

Presents:

<http://www.ValuEngine.com>*The* **ValuEngine** *View*Created by:
Eric Stokes**2014 Issue #5 - Published May 21th**Subscription information available at [ValuEngine.com](http://www.ValuEngine.com)

For April/May, we saw more volatility as the market struggle to put in another leg up. Stocks were mostly flat over the past 30 days. Our portfolio posted a slight loss and barely trailed the S&P 500. We were barely negative with a loss of 0.24% while the benchmark was barely positive with a gain of 0.56. We thus trailed by 80 bps. **The trailing 12 month gain of the VE View is 22.19% versus the S&P 500 return of 13.47%. The return since inception of the View is 101.1% versus the S&P's gain of 65.38%. It remains our best performing newsletter under current market conditions.**

We had five winners this month—with all but one of them posting double-digit gains. Micron Tech led the way with a nice gain of 18% with Lannett, Kapstone, and Spirit Aerosystems also putting in some solid gains. Losses tended to be small with the exception of Sofun and Methanex. For April/May, a stop-loss level of 15% provided a small boost in performance—16 bps.

With some overall changes for equities, our overvaluation levels have moderated slightly. The Valuation Model finds that 69% of the equities to which we can assign a valuation to be overvalued—with 26% coming in overvalued at 20% or more. ALL sectors remain overvalued—twelve of them by double-digit figures. We thus see a slightly better picture from a valuation perspective. These figures are at their lowest levels since July 2013.

In our May portfolio, we turnover six stocks. On a sector basis the model likes Aerospace, Computers and Tech, Finance, and Basic Materials stocks. We retain nine picks, and add two selections from our Valuation model's aggressive growth strategy along with one selection from our Forecast model—with three new picks favored by both strategies.

SteveHach
Senior Editor, ValuEngine Inc.

APRIL RESULTS

Symbol	Company Name	Entry Price 4/17/14	Current Price	Change	%Change
BMA	BANCO MACRO-ADR	31.22	30.01	-1.21	-3.88
GAME	SHANDA GAME-ADR	6.57	6.76	0.19	2.89
GNTX	GENTEX CORP	29.22	28.89	-0.33	-1.13
HII	HUNTINGTON INGL	101.36	95.22	-6.14	-6.06
KS	KAPSTONE PAPER	25.35	28.09	2.74	10.81
LCI	LANNETT INC	32.95	36.71	3.76	11.41
LNC	LINCOLN NATL-IN	47.63	47.55	-0.08	-0.17
MEOH	METHANEX CORP	64.14	57.59	-6.55	-10.21
MU	MICRON TECH	22.48	26.55	4.07	18.10
NOAH	NOAH HLDGS LTD	13.57	12.58	-0.99	-7.30
PKG	PACKAGING CORP	67.36	67.33	-0.03	-0.04
SFUN	SOUFUN HLDG-ADR	13.67	11.28	-2.39	-17.48
SPR	SPIRIT AEROSYS	28.98	31.59	2.61	9.01
TX	TERNIUM SA-ADR	29.54	27.9	-1.64	-5.55
UPL	ULTRA PETRO CP	27.94	26.81	-1.13	-4.04
	LONG PORTFOLIO				-0.24
GSPC	S&P500	1862.31	1872.83	10.52	0.56

The model is replacing six stocks. The portfolio is now listed in alphabetical order by ticker symbol. The entire new portfolio for the month is summarized in a table at the end of the newsletter.



NEW BUY

AFSI

AMTRUST FINANCIAL SERVICES

AFSI

20 May 14 O:43.93 H:44.37 L:43.25 C:44.23 Vol:456.8K +0.19 (0.43%) @ finviz.com

SMA 50
SMA 200
SMA 20



Amtrust Financial Services, Inc. is a holding company. The Company is a multinational specialty property and casualty insurer focused on generating consistent underwriting profits. The Company operates in four business segments: small commercial business, specialty program and personal lines reinsurance. The Company transacts business through 11 insurance company subsidiaries: Technology Insurance Company, Inc. (TIC), Rochdale Insurance Company (RIC), Wesco Insurance Company (WIC), Associated Industries Insurance Company, Inc. (AIIC), Milwaukee Casualty Insurance Company (MCIC), Security National Insurance Company (SNIC), AmTrust Insurance Company of Kansas, Inc. (AICK) and AmTrust Lloyd's Insurance Company of Texas (ALIC). In December 2013, the Company announced that it its wholly owned subsidiary completed the acquisition of Sagicor Europe Limited. In January 2014, the Company acquired Inско Dico Group.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
44.27	-12.36	1.64	19.74	51.05	11.2	FINANCE



RETAINED

BMA

BANCO MACRO-ADR

BMA

20 May 14 O:29.66 H:30.23 L:29.46 C:30.01 Vol:148.8K +0.33 (1.11%) @ finviz.com

SMA 50
SMA 200
SMA 20



Banco Macro SA is an Argentina-based financial institution. The Bank offers traditional banking products and services to businesses and individuals nationwide. It divides its operations into personal banking, which provides services for individuals and microenterprises; and corporate banking, which covers small, medium and large companies, as well as major corporations and agribusinesses. The Bank's products and services portfolio includes loans, insurance, debit and credit cards, investment advice and fixed-term deposits, among others. As of December 31, 2012, the Bank owned fully consolidated subsidiaries Banco del Tucuman SA, Banco Privado de Inversiones SA, Macro Bank Limited, Macro Securities SA Sociedad de Bolsa, Macro Fiducia SA and Banco del Tucuman SA.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
30.01	-3.6	1.63	19.51	95.12	4.32	FINANCE



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NEW BUY

BBCD

BROCADE COMMUNICATION SYSTEMS

BBCD

20 May 14 O:8.70 H:8.73 L:8.50 C:8.50 Vol:3.02M

-0.22 (2.52%)

finviz.com

SMA 50
SMA 200
SMA 20

DAILY



Brocade Communications Systems, Inc. (Brocade) is a supplier of networking equipment, including end-to-end Internet Protocol (IP)-based Ethernet networking solutions and storage area networking solutions for businesses and organizations of all types and sizes, including global enterprises, and service providers, such as telecommunication firms, cable operators and mobile carriers. Brocade offers a range of networking hardware and software products and services. Brocade products and services are marketed, sold and supported globally to end-user customers through distribution partners, including original equipment manufacturers (OEMs), distributors, systems integrators, value-added resellers (VARs) and directly to end-users by the Brocade direct sales force. Effective January 17, 2014, QLogic Corp acquired the network adapter business of Brocade Communications Systems Inc.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
8.5	-7.23	1.52	18.27	51.52	11.64	COMPUTER AND TECHNOLOGY



NEW BUY

CSIQ

CANADIAN SOLAR

Canadian Solar Inc. (CSI) designs, develops, and manufactures solar wafers, cells and solar module products that convert sunlight into electricity for a variety of uses. Its products include a range of solar modules built to general specifications for use in a range of residential, commercial and industrial solar power generation systems. Specialty solar modules and products consist of customized solar modules that its customers incorporate into their own products, such as building integrated photovoltaic modules. In October 2013, it announced that BlackRock acquired from Canadian Solar two utility-scale solar power plants totaling 20MW (AC). In December 2013, its subsidiary, CSI Holdco LLC sold two utility-scale solar power plants totaling 4.4 mega watts DC to Public Service Enterprise Group Inc subsidiary, PSEG Solar Source. In March 2014, the Company announced the opening of Microgrid Testing Centre.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
22.41	-29.35	1.5	17.98	144.12	18.73	OILS-ENERGY



NEW BUY

GILD

GILEAD SCIENCES



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GILD

20 May 14 O:82.04 H:82.47 L:80.72 C:81.14 Vol:10.55M -0.91 (1.11%) finviz.com

SMA 50
SMA 200
SMA 20

DAILY



Gilead Sciences, Inc. (Gilead) is a research-based biopharmaceutical company that discovers, develops and commercializes medicines. Gilead's primary areas of focus include human immunodeficiency virus (HIV)/AIDS, liver diseases, such as hepatitis B and C and cardiovascular/metabolic and respiratory conditions. The Company has operations in North America, Europe and Asia Pacific. The Company's products include Atripla, Truvada, Viread, Complera/Eviplera, Emtriva, Hepsera, Letairis, Ranexa, Lexiscan/Rapiscan, AmBisome, Vistide, Macugen, Cayston and Tamiflu. In January 2012, the Company acquired Pharmasset, Inc. On February 8, 2013, its subsidiary, acquired YM BioSciences Inc.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
81.14	-34.38	1.18	14.19	45.57	24.59	MEDICAL

**RETAINED****GNTX****GENTEX CORP****GNTX**

20 May 14 O:29.09 H:29.10 L:28.63 C:28.89 Vol:652.3K -0.18 (0.62%) finviz.com

SMA 50
SMA 200
SMA 20

DAILY



Gentex Corporation is a supplier of automatic-dimming (auto-dimming) rear-view mirrors and camera-based lighting-assist features to the global automotive industry. The Company also provides commercial smoke alarms and signaling devices to the North American fire protection market, as well as dimmable aircraft windows for the commercial, business and general aviation markets. The Company is involved in designing, developing, manufacturing and marketing interior and exterior auto-dimming automotive rear-view mirrors that utilize electrochromic technology to dim in proportion to the amount of headlight glare from trailing vehicle headlamps. The Company also manufactures non-automatic-dimming rear-view automotive mirrors with electronic features. On September 27, 2013, the Company acquired Johnson Controls' Homelink business.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
28.89	-14.54	1.18	14.12	14.51	16.73	AUTO-TIRES-TRUCKS

**RETAINED****HII****HUNTINGTON INGALLS****ValuEngine** Inc.**RESEARCH**

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Huntington Ingalls Industries, Inc. (HII) owns and operates two segments: Ingalls Shipbuilding and Newport News Shipbuilding. Through HII's Ingalls segment, it is a supplier and builder of amphibious assault and expeditionary ships to the United States Navy, the builder of National Security Cutters for the United States Coast Guard, and one of the two companies that builds the United States Navy's fleet of DDG-51 Arleigh Burke-class destroyers. Through its Newport News segment, it is an industrial designer, builder, and refueler of nuclear-powered aircraft carriers, and one of the two companies designing and building nuclear-powered submarines for the United States Navy. It is a full-service provider for the design, engineering, construction, and life cycle support of surface ship programs for the United States Navy. It conducts all of its business with the United States Government, principally the Department of Defense. In January 2014, HII acquired The S.M. Stoller Corporation.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
95.22	-12.43	1.45	17.35	72.31	15.9	AEROSPACE



RETAINED

KS

KAPSTONE PAPER



KapStone Paper and Packaging Corporation (KapStone) is an integrated manufacture and sale of unbleached kraft paper and corrugated products for industrial and consumer markets. During the year ended December 31, 2012, the Company produced 1,558,111 tons of unbleached kraft paper, of which nearly 77% was sold to third party converters or shipped to its corrugated products manufacturing plants based in the United States and 23% was sold to foreign based customers. In 2012, the corrugating plants produced and sold about 383 million tons or 6.2 billion square feet (BSF) of corrugated products in the United States. As of December 31, 2012 the Company operated 14 corrugated products manufacturing plants, comprised of six box plants, six sheet plants, and two sheet feeder plants. In July 2013, the Company completed the acquisition of Longview Fibre Paper and Packaging, Inc.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
28.09	-1.9	1.14	13.68	99.29	16.99	BASIC MATERIALS



RETAINED

LCI

LANNETT INC



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Lannett Company, Inc. is engaged in developing, manufacturing, marketing and distributing generic versions of branded pharmaceutical products. All of the Company's products manufactured and/or sold are prescription products. The Company's products containing Levo are produced and marketed with 12 varying potencies. In addition to generic Levo tablets, the Company also markets and distributes Unithroid tablets, a branded version of Levo, which is produced and marketed with 11 varying potencies. The Company's Levo tablets are used to treat hypothyroidism and other thyroid disorders. The Company's generic Levo tablets and Unithroid tablets are manufactured by Jerome Stevens Pharmaceuticals (JSP). As of June 30, 2012, the Company manufactured and/or distributed 30 products.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
36.71	-13.32	1.13	13.57	201.15	23.86	MEDICAL

NEW BUY **LYB** **LYONDELL BASEL-A**



LyondellBasell Industries N.V. is an independent chemical company. The Company's chemicals businesses consist of processing plants that convert volumes of liquid and gaseous hydrocarbon feedstock into plastic resins and other chemicals. Its Houston refinery processes crude oil into fuels, such as gasoline, diesel and jet fuel. Its segments include Olefins and Polyolefins-Americas (O&P-Americas), Olefins and Polyolefins-Europe, Asia, International (O&P-EAI), Intermediates and Derivatives (I&D), Refining & Oxyfuels and Technology. It's O&P-Americas and O&P-EAI products include olefins, polyolefins and polypropylene (PP) compounds. I&D products include acetyls and ethylene derivatives. Refining & Oxyfuels include gasoline and alkylate. Technology include PP process technologies and polyolefin catalysts. On January 4, 2012, refinery operations were suspended at its Berre refinery in France.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
97	1.3	1.07	12.83	44.88	13.99	BASIC MATERIALS

RETAINED **MEOH** **METHANEX CORP**



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MEOH

20 May 14 O:58.80 H:59.33 L:57.25 C:57.59 Vol:1.44M -1.44 (2.44%) finviz.com

SMA 50
SMA 200
SMA 20

DAILY

6M
4M
2M



Methanex Corporation (Methanex) is a supplier of methanol to international markets in Asia Pacific, North America, Europe and Latin America. The Company's operations consist of the production and sale of methanol. During the year ended December 31, 2011, its total annual production capacity, including Methanex equity interests in jointly owned plants, was 9.3 million tons. It is located in Chile, Trinidad, Egypt, New Zealand and Canada. It has marketing rights for 100% of the production from the jointly owned plants in Trinidad and Egypt and this provides the Company with an additional 1.2 million tons per year of methanol offtake supply. In addition to the methanol produced at its sites, it purchases methanol produced by others under methanol offtake contracts and on the spot market.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
57.59	-5.34	1.32	15.82	25.44	12.01	BASIC MATERIALS



RETAINED

MU

MICRON TECH

MU

20 May 14 O:26.97 H:27.16 L:26.16 C:26.55 Vol:21.83M -0.39 (1.45%) finviz.com

SMA 50
SMA 200
SMA 20

DAILY

200M
150M
100M
50M



Micron Technology, Inc., is a global manufacturer and marketer of semiconductor devices, principally NAND Flash, DRAM and NOR Flash memory, as well as other memory technologies, packaging solutions and semiconductor systems for use in computing, consumer, networking, automotive, industrial, embedded and mobile products. In addition, the Company manufactures semiconductor components for CMOS images sensors and other semiconductor products. The Company operates in four segments: NAND Solutions Group (NSG), DRAM Solutions Group (DSG), Wireless Solutions Group (WSG) and Embedded Solutions Group (ESG). The Company's product include NAND Flash Memory, Dynamic Random Access Memory (DRAM) and NOR Flash Memory. The Company's manufacturing facilities are located in the United States, China, Israel, Italy, Malaysia, Puerto Rico and Singapore.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
26.55	24.55	0.34	4.13	136.84	11.53	COMPUTER AND TECHNOLOGY



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SNX

20 May 14 O:63.24 H:63.63 L:60.82 C:61.43 Vol:324.6K -1.72 (2.72%) @ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

1.5M
1M
500K

Sep Oct Nov Dec 2014 Feb Mar Apr May

Synnex Corporation is a business process services company. The Company provides services to resellers, retailers and original equipment manufacturers (OEMs), in multiple regions around the world. The Company's business process services are wholesale distribution and business process outsourcing (BPO). The Company operates in two segments: distribution services and global business services (GBS). Its distribution services segment distributes information technology (IT) systems, peripherals, system components, software, networking equipment, CE, and complementary products and also offers data center server and storage solutions. It also provides contract assembly services within its distribution services segment. Its GBS segment offers a range of BPO services to technical support, renewals management, lead management, direct sales, customer service, back office processing customers. It acquired IBM's customer relationship management (CRM) business, on January 31, 2014.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
61.43	-12.21	1.6	19.22	62.73	12.61	COMPUTER AND TECHNOLOGY

**RETAINED****SPR****SPRIT AEROSYSTEMS****SPR**

20 May 14 O:32.30 H:32.36 L:31.49 C:31.59 Vol:720.6K -0.81 (2.50%) @ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

20M
15M
10M
5M

Sep Oct Nov Dec 2014 Feb Mar Apr May

Spirit AeroSystems Holdings, Inc. (Holdings) is an independent non- original equipment manufacturer (OEM) aircraft parts designers and manufacturers of commercial aerostructures. The Company operates in three segments: Fuselage Systems, which includes forward, mid and rear fuselage sections; Propulsion Systems, which includes nacelles, struts/pylons and engine structural components, and Wing Systems, which includes wing systems and components, flight control surfaces and other miscellaneous structural parts. The Company is an independent supplier of aerostructures to The Boeing Company (Boeing). In addition, it is an independent suppliers of aerostructures to Airbus S.A.S. (Airbus). The Company is engaged in production of the majority of the airframe content for the Boeing B737. In addition, it is a content supplier of wing systems for the Airbus A320 family. It is a supplier for the Airbus A380. In April 2012, it opened a 55,000-square-foot manufacturing facility in Chanute, Kansas.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
31.59	2.94	1.18	14.13	45.44	10.66	AEROSPACE

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RETAINED

UPL

ULTRA PETROLEUM CP



Ultra Petroleum Corp. (Ultra) is an independent oil and gas company engaged in the development, production, operation, exploration and acquisition of oil and natural gas properties. The Company's operations are primarily located in the Green River Basin of southwest Wyoming and the north-central Pennsylvania area of the Appalachian Basin. Ultra's operations in southwest Wyoming are focused on developing its natural gas reserves in a tight gas sand trend located in the Green River Basin with targets in the sands of the upper Cretaceous Lance Pool in the Pinedale and Jonah fields. As of December 31, 2012, Ultra owned interests in approximately 84,000 gross (49,000 net) acres in Wyoming covering approximately 190 square miles. In December 2012, CorEnergy Infrastructure Trust, Inc acquired a liquids gathering system (LGS) from Ultra. Effective December 12, 2013, Ultra Petroleum Corp acquired an undisclosed oil and gas producing properties, located in Uinta Basin.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
26.81	-38.49	1.57	18.9	14.18	12.39	OILS-ENERGY



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The **ValuEngine** View

Created by:
Eric Stokes

MAY ALTERNATE SELECTIONS

Symbol	Company Name	Mkt Price	Valuation (%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
ALR	ALERE INC	34.97	-4.87	1.19	14.31	32.16	15.43	MEDICAL
ATK	ALLIANT TECHSYS	124.17	-0.69	1.33	15.93	58.79	11.71	AEROSPACE
EJ	E-HOUSE CHINA	9.22	-27.83	1.36	16.27	86.26	20.34	FINANCE
JKS	JINKOSOLAR HLDG	22.37	-9.09	1.78	21.41	146.09	6.05	OILS-ENERGY
NUS	NU SKIN ENTERP	72.44	-13.82	1.43	17.15	15.35	11.84	CONSUMER STAPLES

NOTE: Current Holdings in BOLD.

These stocks were included as a courtesy and are subject to the same rigorous research process as the primary selections. You should carefully research the stock picks provided in this newsletter for information on dividend payment schedules, mergers, stock splits, corporate actions, SEC activities, "acts of God," etc. ValuEngine's proprietary models cannot always calculate the impact of such events on portfolio picks and all investment targets should be subjected to an additional human "sanity check." If in doubt, use an alternate selection.

ValuEngine's Valuation and Forecast data are derived from our proprietary quantitative models and consider numerous factors including: firm-specific variables like the Long-run EPS growth rate, the Duration of the Business-growth-cycle, the Volatility of EPS growth rate, the Systematic or beta risk of the firm, the Correlation between the firm's EPS and the interest rate environment, Dividend payout ratio, and Buffer earnings. Model calculations also include interest rate-related criteria as well as technical data such as short and long-term price reversal characteristics. ValuEngine Ratings cover approximately 8,000 stocks.

APRIL ALTERNATE RESULTS

Symbol	Company Name	Entry Price 4/17/14	Current Price	Change	%Change
ESI	ITT EDUCATIONAL	26.69	25.37	-1.32	-4.95
FSS	FED SIGNAL CP	15.12	13.87	-1.25	-8.27
IQNT	INTELIQUENT INC	13.94	14.37	0.43	3.08
SM	SM ENERGY CO	74.89	76.03	1.14	1.52
TYC	TYCO INTL LTD	41.38	42.76	1.38	3.33
	LONG PORTFOLIO				-1.05
GSPC	S&P500	1862.31	1872.83	10.52	0.56

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The **ValuEngine** View

Created by:
Eric Stokes

Tuesday's closing prices. **Stocks in bold letters are new positions.**

MAY PORTFOLIO

Ticker	Company Name	Mkt Price	Number of Shares	Sector
AFSI	AMTRUST FINANCIAL SERVICES	44.27	23	FINANCE
BMA	BANCO MACRO-ADR	30.01	33	FINANCE
BRC D	BROCADE COMMUNICATION SYSTEMS	8.5	118	COMPUTER AND TECHNOLOGY
CSIQ	CANADIAN SOLAR	22.41	45	OILS-ENERGY
GILD	GILEAD SCIENCES	81.14	12	MEDICAL
GNTX	GENTEX CORP	28.89	35	AUTO-TIRES-TRUCKS
HII	HUNTINGTON INGALLS	95.22	11	AEROSPACE
KS	KAPSTONE PAPER	28.09	36	BASIC MATERIALS
LCI	LANNETT INC	36.71	27	MEDICAL
LYB	LYONDELLBASEL-A	97	10	BASIC MATERIALS
MEOH	METHANEX CORP	57.59	17	BASIC MATERIALS
MU	MICRON TECH	26.55	38	COMPUTER AND TECHNOLOGY
SNX	SYNNEX CORP	61.43	16	COMPUTER AND TECHNOLOGY
SPR	SPIRIT AEROSYSTEMS	31.59	32	AEROSPACE
UPL	ULTRA PETROLEUM CP	26.81	37	OILS-ENERGY

NOTE: New Buys in BOLD

To summarize, we are selling: GAME,LNC,NOAH,PKG,SFUN, and TX

And, we are purchasing: AFSI,BRC D,CSIQ,GILD,LYB, and SNX

The **ValuEngine View** newsletter is the product of sophisticated stock valuation and forecast models first developed by Yale Professor of Finance Zhiwu Chen. The Valuation Model utilizes a three factor approach: fundamental variables such as a company's trailing 12-month Earnings-Per-Share (EPS); analyst consensus estimate of the company's future 12-month EPS; and the 30-year Treasury yield. The Forecast Model uses proprietary and well-established forecasting variables derived from financial research studies. Short and long-term historic factors in the VE valuation model's calculation include past-valuation levels of the stock and its recent price-momentum factor relative to other stocks. These considerations, applied with the

firm-specific variables, allow the model to differentiate a stock across sectors and within the company's own business-growth stages.

The **ValuEngine View** portfolio is constructed by integrating both our Aggressive Growth—based on the Valuation Model—and Diversified Growth—based on the Forecast Model— Portfolio Strategies. The portfolio has 15 stocks and is balanced once each month. Note that the newsletter is published near the middle of each calendar month. An equal amount of capital is allocated to each stock. The monthly returns are calculated from the closing prices on date of publication. The performance calculation does not include any transaction costs.

VALUENGINE'S METHODOLOGY

ValuEngine's research combines the most advanced academic concepts with real world Wall Street practice. The result is state-of-the-art fair market valuation and price forecasting technologies.

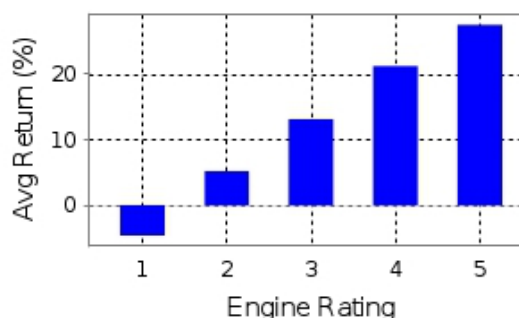
ValuEngine's stock valuation employs a sophisticated, three-factor approach. Fundamental variables, such as a company's trailing 12-month Earnings-Per-Share (EPS), the analyst consensus estimate of the company's future 12-month EPS, and the 30-year Treasury yield, are all used to create a more accurate reflection of a company's fair value. Together with eleven additional variables, ValuEngine paints a detailed picture of a company's fair value, represented by the model price.

ValuEngine's stock forecasts examine, among other things, short-term price reversals, intermediate-term momentum continuation, and long-term price reversals over six time horizons for every industry to ensure forecasts are established relative to a stock's proper peer groups. Advanced statistical/econometric techniques are used to run thousands of simulations estimating the probability of a double in stock price, as well as the probability of meeting and exceeding any given portfolio or stock investment target.

The stock's engine rating is an assessment of its overall attractiveness. It combines valuation, risk-return trade-off, momentum, market capitalization and forecasted future returns. Only two percent of the stock universe receives the highest 5-engine rating. The lowest rating is a single engine.

For more information on ValuEngine, its models and performance, go to www.ValuEngine.com

Engine Rating and Average Annual Return
(Jan 1990 - Jul 2008)



DISCLOSURES

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