	57
Mason Hawkins Longleaf Partners	Millea Holdings <i>MLEA</i>	\$57	\$66-\$36	\$21,352	N.A.
Conrad Herrmann Franklin Flex Cap Growth	VCA Antech <i>WOOF</i>	\$32	\$32-\$14	\$1,304	29
Rick Jandrain One Group Mid-Cap Growth	Express Scripts <i>ESRX</i>	\$64	\$75-\$47	\$5,038	21
Sarah Ketterer Causeway International Value	Honda Motor <i>HMC</i>	\$20	\$23-\$16	\$39,386	N.A.

David Fried

Buyback Premium Portfolio

PICK Sears Roebuck & Co.

NEWSLETTER EDITOR DAVID FRIED'S GUIDING investing principle is a simple one—no one is better attuned to a company's prospects than its own management. That's why Fried, publisher of the *Buyback Premium Portfolio*, focuses on companies that are repurchasing shares. That approach has paid off handsomely, as his Premium Portfolio has returned an annualized 18.7% since the beginning of 2001. (Fried's other buyback portfolios have gained 13.4% a year over that time.) His favorite stock right now is Sears (S, \$55), which sold off its credit card business earlier this year and said it will return some of the proceeds to shareholders in the form of a \$3 billion buyback. With a market cap of \$14 billion, Fried notes, that amounts to a 20% reduction in outstanding shares, making this retailer a bargain.



BREAKING NEWS Growth-minded investor Louis Navellier says the market is about to take off.

Louis Navellier

Blue Chip Growth Letter

PICK Countrywide Financial

AFTER WATCHING THE MONEY FLOW BACK into Wall Street in recent months, money manager Louis Navellier believes the signals are clear. "It's what we call lock-and-load time," the momentum investor says. Navellier's *Blue Chip Growth Letter* has certainly been firing with both barrels. The newsletter portfolio returned 30.2% through the first ten months of the year, according to the *Hulbert Financial Digest*. One of Navellier's highest-rated stocks now is Countrywide Financial (CFC, \$106), a mortgage lender that has benefited greatly from the refinancing boom. Even if that trend cools down, Navellier says, Countrywide will stay hot because of Wall Street's appetite for its steady growth and because it has less exposure to the weak bond market than other financial services firms.