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## Volumetric sees good summer

### Chief of county mutual fund says market will rise

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Staff Writer

Expect the stock market to rebound this summer, pushing the Dow Jones Industrial Average beyond the 3,100 mark, said Gabriel Gibs, manager of the Volumetric Fund.

Gibs made the prediction before

more than 50 Volumetric shareholders at the Pearl River-based mutual fund's annual meeting held at the Day's Inn in Nanuet. He also told the group that in 1991 the fund should exceed the record 37 percent annual return achieved in 1980. The fund's value has already risen 23 percent this year.

"As long as interest rates remain low, the return on stocks looks very attractive," Gibs said.

Interest rates play an important role in the stock market, Gibs said. The Federal Reserve Bank's interest rates on treasury bonds are in

the 6 percent range, which has made investors look to stocks for better returns.

So far this year, the stock market has performed well. The Dow Jones Industrial Average — an index of 30 large corporations — has reached new heights, breaking the 3,000 mark on April 17. As of yesterday, the Dow Jones area has increased 10 percent and the index of all stocks traded on the New York Stock Exchange has risen 13 percent.

Gibs investment strategy for Volumetric is different from most

mutual funds managers, who usually chose stocks based on company assets and earnings potential. Gibs makes investments based on trade volume. For instance, if he notices the volume of a particular stock increase and rise in value, he'll purchase it hoping it will continue to go up.

At any time, the fund will have its \$5.9 million invested in a portfolio of 20 to 40 different stocks, which it holds for an average of nine months. Gibs said the portfolio changes an average of 175 percent a year, nearly double the less than 100 percent average for most stock

mutual funds.

Among his big winners this year have been The Limited, an upscale clothing retailer that has increased 89 percent since he purchased it; Wendy's International, up 83 percent; Avon Products, up 73 percent; and Bank of New York, with a 55 percent increase.

Gibs' strategy has rewarded Volumetric shareholders with a 16.5 percent average annual return since the fund was started in 1978.

"1991 has been a very good year for us," Gibs said. "And I don't see any reason why it can't be our best year ever."