

High interest boosts money mart funds

United Press International
NEW YORK — The present high interest rates have given the 50 or so money market mutual funds around the country a big lift, says Paul Robertson, president of Capital Preservation Fund of Palo Alto, Calif.

The money market funds, whose assets as of Nov. 1 were estimated by Robertson at about \$8.5 billion, are a creation of the inflationary era.

He said many of them are small but the largest, Merrill Lynch's Ready Assets Fund, has a husky \$1.3 billion in assets.

Unlike older mutual funds, yield

is listed last among their aims with safety first and liquidity second. Generally they are completely cut off from growth prospects, which often are the main purpose of traditional mutual funds.

Capital Preservation Fund, for example, invests only in U.S. Treasury obligations, which don't grow.

The business of these funds has gone up and down as prevailing interest rose and fell, Robertson explained.

"When interest rates dropped in 1976, our fund's assets fell from \$56 million to \$40 million. Now, with

interest rates sky high, we're up above \$100 million and we can fluctuate as much as \$10 million in a day because we have some large corporate investors who switch big sums suddenly to take advantage of an opportunity to get even a substantial fraction of a point more interest for just a few days."

Robertson said few persons realize that even investors with rather modest liquid sums sometimes can increase their yield by up to 2 percentage points by a judicious shift of funds to take advantage of special conditions. He said his fund

had only one corporate investor who had actually realized that large a gain by a shift but that others who followed the money markets closely had realized increases of more than a point.

In order to make these quick shifts possible, the money market funds have to stay very liquid and give their investors withdrawal privileges comparable to those of an ordinary bank checking account.

"As a matter of fact we actually give our investors checkbooks to use to transfer their holdings."

Just as many corporations write

checks to pay bills on rather remotely located banks so that they will continue to have the use of the money involved for a few extra days, the money market fund managers make a big deal out of what Robertson calls an extended float.

Four banks in widely separated corners of the country have been chosen to clear the checks of the fund's investors.

By astutely choosing the bank on which to draw his checks when he shifts funds or makes withdrawals for other purposes, the investor can increase his yield from the fund. He can continue to draw interest on his money for up to nine days before the check finally clears, Robertson said.

He said at least half the money market funds have this remote bank check float feature.

Music magazine goes big

United Press International
NEW YORK — If the great rock music era that began 25 years ago doesn't suddenly fade, Richard Branciforte should be a rich man someday.

Even if rock music gives way to something much mellower and tamer, Branciforte, who is 32, still might make the big time.

He hasn't done badly riding the rock music tide with a free distribution semi-monthly entertainment newspaper called Good Times since graduating from Columbia's graduate school of business 10 years ago.

He was holding down a dull sort of MBA status job with American Telephone & Telegraph Corporation and remembering all the fun he had editing The College, an independent undergraduate social activities journal on the campus of Queens College.

He decided to get into journalism but he also decided that profitable new journalistic ventures have to be very special in orientation, have free distribution and be geared to very high volume advertising. So he started a local rock music monthly on Long Island called Action World.

Others had the same idea. Scores of small newspapers and magazines, some free distribution and some for news-stand sale, cropped up around the country. But Branciforte was the one to see that such a paper had to be both extremely comprehensive and very sophisticated technically, politically and psychologically if it was to grow.

Changing the name of Action World to Good Times in 1972 was one of Branciforte's best strokes. The title was broad enough to cover many phases of entertainment and appeal to restaurants, small night clubs and similar establishments from which a lot of the advertising had to come.

Good Times is now published in three editions — for the greater New York market, south Florida and parts of Ohio. It has a circulation of about 100,000 and grossed \$500,000 last year.

It publishes around 88 pages every two weeks. The printing is contracted out. The advertising solicitors are salaried; the writers are paid and free lance.

The paper reviews films and local stage efforts as well as music groups and recordings and devotes a lot of space to feature stories about young rock performers and other entertainers around the country. It is distributed at music stores, clubs, movie theaters, restaurants and the kind of clothing shops that draw pop music lovers.

Branciforte now has a definite plan for a coast-to-coast circulation of about \$50,000 with 16 editions in some states by 1982. He says that should bring in revenues of \$4 million. The key to getting the big plan rolling is launching a Los Angeles edition.

Diamond salad

United Press International
FORT LAUDERDALE, Fla. — P.T. McAllister recently dug up radishes in his garden and found one wrapped in diamonds.

But McAllister had an explanation. He said a neighbor, Rennie Hammond, was helping in the garden more than a year ago when he lost his diamond-studded wedding ring worth about \$400, a 25th anniversary gift from his wife.

McAllister said he was putting together a salad last weekend when he dug up the vegetables and found the ring.

"I had told Mac it would come up on a carrot, but I was just joking," Hammond said. "I didn't think it would happen."

Stamp series to honor pope

United Press International
VATICAN CITY — The Vatican mails said Wednesday they will issue a series of stamps commemorating the 34-day reign of Pope John Paul I.

It said 1.45 million series of four stamps each will be put on sale starting Dec. 11. The stamps, worth 70, 120, 250 and 350 lire (8, 14, 30 and 40 cents), will show the late pope sitting in throne, smiling, walking in the Vatican gardens and blessing.

They will bear the dates of his reign, Aug. 26, 1978 through Sept. 28, 1978.

China will be regular U.S. customer

United Press International
WASHINGTON — Agriculture Secretary Bob Bergland, ending a 10-day tour of China to discuss trade and agriculture, says he expects that nation to become a "regular and significant" customer for U.S. farm products.

Bergland said Tuesday he was impressed with the sincerity of Chinese officials in their desire "to cooperate with the United States in several agricultural fields."

At the same time, the Agriculture Department announced the sale of 200,000 metric tons of corn to China.

"I personally have no doubts that there will be a noticeable expansion of agricultural trade between the two countries, and we have already begun to work out the details for exchanges in agricultural sciences, technology and statistics," Bergland said.

"Based on our discussions, we believe that the Chinese are likely to become regular and significant purchasers of U.S. grains and cotton," Bergland said. "Thus, it appears that the prospects are good for a continued growth in our agriculture trade."

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