

Stock Selections & Timing

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May 17, 2010 (data through previous Friday's close)
Volume 1
Issue 9

Uncertainty

The domestic stock market is at its major bull market support area. It seriously needs to remain higher than the lows it established last week in the "flash crash". That's about 9900 on the Dow Industrials.

Uncertainty is the key word. The question that is beginning to surface is whether the debt shell game is ending be-

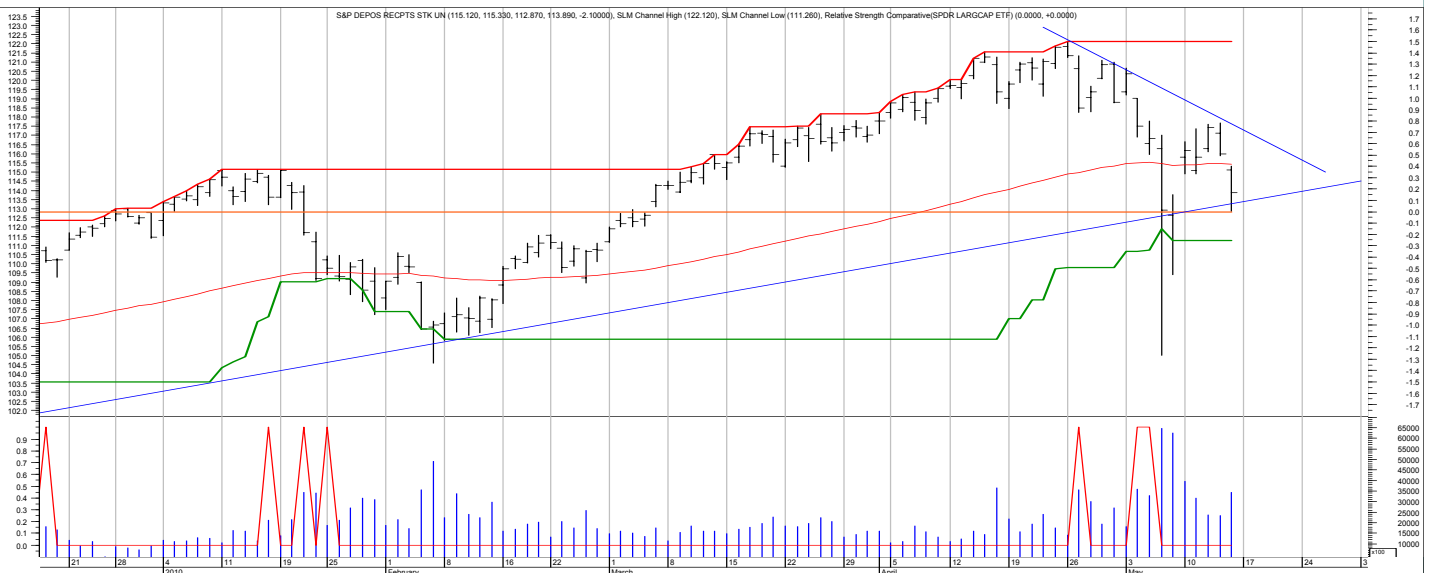
cause there are no more players. It moved from individuals to corporations to governments. Now what?

Greece's debt ratio to GDP is near 150%. They want to get it down to 80%. That is about where America's is, but ours is projected to run higher given our bailouts and programs of the last two years. Not to mention

the looming baby boomer retirement and health issues.

Lots of questions without answers. And down stocks go. But the market is at major support. Short-term interest rates remain about 0%. The recovery appears intact. Investor sentiment has worsened; as a contrary indicator, that is bullish.

Look for bargains again.



The chart is the daily S&P 500 with an 80-day moving average.

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
Stock Portfolio	6.3%			6.0%	3.9%	-0.2%
Dow30 Portfolio	2.1%			4.1%	-3.3%	1.5%
Wilshire 5000	3.3%			6.5%	-4.6%	2.7%
Dow Industrials	1.8%			5.2%	-3.6%	2.3%

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Stock Portfolio

ACTION FOR						PORTFOLIO DETAILS						Value as of date:		5/14/2010
Action Dates	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total	
2/8-2/12	buy	TIII	1.28	7,813	10,000	TIII			1.28	1.39	7,813	10,860.07	10.2%	
2/22--	buy	DRAD	1.95	5,128	10,000	DRAD			1.95	2.31	5,128	11,845.68	11.1%	
4/5 -	buy	ECGI	0.98	10,204	10,010	ECGI			0.98	1.33	10,204	13,571.32	12.8%	
						Money Market			1.00		70,000	70,000.00	65.9%	
								Total Valuation=				106,277.07	100.0%	

REVIEW since last issue

I mentioned MACE as a watch candidate. They reported that they lost the arbitration proceedings to the former CEO. They also reported poor earnings. Stock is still a watch.

TIII reported earnings of \$0.03 today and the stock is up. It is cheap and the target is still north of \$2.00 per share.

No new purchases at this time.

Feature Company

No new stock this week. I am, however, putting together a list of the lower risk, higher yielding stocks for recommendations.

Descriptions & Disclosures

PORTFOLIO DESCRIPTIONS (pages 2 and 3)

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

The portfolios were started on 1/1/10 with \$100,000.

Portfolio changes will usually be made either at the close on Monday (the day this eNewsletter is posted), unless otherwise noted.

Portfolios are updated through the preceding Friday's close.

Dividends are paid in cash. Interest is zero for the money market (cash) position.

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