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Not-So-Hidden Agenda: Strategic and Economic Assessments of U.S. led Invasion in the Middle East

INTRODUCTION

On the eve of War, the U.S. equity markets have already started a furious rally. Popular wisdom has it that fast military action will lead to a substantial rally, similar in nature to the first Gulf War. Optimistic estimates have this War lasting a mere 72 hours. Whether the present rally will parallel the last Gulf War rally is unknown at this point. Several technical factors, do suggest this rally will have intermediate staying power.

We have undertaken a strategic assessment of the War and its economic impact, using "open source" materials. Based upon that, we have reached several unexpected conclusions: First, the explanations proffered by the nation's leadership for military action is inadequate to explain the US commitment to any invasion. Second, by "reverse engineering" the strategic and military decision making process, we discover there are, indeed, several compelling reasons for invading and occupying Iraq. We surmise these rationales are what persuaded President Bush to approve the military conflict.

These same surprising findings lead to the conclusion that we are at the beginning of a large scale, *continuing* US military operation. We expect the subsequent occupation of Iraq to last several years, and may continue for as long as a decade. The cost for this effort starts at ~\$200 billion dollars, and may scale up to one trillion dollars by 2011.

Lastly, we attempt to place these findings within the context of the broader economic and capital markets landscape. We assess what impact the War will have, on the equity as well as fixed income markets. We apply those findings to specific market sectors and industries. Finally, we suggest how asset managers may wish to position their portfolios in the months and years ahead.

Analytical Consideration

This analysis starts with a simple premise: The U.S. has offered numerous explanations as to why a military incursion into Iraq is a necessity. These reasons have morphed over time: initially, the goal was destroying weapons of mass destruction (WMD); Subsequently, that shifted towards ending Saddam's support of terrorism. Protecting neighboring countries and oil supplies has also been used as a pretext. The laudable goal of freeing the Iraqi people from their oppression was also mentioned. Finally, there have been general calls for a regime change in Iraq.

We have reviewed public statements and interviews with members of the Bush Administration. We also studied the publicly released "[National Security Strategy of the United States](#)." We compared the stated explanations and goals with similar geopolitical situations elsewhere around the world.

We applied the same level of skepticism we usually reserve for equities. This led to the following conclusions:

The reasons given to the public for an invasion fail to withstand close scrutiny; We do not, however, believe the President of the United States (POTUS) would put half a million American troops in harm's way on mere whim; We therefore made two key assumptions: first, that the President and his advisors are rational, and second, that there are significantly more compelling explanations for military conflict than has been publicly discussed. The *logician* in us acknowledges that rejecting the "Dr. Strangelove" scenario is an assumption, and as such, a vulnerable point of this thesis.

Moving beyond the abstract, we make the intermediate conclusion that other more compelling reasons must exist for this military action. The next step in the analytical progression is to "**reverse engineer**" the military and strategic decision making process. To determine what these reasons may be, we reviewed the issues strategic planners *may have* presented to the President and his advisors. What threat scenarios might they considered that compelled the invasion of Iraq as a matter of necessity?

Please refer to page 7 for important disclosures

We have taken it upon ourselves to determine what that “**not-so-hidden**” agenda might be, working backwards from that initial assumption: If we could determine the compelling reasons to invade Iraq, then we could begin to analyze the long term impact on the economy, the capital markets and geopolitics.

This led to several surprising conclusions: There are indeed *broad strategic reasons* for a U.S. military presence in the Middle East; Iraq is the only country in the region the United States could plausibly invade. And while Iraq is certainly an area of interest, they are not the only focal point underlying military actions. Iraq’s strategic location is ideal as a staging area for other military and covert operations.

Further, without US military intervention, there are several *political, military and economic* threats which could very likely destabilize the region – perhaps dramatically – over the next decade.

Our conclusion is that a U.S. occupation in the Middle East will be similar to our military presence in Europe, and may well last indefinitely. Finally, we expect the localized US presence in the Mid-East to ultimately exert enormous influence over the entire region.

PART I: Public Explanations Fail to Adequately Justify U.S. Invasion

Statements made to the Press, the public and at the United Nations fail to persuade. We have critically considered each of the previously mentioned rationales, and found them wanting. Quite simply, the public explanations are not satisfying to the critical strategist:

Iraq as a threat to the region: Saddam may be a brutal and murderous dictator, but he has been boxed in for a decade. Iraq presents minimal threats to its neighbors; Their Air Force – what little is left of it – as well as his civilian aircraft, are prohibited from flying over ~2/3rds of their own airspace. Armored divisions – a key to any invasion of adjacent state – were decimated in the first Gulf War (GW I); His standing army is but a small percentage of its former glory, and primarily functions as a personal protector of Saddam himself. The entire country is under strict UN observation. Saddam is, in a word, contained.

WMD: We know much about the Iraqi WMD programs, primarily due to the first GW I, and years of subsequent United Nations inspections. In the period following GW I, (until the inspectors were kicked out late), the U.N. dismantled much of Saddam’s major weapons programs. (See, e.g., UNSCOM’s list of sites associated with [Iraq’s Past WMD Programs](#)). Even as Saddam tried to rebuild his WMD capacity post 1997, it is apparent from the [present inspections](#) he has nowhere near his prior, pre-GW I capability.

Further, his nuclear ambitions have been seriously impeded since 1981. That’s when the [Israeli Air Force](#) destroyed the [French-built Osirak-type nuclear reactor](#) (producing weapons-grade plutonium) at Tuwaitah. They effectively hampered Saddam’s short-term nuclear potential for decades. It was estimated at the time that Iraq was a mere 2 to 10 years away from producing the bomb; He has since been frustrated in returning to his prior nuclear potential.

Support of Terrorists: Credible links between Saddam and Osama bin Laden (OBL), or any other terrorist group, have not been demonstrated. The Central Intelligence Agency (CIA) has acknowledged as much, stating they have found [no link](#) between the two. (Even OBL called Saddam an [infidel](#) during his most recent [Al-Jazeera](#) cameo).

Saddam has made payments to the Palestinian suicide bombers’ surviving families; That may be his “payback” to the Israeli for the destruction of his reactor at Tuwaitah. Other countries in the region engage in similar payments, including our allies the Saudis. Regardless, it hardly demonstrates a compelling relationship to Al-Qaeda terrorists.

Regime Change: A change in government could have been accomplished at the end of the first Gulf War, when General Schwartzkopf’s army was a few 100 miles outside of Baghdad. The fear then was “destabilizing” the region. Many participants in GW I, including “moderate” Arab countries and European allies, did not want to contemplate a post-Saddam Middle East, circa 1992. The fear was that another power –Iran, Turkey or Russia – would rush in to fill the void once Saddam was deposed. Boxing him in Iraq was thought to be the preferable alternative at the time.

Freeing The Iraqi People: Although Saddam may not be a threat to his neighbors, he is certainly a threat to his own subjects, whom he controls via torture and mass murder. Horrific stories abound regarding unconscionable methods of oppression employed by Hussein. We do not wish to be blasé about these terrible Human rights violations; However, we are cognizant that Iraq is only one of many nations which are guilty of horrific crimes against Humanity. Cuba, Libya, Syria, Iran, North Korea, Somalia (and as some have ironically pointed out, Texas) engage in political executions and torture. Typically, these countries are punished by not receiving “most favored nation” status as a trading partner; They do not have the full might of the U.S. military brought down upon them for Human rights violations. (Even the rare exception, Yugoslavia’s Slobodan Milosevic, was arrested using a small portion of U.S. and NATO military).

Oil: One cannot analyze the Middle East without discussing Oil; It is the region's money crop and the global economy's lifeblood. Many have accused the administration of waging war for oil. We find this accusation unpersuasive.

"Regional stability" has long been a goal of the West regarding Middle East. This ensures Oil production on an uninterrupted basis. Short-term disruptions in supplies drive energy costs and petrochemical products higher. It also significantly reduces economic production and consumer spending. A longer-term interruption in oil supplies could foster worldwide recession.

Oil prices, however, remain, at [moderate levels](#). Twelve years after the first Gulf War, Oil is cheaper in real terms, *even before adjusting for inflation*: \$28-\$33 per barrel. Even if Crude were to temporarily spike to \$50 per barrel, it would still be a cheap commodity on a historical basis.

Consider the recent rise in U.S. gasoline prices; At nearly \$2 per gallon, full service premium costs less per gallon than Coca Cola or bottled water. When one considers the expenses involved – oil has to be explored, discovered, extracted, transported, refined, shipped and then distributed to consumers – the price is rather astonishing. In the U.S., it may be that we either pay too much for soda, or too little for gasoline.

Maintaining "regional stability" is in the economic interests of the West; However, Oil does not appear to be the reason for imminent military action.

The above rationales are what sales parlance describes as "*nice-to-haves*" – but they are not "*need-to-haves*." These objectives – eliminating WMD, securing Iraq's neighbors, protecting oil supplies, reducing support of terrorism, and freeing the Iraqi people – are certainly worthy goals. They are not, in our best opinion, sufficient reasons (individually or collectively) to mobilize half a million U.S. troops to war.

PART II: Non Public Reasons Which Might Justify Invasion

Having eliminated the "public" explanations from consideration, we next turn our attention towards what other legitimate rationales might exist for a US military incursion into the region.

We begin this process with the humble recognition that we are not military strategists; Nor do we have access to any materials other than public documents (See sources on page 6). Regardless of these limitations, we have reached our conclusions by employing deductive reasoning and logical analysis. Our conclusions are the basis of subsequent portfolio recommendations we make.

Terrorism and the Law of Unintended Consequences

As previously noted, regime change was not elected at the end of GW I, for fear of "destabilization." With a greatly weakened Iraq, the balance of power in the region would have been compromised. Longstanding conflicts could have led to Turkey annexing Northern Iraq, while Iran made a grab for parts of the Eastern sector. What action Russia might have taken was a wild card.

Then came September 11. After the worst assault (either terrorist or military) on U.S. soil in history, destabilizing that region no longer looked like such a bad idea. Indeed, "reshuffling the deck" may be one of several compelling reasons strategic planners are urging political leaders to action.

The planners of the September 11th attacks may not have realized what the potential unintended consequences of their actions were; (Perhaps their attack was more "successful" than they expected). Consider the following:

- 1) The attacks raised the defensive posture of the United States. CIA, FBI, NSC, and local police organizations began cooperative planning not previously possible. Both civilian and military planners undertook a wholesale reorganization of their emergency procedures.
- 2) It resulted in the wholesale routing of the Taliban government in Afghanistan. They had clearly given "comfort and aid" to Al-Qaeda, and were unceremoniously removed for that. That eliminated a significant base of operations for several terrorist groups.
- 3) A revision of strategic planning as a discipline took place across all the branches of military and intelligence agencies. Although the Berlin Wall had fallen decades before, pre 9/11, strategic planning had not yet moved beyond a cold war mentality until the attack on 9/11. There may have been an overemphasis on major opponents (i.e., China). Planning may not have adequately concentrated on smaller regional threats to U.S. interests. Assuming these analyses were taking place, they may not have been considered with the same urgency that previous "Soviet threat assessments" were.
- 4) In the post 9/11 environment, regional threat assessments found a much more receptive audience at the Pentagon and White House.

Reverse Engineered Strategic Speculation: Threat Analysis and other Scenarios

During the Cold War, "war game scenarios" enjoyed considerable influence with military planners and politicians. "Strategic Threat Analysis" drove defense procurement, shaped military policy, and determined, to no small degree, U.S. Foreign policy. It's been said that every conceivable flash point, pre-emptive attack, accidental war and *coup d'etat* were conceived by strategic threat analysts prior to the fall of the Berlin Wall. Military planners ostensibly developed every manner of response for each scenario.

Once the U.S. no longer had the USSR as a major adversary, however, threat analysis *may have been* relegated to a lower status at the Pentagon.

Post Cold War, political planners may have found it difficult to readily comprehend some of these analyses. Theoretical attacks on the US homeland were very likely not taken very seriously. To senior military planners and congressional leaders, these scenarios may have sounded like the plot of a bad James Bond movie.

September 11 dramatically changed all that. Previously unlikely (and even "unthinkable") scenarios may have received greater attention. The threat analysts may have regained their lost stature.

Thinking like a Strategic Analyst / Defense Planner

Which leads to our exercise in strategic "reverse engineering:" What conceivable threat scenarios could persuade an immediate U.S. military response? Our analysis generates three regional situations, any of which would be unacceptable to the United States for economic, political or military reasons:

- The political collapse of a major Oil producing nation (i.e., Saudi Arabia), with a subsequent fundamentalist extremist group taking control of the country and its oil reserves;
- The political collapse of a nuclear power (i.e., Pakistan), with a subsequent fundamentalist extremist group taking control of the country of its nuclear weaponry; A secondary threat would be provocation by terrorist groups of nuclear war between India and Pakistan;
- A bio/chemical terrorist attack on Israeli population center, producing casualties orders of magnitude (10,000-100,000 civilian deaths) than the present suicide attacks. In the event of such a catastrophic event, an Israeli nuclear response is a considered possibility.

Any one of the above described scenarios would have global consequences. Further, it would be imprudent to describe these events as "unlikely." If foment in the region continues unimpeded, the evolution of these scenarios must be considered possible, even probable. Indeed, strategic planners may believe that a high probability exists (i.e., approaching 100%) that one of these three scenarios will occur over the next 10 years.

Why Iraq?

There are numerous geographical, political and strategic reasons for choosing Iraq as the nexus for US activity in the Middle East.

Geography: [Iraq](#) is centrally located in the Middle East (see map, below). The Persian Gulf, Red Sea, Arabian Sea and the Mediterranean Sea are within easy flight distance for attack sorties. Turkey to the North, Saudi Arabia to the Southwest, and Kuwait to the South all offer advantageous initial staging areas. Moving "men and materiel" into the combat theatre is logistically viable.

Political: There is no other country in the Mid-East which the United States could conceivably invade without causing a full blown diplomatic crisis. The vociferous opposition from some quarters to even invading Iraq and deposing Saddam is considerable. Consider what sort of response the US would engender if we invaded Saudi Arabia or Iran. Even amongst the rest of the Middle East, Saddam is feared and despised, though you won't hear it discussed publicly. Politically, only Iraq makes any sense as an invasion target.

Strategic: Iraq's entire Eastern border is contiguous with Iran; Pakistan and Afghanistan lay to the East of the Iranians, a mere 1000 miles away from Iraq. To the West, Israel is less than 300 miles away (on the other side of Syria and Jordan). Saudi Arabia, and Kuwait share borders with Iraq. As a staging area, Iraq is ideally located to support U.S. interventions in other countries, covert or otherwise.

Deposing Saddam and destroying Iraq's WMD turn out to be a fortuitous justification; It would allow the deployment of a significant military presence in the region. Once established, Iraq then becomes a tactical staging area for missions to interdict and prevent the above (or other) scenarios from progressing.



Source: [Center for Defense Information](#)

PART III: Potential Benefits of Military Occupation

Beyond disarmament and regime change, there is a wealth of intractable regional problems that have resisted solutions for decades. A *potential* benefit of U.S. intervention in Iraq – indeed, what could be a key motivating factor – would be the positioning of the U.S. to respond to these longstanding intransigent problems in the region.

Thus, destabilizing the Middle East has additional appeal as a strategic policy; While the region is in flux, it could be “reshaped” into a more desirable form.

Preventing Terrorism

Middle East terrorist groups are successful in recruiting new members for a reason. The region’s wealth disparity facilitates the “staffing” process. Much of population has limited access to education. Civil rights are limited; An independent Media is mostly an abstract concept.

Gerald Seib of the Wall Street Journal delineated this line of thought:

“The Sept. 11 terror attacks showed that the Persian Gulf region has become a swamp breeding anti-American Islamic radicalism. The only way to really protect America from that threat is to drain the swamp – that is, to change the region by building up those who are willing to help the U.S. and exerting pressure on those who aren’t. But that’s hard to do if an aggressive country wearing hatred of America on its sleeve – Iraq – sits in the most strategic spot in the area, intimidating its neighbors, three of whom it has invaded in the past two decades.”

-[Wall Street Journal](#), March 12, 2003

Eliminating Iraq as a regional threat is the first step towards both modernization, and Westernization in the greater region. This is only *remotely* possible with a threatening US military presence in the region. A U.S. regional presence would also allow for the continued pursuit, and dismantling, of Al Qaida.

Reforming the Saudis

After Iraq, Saudi Arabia is the next key focus in the Middle East. They have enormous oil reserves, their leaders are Western educated, and they have shown receptiveness to American interests.

However, Saudis, our “Allies” were major participants in the September 11th attacks on the U.S., both directly and indirectly. Unwittingly or not, they contributed the people, financing, and philosophy for the assault. On the four hijacked planes involved in the WTC and Pentagon attacks, 15 of the 19 hijackers (over 75%) were Saudis; OBL was also born in Saudi Arabia.

More than just providing the bodies for the attacks, the House of Saud has allowed an environment of hate and distrust of the West to fester. They have long paid "greenmail" to Madras schools, where Mullahs actively preach virulent hatred of Americans. State run media portray the United States (and Israel) in an extremely negatively light.

The greenmail the Saudis pay help deflect criticism away from their own corrupt and incompetent regime. They have made their deal with the Devil; It will not be undone by mere diplomatic pressure. Meanwhile, the Mullahs accrete more and more power. The House of Saud does not want to see a similar situation as what happened in Iran in the late 70s in their own country.

It is in the U.S. interest for the Saudis to initiate wide-ranging reforms: Democratizing the country, moving towards free and open markets, eliminating restrictions on the Press. Shoring up the Royal family's rule – with the U.S. military nearby –allows them to attempt specific reforms which otherwise would leave them vulnerable to extremist groups.

Israelis and Palestinians

Diplomacy and "gentle persuasion" have failed to yield a permanent solution; Neither side is willing to make the difficult compromises to make a deal stick. Neither side's leadership wants to take a deal back to their constituents which makes them look weak.

A major show of U.S. force in the region could soften that stance. It would force both the Israelis and the Palestinians to consider compromises they previously had refused to even discuss. Stability in the region depends in no small part on both the Arab recognition of Israel AND on the creation of a Palestinian State. That will only happen when both sides agree to a deal that neither side likes. The only conceivable way that happens is for the US to do more than gentle "arm twisting."

Recognition of Israel by other countries, in exchange for giving land and settlements to create a Palestinian homeland, could have a significant impact on regional sentiment. A resolution of the Israeli-Palestinian issue would go a long way towards eliminating underlying hostilities towards the U.S.

PART IV: Economic and Corporate Sectors Impacted

We now turn our attentions towards the markets. Assuming our analysis above is correct (an extremely big assumption, we readily acknowledge), how should our clients position their portfolios? The following conclusions are based upon our previous assessment. Please note that unless otherwise noted the stocks discussed are not official recommendations.

Defense sector: We noted on February 27, 2003 that this group had moved up over 300% from its January 2000 low; They have since retraced about 40% of those gains off of the June 2002 peaks. Investors were *en masse* dumping defense stocks, and right before a multi-year war. Raytheon (RTN) and Lockheed Martin (LMT) continue to look attractive in this sector.

Technology: As noted in our recent market commentary, the NDX has been dramatically outperforming other indexes. However, based upon valuation concerns, we expect this leadership role to diminish, as other sectors catch up and even pass the big cap tech concerns. Regardless, we still think "growth" stocks are viable as a trade in the initial stages of the rally. EMC, Microsoft (MSFT), Flextronics (FLEX), Citrix Systems (CTXS), Nextel (NXTL), and MicroMuse (MUSE) are some attractive names in the group. More adventuresome traders can try bottom fishing Oracle (ORCL), despite the recent soft outlook going forward.

Treasuries: Any extended U.S. occupation in the Middle East will cost ~9 billion dollars per month, according to the [CBO](#). Other estimates range from \$90 to [\\$300 billion dollars](#). The war itself will only be part of the overall costs; Longer term subsequent occupation, plus the expense of rebuilding Iraq, could cost billions more.

Thus, we conclude that the U.S. deficit will grow dramatically over the next several years. We expect the Treasury to aggressively issue bonds to fund this deficit. We expect a gradual decrease in the price of treasuries as the new supply begins to reach market. The recent peak in Treasury prices may very well end up being a multi decade high not revisited in our lifetimes. We also recognize that interest rates are at 40 year lows.

Combining the growing deficit with extremely low yields leads to the conclusions that U.S. Treasuries should be sold, and not bought. Those who had sought safe shelter from the storm in Treasuries should consider legging out of them here. Aggressive traders may wish to use a proxy for Treasuries to short; We suggest the Lehman 20+ Year Treasury Bond Fund iShares (TLT), which seeks to approximate the total rate of return of the long-term sector of the United States Treasury market. On any move towards 88-90, we would suggest shorting.

Those parties wishing to move into Treasuries are advised to ladder into positions once interest rates have risen to more attractive levels; This may well be a multi-year process.

Utilities: A successful war will ultimately end up dropping the price of crude back into the mid 20s, and perhaps even the high teens. That makes several utilities attractive to us at present levels. Some attractive names include Hawaiian Electric (HE) and Keyspan Energy (KSE).

Travel and Airlines: The impact of September 11th on the travel industry has been significant. Expenses are up, travelers are down, profits are nearly nonexistent. In particular, we have avoided most of the airline stocks. We have a short rating on Alaska Airlines (ALK). We note that Southwest (LUV) continues to be the best-looking air carrier on a balance sheet basis, and would consider owning this name if it pulled back towards \$12-14. We would avoid most of the other major carriers.

Two other names that bear watching are Disney (DIS) and Cendant (CD). These are situations that may be a longtime in recovery. However, patient investors may wish to establish partial positions here, and add to them on pullbacks. We note, however, that these names will need a major upswing in travel and leisure spending before they make significant progress. Thus, these are only for those who plan to be multi-year holders.

Major Oils The major integrated oil companies have made solid recoveries off of their lows. They have been infuriating to decipher, as they had gone down regardless of where the price of crude oil swung to. We do not have any recommendations in the group; If we did, Exxon Mobil (XOM) and Conoco Phillips (COP) would be our first choices. Amongst the drillers, our favorite name is Halliburton (HAL), which we have had a Buy rating on since November 6, 2002. We think its cheap regardless of the war, and the firm may end up reaping a windfall if it wins contracts to help rebuild Iraqi oil infrastructure.

Retail: In the event the war is relatively quick, we might see an upswing in consumer spending. Two names worth looking into are Target (TGT), which seemed to find a bottom around \$26. Home Depot (HD) may have made a bottom in the low to mid 20s. We also observe that WalMart (WMT) appears to be over extended on the charts, and we would suggest those who are long to take profits in the near future; Those who *want to get long* should wait for better entry points.

*NOTE: Our clients rely upon us to provide them with our best advice; We therefore are compelled to shift this discussion to the issue of assets. We do so, however, acknowledging that life and limb will be put into jeopardy. Our focus on these mundane matters is in no manner intended to disrespect those men and women of the Armed Forces who put themselves in harm's way; Some of these people will be called upon to make the ultimate sacrifice, and we mean no disrespect by this crass discussion of the war's impact on the economy and various market sectors. **Our best wishes and hopes go out to them and their families.***

Explanation of Holding Periods

Long Term – Price movement expected in months to years.

Intermediate Term - Price movement expected in weeks to months.

Short Term - Price movement expected in days to weeks.

Explanation of Ratings

Buy – Expected relative performance of greater than +20% in the intermediate term.

Trading Buy – Expected relative performance of greater than +20% in the short term

Hold - Expected relative performance of -10% to +10% in the intermediate term.

Reduce – Expected relative performance of –10% to +10% in the short term.

Avoid – Expected relative performance of –10% to –20% in the short term.

Sell - Expected relative performance of less than -20% in the intermediate term.

Short Sale – Expected relative performance of less than –20% in the short term.

Ratings are benchmarked relative to the S&P 500

*In addition to the above listed rating there is a category called Remove that is not considered a rating. The term Remove means that the position is recommended to be eliminated and coverage is suspended.

Coverage Universe

<u>Rating</u>	<u>Percent</u>
Buy	40%
Trading Buy	4%
Hold	30%
Reduce	16%
Avoid	0%
Sell	0%
Short Sale	10%

Coverage universe as of December 31, 2002.

Valuation Methods

One or more of the following valuation methods are used in making a price projection: Analysis of the supply and demand for a security to ascertain how high or low a stock price may move before either overhead supply or underneath demand develops. Analysis of a companies P/E ratio, price/book ratio, price/cash ratio, earnings expectations or sales growth as they relate within an industry group or to the broader market. Dividend yield of the S&P 500 vs. the dividend yield of the 10-year government bond. Individual sector analysis along with investor sentiment and Federal Monetary policy.

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Ugly sentiments sting American tourists

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Fire in the Hole

<http://www.fas.org/faspir/2002/v55n5/fire.htm>

How This Market Will React to the War

<http://www.thestreet.com/p/rmoney/jamesjcramer/10072322.html>

Iraq & Middle East Map

http://www.lib.utexas.edu/maps/middle_east_and_asia/middle_east_ref_2002.jpg

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http://www.cdi.org/terrorism/iraq_map.cfm

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Diplomatic Security, Intelligence and Threat Analysis

<http://www.ds.state.gov/terrorism/>

The Joint Select Committee On Intelligence

<http://9-11congress.netfirms.com/>

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