

## Book Review

# Wall Street's Honest Broker

### The Faber Report

By David Faber  
With Ken Kurson

276 pp.

Little, Brown and Company

\$25.95

By Paul J. Livingston

Digital Press International

David Faber isn't just another television face. For nearly a decade, Faber, known for his "Faber Report" on CNBC, has unearthed plenty of scoops for his viewers, gaining a reputation as one of a handful of intelligent Wall Street commentators on the tube.

Now, Faber - colleagues call him "The Brain" - has woven his best news stories and Wall Street experiences into a readable and insightful book. It's called - again - "The Faber Report" but it's a bit more than a brief from the word processor. Faber's first literary effort is chock full of good advice and insights remarkable for a still young (38-year-old) television business journalist.

The subtitle - Faber "Tells You How Wall Street Really Works and How You Can Make It Work For You" - sounds a bit familiar, but don't be deterred: Faber delivers a string of well told tales from his front-row seat, and to an audience more skeptical than ever about Wall Street. "Wall Street loves to proclaim 'a new paradigm' where the old rules don't apply," Faber writes. "But that's never true. In the end, the old rules simply adapt, and always apply. Because if we've learned anything over the past two years, it's that stocks do go down. And when they do, the pain is ample."

In a chatty tone and with an insid-

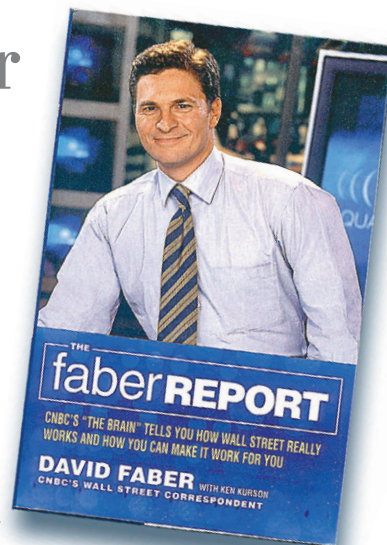
er's access, Faber capably outlines, among other things, the now-famous conflicting motives of brokerage house research - right up through the Enron scandal. His message to anyone looking to invest or understand Wall Street is simple: Wall Street is motivated by self-interest, and the only person ultimately responsible for your interests is you.

Faber digs a little deeper for an explanation of Wall Street's credibility problems: For starters, research

*Faber's message: Wall Street is motivated by self-interest, and the only person ultimately responsible for your interests is you.*

analysts are often overworked, and their pay is too often tied to the investment banking business their work helps create, Faber says. "What kills me about the current state of affairs ... is that the system is totally corrupt and completely fails to produce dependable results," writes Faber. "It's like paying for the answers to an exam and getting a D-minus." With Merrill Lynch and other firms settling government charges of misleading investors, Faber's remarks have spot-on timing.

What's the little guy to do? "The Faber Report" updates legendary fund manager Peter Lynch's message in his 1980's bestseller "One Up on Wall Street": Trust your instincts and do your homework. Faber offers that advice to today's shell-shocked

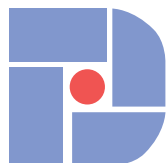


investors, even as they consider participating in new investment options such as hedge funds and private equity partnerships.

Faber wanders a bit into such Wall Street fields as mergers and acquisitions, not of great concern to small investors with diversified holdings, but interesting nonetheless. And Faber recalls several small Wall Street fraud cases which, Enron aside, pose a smaller risk to investors than, say, the bad advice of brokers. But such cases of course make for good reading. "Frauds are awfully fun for me to cover," Faber writes.

Faber reinforces his reputation as a witty and intelligent reporter on a first-name basis with his many sources. Unafraid to poke fun at himself, his profession and Wall Street, Faber is an all-too-rare voice of common sense: "An unconfirmed rumor - what the hell does that mean?"

"The Faber Report" confirms what we see every day on CNBC: David Faber, a straight-shooting reporter, is an honest broker of Wall Street news.



The Exclusive Community Newspaper Network

Digital Press International™

A DIVISION OF NEWBRIDGE MEDIA

400 KELBY STREET • FORT LEE, NEW JERSEY, 07024

1.888.862.6261