

Stock Selections & Timing

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Market Sentiment

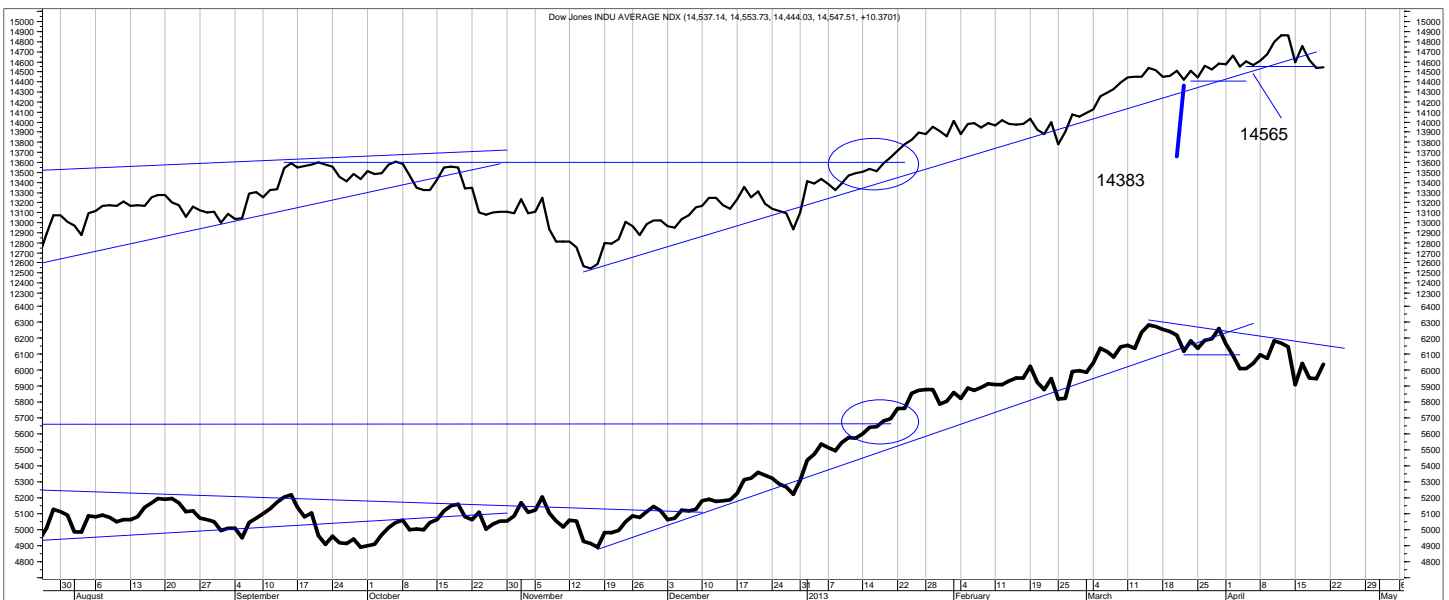
A bit of market weakness has shown up with both the Dow Industrials and Transports moving below their previous support levels set before the most recent negative divergence. What this means is a possible further pullback

should be expected. How deep it may go is unknown. So the aforementioned 'window of buying' is open, caution is warranted, if you're not fully invested.

In the background to this potential weakness and negative

divergence, bullishness amongst advisors and money managers is running amok. According to Barron's on Sunday 4/21, bullishness amongst professional investors is running at 74%. They say this is an all-time high

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This is the daily chart of the Dow Industrials (top) and Transports (bottom).

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
Stock Portfolio	6.5%	7.2%	6.0%	4.6%	0.1%	-2.3%
Dow30 Portfolio	6.0%	2.3%	4.7%	3.9%	1.7%	0.6%
S&P 500 TR	11.5%	15.2%	9.7%	5.3%	-0.1%	-2.1%
Dow Industrials	12.4%	11.7%	9.0%	6.6%	0.2%	-0.8%

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Stock Portfolio

ACTION FOR		PORTFOLIO DETAILS				Value as of date:		4/19/2013					
Action Dates	Action Symbol	Action Price	# of Shares	Action Value	Symbol	Closing stop as of 4/15	Yield at buy	Buy Limit	Start Price	End Price	# of Shares	Current Value	Percent of Total
4-Feb	buy ANIK about 5%	10.63	700	7,451	GENC			8.00	7.56	6.98	2,278	15,900.44	10.4%
					WTT			1.00	0.87	1.89	9,000	17,010.00	11.2%
					OPLK			13.00	12.84	15.95	600	9,570.00	6.3%
8-Feb	buy SILU	1.46	5,000	7,310	AOSL			8.50	8.16	8.67	1,100	9,537.00	6.3%
4-Mar	buy AOSL	8.16	1,100	8,986	MCGC		12.9%	4.40	4.38	4.75	1,500	7,125.00	4.7%
21-Mar	buy SILU	1.35	5,000	6,760	NGPC		8.7%	7.15	7.04	6.71	2,000	13,420.00	8.8%
					MVC		3.8%	13.00	12.71	12.72	1,200	15,264.00	10.0%
22-Mar	buy MVC	12.62	600	7,582	GAIN		8.0%	7.55	7.48	7.24	1,000	7,240.00	4.7%
					SILU		4.2%	1.46	1.41	1.28	10,000	12,800.00	8.4%
15-Apr	sell ANIK	12.82	700	8,964	TAXI		7.0%	11.40	11.36	13.35	600	8,010.00	5.3%
Above in green shows end price below buy limit.													
Below is watch list for potential purchase at or below buy limit.													
Dividends													
5,351.00 3.5%													
Money Market													
1.00 31,216 31,216.00 20.5%													
Total Valuation= 152,443.44 100.0%													

REVIEW since last issue

4/22 Positions pulled back with the market last week.

4/15 Take profits in ANIK.

4/8 MVC announced a stock buy back last week to close the gap between its price (\$12.87) and its NAV (\$16.29). Hard to believe GENC still trades below its net cash in the bank. WTT has been on fire.

4/1 MVC was bought last week. ANIK is getting recognized. GENC may be tracing out a bottom again.

3/25 MVC has pulled back under the buy limit, so I'll buy more at or below \$12.69 as noted above.

3/18 AOSL may be breaking to the upside, but no public supporting news.

3/11 No changes.

3/4 ANIK jumped on good news. There is a new position AOSL to be bought.

2/25 No changes.

2/19 WTT appears to be breaking higher.

	2010	2011	2012	ytd 2013	Incptn
Stock Portfolio	12.3%	21.4	5.0	6.5	52.4
S&P 500 TR	15.0%	1.9	14.1	11.5	49.1

This shows the returns of previous years, year to date (ytd), and from inception (incptn). It also shows standard deviation (SD).

Dow 30 Portfolio

ACTION FOR			PORTFOLIO DETAILS				Value as of date: 4/19/2013						
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 12/10	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total
10-Dec	buy	DD	43.22	241	10,435								
10-Dec	buy	INTC	20.08	519	10,435	INTC	18.27		20.08	22.44	519	11,646.36	10.7%
10-Dec	buy	MRK	44.48	234	10,435								
10-Dec	buy	MSFT	26.94	387	10,435	MSFT	24.95		26.94	29.76	387	11,517.12	10.6%
10-Dec	buy	T	33.73	309	10,435	T	31.07		33.73	38.28	309	11,828.52	10.8%
17-Dec	buy	WMT	69.20	150	10,390								
17-Dec	buy	KO	37.50	278	10,435								
26-Dec	sell	MRK	41.34	234	9,664								
28-Jan	sell	DD	48.15	241	11,594								
19-Feb	sell	WMT	68.76	150	10,304								
1-Apr	sell	KO	40.45	278	11,235								
						Money Market			1.00		74,145	74,145.00	67.9%
									Total Valuation=			109,137.00	100.0%

Company	Symbol
Alcoa	AA
American Express	AXP
Boeing	BA
Bank of America	BAC
Catepillar	CAT
Cisco	CSCO
Chevron	CVX
DuPont	DD
Disney	DIS
GE	GE
Home Depot	HD
Hewlett Packard	HPQ
IBM	IBM
Intel	INTC
Johnson & Johnson	JNJ

Company	Symbol
JP Morgan	JPM
Kraft	KFT
Coca-Cola	KO
McDonalds	MCD
3M Company	MMM
Merck	MRK
Microsoft	MSFT
Pfizer	PFE
Proctor & Gamble	PG
ATT	T
Travelers	TRV
United Technologies	UTX
Verizon	VZ
Wal-Mart	WMT
Exxon Mobil	XOM

For this portfolio, we seek to outperform the Dow Industrials using proprietary timing and weighting formulas of the underlying thirty stocks of the Dow Industrials. We also will use the ETF that tracks the same. The symbol is DIA.

We monitor the underlying individual stocks for buys and sells in order to overweight the portfolio to what is expected to outperform and underweight the portfolio with what is expected to underperform.

REVIEW since last issue

- 4/22 No changes.
- 4/15 No changes.
- 4/8 No changes.
- 4/1 Take profits as noted above.

Feature Company (none)

(Continued from page 1)

measured over the previous 20 years.

The market goes up as investors who are bullish are buying. The peak comes when all the buyers are already in. Who's left to buy? Individual investors?

Perhaps, because oddly enough, the number of individual investors who are bullish is in the middle of the road, according to AAI (American Association of Individual Investors). It is neither too bullish or bearish.

Part of the reason for individuals to be muted in their bullish views is the ongoing weak economy or more specifically the weak jobs market. The University of

Michigan: Consumer Sentiment Index has jumped to 82 from lows below 60 set in the last recession, but that 82 is a far cry from the highs in 2000 at 110.

So, sentiment is too bullish and the market may be rolling over here for at least a short, mild pullback.

Please see the individual portfolio pages for any changes.

Descriptions & Disclosures

PORTFOLIO DESCRIPTIONS (pages 2 and 3)

Our guiding goal is to provide the most return with the least risk.

The two portfolios were started on 1/1/10 with \$100,000. Beginning in 2012 (12/31/11), the official portfolio for measuring the newsletter performance is the Stock Portfolio only.

Portfolio changes will usually be made at the close on Monday (the day this eNewsletter is posted), or if a position is stopped out, the close that day, unless otherwise noted.

Portfolios are updated through the preceding Friday's close.

Stock dividends are paid in cash. Interest is assumed to be zero for the money market (cash) position. Commission costs to buy and sell are assumed to be \$10.00 per trade.

The S&P 500 TR (total return) includes dividend reinvestment.

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