



The Sageworks View on Stocks

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Brian Hamilton runs Raleigh N.C.-based Sageworks, a financial analysis and software company. He stopped by the office this week to talk markets and stocks.

Hamilton has been notably bullish on the economy lately (see [this post](#) by Fox's Elizabeth MacDonald for his reasons why), and is continuing to tout companies that boast both healthy cash flow and defensive market positions even as volatile markets keep everybody on edge.

"I do not think we're going into a major recession. I don't think the market is going to tank," he says.

Names he likes: **Google, MasterCard, and Visa.**

"They've got strong operating histories, good brands, and they don't have monopolies, but they have incredible strength in their core business. I mean, who's going to knock out Visa or MasterCard?" he asks.

He sees good buys in retail, too, including **J. Crew, Target, and Men's Wearhouse.**

Hamilton's other specialty—the IPO market—has been pretty abysmal this year, but he says the next wave of public offerings could be more attractive.

"Two years ago, a lot of companies going out to the market were not really strong. There was a lot of weak inventory. That, of course, has drastically changed in the last six months. Now, you'll have lower volume of companies going public, but probably better companies,"

he says.

Investing in the few IPOs that are available now might be a good idea, despite concerns that volatile markets could make some debuts rocky.

Visa is the poster child for a successful offering. It's up almost 90 percent since its March 19 debut.

Hamilton points to the IPO of fertilizer maker **Intrepid Potash** in late April as one name notching solid post-offering gains even as the total number of firms going public continues to be a trickle. Intrepid Potash shares are up about 70 percent from their offering price.

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