

## 15 AND STILL GROWING



**RECORD SPEAKS VOLUMES:** Irene Zawitkowski, vice president of Volumetrics, and Gabriel Gibs, president, keep their customers happy by beating the New York Stock Exchange composite index 11 out of the last 14 years.

Staff photo/Robert F. Rodriguez

# Volumetric beats stock index, keeps customers in the black

By Cathy Carroll

Staff Writer

PEARL RIVER — This month, 1,278 investors received "happy birthday" wishes.

It was from the Pearl River-based Volumetric mutual fund, which turned 15-years-old on Sept. 1. Gabriel Gibs, president of Volumetric, announced that the fund hit a record high of \$16.74 per share that day.

With dividends reinvested, the value of an initial investment of \$1,000, when the fund began in 1978, would now be worth \$8,099.

"Ninety-nine percent of our shareholders reinvest their dividends and that's how the money grows," says Gibs.

Mutual funds pool money from shareholders and invest in stocks, bonds, commodities and other securities. The fund began as a hobby for Gibs in the late 1960s. He was a chemist and would help his friends and co-workers invest their money.

While studying for a master's degree

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## Good news for market

Top 10 reasons from Gabriel Gibs of Volumetric why market won't crash in '93:

- 1:** Computer-programmed trading which caused the selling frenzy leading to the 1987 crash has been banned.
- 2:** Interest rates are now declining; they were advancing in September 1987.
- 3:** In 1987, the stock market was up 42 percent by August and was greatly overvalued; this year the market is up only 7 percent.
- 4:** Money market and CD interest rates are now only 2 to 3 percent, as compared to 7 to 8 percent in 1987; money is now flowing into stocks.
- 5:** Corporation earnings have been improving in 1993; they were weakening in 1987.
- 6:** Mutual funds' current cash position are relatively high now; they were low in September 1987.
- 7:** The market in August 1987 had already shown some internal weakness; now it has not.
- 8:** Many investors are expecting a crash in October of this year; no one expected it in 1987.
- 9:** A down market in September, as we are having now, is usually followed by a strong fourth quarter.
- 10:** The Volumetric System, which has been negative in most of September, gave the stock market a "buy signal" Wednesday.

Rockland Journal-News

# Volumetric keeps customers in black

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in finance at Pace University 20 years ago, he developed a system to forecast the success of stocks based on their trading volume.

"Suddenly, there were 100 people investing and we had to register with the SEC (Securities and Exchange Commission) in 1985," Gibs said. The fund went public in 1987, when Gibs began working full-time on it.

Volumetric first looks at two basic criteria: if the trading volume goes up, Volumetric might want to "catch it before it takes off." Volumetric also looks for a rising share price.

Then he applies his mathematical formula — known by only one other person, Volumetric Vice President Irene Zawitkowski. The formula rates each stock from a plus three to a minus three. Volumetric then proceeds with its choices from there.

"We have consistency. The results are nothing emotional," says Gibs, referring to news headlines that can affect stock prices.

Yet, he says the formula produced "sell signals" before the 1987 stock market crash.

Adrienne Hegyi, vice president of Norex Enterprises Inc., an engraved awards importer and distributor in Blauvelt, was one of Volumetric's first investors.

"It has just been amazing," she said. "It has continuously gone over whatever the stock market would have done for us."

She's told associates in the Orient about the fund and several have invested in it, she said.

Gibs says he doesn't do much advertising, but a favorable article in Investor's Business Daily last March resulted in 200 calls from around the country the following day at the office in his Pearl River home.

The article noted that the fund beat the New York Stock Exchange composite index for 11 out of the past 14 years, generating an average annual 16 percent return during that period.

Volumetric requires a minimum investment of \$500 and a minimum of \$200 for each additional investment.

For more information about Volumetric, call 800-623-7637.