

# The Observer

January 12 1997



Alvin Hall: 'I only follow stocks that I am really interested in.'

**'It will be you,' suggests the pointing finger of TV's latest financial pundit, who beguiles novice investors with a vista of never-ending profit**

## Alvin, the seer with stardust in his eyes

### MAMMON BEN LAURANCE

**A**LVIN HALL is dangerously appealing. He wears natty bow ties and red braces. He beams at the camera while being whisked around in a helicopter. He's very engaging and dead good-looking. In short, Alvin Hall makes extremely watchable telly.

Most important of all, he has that enviable ability to talk to the camera as if he really is talking to you, the viewer. He delivers a little monologue on the excitement and rewards of investing in the stock market, then, eyes a-twinkle, points his index finger out of the screen and ends with that word we all love to hear, 'you'. Yes, you there, it's *you* with whom Alvin wants to share his philosophy, it's *you* he wants to make rich.

Alvin (you see, it's an infectious charm — you want to

call him Alvin rather than Mr Hall) is the star of a BBC TV three-partner which started last Wednesday, *Alvin Hall's Guide to Successful Investing*.

'I want to show you that investing can be profitable and enjoyable,' he chirrups. And, by gum, he does a jolly good job of it. After 30 minutes anyone who has toyed with the idea of investing in the stock market but found the prospect a bit forbidding should be convinced. It's easy. Alvin says so.

Alvin's hands play a big part in his delivery. They bunch up into fists; then, finger by finger, they're gently, expressively relaxed. Their palms are held out imploringly. They describe imaginary pictures in the air. When he talks of a share price going up, the hands go up, too; hands going down mean (you guessed it) the price goes down. Throughout this charmingly camp performance, the hands tell the story, with Alvin providing a

warm, reassuring voiceover.

And that's the problem with Alvin and his amazing dancing hands: it's so bloody warm and reassuring. He says time and again that, over the long term, investing in the stock market brings returns of 15 per cent a year — and that means 'your money doubles every five years!' Hmmm, doesn't that sound great, folks?

He could have reminded us that, as Keynes famously said, in the long run we also die. More pertinently, you're not guaranteed that your investment in the stock market will double in any given five years.

Alvin, of course, would prefer not to talk about anything quite so downbeat as death. Much more appropriate are shots of football matches, contented men on golf courses and groups of friends sitting around in the pub discussing which shares to buy.

OK, that's just the mood music. Any would-be investor

shouldn't take too much notice of that. But more dangerous is Alvin's suggestion that you invest in companies making things you like. You have a favourite biscuit and your friends also think it's particularly scrummy? Then think about buying shares in the manufacturer, says Alvin.

To illustrate his point, he walks into Dixons and asks which electronic organiser the salesman would recommend. Because we are in on the secret, we know Alvin isn't really thinking of buying an electronic organiser at all. No, he's researching a potential investment: which electronics company should he put his money into? The salesman recommends a Psion and the message is clear: buy shares in Psion, they make the neatest, nattiest, niftiest organisers, so the company itself must offer cracking value for the investor.

At this point I must declare an interest. I had a Psion orga-

niser. It blew up and ingested the telephone numbers of several hundred friends, relatives and work contacts. I had it fixed. A year later it blew up again. I threw it in the bin and spent £2.99 on a pocket-sized ring-binder. It has never blown up and every telephone number ever scribbled in its pages has been perfectly preserved. It's also lighter and easier to carry around than a Psion. So, yes, I nurse a particular hatred for these electronic gizmos.

That says nothing about Alvin and the wisdom or otherwise of his homespun investment philosophy. What does say something is the story of the Psion's paper-based predecessor, the Filofax. This product became phenomenally fashionable in the Eighties. In mid-1987 the company was floated on the Unlisted Securities Market; people reasoned that smart product meant smart company and smart company meant smart investment.

Sure enough, Filofax shares romped away. They had been sold at 120p. Day one of deal-

your research,' he says. 'We're not saying that people should invest in a company *just* because the products are popular. But certainly I only follow stocks that I'm really interested in.' To be fair to Alvin, he admits his real skills are teaching, writing and presenting. (He was an English teacher and worked in television before joining a New York firm offering financial training.) He set up his own financial training company after being made redundant seven years ago. 'I was downsized,' he says.

The experience clearly did little to dent his enthusiasm for life: beaming and bespectacled, he's brimming with self-assurance. Well he might, having risen from a poor background in the Florida Panhandle, the eldest of seven children. His break came in his teens when he won a place at a Yale summer school under a scheme set up by the Johnson administration.

So what should we expect next from Alvin? After last week's cheery assertion that long-term stock market inves-

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## Those hands tell the story, with Alvin providing a warm, reassuring voiceover

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ings saw them touch 170p before settling down to 160p — a meaty 33 per cent profit. And where were Filofax shares by September 1988? Some 4p below their issue price. Now, there's something Alvin might care to stick in his Psion under L for Letdown.

Put this to Alvin and he sounds ever so slightly wounded. 'On the show we emphasise that you must do

tors can make 15 per cent a year, he promises this week to introduce us to the thrills and spills of futures and options 'where you can earn 15 per cent in a day or even in a single hour'.

Indeed you can. You can also lose everything — something which surely would be enough to wipe the smile off even Alvin's face.