DINING IN AND DINING OUT

"It's the right time for a solid, defensive global blue chip such as **Nestle** (NSRGY.PK 36.20 OTC – yield 2.07%). We are all familiar with Nestle's products, which range from processed milk and chocolate to bottled water and pet food. Its products range from basic goods to higher-end discretionary items. It manufactures and sells around the world, in industrial nations and emerging countries. The company has a solid balance sheet and operates a clean, simple business. The stock is down from the $45 range in August, more resilient than most and still not 'bargain-basement' cheap, at 14 times earnings. But it has seen consistent growth in earnings over the years, with only one negative year in the past decade; of the rest, all but one has seen strong mid-double digit growth. This year's growth has beaten estimates and the company continues to forecast growth ahead. It yields right at 2%, not bad in the current environment for a global blue chip. And the yield has grown consistently, up every year in the past decade, from 35 cents in 1998 to Sfr1.22 this year. The dividend is safe and you can expect your income stream to grow steadily over the years." *Adrian Day, Adrian Day's Global Analyst, www.AdrianDayGlobalAnalyst.com, 410-224-8885, 4 issues, 12/08*