

**June 29, 2015**  
**Market Strategies Newsletter**  
**Sample Issue**



**Covering High Return 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

---

**Where To Invest In 2015**  
**Stock Options Trading Newsletter Covering:**

**Where to Invest July 2015**  
**Best Stocks To Buy July 2015**  
**Stock Market Investing Strategies**  
**Stock Options Trade Alerts**  
**Options Trading Strategies**  
**How To Trade Options**

**Year To Date Profits \$ 4,790**

**Over 47% Returns**

**2014 Profits = \$ 20,443**  
**Over 204% Returns**

***TRADE ALERTS***

**For Free Where To Invest Your Money Now**  
**High Return Investments Trade Alerts**  
**Go To: [PrincetonResearch.com/alerts.htm](http://PrincetonResearch.com/alerts.htm)**

**NOTE: This is a Sample Issue Only!**  
**TO GET OUR TRADE ALERTS BY TEXT MESSAGE AND**  
**THE COMPLETE VIP MEMBERS ONLY**  
**MARKET STRATEGIES NEWSLETTER ISSUES**  
**Visit: [PrincetonResearch.com/join.htm](http://PrincetonResearch.com/join.htm)**

## **Market Strategies** **\$10,000 Trading Account Traders Comments**

### ***WHAT IS A BUBBLE ???***

We have only \$640 of our funds in use. The reason is simple; the markets have been turning on a dime for several years now and almost every time I have been in Index puts it has cost us money. For that reason, my preferred method of risk control continues to be smaller positions and shying away from the indexes.

Last week I mentioned the Cyber security stocks and felt that they were going to continue higher based on the fundamental fact that every day we are hearing about another hack-attack, sending them higher. Several times early in the week I was waiting for a little pullback and a little less "overbought" reading from this group. I was ready to buy them on Tuesday but a (not so) funny thing happened....they weren't following the market higher, so I held off. Every day I watched and wanted to be a buyer but just couldn't pull the trigger, and then they closed down on the day after failing to make new highs. CYBR traded \$75.24 and closed lower by \$1.54 @ \$71.86. Wednesday it was down another \$1.97 and it closed the week @ \$65.78 only \$ .20 from the low and \$10.00 from the weekly high. FTNT was lower and left a very ugly gap down Wednesday. QLYS was \$41.59 after trading \$48+ and the ETF I mentioned (HACK) had a relatively calmer week trading \$33.91 Monday and closed out the week @ \$32.20 down only \$1.25 (4.4%). The point is, that once everyone loves a group, it's usually over for at least the short term. This group will definitely recover and move to new highs and we will participate. Just not too heavily.

The definition of a bubble is: a surge in asset prices to levels that are substantially higher than the fundamental value of those assets. However, that would imply that anyone has a clear vision about what that real value might be...Another more important issue is that the buyers need to be over-leveraged in order to drive those prices higher. The best examples of actual bubbles are the Dutch Tulip Mania, the 1711-1720 British South Sea bubble and of course most recently the sub-prime induced Housing bubble. All these are actual bubbles that came along with massive public participation and dramatic **over leverage**.

In case you don't know where I'm going with this, I'll tell you that it's actually a fairly common rant of mine in this space. The "talking heads" continue to label every dramatic rise in the price of any commodity or stock a "bubble." Sort of the way the media took to calling any and every scandal since 1972 a "GATE." Watergate right up to "Deflategate."

Different assets rise in value at different times and at different rates. They are not all bubbles.

They are, and will continue to be a feature of any capitalistic marketplace. There are certainly plenty of "crowded" trades where people get involved. Cyber security was one, Biotech is another and the jury is still out on the bond market and how it works out. But not everything is either a bubble or a gate....Even if it does sell more papers or bring more viewers to the tube.

As often said here, "Everybody is NEVER right!!" And if you follow that logic, you have a much better chance of financial survival.

...CAM

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

DATE	TRADES	PRICE	COST	PROCEEDS	RESULTS
06/25	<b>This information is for Members</b>  <b>To Get The Best</b> <a href="#"><u>Membership Deal CLICK HERE</u></a>	0.95		380	<b>228 Loss</b>
06/15		0.36	540		
06/15		1.52	608		
06/12		0.60		300	<b>150 Gain</b>
06/05		1.05	420		
05/29		0.30	300		

**Remember, these trades are based on your participation in the**  
**[Subscriber Members Only](#)**  
**TEXTING SERVICE TO RECEIVE ALL UPDATES.**

Previous closed out trades not listed here may be seen in previous market letters in the [VIP Subscribers Members Area.](#)

**NOTE:** In texting we have a limited amount of words. In the interest of brevity:

The Quantity and Strike Price for each trade is specific. 1=January, 2=February

Trading is hypothetical. We may trade weekly options and they are noted: SPY 1/25 147 for SPY Jan 25<sup>th</sup> 147 Calls or Puts.

**TRADE ALERTS**

**For Free Where To Invest Your Money Now**

## High Return Investments Trade Alerts

Go To: [PrincetonResearch.com/alerts.htm](http://PrincetonResearch.com/alerts.htm)

### MARKET LABORATORY – WEEKLY CHANGES

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

<b>Dow</b> 17,946.68 -69.27 -0.38%	<b>Nasdaq</b> 5080.51 -36.50 -0.71%	<b>S&amp;P 500</b> 2101.49 -8.50 -0.40%	<b>Transportation</b> 8242.47 -169.41 -2.01%	<b>Russell 2000</b> 1279.80 -4.87 -0.38%	<b>Nasdaq100</b> 4484.28 -29.14 -0.65%
<b>Gold (spot)</b> 1172.90 -28.60 -2.4%	<b>Silver</b> 1573.5 -37.44 -2.3%	<b>Crude</b> 59.63 +0.02 0.0%	<b>Heating Oil</b> 186.96 -0.38 -0.2%	<b>Unleaded Gas</b> 2.0204 +0.0002 0.0%	<b>Natural Gas</b> 2.77 0.066 -2.1%
<b>VIX</b> 14.02 +0.06 +0.4%	<b>Put/Call Ratios</b> S&P 100 172/100's +9/100's	<b>Put/Call Ratios CBOE Equity</b> 61/100's +2/100's	<b>Bonds</b> 147-18 -4-11 3.25% +0.19%	<b>10 Yr. Note</b> 125-004 -1-18 2.48% +0.18%	<b>Copper</b> 264.45 +7.55 +2.9%
<b>CRB Inflation Index</b> 224.88 +2.75 +1.2%	<b>Barron's* Confidence</b> 79.6% +0.3%	<b>S&amp;P100</b> 925.00 -2.63 -0.28%	<b>5 Yr. Note</b> 118-207 -23 1.75% +0.18%	<b>Dollar</b> 95.40 +1.33 +1.4%	<b>DJ Utilities</b> 555.12 -14.56 -2.56%
<b>AAll Confidence Index</b>	<b>Bullish</b> 35.6% +10.2%	<b>Bearish</b> 21.7% -12.6%	<b>Neutral</b> 42.7. +2.4%	<b>M1 Money Supply</b> +6.01% June 15 <sup>th</sup>	<b>M-2 Money Supply</b> +5.73% June 15 <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 Levels S&P 500	2086
Resistance S&P 500	2138
Support Levels DOW	17,770
Resistance DOW	18,270
Support Levels QQQ	108.40
Resistance QQQ	111.90
Support Levels Transports	8233
Resistance Transports	8650
Support Levels NASDAQ	5010
Resistance NASDAQ	5230

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

There was one closed long option position:  
UPS July 100 Calls sold at \$ 0.95 taking a loss of \$ 228.

There were three closed stock positions:  
Facebook (FB ) for a gain of \$ 577  
200 of the NAT were sold at \$ 14.40 for a gain of \$ 848 and  
200 of the RPTP were sold making a gain of \$ 144.

We wrote Calls against the Long RPTP position three times making \$ 420.

**For the week we made a profit of \$ 1,113**

**For the full year to date, we have gains of \$ 15,077**

Open position losses increased to \$7,665.

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

The Stock table has the following 21 positions:

AA, ARRY, AGQ, BAC.B.WS, BCRH, BSBR, CRM, DSX,  
FCX, GILD, NAT, NBG (3), REPR, RPTP, SAN, SCO, SNSS, TEXQY, XCO

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 and are using a total of  
\$ 77,291 for the 21 open stock positions. There are two long option positions requiring  
\$ 1,380 totaling  
\$ 78,671 leaving

\$ 21,329 in cash.

These figures are approximate and there might be errors.

We have not counted the dividends received from Apple, JP Morgan, BSBR ( Brazil ), Santander, Blue Capital Reinsurance and others. Blue Capital issued a special extra dividend of \$ 0.66 per share which enabled us to reduce our cost by that amount. In addition it pays about 7% per year in regular dividends. We do not count commission costs and all trading once again is hypothetical.

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.

## **\$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)
<p style="text-align: center;"><b>This information is for Members</b></p> <p style="text-align: center;"><b>To Get The Best <a href="#">Membership Deal</a> <a href="#">CLICK HERE</a></b></p>	2.95	06/26			
	56.89	06/15			
	43.28	05/22			
	7.05	05/18			
	72.90	04/29			
	82.77	04/15			
	102.73	03/03		88.54 06/25	\$ 577
	8.02	02/24			
	10.16	02/13		14.40 06/25	\$ 848
	1.40	02/17			
	0.7411	12/26			
	4.84	12/18			
	16.84	12/18			
	8.40	12/16			
	3.10	11/28			
	14.21	10/16			
	34.99	09/09			
	2.95	05/19			

	15.37	01/16		16.09 06/25	\$ 144
	4.08	8/12			
	6.56	7/11			
	0.22	10/22/12	.28 sco		

**Remember, these trades are based on your participation in the  
[Subscriber Members Only](#)  
**TEXTING SERVICE TO RECEIVE ALL UPDATES.****

Previous closed out trades not listed here may be seen in previous market letters in the [VIP Subscribers Members Area.](#)

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.

**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)
<b>This information is for Members</b>	Calls 0.36	06/15/15			
<b>To Get The Best Membership</b>					

<b><u>Deal CLICK HERE</u></b>					
	Calls 1.52	06/15/15	0.95	06/25/15	<b>( \$ 456 )</b>
	Calls 0.30	05/29/15	0.60	06/12/15	<b>\$ 300</b>
			Sold Half on 100% Profit Rule		

**Remember, these trades are based on your participation in the  
Subscriber Members Only  
**TEXTING SERVICE TO RECEIVE ALL UPDATES.****

Previous closed out trades not listed here may be seen in previous market letters in the [VIP Subscribers Members Area.](#)

## **TRADE ALERTS**

**For Free Where To Invest Your Money Now  
High Return Investments Trade Alerts  
Go To: [PrincetonResearch.com/alerts.htm](http://PrincetonResearch.com/alerts.htm)**

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

Earnings Reports Before the Open on Top of the Row;  
After the Close are Below the Economics Numbers.

<b>MONDAY</b>	10:00 hrs Pending Home Sales May ( NA vs 3.4% ) The European Union and China hold a summit in Brussels. The U.N Security Council hold a meeting on Syria. <b>Amira Nat foods ANFI ( 0.46 vs 0.47 )</b> <b>Apollo Group APOL ( 0.47 vs 0.76 )</b>
<b>TUESDAY</b>	<b>ConAgra CAG ( 0.59 vs 0.55 )</b> <b>Schnitzer Steel SCHN ( -0.08 vs 0.16 )</b> The deadline for six world powers and Iran to reach agreement on Teheran's nuclear program. 09:00 hrs Case-Shiller 20 city Index April ( NA vs 5.0% ) 09:45 hrs Chicago PMI June ( NA vs 46.2 ) 10:00 hrs Consumer Confidence June ( NA vs 95.4 ) <b>AeroVironment AVAV ( 0.16 vs 0.27 )</b> <b>CalAmp CAMP ( 0.26 vs 0.19 )</b>
<b>WEDNESDAY</b>	<b>Acuity Brands AYI ( 1.35 vs 1.00 )</b> <b>Gen Mills GIS ( 0.71 vs 0.67 )</b>

	07:00 hrs MBA Mortgage Index 06/27 ( NA vs NA ) 07:30 hrs Challenger Grey and Christmas Job –Cut Report 08:15 hrs ADP Employment Change June ( NA vs 201K ) 10:00 hrs ISM Index June ( NA vs 52.8 ) 10:00 hrs Construction Spending May ( NA vs 2.2% ) 10:30 hrs Crude Inventories 06/27 ( NA vs 4.934 Mln Bbls ) 17:00 hrs Auto Sales June ( NA vs 5.9 Mln Units ) Truck Sales ( NA vs 8.4 Mln Units ) <b>Amaya AYA ( 0.38 )</b> <b>Franklin Covey FC ( 0.14 )</b> <b>Global Power GLPW ( -0.07 vs 00 )</b>
<b>THURSDAY</b>	<b>Interantional Speedway ISCA ( 0.46 vs 0.50 )</b> 08:30 hrs Initial Claims 06/27 ( ?? vs 275K ) Continuing Claims 06/20 ?? vs 2247K ) 08:30 hrs Nonfarm Payrolls June ( ) Nonfarm private Payrolls ( % ) Unemployment Rate June ( Na vs 5.5% ) Hourly Earnings June ( NA vs 0.3% ) Average Workweek June ( NA vs 34.5 ) 10:00 hrs Factory Orders May ( NA vs -0.4% ) 10:30 hrs Natural Gas Inventories 06/27I ( NA vs 89 bcf )
<b>FRIDAY</b>	<b>U.S. Markets Closed for Observance of Independence Day Saturday.</b>

## **Market Strategies Fundamentals**

It has been all about Greece which has been like a socialist state in a world of capitalism. The markets have continuously given back gains on the possibility of a Greek default, while at least on the surface they have become socialists supporting the left-wing Syriza party. Greece cannot pay back €324 billion ( \$ 362 billion ) .Without continued funding from the European Union then will be unable to fund their aggressive pension programs in which only 43% of their 55 to 64-year olds were working vs 51% in Germany and 62% in the U.S. Syriza has behaved amateurishly by frightening away investors and antagonizing existing creditors.

Meanwhile things were definitely not so rosy in China as local indexes plunged 7.4%. So nervousness isn't just confined to Greece. The Shanghai Stock Exchange Composite Index closed at 4,192.873 off 334.906 points. However, it remains up 29.6% for this year 2015. Over the past full year since June 2014, it is up 110.17%. The YINN, a triple ETF, has plunged 23 points to 44.96, since it made its highest closing level April 27<sup>th</sup> at 68.03, a steep drop of 34% in a relatively short period of time.

The Dow closed down 69.27 points for the week or 0.38% but was buoyed by Nike and United Health Group on Friday, which led the thirty blue chips with gains of 4.27% and 2.7% respectively. Only three of the 10 Dow Industrial Groups were higher: Telecommunications, up 0.97%; Health Care + 0.27% and Consumer services adding just 12%. Seven were in the red led by Utilities, off 2.39%;

Basic Materials fell 1.67%; Technology was off 1.24%; Industrials down 1.12%; Consumer Goods 0.28%; Financials minus 0.26% and Oil and Gas losing 0.21%.

The S&P 500 ( 2101.49 – 8.50 ) did not fare as well down 0.40% for the week and crossed convincingly below both its 13 and 50—day price moving averages. The MACD indicator is slightly bearish while the OBV, On Balance Volume indicator is very bearish. The S&P had made a weekly high at 2,124, short of the all-time high reached last month at 2,131. Greek issues aside, the tape action for the week was quite negative, especially with such friendly Michigan Sentiment consumer confidence numbers. However, short term indicators aside, On a weekly basis all indicators, the thirteen, and fifty week barometers are all in- tact. Therefore, Transports not- withstanding, we remain in a decent bull market.

The markets are in the control of big names: Just 10 Dow stocks control the index by their power and weight. Apple of course and then Boeing, Disney, Home Depot, Goldman, IBM, 3M, Nike, United Health and United Technologies. They are more formidable than most other countries notwithstanding their newly minted exchanges. Goldman is up 12% year to date which added 174 points to the Dow. United Health, up 21% added 164 points. None of them are in a bubble. Any bear market will be led by problems with those names.

The Russell Indexes were rebalanced last week which created a lot of excitement and volume. More than \$4 trillion in capital is benchmarked to the Russell Indexes. Friday's volume on the NYSE was the year's third highest. For the entire week, the Russell was down 4.87 points or 0.38%.

## **Market Strategies Economic Data**

First quarter GDP declined 0.2% in the third estimate. That is up from a previously reported 0.7% decline in the second estimate. GDP increased 2.2% in Q4 2014. The Briefing.com Consensus expected GDP to be revised down to -0.2%. The upward revisions had a positive effect on real final sales, but it wasn't enough to change the overall outlook. Real final sales were revised up to -0.6% from -1.1%. Several upward revisions made GDP growth look better in the third estimate for Q1 2015. However, GDP still declined for the first time since Q1 2014.

Category	Q1	Q4	Q3	Q2	Q1
GDP	-0.2%	2.2%	5.0%	4.6%	-2.1%
Inventories (change)	\$99.5B	\$80.0B	\$82.2B	\$84.8B	\$35.2B
Final Sales	-0.6%	2.3%	5.0%	3.2%	-1.0%
PCE	2.1%	4.4%	3.2%	2.5%	1.2%
Nonresidential Inv.	-2.0%	4.7%	8.9%	9.7%	1.6%
Structures	-18.8%	5.9%	4.8%	12.6%	2.9%
Equipment	2.6%	0.6%	11.0%	11.2%	-1.0%
Intellectual Property	4.9%	10.3%	8.8%	5.5%	4.7%
Residential Inv.	6.5%	3.8%	3.3%	8.8%	-5.3%
Net Exports	-\$548.0B	-\$471.4B	-\$431.4B	-\$460.4B	-\$447.2B
Export	-5.9%	4.5%	4.6%	11.1%	-9.2%
Imports	7.1%	10.4%	-0.9%	11.3%	2.2%

Government	-0.6%	-1.9%	4.4%	1.7%	-0.8%
GDP Price Index	0.0%	0.1%	1.4%	2.1%	1.3%

Consumption spending was revised up from a 1.8% gain in the second estimate to 2.1% in the third estimate. Goods spending was revised up to 1.0% from 0.5% on an upward revision to nondurable goods spending (to 0.8% from 0.1%). Services spending was revised to a 2.7% gain. Despite the upward revision, that was still the smallest increase in consumption since a 1.2% gain in Q1 2014. Despite the upward revision, that was still the smallest increase in consumption since a 1.2% gain in Q1 2014. □ Total fixed investment was revised up to -0.3% from -2.8%.

Nonresidential investment declined 2.0% in the third estimate, which was up from a previously reported 2.8% decline in the second estimate. Intellectual property product investment was revised up to 4.9% from 3.6%.

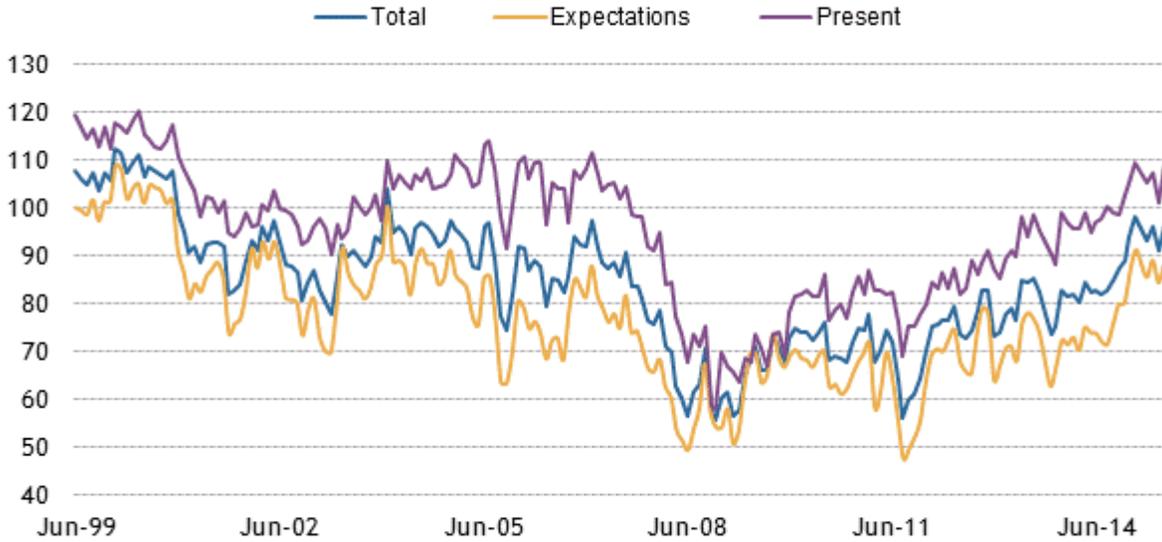
Residential investment was revised up and increased 6.5% from an originally reported 5.0% gain. That was the fourth consecutive quarterly increase and the largest gain since an 8.8% increase in Q2 2014. The change in inventories was revised up from \$95 bln to \$99.5 bln. The export deficit was virtually unchanged at \$548.0 bln.

The 30-year bond yield has made a new 9-month high and the 10-year is within 1 basis point of a 9-month high. The yield curve is steepening because of the Fed's accommodations. The dollar is higher by just 0.34% for the day Friday or 1.4% for the week. The TBT, the Ultra Short 20+ Yr Treasury (TBT: 51.95 ) gained 3.18 on the week or + 5.48 points for the month of June. The yield ignored mostly any weakness in equities. Yields appear poised for more upside.

The University of Michigan Consumer Sentiment Index was revised up to 96.1 in the final June reading from a preliminary reading expectations of 94.6. That is up from a reading of 90.7 in May. The Briefing.com Consensus expected the Consumer Sentiment Index to remain at 94.6. The gain in sentiment was likely a reaction to large improvements in labor market conditions. That offset concerns about higher gasoline prices.

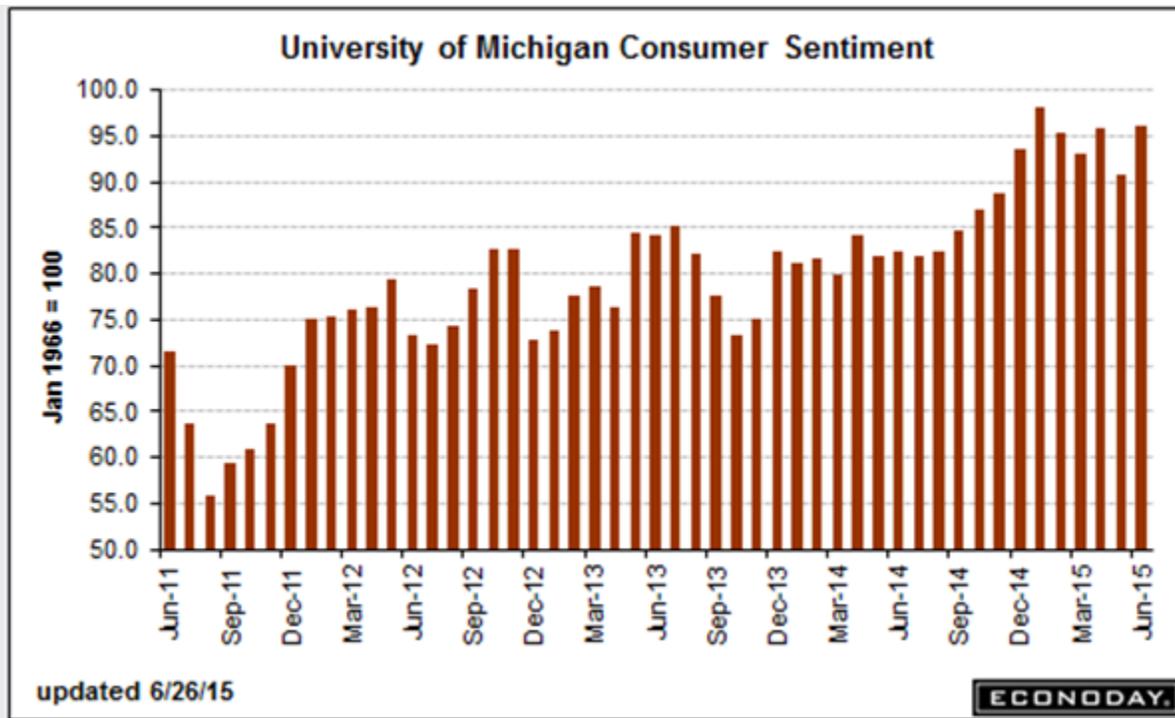
The Expectations Index increased to 87.8 in June from 84.2 in May. The Current Conditions Index increased to 108.9 from 100.8. Gains in consumers sentiment do not necessarily translate into consumption growth. Consumption relies on income growth. As long as income continues to push higher, consumption growth should follow.

## University of Michigan Consumer Sentiment



Source: University of Michigan; updated 06/26/15

Briefing.com



## Market Strategies Cycles

Signs of a divergent and confused overall market continue to be present in the number of NYSE Weekly Advancers and Decliners. Flat to negative weeks are accompanied by more decliners than advancers, but in positive weeks, like last week, advancers just barely outnumber decliners. This is

possible a sign that fewer and fewer stocks are actually participating in rallies by the major indices. Further compounding the confusion, New 52-Week Lows have outnumbered New Highs for three straight weeks even as New Highs climbed higher. A healthy market advance would have major indices moving higher, together, more Weekly Advancers than Decliners and a more robust number of New Highs.

While the markets have been ambivalent without evidence of a solid trend, trading volatility has worked three out of every four trading days. Selling rallies in the VIX, UVXY or VINX has been a solid winning strategy. It is unlikely the markets will have any kind of serious break while volatility continues to trend lower. Volatility remains very low and all rallies in volatility indexes remain a sale which negates the bear theory.

S&P 500 and NASDAQ have fallen into a similar pattern as DJIA. Despite being up in five of the last seven weeks, S&P 500 (4) is essentially unchanged since the start of May. NASDAQ's recent weekly record (5) is weaker, but its up week gains have exceeded down week losses resulting in a few percentage points of gains since the start of May. However, as of current trading, the NASDAQ is on course for its fourth minor weekly loss in the last five weeks.

**Psychological:** *Distracted.* Summer has officially begun, although many have been enjoying a lighter schedule since Memorial Day, the unofficial start of summer. Family vacations, three (or four) day weekends seem to have become the norm. As a result, the market is just meandering along. Sentiment indicators lean bullish, but not dangerously so. [Investor's Intelligence](#) latest survey reported bull advisors at 51.6% and bearish advisors at 15.4%. This is well within the range going back until last December. If bullish advisors shot up to or above 60%, then there would be real cause for concern.

**Fundamental:** *Mixed.* Corporations and the stock market are doing ok, but Q1 GDP was a disappointment, declining 0.2%. This is being dismissed as an aberration due to weather. Relative stability in the housing and labor markets does tend to support Q1 as being a fluke, at least for now as full-year growth estimates are still predominately in the 2-3% range. Should Q2 GDP disappoint, what can that be blamed on? Let's blame summer. It was too nice out to work.

**Technical:** *Range bound.* Although NASDAQ and Russell 2000 have been able to extend the top end of their respective trading ranges with modest new all-time highs, a meaningful and lasting breakout has yet to materialize. Stochastic, MACD and relative strength indicators applied to NASDAQ and Russell 2000 were stretched when they peaked on Tuesday, but are now heading back into neutral territory just like those applied to DJIA and S&P 500. A meaningful pullback, perhaps back to 200-day moving averages would likely clear the road to new-highs, but until that happens more sideways drift is expected.

**Monetary:** *0-0.25%.* "When will the Fed raise rates?" is still an unanswered question. From recent FOMC statements and individual comments it is apparent the Fed would like to raise rates. The problem is growth is rather pathetic, especially when compared to historical data, and inflation, measured by CPI, is zero on a year-over-year basis. In fact, CPI has been less than or equal to zero for five straight months. Other than the Fed's desire to return to something close to normal monetary policy, the argument for withdrawing stimulus is rather weak right now. Sure all forecasts suggest great things are coming, but that has been the case since roughly 2010. Are today's forecasts any more likely to be accurate than those of the past 5 years?

**Seasonal:** July is best month of the third quarter for the Dow and S&P, but performance for the other two months, August and September, makes comparisons easy. Two recent “hot” Julys in 2009 and 2010 have boosted July’s average gains since 1950 to 1.2% and 1.0% respectively. Such strength inevitability stirs talk of a “summer rally”, but beware the hype, as it has historically been the weakest rally of all seasons (page 72, Stock Trader’s Almanac 2015). Pre-election-year Julys are not so hot, ranking #6 DJIA, #8 S&P 500 and #10 for NASDAQ and Russell 2000.

# JUNE 2015

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

**Start:** Natural Gas (S)

**In Play:** Oil (L), High-Tech (L), Utilities (L), Computer Tech (L), Banking (S), Cyclical (S), Materials (S)

**Finish:** Natural Gas (L), Gold and Silver (S), Consumer (L)

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SAT	SUN
<b>1</b>  <b>First Trading Day, Dow Up 20 of Last 27</b>  Construction Spending ISM Index Personal Income/Spending Semiconductor Billings	<b>2</b>    Factory Orders Vehicle Sales	<b>3</b>   Beige Book Int'l Trade Deficit ISM Non-Mfg. Index	<b>4</b>   Chain Store Sales Productivity and Costs	<b>5</b>   <b>June Ends NASDAQ's Best Eight Months</b>  Consumer Debt ECRI Future Inflation Index Employment Rate	<b>6</b>	<b>7</b>
<b>8</b>	<b>Average June Gains Last 21 Years:</b> <b>Dow: -0.7%</b> <b>Up 9 Down 12</b> <b>Rank #11</b>			<b>12</b>    PPI U Mich Consumer Sentiment	<b>13</b>	<b>14</b>
<b>15</b>  <b>Monday of Triple Witching Week, Dow Down 10 of Last 18</b>  Industrial Production NAHB Housing Mrkt Index	<b>16</b>   Wholesale Trade   Housing Starts	<b>17</b>   Treasury Budget   FOMC Meeting	<b>11</b>   <b>NAS: 1.1%</b> <b>Up 11 Down 10</b> <b>Rank #6</b> Business Inventories Import/Export Prices Retail Sales	<b>19</b>  <b>Triple Witching Day, Dow Up 10 of Last 16</b>  CPI Leading Indicators Philadelphia Fed Survey SEMI Book to Bill Ratio	<b>20</b>	<b>21</b>   <b>Father's Day</b>
<b>Week After Triple Witching Dow Down 22 of Last 25, Average Loss since 1990, 1.1%</b> <b>2008 2nd Worst June Ever, Dow -10.2%, S&amp;P -8.6%, 1930 Was Worse, NASDAQ -9.1%, June 2002 -9.4%</b>						
<b>22</b>   Existing Home Sales	<b>23</b>    Durable Goods New Home Sales	<b>24</b>    GDP - Q1 Final	<b>25</b>    Personal Income/Spending	<b>26</b>   U Mich Consumer Sentiment	<b>27</b>	<b>28</b>
<b>29</b>    Agricultural Prices	<b>30</b>  <b>Last Day of Q2</b> <b>Dow Down 17 of Last 24</b> <b>But, NASDAQ Up 15 of Last 22</b>  Consumer Confidence ISM-Chicago	<b>*Tuesdays:</b> Weekly Chain Store Sales & Avg Hourly Earnings <b>*Wednesdays:</b> Oil & Gas Inventories <b>*Thursdays:</b> Weekly Unemployment Report, Weekly Mutual Fund Flows & Weekly Natural Gas Storage Report <b>*Fridays:</b> Weekly Leading Economic Index <b>*Except holidays</b>				
<i>Economic release dates obtained from sources believed to be reliable. All dates subject to change.</i>			Bull symbol signifies a favorable day based on the S&P 500 Rising 60% or more of the time on a particular trading day 1994-2014			Bear symbol signifies an unfavorable day based on the S&P 500 Falling 60% or more of the time on a particular trading day 1994-2014

**NOTE: This is a Sample Issue Only!  
TO GET OUR TRADE ALERTS BY TEXT MESSAGE AND  
THE COMPLETE VIP MEMBERS ONLY  
MARKET STRATEGIES NEWSLETTER ISSUES  
Visit: [PrincetonResearch.com/join.htm](http://PrincetonResearch.com/join.htm)**

## **Undervalued Small Cap Stocks**

### **Enzo Biochem ( ENZ 2.89 )**

Today completed the Russell Index rebalance. Enzo, because their market capitalization was under \$180 million was dropped from the index. The short position had risen to 2.155 million shares as of June 15 and probably 1-200,000 more by today. I would suspect that the 2.574 million shares traded today was the Russell 2000 Index fund and funds mirroring the Russell delivered their long position against the short position exiting the stock with a net neutral trade (lots of volume without much price movement). This pressure has been against the stock since May so it is now over. I would expect the stock to start to recover its earlier price range of \$5-6 per share. When Ampiprobe is approved the top line revenue should start to show a increase within 3-4 months of approval (product rollout, packaging, etc..). Enzo should be included in the Russell next year if all of this comes to pass. Upside pressure is likely for the stock.

### **RMS Medical Systems, Inc ( REPR 0.42 )\***

**Has doubled this year already and can double again .**

RMS designs, markets, manufactures portable easy to operate infusion devices, including needles and tubing. It is easy to handle by patients. The Freedom 60 is being marketed in Europe as well as gaining a footing among home-care professionals in America. The RescueVac is used in ambulances and planes for emergency suction.

### **Immune Therapeutics, Inc. (IMUN 0.06 )\* Buy now. IMUN**

is a specialty pharmaceutical company formed by patients funded by patients involved in the manufacturing, distribution and marketing of patented therapies to combat chronic, life-threatening diseases through the activation and modulation of the body's immune system.

The Company's technology platform is built on two different immunotherapies, Low Dose Naltrexone (LDN) and Methionine-Enkephalin (MENK). These proprietary technologies exploit the power of the body's own immune system to find and kill diseased cells. We have bought the shares.

Low Dose Naltrexone (LDN) is a proprietary immunotherapy for the treatment of autoimmune diseases, HIV/AIDS, opportunistic infections, cancer and a range of other serious diseases. LDN works by boosting levels of endorphins (peptides produced in the brain and adrenal glands). These natural peptides are also powerful modulators of the immune system.

In order for the body to maintain good health and wellness, there is a balance of the immune system between the cellular (Th1) and the humoral (Th2) immune systems. Immune balance is regulated through T-helper cells that produce cytokines. The Th1 lymphocytes help fight pathogens that are within cells like cancer and viruses through activation of interferon-gamma and macrophages. The Th2 lymphocytes target external pathogens like parasites, allergens, toxins through the activation of B-cells

In order for the body to maintain good health and wellness, there is a steady state of balance of the immune system between the cellular and humoral immunity as well as the regulatory T-cells that keep things under control.

When there is an excess of Th1 responses or cellular immunity conditions such as Crohn's disease, Type 1 diabetes mellitus and graft versus host diseases result. When there is over activity of the humoral immune system the body over reacts to allergens or even itself (autoimmunity). And with less cellular surveillance cancer can occur. What the body needs to remain healthy is a balance of the immune system. LDN is a compound that works on the body's natural opioid system to restore immune balance.

**Spanish bank Banco Santander (SAN: 7.53)**

is disappointing right now. In the last six months, this \$98 billion banking play has shed 30% of its market value, dragged lower by ongoing issues in the Eurozone financial system. But things could be about to change for long-suffering shareholders. SAN is starting to show signs of a bottom here. They will have better earnings having cut dividends.

Santander is currently forming a massive bottom pattern, a bullish reversal pattern that looks just like it sounds. The double bottom is formed by a pair of swing lows that find support at approximately the same price level. The buy signal comes on a breakout through the peak that separates though two troughs. For SAN, the stock needs to close above the \$7.60 breakout level.

**Stocks and ETF's bought over the past few weeks:**

The heavy black marks indicate execution. We remain well away from getting buy stopped into the HDGE. Buy the HDGE on a stop above 11.04. It only got to 11.02 the first week of May. HDGE is the BEAR Financial Services ETF. We went long XOM. Please check on the previous weekly market letters if there are questions. We are long in Diana Shipping at 6.60. The Scorpio Tankers were not ever filled as the market never got to our price. Try to buy a scale down on this move. The tanker shippers like NAT and GLNG have done much better than dry shippers like Diana Shipping. However, DSX had a nice week and you should buy now if not already long now. We would buy Bank of America if not already committed and continue to like the banking sector.

Symbol	Name	Business Description	PE	P/S	MV mln	Price	Buy Limit	Stop Loss Or sold
ENZ	<b>Enzo Biochem</b>	Life Sciences	NA	1.35	134M	2.89	<b>2.78</b>	2.44x

BAC	Bank of America	Commercial Bank	10	2.02	165.3B	<b>17.41</b>	<b>16.45</b>	15.22x
HDGE	Advisor Shares	Ranger Bear ETF				10.63	<b>11.04 X</b>	10.60X if filled
XOM	Exxon Mobil	Oil and Gas	11	0.96	351B	<b>83.86</b>	<b>84.20</b>	82
GLNG	Golar	Liquefied N.G. Hedging	NA	30.39	3.14B	48.73	32.44	30.50
SAN	Santander	Banking world-wide	14	2.34	91.6B	<b>7.53</b>	<b>7.10</b>	6.80
DSX	Diana Shipping	Dry Cargo Shipping	N/A	3.7	611	<b>7.48</b>	<b>6.60</b>	5.90
STNG	Scorpio Tankers	Oil Transportation	26	5.6	1.47B	10.14	7.46 unable	7.48

### Rule 17B Attestations and Disclaimers

Princeton is paid \$ 1,500 per month from RMS Medical Products. Princeton has bought 81,100 shares of RMS Medical Products. The SITS contract calls for \$ 1,500 per month. Princeton had been engaged by Target Energy. No contract is currently in place. Princeton is paid \$ 2500 per month by Immune Therapeutics. Princeton was paid about 500,000 restricted shares of Leo Motors.

Princeton Research, Inc. has approximately 2,581,578 shares of AIVN both free and restricted and represents them for Investor relations. Princeton also has about 40,000 shares of TXGE. Princeton was paid \$ 2,500 to write a report on Xinery. Princeton has signed a contract with CBLI to be paid \$ 2500 for July and August for investor relations. Princeton has been engaged by Target Energy. No contract is currently in place. Princeton was paid about 500,000 restricted shares of Leo Motors.

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.

Pursuant to the provisions of Rule 206 (4) of the Investment Advisers Act of 1940, readers should recognize that not all recommendations made in the future will be profitable or will equal the performance of any recommendations referred to in this e-mail issue. Princeton may buy or sell its free-trading shares in companies it represents at any time.

**TRADE ALERTS**

**For Free Where To Invest Your Money Now  
High Return Investments Trade Alerts  
Go To: [PrincetonResearch.com/alerts.htm](http://PrincetonResearch.com/alerts.htm)**

**NOTE: This is a Sample Issue Only!**

**TO GET OUR TRADE ALERTS BY TEXT MESSAGE AND  
THE COMPLETE VIP MEMBERS ONLY  
MARKET STRATEGIES NEWSLETTER ISSUES  
Visit: [PrincetonResearch.com/join.htm](http://PrincetonResearch.com/join.htm)**

## **CONTACT**

Please Direct All Inquiries To:

**Mike King  
(702) 650-3000  
[mike@princetonresearch.com](mailto:mike@princetonresearch.com)**

**Charles Moskowitz  
(781) 826-8882  
[CAM@MoneyInfo-LLC.com](mailto:CAM@MoneyInfo-LLC.com)**

**Princeton Research  
3887 Pacific Street,  
Las Vegas, Nevada 89121**

**Fax: (702) 697-8944**

**[www.PrincetonResearch.com](http://www.PrincetonResearch.com)**