

# INDY BUSINESS BULLETIN



**Rolls-Royce Plans \$600M Indy Investment**  
Rolls-Royce has unveiled plans for a massive investment in Indianapolis. The aircraft engine maker plans to spend nearly \$600 million to modernize its Indianapolis operations, some of which date back to World War II. Rolls-Royce North America Chief Executive Officer Marion Blakey says the investment will create a state-of-the-art manufacturing center and allow the company to "become more competitive within the growing aerospace industry."

**Farm Bureau: Grocery Prices on the Rise**  
The Indiana Farm Bureau says its fall market basket survey, which measures the total cost of 16 common food items, is more than two dollars higher than last year. The organization says increases in the price of eggs and cheese make up much of the difference.

**UIndy Unveils \$50M Campaign**  
The University of Indianapolis has launched the public phase of a \$50 million fundraising campaign. At the launch event, the school also announced a major gift from Gene and Mary Ann Zink to establish an interdisciplinary institute to study poverty.

**Feinberg: Expect Trillion-Dollar Holiday Season**  
A Purdue University retail management professor expects national holiday retail sales to hit \$1 trillion for the first time. Richard Feinberg says job growth and lower gas prices have consumers willing to spend more this season. Despite retailers beginning their holiday promotions earlier and earlier, Feinberg expects most holiday spending to occur within the two weeks before Christmas. He says Indiana shoppers consistently reflect national trends.

**Indiana Nursing Shortage in Focus**  
A state-issued list underscores at least one industry that is facing a need for workers so high, one executive says "it's not something we should ignore." Indiana Center for Nursing Chief Executive Officer Kimberly Harper is not surprised registered nursing topped the Indiana Department of Workforce Development's annual "Hoosier Hot 50 Jobs" list. She says the shortage is compounded by factors including fewer people entering the field, an aging baby boomer generation and other industries plucking away talent.

**IU Med School Leading 'Transformational' Program**  
A new \$46 million program spearheaded by the Indiana University School of Medicine is taking on the lofty goal of improving health care while lowering costs. The Great Lakes Practice Transformation Network involves training and deploying "quality improvement advisors" to transform the way 10

million patients are cared for by 11,500 medical professionals at hospitals throughout Indiana, Illinois and Michigan. The network is a collaboration among nearly three dozen university and state-connected partners designed to reduce unnecessary visits and testing, while potentially saving \$1 billion.

**Purdue Polytechnic Launches New Majors**  
The Purdue Polytechnic Institute says it is offering several new areas of study for students. The six new majors are in the School of Engineering Technology, the Department of Aviation Technology and the Department of Computer Graphics Technology.

**Wabash Students 3D Print Hands for Underserved Kids**  
Wabash College is using its newfound 3D printing capabilities to give a helping hand. Students are producing 3D printed prosthetic hands for children around the world through a partnership with a global charity called e-NABLE. Wabash students plan on printing about 20 of the devices in the coming weeks—an endeavor that would have been impossible just a few months ago.

**Dow Agro Technology Takes Aim at Chinese Crop**  
As the world's most populous country, China must have a reliable food supply to feed its 1.3 billion citizens, and a laboratory in Indianapolis is now playing a key role to help accomplish that. Indianapolis-based Dow AgroSciences has forged its first major partnership with the Asian country to translate advancements made in other crops to a Chinese staple: rice.

**Terre Haute Native to Join Aviation Hall of Fame**  
A Terre Haute native and Rose-Hulman Institute of Technology graduate will be posthumously inducted this week into the National Aviation Hall of Fame. Abe Silverstein was NASA's first director of space flight programs and helped start the Mercury, Gemini and Apollo space programs.

**Statewide Home Building Numbers Off**  
The Indiana Builders Association says single-family building permits decreased to 1,150 last month, compared to 1,201 in August 2014. Through the first eight months of 2015, permits were down one percent, compared to the previous year.

**NASA Hires DePauw Grad**  
A new hire at NASA is a DePauw University alumna. Renee Wynn has been named chief information officer. The 1985 graduate majored in economics. She will start her new position on November 30.

**Alcoa to Split Into Two Companies**  
New York-based Alcoa Inc. (NYSE: AA), which has a substantial presence in Indiana, is splitting into two independent, publicly-traded companies. The lightweight metals company has operations in Carmel, Evansville, Lafayette and La Porte.

## DOW AGRO ENTERS CHINESE PARTNERSHIP

Indianapolis-based Dow AgroSciences LLC has entered into a partnership with the Institute of Crop Sciences of the Chinese Academy of Agricultural Sciences. The agreement involves a research and commercialization license for genome technology to be used on rice in China.

ICS-CAAS, a world-renowned agricultural science research organization, is one with great promise. We have a long-term commitment in China as a strategic partner for agricultural sustainability and best practices. The EXZACT Precision Technology collaboration with CAAS is a strong example of this commitment, which will significantly enable Chinese scientists to improve rice research and product development, thus benefiting China's long term food security."

Dow Agro and Chinese scientists will work together to use the technology to accelerate rice research and product development. The Indianapolis Company says the partnership is part of its ongoing efforts to boost food security and food safety in China.

In a release from Dow Agro, Chief Executive Officer Tim Hassinger said, "Our collaboration with

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## PERSPECTIVE

### Peace is the Universal Message of all Religions



*Dr. Shahid Athar is an endocrinologist in Carmel, Indiana and is affiliated with St. Vincent Heart Center of Indiana., is past president of Interfaith Alliance of Indiana.*

with their armies ready to fight requested them to tell him the cause of their quarrel. Having heard the complaints on both sides, he said "I understand that this land has some value for your people. Does it have any intrinsic value?" The kings said it had no intrinsic value. Then Buddha asked, "Now when you go into battle, is it not certain that many of your men and you the kings too may be killed. They said "yes it is possible. Then Buddha asked, "Does the blood of men have less value than a piece of land?" "No", the kings answered, "the lives of men and above that the lives of kings, are priceless". Then Buddha asked, "Are you going to sacrifice that which is priceless for that which has no intrinsic value at all?" The kings realized their mistake and came to a peaceful agreement. We need to engage war mongers in an intellectual discourse to prevent war and instill peace.

All religions call for peace. Assalamulaikum, the Islamic greeting, Shalom the Jewish greeting and shanti in Hinduism are all greetings of peace. If we desire peace for ourselves, we should desire same for others. While religions talks of peace, some of their followers from time to time like to disturb it. We should define the need and objectives of peace that will bring us into peaceful coexistence.

We need to win peace over the course of war. Religions should make us better humans and instruments for peace, not of war. Jesus, "the Prince of Peace" as quoted in Gospel of Mathew, went up on the mountain and when he sat down, his disciples came to him and he taught them "Blessed are the poor in spirit, for theirs is the kingdom of heaven. Blessed are those who mourn, for they shall be comforted. Blessed are the meek for they shall inherit the earth. Blessed are those who hunger and thirst for righteousness and they shall be satisfied. Blessed are the merciful for they shall obtain mercy. Blessed are the pure in heart, for they shall see God. Blessed are the peacemakers, for they shall be called children of God." The Jewish tradition the Talmud says "More Justice- More peace".

The process of attaining peace starts by being at peace with self, our Creator, our family, co-workers, our neighbors and all fellow humans. As Confucius, the Chinese Philosopher said "If we have harmony in our beliefs and in our actions, there will be love in our homes. If there is love in our homes there will be order in the nation. If there is order in the nation then there will be peace on earth". Prophet Mohammad once said "Shall I tell you what is better than prayer, fasting and giving charity to the poor? It is making peace between one another as animosity and quarrels destroy mankind" Late Dr. M.L. King who was inspired by Gandhi's philosophy of non-violence said "peace is not absence of tension but presence of justice". Racial and economical justice is a prerequisite for peace".

In these troubled times that we are going through since Sept.11, 2001, I conclude with the prayer for peace as taught by Prophet Mohammad who said, "Lord, You are peace. From You comes peace. Let us live in peace. Let us enter in the house of peace. Blessed are You O Lord, Most High, Most Honorable.

It is reported that two kings in ancient India were on the verge of starting a war. Control of a piece of land was being disputed. Buddha seeing the kings

# CHINA IN THE NEWS



*Joanna Zhou (周娜), now residing in Knoxville TN, immigrated to Indianapolis with her husband from Beijing in 2013, where she worked in Human Resources for a U.S. Fortune 500 company. She enjoys her new life with her husband and kept in touch with her IAAT friends and readers by contributing to this column.*

**Typhoon Mujigae hits South China**  
Typhoon Mujigae, the 22nd typhoon this year, made landfall in South China's Guangdong Province on Sunday. The typhoon, bringing gales and downpour, hit the coastal city of Zhanjiang at 2:10 p.m., packing winds of up to 50 meters per second, the provincial meteorological observatory said. It is forecast to move northwest at a speed of about 20 km per hour and arrive in the Guangxi Zhuang Autonomous Region in evening. Storms are predicted to last till Monday in west Guangdong and the Pearl River delta.

**彩虹 成10月登陆广东最强台风致灾风险高**  
强台风“彩虹”已于昨日中午在湛江沿海登陆，登陆时中心附近最大风力有15级，是有气象记录以来十月份登陆广东最强的台风。昨日傍晚“彩虹”移入广西博白境内，并减弱为台风级。4日晚间，广东省气象灾害（台风）I级应急响应变更为气象灾害（暴雨）III级应急响应。

**China's trade in electronic information products slows**  
China's foreign trade of electronic information products fell 1.1 percent to 818.3 billion U.S. dollars in the first eight months of 2015, according to data from the Ministry of Industry of Information Technology. Exports stood at 485.7 billion dollars, down 1 percent year on year. Imports were down 1.3 percent at 332.6 billion dollars. During the first eight months, computer exports fell 12.9 percent to 124 billion dollars and their imports fell 10.1 percent to 34.9 billion dollars. Mobile phones exports climbed 15.8 percent to 69.8 billion dollars.

**2015年1-8月电子信息产品进出口下降**  
2015年1-8月，我国电子信息产品进出口总额8183亿美元，同比下降1.1%，与1-7月持平；其中，出口4857亿美元，同比下降1.0%，低于1-7月0.1个百分点，占全国外贸出口比重为34.6%。进口3326亿美元，同比下降1.3%，高于1-7月0.1个百分点，占全国外贸进口比重为31.5%。主要产品出口额前五位的产品依次是：手机（698亿美元，15.8%）、笔记本电脑（418亿美元，-14.9%）、集成电路（411亿美元，2.3%）、手持式无线电话用零件（207亿美元，12.1%）和液晶显示板（199亿美元，-5.4%）。

**Taiwan dengue fever cases top 20,000**  
Taiwan has seen 20,241 dengue fever cases since May, in the worst outbreak of the disease in 17 years, although it is now moderating, the island's disease control center reported on Sunday. It said the daily number of dengue fever cases confirmed in the southern city of Tainan, the most seriously affected area, has decreased for 10 consecutive days. As of Saturday, there had been 17,278 cases in Tainan and 2,636 in the neighboring city of Kaohsiung. A total of 16,879 patients have recovered, while five deaths in the past week were suspected to be related to dengue fever. Another 53 dengue-infected patients were in intensive care on Saturday. The public are urged to carry out regular inspections to make sure their homes are clean and dry, especially after the heavy rain brought by Typhoon Dujuan last week.

## FINANCIALLY SPEAKING

### Bear-market funds can maul investors' long-term returns



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Bear-market funds are designed to profit during market sell-offs. Given the recent frightening, violent sell-off, would it be wise to allocate a portion of your portfolio to this type of fund?

"For the vast majority of investors, bear-market funds just don't make sense," said Morningstar's Karen Wallace. "These types of tactical funds might be useful to a sophisticated few," according to her colleague Josh Charney, an analyst who covers alternative strategies. Charney warned, "But selling a portion of your portfolio and allocating it to a bear-market fund is beyond hitting the panic button; it's selling a piece of your portfolio and then betting against your portfolio."

that borrow money to "juice their returns" in my August 13, 2013 column, "Steer clear of leveraged exchange-traded funds (ETFs)." Thanks to issuers like Direxion and ProShares, you can place a magnified bet (leveraged ETF) on an index or sector, either up or down (inverse ETF).

What most investors fail to realize is, unlike traditional buy-and-hold mutual funds or ETFs, leveraged ETFs are designed to be held longer than one day. The SEC issued an alert in 2009 that warned inverse and leveraged ETFs are "highly complex financial instruments" that "typically are unsuitable for retail investors who plan to hold them for longer than one trading session, particularly in volatile markets."

Bear-market funds typically have higher costs than traditional funds and are managed either "actively" (i.e. betting against individual stocks, like the Federated Prudent Bear Fund) or "passively" (i.e. betting against an index, such as the S&P 500). Most bear-market funds are passively-managed and some increase the magnitude of their bets by two- or even three-fold by using borrowed money (like the Direxion Daily S&P 500 Bear 3x Shares).

As shown in the table, bear-market funds have indeed outperformed during this short-term period of market weakness. However and more importantly, when you go out to 3-years and beyond, the performance of bear-market funds has been nothing short of abysmal.

Using bear-market funds effectively requires market-timing prescience that is simply unattainable. Christine Benz, Morningstar's Director of Personal Finance and fellow Illinois alum, says if you want to reduce your portfolio's exposure to stocks, consider diversifying by holding more cash and/or bonds instead of buying a bear-market fund. According to Benz, "Volatile markets can be a breeding ground for knee-jerk investment decisions motivated by emotions more than fundamentals; undertaking a major portfolio renovation in such trying times is usually not a good idea."

In other words, don't be "that investor" who reacts to bad-news headlines and nervous market calls and both misuses bear-market funds and has horrible timing while doing it.

### Bear - Market Fund Performance

	1-Day	1-Week	1-Month	3-Month	YTD
<b>Bear - Market Category S&amp;P 500</b>	5.57%	15.68%	15.21%	19.20%	6.89%
	-3.94%	-9.91%	-8.77%	-10.49%	-6.81%
	1-Year	3-Years*	5-Years*	10-Years*	15-Years*
<b>Bear - Market Category S&amp;P 500</b>	3.21%	-18.30%	-22.11%	-15.63%	-9.07%
	-2.82%	12.65%	14.88%	6.81%	9.52%

Data as of August 24, 2015 \*Annualized Source: Morningstar Direct