

**April 11, 2016**  
**Market Strategies Newsletter - Sample Issue**

# **MARKET STRATEGIES**

**Balanced Investing Strategies To  
Make Money In Up Or Down Markets**

A Publication of Princeton Research, Inc. ([www.PrincetonResearch.com](http://www.PrincetonResearch.com))  
Contributing Staff: Michael King, Charles Moskowitz

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**Where To Invest In 2016 Newsletter Covering:**

**Where to Invest April 2016  
Best Stocks To Buy April 2016  
Stock Market Investing Strategies  
Stock Options Trade Alerts  
Options Trading Strategies  
How To Trade Options**

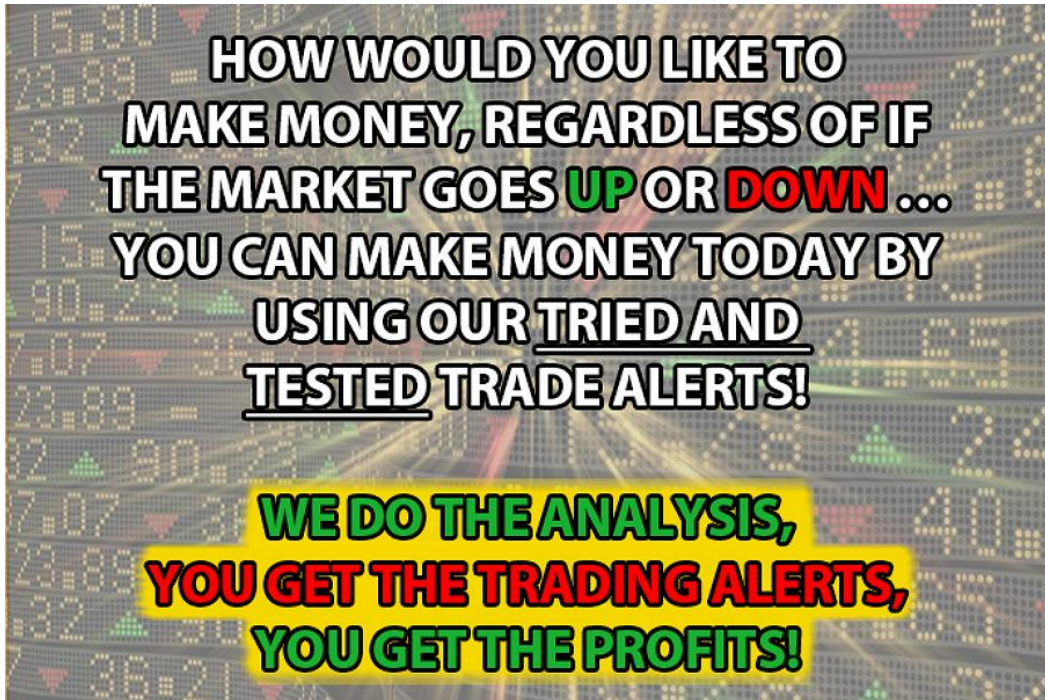
## **Proven Profits Trading Success**

**Results From Our Recent Trade Alerts:**

**207% Profits on SIG Puts in 6 Days  
48% Profits on BA Calls in 2 Days  
50% Loss on JPM Calls in 3 Days  
70% Profits on GLD Calls in 1 Day  
41% Profits on XLF Calls in 6 Days  
54% Profits on JPM Calls in 1 Day  
70% Profits on GLD Calls in 1 Day  
29% Profits on JPM Calls in 8 Days  
50% Loss on SPY Puts in 6 Days  
64% Profits on BAC Calls in 2 Days  
60% Profits on QQQ Puts in 2 Days**

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## **\$10,000 Trading Portfolio** **Charles Moskowitz Discussion**

There are 3 open positions:

Long 4 GLD April 119 Calls  
6 QQQ 108.50 Puts and  
2 SIG April 120 Puts

**Funds In Use = \$ 900**

### ***Are the Financials the Problem ???***

Week 14 was very productive in both accounts. We had gains of about 5% in total value in both, and both accounts have open positions in SIG that not only have no cost, but due to the gap from \$2.10 to \$4.30 we executed out on the 100% up rule at 207%. The gain for the week was \$572 and YTD is now \$3455.

Today's question is really a major issue for this market. Financials is the second largest sector of our market and it couldn't look worse. The dovish Fed comments and the weakness in retail give some very important clues to direction. This coming week we have the biggest bank earnings, and frankly, the news is ugly. Internationally, even with our tepid performance, banks look terrible. DB (Deutsche Bank) and HGSBF (Hong Kong Shanghai Bank) are either at new all-time lows or approaching them. The only good news is that we have such dramatically lowered expectations that the Q1 earnings are already in the market and any good news (and I don't expect any) would send bank stocks higher. As I've said repeatedly in this space, you can't have a sustained up market without the financials. The biggest hint of things to come may be the strength of the Jap Yen. Not only is it not good news for Japanese manufacturing, but the "Yen carry trade" where you borrow Yen at depressed levels to buy stocks, can cause a major problem for the S & P500. As the Yen strengthens they must be repaid and stocks liquidated to provide the monies needed. Added to this are the dramatic losses in the retailing business both in Japan and here in the US.

On Friday GPS (Gap Stores) lived up to its name and gapped down and closed down 13.84%. It was not alone, since most of our biggest retailers had a terrible week, with GPS -19%, M -8%, JWN -11% and ANF -9%. Coincidentally, Japan's biggest retailer, Fast Retailing gapped and fell from 298 to 244. This company has a 7% weighting in the Nikkei average.

The S&P500 and Nikkei have moved in tandem at the bottom and both rallied in concert, but this is no longer the case. To use the example of our market as "the best house in a bad neighborhood" I think it is unlikely that the rest of the world is going to be dragged up to our performance. The political climate, the continued demonization of our banks and Wall Street, and the data driven Fed all make me believe we are headed lower. We are well positioned for that move, but hyper-aware of the risk, and will keep a vigilant eye on being wrong.

Lastly, the Gold continues to find support at the 1210-1220 range. With the banking and currency issues in play, we will continue to maintain positions near support and watch the prior resistance near 1280-1290

.....**CAM**

## **Market Strategies \$10,000 Trading Account Trade Table**

DATE	TRADES	PRICE	COST	PROCEEDS	RESULTS
04/08	Bought 6 QQQ April 108.50 Puts	0.72	432		
04/07	Sold 2 SIG April 120 Puts ( 100% profit Rule + Gap )	4.30		860	<b>580 Gain</b>
04/07	Sold 8 JPM April 60 Calls ( 50% Loss Rule )	0.32		256	<b>248 Loss</b>
04/05	Sold 4 BA 128 Calls	1.84		736	<b>240 Gain</b>
04/04	Bought 4 BA April 128 Calls	1.24	496		
04/04	Bought 8 JPM April 60 Calls	0.63	504		
04/01	Bought 4 SIG April 120 Puts	1.40	560		
03/29	Sold 4 GLD April 119 Calls	1.38		552	<b>228 Gain</b>
03/28	Bought 8 GLD April 119 Calls	0.81	648		

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## **MARKET LABORATORY – WEEKLY CHANGES**

Prices are copied from [Barron's Weekly](#) and [Yahoo Finance](#) and may be incorrect.

<b>Dow</b> 17,576.96 -215.79 -1.21%	<b>Nasdaq</b> 4850.69 -63.85 -1.30%	<b>S&amp;P 500</b> 2047.60 -26.18 -1.21%	<b>Transportation</b> 7736.28 -151.49 -1.92%	<b>Russell 2000</b> 1097.31 -20.37 -1.82%	<b>Nasdaq100</b> 4474.93 -57.16 -1.26%
<b>Gold (spot)</b> 1242.50 +20.30 +1.7%	<b>Silver</b> 1538.4 +33.8 +2.3%	<b>Crude</b> 39.72 +2.83 +7.7%	<b>Heating Oil</b> 120.04 +6.87 +6.1%	<b>Unleaded Gas</b> 1.4637 +0.0621 +4.4%	<b>Natural Gas</b> 1.990 +0.034 +1.7%

VIX 13.10 -1.64 -11.0%	Put/Call Ratios S&P 100 146/100's +1/100's	Put/Call Ratios CBOE Equity 64/100's -18/100's	Bonds 166-06 +1-26 2.55% - 0.06%	10 Yr. Note 131-01+236 1.72%-0.07%	Copper 208.70 -7.60 -3.5%
CRB Inflation Index 171.04 +3.01 +1.8%	Barron's* Confidence 68.2 +1.4	S&P100 909.03 -10.30 -1.12%	5 Yr. Note 121-152 +142 1.16% -0.08%	Dollar 94.19 -0.42 -0.4%	DJ Utilities 660.11 -10.93 -1.63%
AAll Confidence Index  Long Term Average	Bullish 32.2% +5.0%  38.74%	Bearish 21.5% -4.3%  30.30%	Neutral 46.3% -0.7%  30.96%	M1 Money Supply +6.24% Mar 28 <sup>th</sup>	M2 Money Supply +6.64% Mar 28 <sup>th</sup>

\* Component Change in the Confidence Index

M1...all money in hands of the public, Time Deposits Traveler's Checks, Demand Deposits

M2.. adds Savings and Money Market Accounts both compared with the previous year.

## Market Strategies Technical Information

### Support/Resistance Levels:

### SUPPORT

### RESISTANCE

S&P 500	2026	2077
Dow	17,250	17,763
QQQ	106.90	111.70
Transports	7625	7940
NASDAQ	4740	4945

The DJT failed to close above its 200-day m.a. which was the previous week's sell signal. The DJT continued as the worst performing index, down 4 days out of 5 last week, to lead the indexes lower. The indexes all have plenty of overhead resistance just ahead of seasonal earnings reports. S&P 500 Quarterly earnings, expected to be \$ 26.28/ S&P share, are now projected to drop 9.1% from the fourth quarter of 2015. That means any surprises will be to the upside as expectations are for the earnings recession to continue.

## **\$100,000 Trading Portfolio** **Stock Positions and Trades**

Each stock is allocated a theoretical \$ 5,000 share of the portfolio unless otherwise indicated.

Stock	Purchase Price	Purchase Date	Stop/Loss	Price/ Date Sold	Profit/ (Loss)
UVXY 100	22.09	04/07			
SPXU 100	29.51	04/05		28.99 04/06	( \$ 52 )
SIG 50	119.88	04/05		124.20 04/01 Shorted	\$ 216
VRX 50	29.31	04/04		25.96 04/04	( \$ 118 )
XLF 200	22.25	03/24			
SCO 20	111.08	03/18		138.20 04/01	\$ 542
SUN 300	29.50	02/23		Sold 3 32.50 Calls	\$ 900 credit
STNG 500	6.02	02/22			
EYES 1000	6.49	12/28			
APC 100	51.21	12/10			
VA 200	36.50	12/08		55.00 04/04	\$ 3700
APC 100	53.53	12/07			
LVL 100	50.81	11/23			
TWTR 200	28.51	10/28			
MOS 100	43.55	08/14			
NBGGY 600	1.40	02/17			
BAC. Wts 5,000 lots	0.7411	12/26			
BSBR 500	4.84	12/18			
500	3.75				
SAN 600	8.40	12/16			
AA 500	14.21	10/16			
NBGGY 300	2.95	05/19			
NBGGY 300	4.08	8/12			
TEXQY* 200	6.56	7/11			
REPR* 5000	0.22	10/22/12			

**SCO means Stop Close Only**

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For those of you who do not buy puts to protect your portfolio, there are many ETF's that are the inverse of the DOW. The symbols are **DOG, DXD, SDS, TZA and RWM**, which go up when the DOW, S&P 500 and Russell 2000 go **down and down when they go up. The DZZ goes up double when gold goes down.**

## **Market Strategies \$100,000 Trading Account**

There were three closed option positions:

JPM April 60 Calls were sold for a loss of \$ 496  
BA April 128 Calls made a gain of \$ 480.  
Half of the 8 lot SIG position was sold for a gain of \$ 1160.

The net gain in options was \$ 1148.

There were four closed out stock positions:

50 shares of the VRX lost \$ 118  
50 lot position in SIG made a gain of \$ 216  
100 SPXU's lost \$ 52  
while the big gain was VA making \$ 3,700

**The result for the entire week was a net gain of \$ 4, 894.**

**For the entire year on closed out trades, our profits increased to \$13,599.**

The options expire on the third Friday of each Month unless otherwise posted.

The Stock table has the following 20 positions:

AA, APC(2), BAC.B.WS, BSB( 2 ), EYES, LVL, MOS, NBGGY (3), REPR, SAN, STNG, SUN, TEXQY, TWTR, XLF, Short 3 SUN Calls

The options call for a \$ 2,500 investment unless otherwise stated; each stock position requires \$5,000 unless otherwise mentioned specifically.

We are basing money management on a hypothetical \$ 100,000, using a total of \$75,896 for the 19 open long stock positions plus a credit of \$900 for the SUN written Calls, which reduces the requirement to \$ 74,996. The Open Option Positions require \$ 1,800. This increases the margin requirement to \$ 76,796, leaving \$ 23,204 in cash.

These figures are approximate and there might be errors.

We have not counted the dividends received from many previous trades such as Apple, Colgate Palmolive, JP Morgan, North American Tankers, STNG, Santander, which pays over 5%, their Brazil affiliate BSBR and Blue Capital Reinsurance which was sold for a profit and many others.

The trading is hypothetical and we do not count commission costs.

Executions that have occurred at or near the open or close of trading sometimes vary from our actual numbers. For example, when something opens down and it is through our price, we take the next trade whether it is an uptick or continues lower. This sometimes results in a 50% trade that is slightly above or below the exact number.

### **Previous Week's Recommendations and Rules for the Market Strategies \$100,000 Portfolio Trading Account**

- All options count for about \$ 2,500.00 for model portfolio calculations unless otherwise stated
- When the option has doubled sell half the position
- Stop Loss protection is either half or offered with each trade
- The cost of the option is the asking price (or the price between the bid and ask, whichever is more realistic)
- The options will be followed until closed out.
- Option Symbols are stock symbol with expiration month and strike price



Option	Cost	Date	Sold	Date	Profit/ (Loss)
QQQ April 108.50 12 lots	Puts 0.72	04/08/16			
BA April 128 8 lots	Calls 1.24	04/04/16	1.84	04/05/2016	\$ 480
JPM April 60 16 lots	Calls 0.63	04/04/16	0.32 ( 50% Loss Rule )	04/07/2016	( \$ 496 )
SIG April 120 8 lots	Puts 1.40	04/01/16	4.30 Sold Half on 100% Up Rule	04/07/2016	\$ 1160
Leaves 4 lots					
GLD April 119 8 lots open	Calls 0.81	03/28/16	1.38 Sold Half	03/29/2016	\$ 456
SUN June 32.50 3 lots written	Calls		3.00	02/23/2016	\$ 900 credit Covered write

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### **This Weeks' Economic Numbers** **Earnings Releases and Media Data**

**Before the Open on top of the Row;**  
**After the close below the Economics Information**

<b>MONDAY</b>	10:00 hrs Factory Orders February ( -1.7% vs +1.6% )  10:15 hrs <b>Boston Fed President Eric Rosengren</b> ( FOMC voter ) speaks on cybersecurity and financial stability 17:15 hrs and 19:00 hrs <b>Minneapolis Fed President Kashkari</b> ( non-FOMC voter ) participates in a town hall discussion ending " too big to fail." <b>Alcoa AA</b> ( 0.03 vs 0.28 ) <b>Bank of Ozarks</b> ( 0.57 vs 0.47 )
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<b>TUESDAY</b>	<p>Fastenal FAST ( 0.44 vs 0.43 ) Perry Ellis PERY ( 0.35 vs 0.07 )</p> <p>08:30 hrs Export Prices ex-agriculture March ( NA vs -0.4% )  08:30 hrs Import Prices ex-oil March ( NA vs -0.1% )  14:00 hrs Treasury Budget March ( NA vs \$ 52.9Bln )  CSX CSX ( 0.37 vs 0.45 ) Healthcare Services Group HCSG ( 0.26 vs 0.22 ) Layne Christensen LAYN ( -0.28 vs -1.17 ) Team TISI ( 0.11 ) Adtran ADTN( 0.1 vs 0.10 )  David's Tea Inc DTEA ( 0.43 )</p>
<b>WEDNESDAY</b>	<p>JP Morgan Chase JPM ( 1.26 vs 1.45 ) Commerce Bancshares CBSH ( 0.63 vs 0.61 )</p> <p>07:00 hrs MBA Mortgage Index 04/09 ( NA vs +2.7% )  08:30 hrs PPI March ( 0.3% vs -0.2% )  CORE PPI ( +0.2% vs 0.0% )  08:30 hrs Retail Sales March ( +0.1% vs -0.1% )  Retail Sales ex-auto March ( +0.4% vs -0.1% )  10:00 hrs Business Inventories Feb ( -0.1% vs + 0.1% )  10:30 hrs Crude Inventories 04/09 ( NA vs -4.937 Mln Bbls )  14:00 hrs Fed's Beige Book April ( NA )  Pier 1 Imports PIR ( 0.21 vs 0.39 ) Jumei International JMEI ( 0.04 vs 0.08 )</p>
<b>THURSDAY</b>	<p>Bank of America BAC ( 0.22 vs 0.27 ) BlackRock BLK ( 4.33 vs 4.89 ) Delta Airlines DAL ( 1.29 vs 0.45 ) First Republic Bank FRC ( 0.80 vs 0.68 ) Taiwan Semi TSM ( 2.50 vs 3.05 )  PNC PNC ( 1.70 vs 1.75 ) Wells Fargo WFC ( 0.98 vs 1.04 ) Progressive PGR 0.51 vs 0.50</p> <p>08:30 hrs CPI March ( +0.3% vs -0.2% )  CORE CPI ( + 0.2% vs +0.3% )  08:30 hrs Initial Claims 04/09 ( 268K vs 267K )  08:30 hrs Continuing Claims 04/02 ( NA vs 2191K )  10:30 hrs Natural Gas Inventories 04/09 ( NA vs + 12 bcf )  Marvell MRVL ( 0.10 vs 0.25 ) First Financial FFIN ( 0.39 vs 0.37 )</p>
<b>FRIDAY</b>	<p>08:30 hrs Empire Manufacturing April ( + 2.3 vs +0.6 )  09:15 hrs Industrial Production March ( 0.0% vs -0.5% )  Capacity Utilization March ( 75.5% nvs 76.7% )</p> <p>10:00 hrs Michigan Sentiment April ( 92.0 vs 91.0 )  16:00 hrs Net Long Term TIC Flows Feb ( NA vs -\$ 12.0Bln )</p> <p><b>U.S. Oil Rig Count</b> fell 8 to 354, US Crude prices rose 6.6%; Brent prices shot up 6.4% BP shares were up 3.5%; Royal Dutch Shell RDSA climbed 4.2%; Chevron gained 1.6%; Exxon Mobil rose 1%</p>

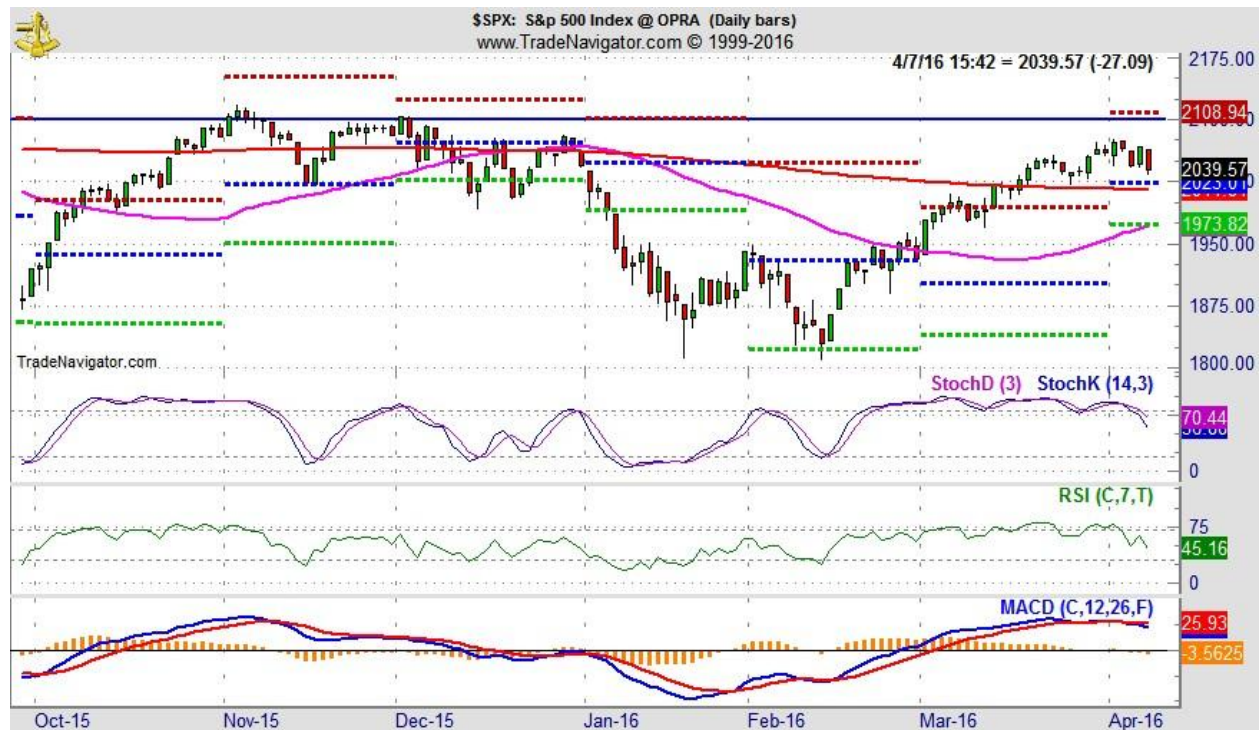
## **Market Strategies Fundamentals**

April, DJIA's best performing month of the year since 1950, has not gotten off to a great start. April 1 and April 6 were solid, but the other three trading days were losers and DJIA is down 1.1% for the month as of Friday's close. Once again, earnings and global growth concerns are at the top of the list of reasons for today's selloff. The Dow Jones Transportation Index is down 208.83 for the month or -2.6%. Both the Dow and S&P 500 have remained above their critical 200-day moving averages while the DJT has careened well below it.

For the beginning of the critical month of April, the S&P 500 has had 3 up day and 3 down days for a net gain of 31 points. The Dow had 2 up day and 4 down days making a loss of 196 while the Tranny had only 1 up day and 5 down days losing 208 points.

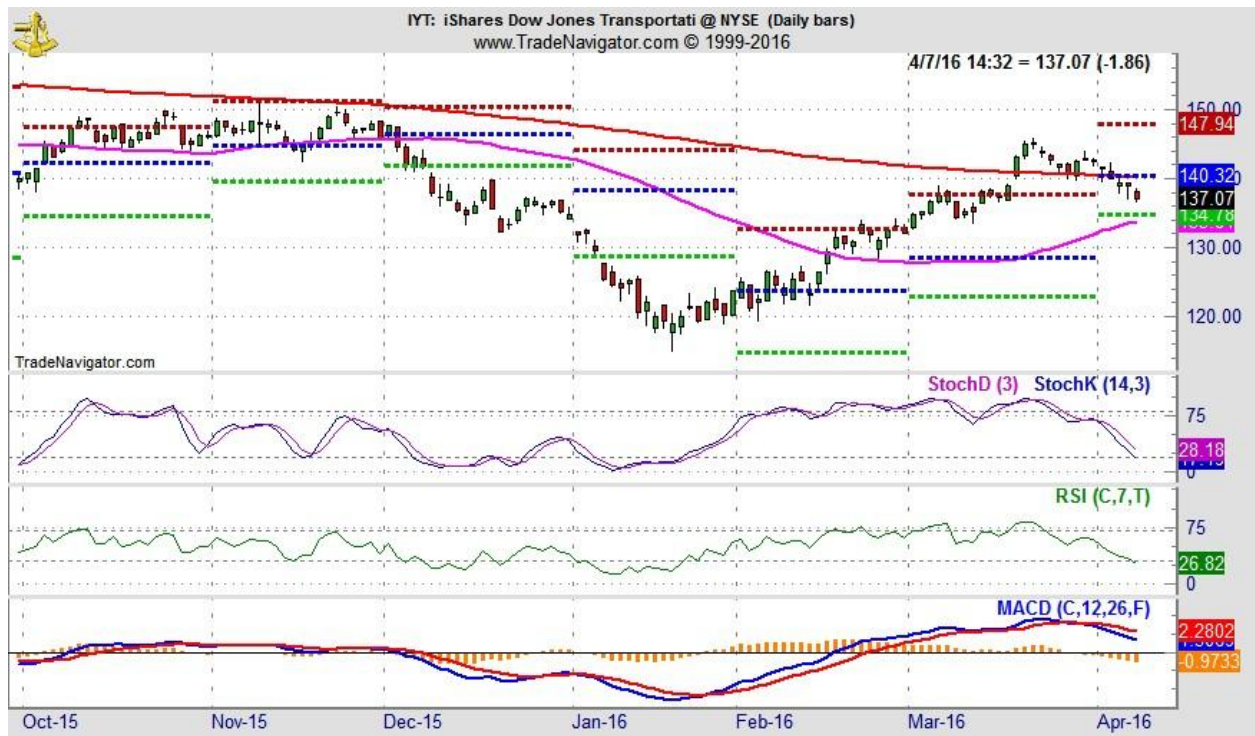
Just a few days of weakness has caused Stochastic, relative strength and MACD indicators applied to DJIA, S&P 500 and NASDAQ to turn negative. The shift in momentum also occurred within a few percentage points of the highs from Q4 of last year for DJIA and S&P 500. NASDAQ's rally off the

February lows was not as strong and it came up well short of its highs. It now appears the market's next move will be lower. DJIA 17000, S&P 500 1993 and NASDAQ 4725, last month's monthly pivot point resistance level (red dashed line in March on each chart above), appear to be the first area of support.



All three Indicators, the MACD, RSI and Stochastics have all broken down signaling seasonal weakness just ahead of earnings.

The Transportation Average and Bond charts tell the true story of the markets. Either the Bonds are too high or the DJT, Dow and S&P are too low. They both can't be levitating concomitantly. The tug-of-war between inflationary and deflationary assets is likely to be resolved in 2016. Either U.S. stock prices, which have been an outlier to the upside, are wrong, and a significant correction awaits stock investors, or U.S. bond prices, and global sovereign bond yields, which have priced in a significant deflationary headwind, are wrong, and safe-haven bond holders are set for losses. With both asset classes simultaneously priced for extremes, investors would be well served, in my opinion, to consider out-of-favor assets, including commodity and emerging market equities and alternative investment approaches. The XME, a metals and mining ETF, is an indicator that prices may be turning up which also would be a negative for bonds.







**Oil prices climbed sharply** on Friday the most in two months after new data from the U.S. Energy Information Administration showed that U.S. crude production continued to decline, and crude stockpiles fell. Baker Hughes' (NYSE:BHI) data revealed that the number of active oil rigs in the U.S. dropped to 354, the lowest level since 2009. According to Baker Hughes, the average U.S. rig count for March 2016 was 478, down 54 from the 532 counted in February 2016, and down 632 from the 1,110 counted in March 2015. Exxon's refining operations have benefited from higher crack spreads and lower oil and natural gas price. The segment earnings in 2015 of \$6,557 million were 115.3% higher than the earnings in 2014.

**The dollar closed at 94.49**, down 0.12 or -0.1% for the week, virtually unchanged.. Crude oil rallied sharply up almost 8% to \$ 39.92. Church and Dwight made a new all-time high (CHD: \$ 94.11) + 0.4% following + 2.25 or +2.5% for the previous week. Colgate Palmolive and Coca-Cola were steady at their monthly highs. Ulta Salons ( ULTA \$ 200.51 ) + 6.33 or + 3.3% was added to the S&P 500.

**Wholesale Inventories** in the U.S. fell 0.5% in February the fifth consecutive month of declines. Inventories of Durable Goods declined by 0.1% while nondurables fell 1.1%.

**Atlanta Fed's GDP Model now forecasts** First Qtr GDP to have grown just 0.1% versus 0.4% prior.



Alcoa set to begin earnings season Monday, April 11<sup>th</sup> after the close..





## **Market Strategies Economic Data**

The ISM Non-Manufacturing Index edged up to 54.5 in March from 53.4 in February. The March reading was above the Briefing.com consensus estimate of 54.0 and is the highest reading this year; however, the index stood at 56.9 in the same period a year ago.

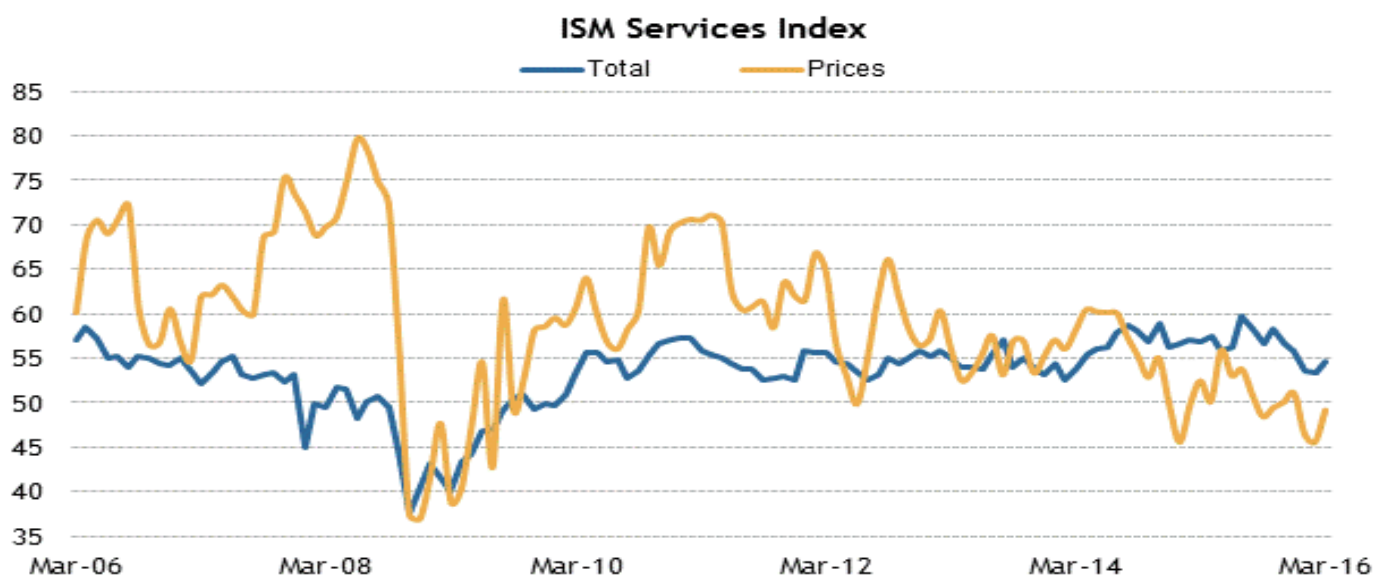
The Non-Manufacturing Index report follows on the heels of the ISM Manufacturing Index, which also surprised to the upside. The dividing line between expansion and contraction is 50.0.

March marked the 74th straight month of expansion for the non-manufacturing sector.

The improvement in March for the Non-Manufacturing Index was aided by upticks in several component indexes, namely new orders (from 55.5 to 56.7), employment (from 49.7 to 50.3), prices (from 45.5 to 49.1), and new export orders (from 58.5 to 53.5).

The import index (from 55.5 to 53.0) was the only index to turn down from February. .

Category	MAR	FEB	JAN	DEC	NOV
Non-Manufacturing ISM index	54.5	53.4	53.5	55.8	56.6
Business Activity	59.8	57.8	53.9	59.5	59.4
New Orders	56.7	55.5	56.5	58.9	57.9
Employment	50.3	49.7	52.1	56.3	56.0
Deliveries (nsa)	51.0	50.5	51.5	48.5	53.0
Inventories (nsa)	52.5	52.5	51.5	53.0	54.5
Exports (nsa)	58.5	53.5	45.5	53.5	49.5
Imports (nsa)	53.0	55.5	46.0	49.0	51.0
Prices Paid	49.1	45.5	46.4	51.0	50.



Source: Institute for Supply Management; updated 04/05/16

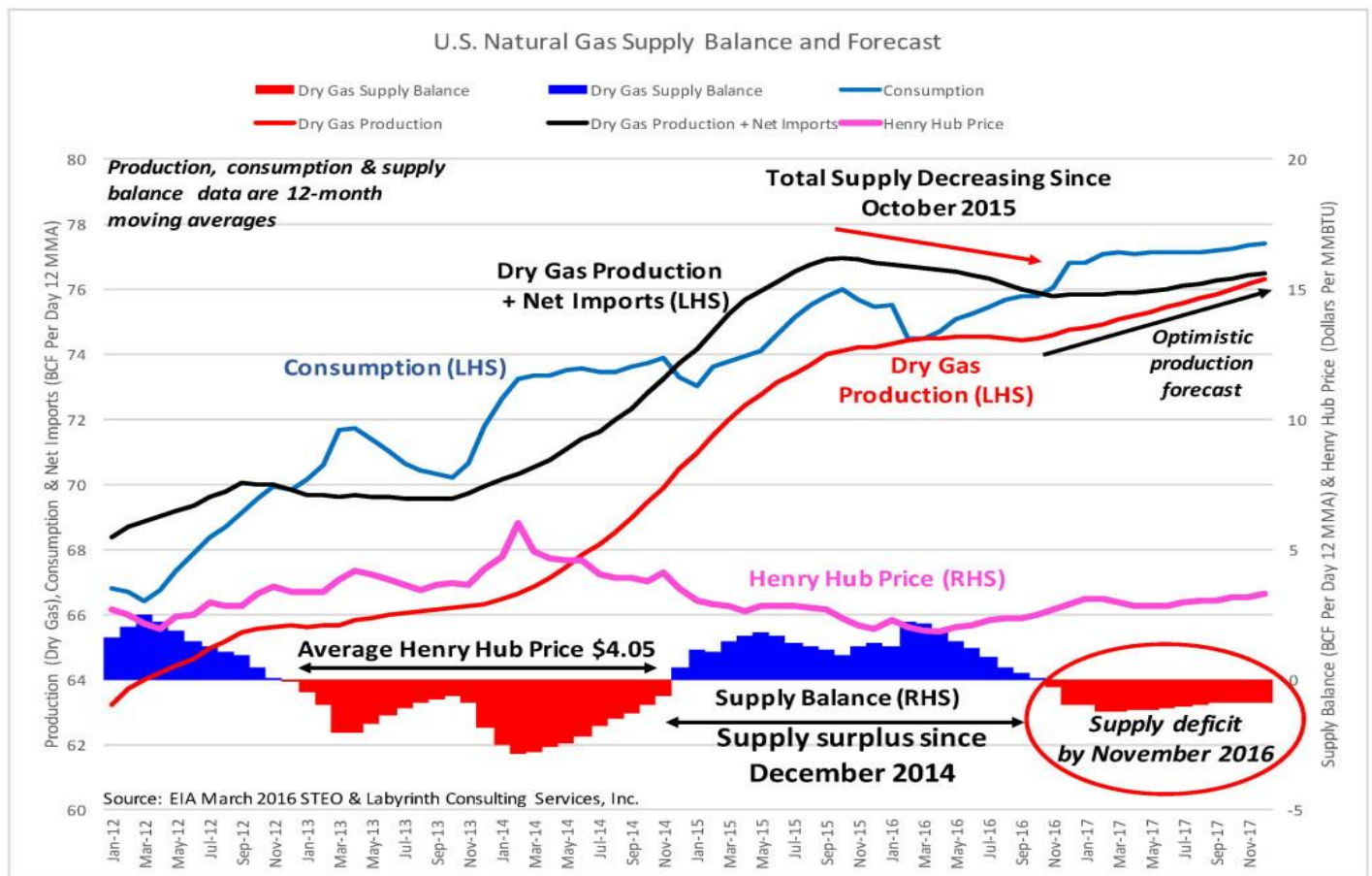
**Briefing.com**

## Market Strategies Cycles

Natural gas prices could double over the next year. The UNG can be bought on closes above 6.75. or between 6.60 and 6.70 with very limited downside risk.

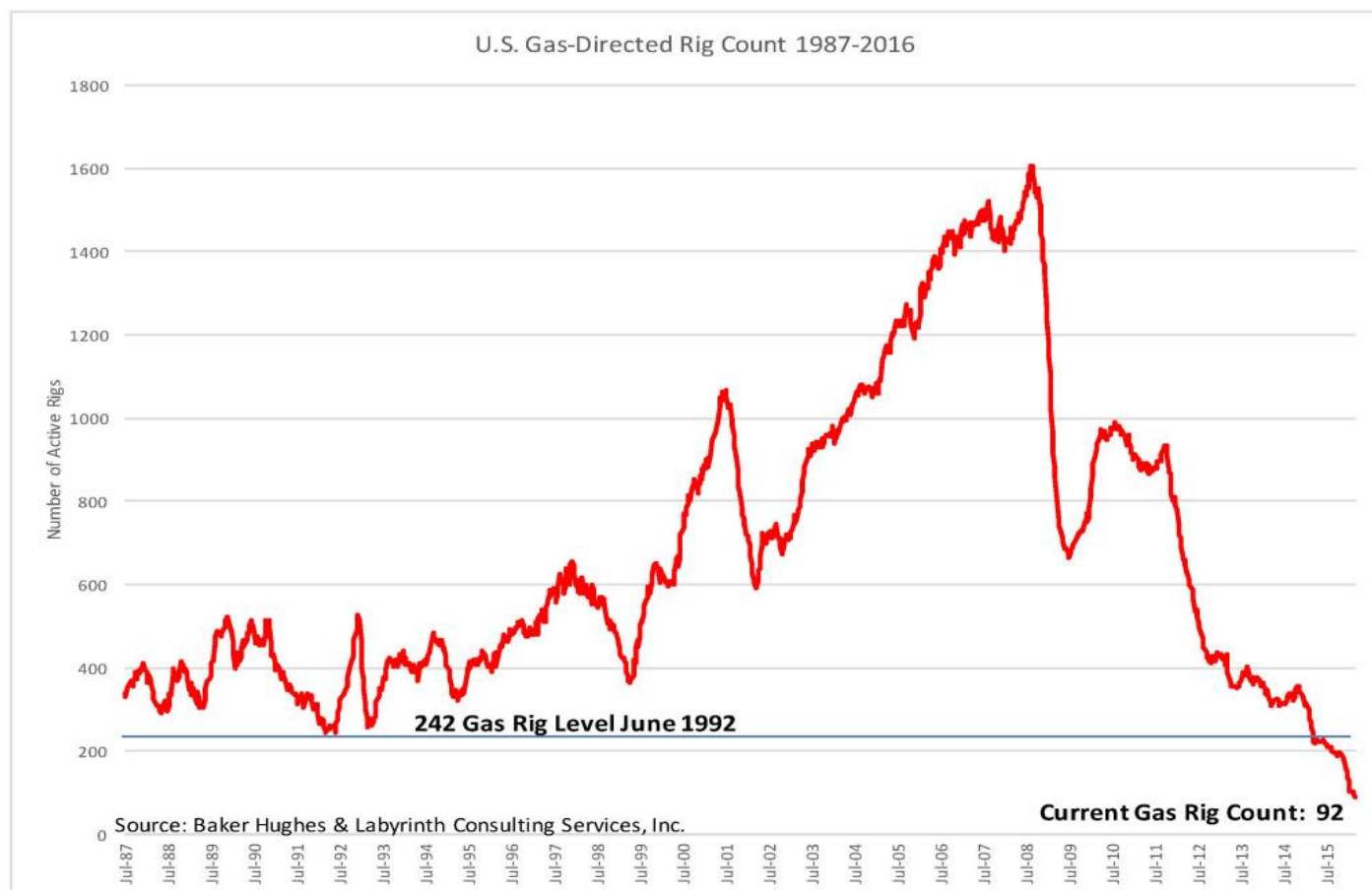
Over-supply plus a warm 2015-2016 winter have resulted in low gas prices. That is about to change because supply is decreasing (Figure 1).

Total supply-dry gas production plus net imports-has been declining since October 2015\* because gas production is flat, imports are decreasing and exports are increasing. **Shale gas production** has stopped growing and **conventional gas** has been declining for the past 15 years. As a result, the supply surplus that has existed since December 2014 is disappearing and will move into deficit by November 2016 according to data in the EIA March **STEO** (Short Term Energy Outlook)



Posted in [The Petroleum Truth Report](#) on April 7, 2016

During the last supply deficit from December 2012 to November 2014, Henry Hub spot prices averaged \$4.05 per mm Btu. Prices averaged \$1.99 per mm Btu in the first quarter of 2016 so it is reasonable that prices may double during the next period of deficit. EIA forecasts that gas prices will increase to **\$3.31** by the end of 2017 but that is overly conservative because it assumes an immediate and improbable return to production growth once the supply deficit and higher prices are established (Figure 1).



Production companies are in financial distress and are unlikely to return to gas drilling at the \$2.75 price that EIA forecasts for November 2016. The oil-field service industry is in disarray and is probably unable to reassemble drilling and fracking crews and equipment in less than 6 to 12 months after demand resumes.

There are currently [92 rigs](#) drilling for gas. That is 150 rigs less than the previous record-low set in 1992 (Figure 2). Production cannot be maintained at this level despite unrealistic faith in drilling efficiency and spare capacity from uncompleted wells.

#### Stock Trader's Almanac Seasonal Trades:

SELL SPDR DJIA (DIA), SPDR S&P 500 (SPY), Vanguard REIT (VNQ) and iPath Bloomberg Copper TR Sub-Index ETN (JJC).

Continue to HOLD technology and small cap related ETFs as NASDAQ's "Best Eight Months" ends in June.

**BUY** half positions in **AdvisorShares Ranger Equity Bear** (HDGE) on dips with a Buy Limit of 10.70, **iShares 20+ Year Treasury** (TLT) on dips with a Buy Limit of 129.75 and **iShares Core US Aggregate Bond** (AGG) on dips with a Buy Limit of 110.35.

Traders/investors following the **Best 6 + 4-Year Cycle** switching strategy detailed on page 62 of the *Stock Trader's Almanac 2016* can ignore this signal, but should strongly considering tightening stop losses and adding some downside protection.

## Almanac Investor ETF Portfolio

		Presented		4/4/2016		Buy	Stop	Auto	
Ticker	Exchange Traded Fund	Date	Price	Price	Return	Limit <sup>1</sup>	Loss <sup>1</sup>	Sell <sup>2</sup>	Current Advice <sup>1</sup>
XLK	SPDR Technology	9/22/15	42.20	44.53	5.5%		37.98	52.08	Hold
VNQ	Vanguard REIT	9/22/15	76.65	83.57	9.0%		71.73	95.44	Sell
JJC	iPath Bloomberg Copper TR Sub-Ind ETN	12/3/15	23.45	24.66	5.2%				Sell
USO	United States Oil	1/19/16	8.49	9.08	6.9%		9.00		Hold
XLU	SPDR Utilities	2/2/16	45.50	49.60	9.0%		40.95	55.00	Hold
ZSL	ProShares UltraShort Silver	2/4/16	52.50	52.58	0.2%		44.63		Hold
DIA	SPDR DJIA	2/18/16	163.44	177.12	8.4%				Sell
IWM	iShares Russell 2000	2/18/16	99.95	110.19	10.2%		94.79		Hold
QQQ	PowerShares QQQ	2/18/16	101.35	109.94	8.5%		96.55		Hold
SPY	SPDR S&P 500	2/18/16	192.09	206.25	7.4%				Sell
HDGE	Ranger Equity Bear	2/18/16	10.70	10.72	New	10.70			Buy Dips
IYW	iShares U.S. Technology	3/1/16	100.00	108.81	Cancelled				Cancelled
FCG	First Trust ISE-Revere Natural Gas	3/3/16	4.30	4.00	-7.0%		3.80		Hold
UNG	United States Natural Gas	3/3/16	6.05	6.82	12.7%		5.78		Hold
TLT	iShares 20+ Year Treasury Bond	4/4/16	129.75	130.76	New	129.75			Buy Dips
AGG	iShares Core US Aggregate Bond	4/4/16	110.35	110.62	New	110.35			Buy Dips
Open Position Average % Return					6.3%				
Average Total % Return					2.6%				

<sup>1</sup> STANDARD POLICY: SELL HALF ON A DOUBLE, Buy Limits good til cancel, Stop only if closed below Stop Loss, (S) = Short Trade, \*\*\* Spilt adjusted

Current Advice is based upon closing prices as they appear in table. <sup>2</sup>Auto Sell price based upon historical sector returns plus 10%. <sup>3</sup>Average purchase price.






# APRIL 2016

**Sector Seasonalities: Long = (L); Short = (S)**

Start: Computer Tech (L)

In Play: Banking (L), Consumer Disc. (L), Consumer Staples (L), Healthcare (L),  
Materials (L), Real Estate (L), Transports (L), Oil (L), Natural Gas (L),  
High-Tech (L), Utilities (L)

Finish: Broker/Dealer (L)

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT	SUN
<p><b>*Tuesdays:</b> Wkly Chain Store Sales &amp; Avg Hrly Earnings  <b>*Wednesdays:</b> Oil &amp; Gas Inventories  <b>*Thursdays:</b> Wkly Unemployment Report, Wkly Mutual Fund Flows &amp; Wkly Natural Gas Storage Report  <b>*Fridays:</b> Wkly Leading Economic Index  <b>*Except holidays</b></p>				<p><b>1</b> </p> <p><b>DJIA Up 16 of Last 21</b>            Construction Spending            ECRI Future Inflation Index            Employment Rate            ISM Index            U Mich Consumer Sentiment            Vehicle Sales</p>	<b>2</b>	<b>3</b>
<p><b>4</b> </p> <p>Factory Orders Semiconductor Billings</p>	<p><b>5</b></p> <p><b>DJIA: 2.7% Up 16 Down 5 Rank #1</b></p> <p>ISM Non-Mfg. Index Int'l Trade Deficit</p>	<p><b>6</b></p> <p><b>Average April Gains Last 21 Years:</b></p> <p><b>S&amp;P: 2.1% Up 16 Down 5 Rank #1</b></p> <p>FOMC Minutes</p>	<p><b>7</b></p> <p><b>NAS: 1.9% Up 14 Down 7 Rank #3</b></p> <p>Chain Store Sales Consumer Credit</p>	<p><b>8</b></p> <p>Wholesale Trade</p>	<b>9</b>	<b>10</b>
<p><b>11</b></p> <p><b>First Trading Day Of Expiration Week, DJIA Up 18 of Last 27</b></p>	<p><b>12</b></p> <p>Import/Export Prices Treasury Budget</p>	<p><b>13</b></p> <p><b>April is the Best Month for the DJIA, Average Gain 1.9% Since 1950, 3rd Best S&amp;P, 4th Best NASDAQ (1971)</b></p> <p>Beige Book Business Inventories PPI Retail Sales</p>	<p><b>14</b></p> <p>CPI</p>	<p><b>15</b>  </p> <p><b>Expiration Day DJIA Up 14 of Last 19</b></p> <p>Industrial Production U Mich Consumer Sentiment</p>	<b>16</b>	<b>17</b>
<p><b>18</b> </p> <p><b>Income Tax Dealine</b></p> <p>NAHB Housing Mkt Index</p>	<p><b>19</b> </p> <p><b>April 1999 First Month Ever to Gain 1000 Dow Points, Bested by October 2011 End of "Best Six Months" of the Year for DJIA and S&amp;P 500</b></p> <p>Housing Starts</p>	<p><b>20</b> </p> <p>Existing Home Sales</p>	<p><b>21</b> </p> <p>Leading Indicators Philadelphia Fed Survey SEMI Book to Bill Ratio</p>	<p><b>22</b></p>	<b>23</b>	<b>24</b>
<p><b>25</b></p> <p>New Home Sales</p>	<p><b>26</b></p> <p>Consumer Confidence Durable Goods</p>	<p><b>27</b></p> <p>FOMC Meeting</p>	<p><b>28</b> </p> <p>GDP - Q1 Advance</p>	<p><b>29</b></p> <p>Agricultural Prices ECI ISM-Chicago Personal Income/Spending U Mich Consumer Sentiment</p>	<b>30</b>	
<p><i>Economic release dates obtained from sources believed to be reliable. All dates subject to change.</i></p>				<p> Bull symbol signifies a favorable day based on the S&amp;P 500 Rising 60% or more of the time on a particular trading day 1995-2015</p>	<p> Bear symbol signifies an unfavorable day based on the S&amp;P 500 Falling 60% or more of the time on a particular trading day 1995-2015</p>	

## **Undervalued Small Cap Stocks**

**Lower Priced stocks that look to be a buy:**

### **Repro-Med Systems, Inc ( OTCQX: REPR 0.31 )\***

Repro-Med Systems, Inc has had an increase in sales each of the last four years. They finished the year of 2014 with \$ 11.2 million in sales reflecting top line growth of 29% from 2013. In each of the previous two years they had a 12% increase in sales. The company has had at least \$ 700 thousand of net income in each of the past four years and has no debt. The patented needle sets alone can give the company a huge growth potential. In my opinion, with new products coming on stream, the stock should trade between \$ 3 and \$ 8 in the next two years.

Fourth quarter preliminary net revenues will exceed \$3.2 million, representing a slight increase over the \$3.1 million of the previous quarter. Sales are led by the Company's proprietary infusion products. The Company's fiscal year ended February 29, 2016.

This month the Company participated in the 25th Annual National Home Infusion Association (NHIA) Conference and Expo in New Orleans, LA and used the occasion to introduce its new "On-Line Calculator", a tool to help determine which of the Company's Precision Flow Rate Tubing™ and RMS HlgH-Flo Subcutaneous Needle Sets™ to use based on the medication being administered and desired time of infusion.

RMS Medical Products was one of 110 exhibitors in attendance at NHIA. Customers responded well to the new calculator and expressed that the new format of the "On-Line Calculator", which can be used on any computer, tablet, or mobile device, was easy to use and very helpful. The marketing and sales teams continue to build new relationships and expand the Company's customer base as evidenced by continued strong sales.

Andy Sealfon, Company President and CEO commented, "The military has expressed interest in our products for utilization in emergency applications as well as use in VA hospitals. We believe that because of our performance standards and the reliability of our products, we will provide them with great value and benefits."

The Company manufactures medical products used for infusions and suctioning. The Infusion product portfolio currently includes the FREEDOM60<sup>(R)</sup> and the newer FreedomEdge™ Syringe Infusion Pumps, RMS Precision Flow Rate Tubing<sup>(TM)</sup> and RMS HlgH-Flo<sup>(TM)</sup> Subcutaneous Safety Needle Sets. These devices are used for infusions administered in professional healthcare settings as well as at home. The Company's RES-Q-VAC line of medical suctioning products is used by emergency medical service providers in addition to a variety of other healthcare providers.

NHIA is a trade association representing the interests of entities providing infusion and specialty pharmacy products and services to home-based infusion patients.

**The Company's website is [www.rmsmedicalproducts.com](http://www.rmsmedicalproducts.com).**



## **Oakridge Global Energy Solutions, Inc. (OTCQB: OGES 0.82) \***

Oakridge global energy is a developer, designer and manufacturer of proprietary energy storage solutions. The Company is based out of Florida's "space coast" near Kennedy Space Center. They make premium quality, proprietary batteries, battery systems and lithium ion cells that are built for maximum performance over the traditional lead/acid batteries. OGES, proudly manufacturing in America since 1986, produces batteries for military, consumer, government, and industrial applications. Target market priorities include golf cars and other recreational vehicles, electronics, and devices requiring rechargeable batteries.

Oakridge Energy produces highly reliable, sustainable and dependable batteries for mobile power sources. Based on size and weight, OGES products deliver a higher capacity than comparable competitor batteries. OGES batteries are higher in quality, longer lasting and safer to use. These batteries have undergone and passed rigorous military testing in underwater and aerial vehicles proving to be high/low pressure tolerant. Most significant, OGES batteries are superior performing yet competitive in the market.

Martac Maritime Tactical Systems, Inc., MARTAC recently conducted very successful field trials on the Inter-coastal waterway in Palm Bay, Florida. MARTAC is a Melbourne, Florida based company that designs and produces the Man-Portable Tactical Autonomous Systems (MANTAS) that can reach extreme high speeds and operate anywhere in the world. These vehicles are designed to be used in numerous applications including naval fleet protection, mine warfare, port and harbor security patrol, antipiracy, search and rescue, and many others. shows our high quality and high performance gets us into the military space at a time when made in USA is of critical strategic importance.

Freedom Trucks shows that Oakridge can outperform Tesla and the "Tesla of trucks" - trucks are much more difficult and laborious to power than cars - because of the Oakridge high power high energy dense batteries, we need only 180 OGES batteries to power the interstate truck that pulls an 80,000 lb trailer, whereas it would take 208,000 Tesla/Panasonic batteries, which is simply not feasible.

Lithium ion batteries, deliver twice the energy of nickel cadmium batteries and are the fastest growing battery segment. Their growth and demand dynamically forward trending. They are lightweight and easy to maintain. They deliver superior electro-chemical output and provide highest energy density for weight, non-metallic and are rechargeable. In 2015, the OGES ProSeries golf car was launched at the annual PGA show, the largest golf show in the world. OGES plans to have a new factory producing its patented thin film solid state lithium ion batteries by 2017. OGES is commencing delivery of small format prismatics to help several smart card customers reach the next generation. Their growth will be serviced by the new factory. These batteries are also in a rapidly growing demand for a variety of p loss 11.36.applications.

Oakridge has recently continued expansion of its ISO certified manufacturing facility and warehouse in Palm Bay, with the support of Florida Governor Rick Scott. The new facility represents a \$270 million investment, increasing the size of the manufacturing plant to 70,000 sq-ft to accommodate the growing demand for OGES batteries. Production is expected to increase from 250,000 to 25 million cells per year by 2018. The company's growth will provide 1000 Americans with new jobs; this is part of the company's commitment to support domestic employment. Overseas, Oakridge Global Energy Solutions Limited (Hong Kong) is a subsidiary company that operates for sales and service in Asia.

## **Gold Mining USA OTC: GMUI ( 0.06 )**

Has both mining activities in Australia and the U.S. as well as the Savannah Resort, a senior living facility in Queensland, Australia. For more information please go to their website [www.gmuiinc.com](http://www.gmuiinc.com).

Gold Mining USA Inc is an emerging natural resources company focused on developing metallurgical and mining projects. The Company's business model is to acquire projects with the potential to provide significant resources through exploratory drilling and generate value through their development, joint venture or divestment. GMUI has a team of experts who will manage all mining operations available on their website. In addition GMUI has an Offtake Agreement with a prestigious Swiss-based Gold buyer and Refiner to purchase its gold production at the spot price at the London Bullion Market ( LBMA ) on the day gold is collected.

**GMUI Strategy:** The company uses strict investment criteria for project acquisitions and focuses on available tenements in proximity to operating mines, or in areas with proven or potential in-ground resources in regions suitable for short-term development. Projects are selected based upon historical drilling or sampling results combined with robust geological mining concepts and financial models. The projects are explored, analyzed and where required, brought into compliance to JORC/NI 43-101.

**Australia and Nevada** provide the opportunities to exploit smaller, undeveloped or previously mined gold resources that are of no interest to the large mining companies. In addition, there are numerous small hard rock and alluvial gold mines which have viable gold resources but are unable to raise the funds to start up or continue operations.

**An initial target** acquisition, Mt Tymn, provides an opportunity to enter the gold mining arena in Australia on a small scale with the confidence of total outlay recovery and good profits, sufficient to expand operations by acquisition of similar nearby deposits to continue positive cash flow mining and commence an exploration program capable of even greater rewards.

**Mt Tymn** is located approximately 125kms southwest of Darwin, 1km east of the Stuart Highway and 18kms south of the Adelaide River. As part of this acquisition, GMUI will also own the MLs relating to Ringwood which is situated approximately 120 kms southeast of Darwin, in the Pine Creek area. The minimum gold resource at Mt Tymn is conservatively estimated at 227,000 ounces with large potential for further drilling and assessment. Gross revenue is estimated to be in excess of \$ 300 million with a gross profit expected to exceed 45%.

## **Immune Therapeutics ( OTCQB: IMUN \$ 0.16 )\***

**Use** of Naltrexone as an immune modulator was recognized by Dr. Ian Zagon at the University of Pennsylvania.<sup>2,3</sup> The late Dr. Bernard Bihari, a Neurophysician from New York, USA (who passed away on May 16th, 2010) began treating his patients in the late 1980s<sup>4,5</sup>. Since that time, many doctors throughout the United States prescribe LDN for a number of indications including Multiple Sclerosis (MS), Parkinson's disease, Crohn's disease, HIV/AIDS, cancer and other autoimmune and inflammatory diseases. A number of research and clinical trials have been completed and undergone in regards to LDN immunotherapies, with phase I and phase II clinical trials successfully run at a number of universities in the United States and Europe, including Pennsylvania State University Medical School at Hershey; University of Chicago; State University of New York; SUNY Upstate Medical University; London Health Sciences Centre - University Hospital, USA; Alpert Medical School of Brown University; Department of Neurology, San Raffaele Scientific Institute; Division of Rheumatology, St. Louis College of Pharmacy; Department of Internal Medicine, University of Utah;

Jondi-Shapoor University of Medical Sciences; Department of Psychiatry & Behavioral Sciences, Duke University Medical Center; and Multiple Sclerosis Center at UCSF6. These efforts were pioneered by leading immunologists Dr. Nicholas Plotnikoff, Dr. Ronald Herberman, Dr. Bernard Bihari, Dr. Angus Dalgleish, Dr. Ian S. Zagon, Dr. Jill Smith, Dr. McLaughlin, Dr. Jacqueline McCandless, and Moshe Rogosnitzky, among others.

**Clinical trials in Africa** have gone well and results should be released soon.

## **Fundamental Analysis Stocks To Buy with Stops**

Using fundamentals the following are stocks to buy and they have done well. Now it is your decision whether to take profits in these uncertain times.

Value oriented stocks were mixed last week. The Alcoa earnings are published Monday after the close. Sunoco, Church and Dwight, Harley Davidson and Sally Beauty , AT&T and Microsoft were all in good shape and should be bought on weakness.

Church and Dwight is looking solid and should be bought any two days down. Meanwhile we would not argue with taking profits.

The HDGE goes up when the market goes down. The HDGE should be bought with a close stop loss at 10.68.. It has been a major success for those who believe in hedging. The losses are very small on the HDGE considering huge gains on the longs.

We are on the sidelines looking at a buy pattern such as the two GANN four-legged bottoms at the 10.55- 85 level and the close above its 13-day price moving average.

Symbol	Name	Business Description	PE	P/S	MV mln	Price	Buy Limit	Stop Loss Or sold
FFIC	<b>Flushing Financial</b>	Bank Holding company Savings and loans	13	3,5	592Mln	20.50	19.50	<b>Sell</b>
SUN	<b>Sunoco</b>	Oil and Gas Refining and marketing	10	0.2	2.1B	32.29	29	<b>Unable</b>
AA	<b>Alcoa</b>	Aluminum Processing and Technology	N/A	0.4	9.5B	<b>9.37</b>	<b>7.05</b>	<b>7.97X Earnings season begins</b>
SBH	<b>Sally Beauty Holdings</b>	Specialty Retailer and distributor beauty supplies	16	1	4B	<b>31.03</b>	<b>27.30</b>	<b>30x</b>
HOG	<b>Harley Davidson</b>	Motorcycles and related products	11	1.32	8B	<b>51.66</b>	<b>39.84</b>	<b>Sold at 51.66 on 4/4</b>
CHD	<b>Church &amp; Dwight</b>	Consumer Products Sodium bicarbonate Arm and Hammer	25	3	10.6B	<b>94.11</b>	<b>79.80 01/26/16</b>	<b>Take Profits sold 94.20</b>
T	<b>AT&amp;T</b>	Communications	36	1.54	211.7B	<b>38.50</b>	<b>34.10</b>	<b>37x</b>

MSFT	Microsoft	Technology Software, Services, Devices	17	4.7	431B	54.40	50.90	53.50x
VA	Virgin Air	Regional Airlines	7.2	0.9	1.5B	55.15	30.30 <i>Suggested buy</i>	28.50x Hold for merger
ENZ	Enzo Biochem	Life Sciences	NA	1.35	134M	4.80	4.15 Suggested buy	4.48x
BAC	Bank of America	Commercial Bank	10	2.02	165.3B	12.88	11.86	10.90x
HDGE	Advisor Shares	Ranger Bear ETF				10.87	Buy now at mkt	10.68x

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When there is no movement in penny stocks, even though there is none or very small losses, we will liquidate ( sold AIVN on stop ) even though we like the company, if money is needed for better opportunities.

We now believe REPR represents upside opportunity. The Target ADR trades at about \$ 4.50 in U.S. vs 0.05 in Australia. Princeton owns 400,000 Australia shares and about 900 U.S. ADR's.

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