

2014 Issue #11 - Published November 26th, 2014

 Subscription information available at ValuEngine.com

For October/November, the stock market continued its renewed rally. Our small cap stock newsletter also laid in a strong gain as investors began to pick up this equity class again. We had a great gain of 6.22% overall but couldn't quite match the SP500 pick up of 7.26%. We trailed by 104 bps. **The trailing 12 month gain of the Small Cap Stock Strategy is -6.47% versus the S&P 500 return of 16.04%. The return since inception is 29.58% versus the S&P's gain of 49.04%.**

We had nine out of 15 winners this month, with some massive pickups courtesy of Tower Semiconductors (44.66%) and Inteligent (40.17%). We also garnered double-digit pick ups from Tower International, DTS Inc., Ultra Clean Holdings, and Pacific Ethanol. Unfortunately our few losers tended to post double-digit losses, so we were held back from truly outstanding performance by Star Bulk Carriers, Arotech, Valco Enberg, and HCI Group. We also bemoan the fact that we had an alternate that was NOT included in the main portfolio. Alternate selection Ani Pharma had a HUGE gain of 97.57%.

Currently, the Valuation Model finds that 62.11% of the equities to which we can assign a valuation are overvalued—with 22.57% coming in overvalued at 20% or more. Fourteen sectors are overvalued—seven of them by double-digit figures. We have seen fears of Ebola, ISIS, and other issues fade "magically" with the latest election. We find that the environment for equities remains positive and economic data continues to improve. Clearly, much of the doom and gloom back in mid-October had more to do with political arguments and electoral concerns than raw data. We hope that the market rally lays in new highs that small cap stocks will continue to find favor.

In our November portfolio, we turnover ten stocks. On a sector basis the model likes Oils and Energy, Computer/Tech, and Auto/Tires/Trucks stocks.

SteveHach

Senior Editor, ValuEngine Inc.

OCTOBER RESULTS

Ticker	Company Name	Entry Price 10/23/14	Current Price	Change	%Change
ARTX	AROTECH CORP	2.76	2.28	-0.48	-17.39
AXAS	ABRAXAS PETROLEUM	3.92	4.21	0.29	7.40
DHT	DHT HOLDINGS	5.99	6.32	0.33	5.51
DTSI	DTS INC	28	32.16	4.16	14.86
EGY	VAALCO ENERGY	7.67	6.56	-1.11	-14.47
FSI	FLEXIBLE SOLUTIONS	1.17	1.15	-0.02	-1.71
HCI	HCI GROUP INC	48.21	41.93	-6.28	-13.03
IQNT	INTELIQUENT INC	13.07	18.32	5.25	40.17
PEIX	PACIFIC ETHANOL INC	12.33	13.9	1.57	12.73
RIOM	RIO ALTO MINING	2.41	2.62	0.21	8.71
SBLK	STAR BULK CARRIERS	10.61	8.4	-2.21	-20.83
TOWR	TOWER INTERNATIONAL	22.27	25.67	3.40	15.27
TSEM	TOWER SEMICONDUCTORS	8.89	12.86	3.97	44.66
UCTT	ULTRA CLEAN HOLDINGS	7.67	8.7	1.03	13.43
ZAGG	ZAGG INC	5.84	5.72	-0.12	-2.05
	LONG PORTFOLIO				6.22
GSPC	S&P500	1927.11	2067.03	139.92	7.26

The strategy is replacing ten stocks. The portfolio is 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

AMTX

AEMETIS INC

AMTX

Nov 25 O:5.88 H:5.98 L:5.78 C:5.85 Vol:39.1K **+0.04 (0.69%)** @ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

1M
800K
600K
400K
200K

Jul Aug Sep Oct Nov

14.00
13.00
12.00
11.00
10.00
9.00
8.00
7.00
6.00
5.00

Aemetis, Inc. is an advanced fuels and renewable chemicals company. It produces renewable chemicals and fuels using patented microbes and processes. Aemetis owns and operates an ethanol animal feed plant in California to produce D5 Advanced Biofuels using the sorghum/biogas/CHP pathway. The Company also built, owns, and operates a renewable chemicals and advanced fuels production facility on the East Coast of India producing high quality, distilled biodiesel and refined glycerin for customers in Europe and Asia. Aemetis, Inc. is headquartered in Cupertino, California.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
5.85	N/A	1.19	14.32	N/A	9.34	OILS-ENERGY



NEW BUY

ASM

AVINO SILVER&GOLD

ASM

Nov 25 O:1.46 H:1.55 L:1.45 C:1.47 Vol:65.45K **+0.01 (0.68%)** @ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

4M
3M
2M
1M

Mar Apr May Jun Jul Aug Sep Oct Nov

3.00
2.80
2.60
2.40
2.20
2.00
1.80
1.60
1.40
1.20
1.00

Avino Silver & Gold Mines Ltd. is engaged in exploration and development of mineral properties. The company primarily explores for silver along with gold, copper and lead. Its properties are mainly located in British Columbia, the Yukon Territory, Mexico and Canada. Avino Silver & Gold Mines Ltd. is headquartered in Vancouver, Canada.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
1.47	N/A	1.33	15.94	27.84	11.31	BASIC MATERIALS



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**RETAINED****AXAS****ABRAXAS PETE/NV****AXAS**

Nov 25 O:4.20 H:4.33 L:4.05 C:4.21 Vol:2.83M +0.03 (0.72%) @ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

20M
15M
10M
5M

Mar Apr May Jun Jul Aug Sep Oct Nov

6.50
6.00
5.50
5.00
4.50
4.00
3.50
3.00

Abraxas Petroleum Corporation is an independent energy company engaged primarily in the acquisition, exploration, exploitation and production of crude oil and natural gas. They seek to complement their acquisition and development activities by selectively participating in exploration projects with experienced industry partners.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
4.21	-8.19	1.29	15.5	17.93	12.03	OILS-ENERGY

**NEW BUY****CAAS****CHINA AUTO SYSTEMS****CAAS**

Nov 25 O:7.96 H:8.12 L:7.89 C:7.98 Vol:81.81K -0.06 (0.75%) @ finviz.com

SMA 50
SMA 200
SMA 20

DAILY

500K
400K
300K
200K
100K

Mar Apr May Jun Jul Aug Sep Oct Nov

11.00
10.50
10.00
9.50
9.00
8.50
8.00
7.50
7.00
6.50

China Automotive Systems, Inc is a holding company. The Company is engaged in the manufacture and sales of automotive systems and components in the People's Republic of China. The Company's subsidiaries include Great Genesis Holdings Limited (Genesis) and Henglong USA Corporation (HLUSA). Genesis is engaged in the manufacture and sale of automotive systems. HLUSA is engaged in marketing of automotive parts in North America and provides after-sales service and research and development support accordingly. Genesis directly and indirectly owns interests in nine Sino-joint ventures and a wholly owned subsidiary in the People's Republic of China, China or the People's Republic of China.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
7.98	-47	1.42	17.03	-7.85	7.04	AUTO-TIRES-TRUCKS

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NEW BUY

CORR

CORENERGY INFRASTRUCTURE

CORR

Nov 25 O:6.85 H:6.97 L:6.81 C:6.90 Vol:369.05K +0.01 (0.15%) @ finviz.com



CorEnergy Infrastructure Trust, Inc. seeks to invest primarily in the U.S. energy infrastructure sector. It seeks to acquire midstream and downstream U.S. energy infrastructure assets and concurrently enter into long-term triple net leases with energy companies. These assets may include pipelines, storage tanks, transmission lines and gathering systems, among others. CorEnergy Infrastructure Trust, Inc., formerly known as Tortoise Capital Resources Corporation, is based in United States.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
6.9	-14.35	1.12	13.39	-0.43	11.63	FINANCE



RETAINED

IQNT

INTELIQUENT INC

IQNT

Nov 25 O:17.77 H:18.40 L:17.26 C:18.32 Vol:1.16M +0.61 (3.44%) @ finviz.com



Inteliquent, Inc. offers tandem interconnection services. It provides voice, Internet protocol transit and Ethernet solutions to carriers, service providers and content management firms. Inteliquent, Inc., formerly known as Neutral Tandem, Inc., is headquartered in Chicago.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
18.32	15.69	0.21	2.49	47.86	16.07	COMPUTER AND TECHNOLOGY



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NEW BUY

JASO

JA SOLAR HOLDINGS

JASO

Nov 25

O:9.48 H:9.55 L:9.18 C:9.20

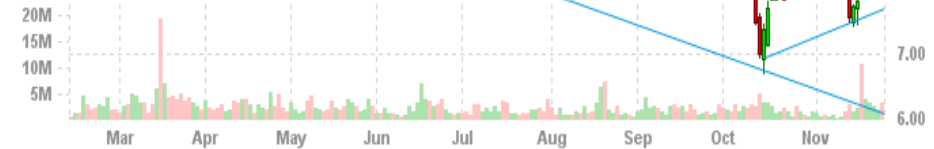
Vol:3.47M

-0.29 (3.06%)

finviz.com

SMA 50
SMA 200
SMA 20

DAILY



JA SOLAR HOLDINGS LTD is a fast growing manufacturer of high-performance solar cells that is advancing solar photovoltaics as a financially viable yet sustainable solution to balance the world's environment and energy needs. The Company sells its products to solar module manufacturers who assemble and integrate its solar cells into modules and systems that convert sunlight into electricity.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
9.2	-50.39	1.25	14.95	-13.45	10.74	OILS-ENERGY



NEW BUY

NNBR

NN INC

NNBR

Nov 25

O:20.72 H:21.56 L:20.72 C:21.13

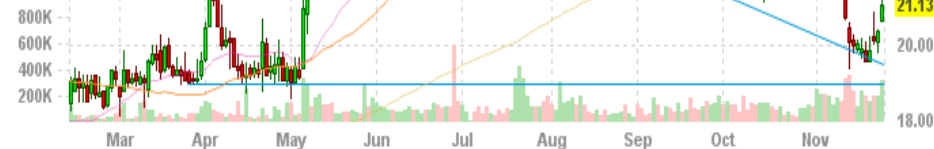
Vol:325.9K

+0.74 (3.63%)

finviz.com

SMA 50
SMA 200
SMA 20

DAILY



NN, Inc. is an independent manufacturer and supplier of high quality, precision steel balls and rollers to both domestic and international anti-friction bearing manufacturers. Precision steel balls and rollers are critical moving parts of anti-friction bearings used in a wide variety of automotive, industrial and other applications. NN also manufacturers a full line of precision injection molded components serving the bearing, automotive, instrumentation, fiber optic and consumer hardware markets.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
21.13	-25.64	1.29	15.5	13.12	15.85	INDUSTRIAL PRODUCTS



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NEW BUY

ONE

HIGHER ONE HOLDINGS



Higher One Inc. is engaged in providing technology and payment services to the higher education industry. The Company provides solutions to higher education institutions and their students in order to handle financial disbursements. These include: student refunds, on campus and community purchases, payroll and employee expenses, as well as the collection of payments from students, parents and sponsors. For its higher education institution customers, the Company offers its OneDisburse Refund Management disbursement service. For students and other campus community members, it offers its OneAccount service that includes an FDIC-insured deposit account provided by its bank partner, the OneCard, which is a debit MasterCard ATM card, and other retail banking services. It also offers payment transaction services which are primarily software-as-a-service solutions that facilitate electronic payment transactions. Higher One Inc. is headquartered in New Haven, Connecticut.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
3.55	-66.07	1.11	13.31	-64.5	6.19	BUSINESS SERVICES



RETAINED

PEIX

PACIFIC ETHANOL INC



Pacific Ethanol, Inc. is currently in the business of marketing ethanol in the Western United States through Kinergy Marketing, a wholly-owned subsidiary of the Company and the largest West Coast-based marketer of renewable fuels. The Company intends, in the near future, to construct an ethanol production facility at its Madera County, California, site.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
13.9	N/A	1.91	22.96	313.69	4.52	OILS-ENERGY



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NEW BUY

SKH

SKILLED HEALTHCARE

SKH

Nov 25 O:7.03 H:7.13 L:6.95 C:7.00 Vol:97.1K -0.03 (0.43%) @ finviz.com



SKILLED HEALTHCARE GROUP, INC. subsidiaries operate skilled nursing and assisted living facilities as well as a rehabilitation therapy and a hospice business, which focus on creating a culture that attracts and retains an innovative, caring and ethical team that provides high-quality care to patients, and has a strong reputation for treating patients who require a high level of skilled nursing care and extensive rehabilitation therapy.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
7	-23.91	1.26	15.17	41.41	20.19	MEDICAL



NEW BUY

TC

THOMPSON CREEK

TC

Nov 25 O:1.94 H:1.97 L:1.87 C:1.92 Vol:2.31M -0.01 (0.52%) @ finviz.com



Thompson Creek Metals Company Inc. (formerly Blue Pearl Mining Ltd.) is one of the largest publicly traded, pure molybdenum producers in the world. The Company owns the Thompson Creek open-pit molybdenum mine and mill in Idaho, a seventy five percent share of the Endako open-pit mine, mill and roasting facility in northern British Columbia, and a metallurgical roasting facility in Langeloth, Pennsylvania. Thompson Creek is also developing the Davidson high-grade underground molybdenum project near Smithers, B.C. Its head office is in Toronto, Ontario.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
1.92	-53.03	1.16	13.93	-28.36	10.29	BASIC MATERIALS



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NEW BUY

TNK

TEEKAY TANKERS

TNK

Nov 25 O:4.47 H:4.55 L:4.41 C:4.49 Vol:465.2K +0.01 (0.22%) @ finviz.com



Teekay Tankers Ltd. is a Marshall Islands corporation recently formed by Teekay Corporation to provide international marine transportation of crude oil. Teekay Tankers Ltd. owns a fleet of nine double-hull Aframax-class oil tankers, which an affiliate of Teekay Corporation manages under a mix of spot-market trading and short- or medium-term fixed-rate time-charter contracts. In addition, Teekay Corporation will offer to Teekay Tankers Ltd. within eighteen months of the initial public offering the opportunity to purchase up to four Suezmax-class oil tankers. Teekay Tankers Ltd. intends to distribute on a quarterly basis all of its cash available for distribution, subject to any reserves established by its board of directors.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
4.49	-36.84	1.34	16.03	63.27	22.08	TRANSPORTATION



RETAINED

TOWR

TOWER INTERNATIONAL INC

TOWR

Nov 25 O:25.50 H:25.84 L:25.33 C:25.67 Vol:136.1K +0.29 (1.14%) @ finviz.com



TA Delaware, Inc. is engaged in the manufacture of engineered structural metal components and assemblies primarily serving automotive original equipment manufacturers. It offers its automotive customers body-structure stampings, frame and other chassis structures, as well as complex welded assemblies, for small and large cars, crossovers, pickups and SUVs. Its manufacturing operations consist primarily of stamping and welding operations, system and modular assembly operations, coating, and other ancillary operations. The Company uses various grades and thicknesses of steel and aluminum; including high-strength, hot- and cold-rolled, galvanized, organically coated, stainless, and aluminized steel; for the manufacture of its products. TA Delaware, Inc. is headquartered in Livonia, Michigan.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
25.67	-16.77	1.67	20.01	22.71	8.78	AUTO-TIRES-TRUCKS



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RETAINED

TSEM

TOWER SEMICONDUCTORS

TSEM

Nov 25

O:12.82 H:13.33 L:12.78 C:12.86

Vol:2.55M

+0.13 (1.06%)

finviz.com



Tower Semiconductor Ltd. is an independent manufacturer and service provider of semiconductor integrated circuits on silicon wafers. They provide IC design, manufacturing and turnkey services using advanced production capabilities and the proprietary IC designs of their customers, and are specializing in providing solutions for embedded non-volatile memory devices and CMOS image sensors.

Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
12.85	17.9	0.56	6.7	196.2	8.53	COMPUTER AND TECHNOLOGY

Strategy Description: For the VE Small Cap Stock Strategy portfolios, companies with a market cap greater than @ \$500 million are eliminated from the selection basket. Stocks trading at less than \$1.00/share are also eliminated. This typically leaves @700-1300 equities eligible for inclusion in the portfolio each month. Stock selections are further refined by applying the VE Forecast Model one-year return calculations to rank stocks according to the highest return forecasts. The final portfolio is then selected based on the one-month return forecast of the remaining stock basket. Portfolio size is limited to 15 stocks. No diversity requirements are applied. An equal amount of capital was allocated to all stocks. You should always 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."



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NOVEMBER ALTERNATE SELECTIONS

Ticker	Company Name	Mkt Price	Valuation(%)	Forecast 1-Mon Retn(%)	Forecast 1-Yr Retn(%)	Last 12-Mon Retn (%)	P/E Ratio	Sector
BIS	PRO-ULS NDQ BIO	48.64	N/A	1.1	13.16	125.29	N/A	FINANCE
DX	DYNEX CAP INC	8.52	-6.6	1.1	13.16	1.79	8.19	FINANCE
IRT	INDEP REALTY TR	9.45	-6.93	1.09	13.11	11.18	13.31	FINANCE
NCT	NEWCASTLE INV	4.74	-75	1.11	13.33	-85.43	2.02	FINANCE
TGA	TRANSGLOBE ENGY	3.74	-47.26	1.11	13.28	-56.86	3.91	OILS-ENERGY

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.

OCTOBER ALTERNATE RESULTS

Symbol	Company Name	Entry Price 10/23/14	Current Price	Change	%Change
ANIP	ANI PHARMACEUTICALS	27.93	55.18	27.25	97.57
BIB	PRO-ULT NDQ BIO	105.39	123.54	18.15	17.22
GORO	GOLD RESOURCE	4.68	4.1	-0.58	-12.39
IRT	INDEPENDENT REALTY TRUST	9.53	9.45	-0.08	-0.84
VTG	VANTAGE DRILLING	1.01	0.81	-0.20	-19.80
	LONG PORTFOLIO				16.35
GSPC	S&P500	1927.11	2067.03	139.92	7.26

The table below summarizes all of the above holdings and reflects an equally weighted portfolio with \$1,000 invested in each stock using Tuesday's closing prices. **Stocks in bold letters are new positions.**

NOVEMBER PORTFOLIO

Ticker	Company Name	Mkt Price	Number of Shares	Sector
AMTX	AEMETIS INC	5.85	171	OILS-ENERGY
ASM	AVINO SILVER&GOLD	1.47	680	BASIC MATERIALS
AXAS	ABRAXAS PETE/NV	4.21	238	OILS-ENERGY
CAAS	CHINA AUTO SYSTEMS	7.98	125	AUTO-TIRES-TRUCKS
CORR	COREENERGY INFRASTRUCTURE	6.9	145	FINANCE
IQNT	INTELIQUENT INC	18.32	55	COMPUTER AND TECHNOLOGY
JASO	JA SOLAR HOLDINGS	9.2	109	OILS-ENERGY
NNBR	NN INC	21.13	47	INDUSTRIAL PRODUCTS
ONE	HIGHER ONE HOLDINGS	3.55	282	BUSINESS SERVICES
PEIX	PACIFIC ETHANOL INC	13.9	72	OILS-ENERGY
SKH	SKILLED HEALTHCARE	7	143	MEDICAL
TC	THOMPSON CREEK	1.92	521	BASIC MATERIALS
TNK	TEEKAY TANKERS	4.49	223	TRANSPORTATION
TOWR	TOWER INTERNATIONAL INC	25.67	39	AUTO-TIRES-TRUCKS
TSEM	TOWER SEMICONDUCTORS	12.85	78	COMPUTER AND TECHNOLOGY

NOTE: New Buys in BOLD

We are selling: ARTX,DHT,DTSI,EGY,FSI,HCI,RIOM,SBLK,UCTT, and ZAGG

We are purchasing: AMTX,ASM,CAAS,CORR,JASO,NNBR,ONE,SKH,TC, and TNK

The **ValuEngine Small Cap Stock** newsletter is the product of sophisticated stock valuation and forecast models first developed by Yale Professor of Finance Zhiwu Chen. Small cap stocks allow investors to establish larger positions on a share basis and thus benefit from the price swings and upward volatility of these sorts of equities. Small cap stocks often lead rallies. However, this volatility and risk runs both ways. So, prudent investors are careful to establish stop-losses and hedging strategies for every portfolio.

For the **ValuEngine Small Cap Stock** Newsletter, companies with a market cap greater than @ \$500 million are eliminated from the selection basket. Stocks trading at less than \$1.00/share are also eliminated. This typically leaves @700-1300 equities eligible for inclusion in the portfolio each month. Stock selections are further refined by applying the VE Forecast Model one-year return calculations to rank stocks according to the highest return forecasts. The final portfolio is then selected based on the one-month return forecast of the remaining stock basket. Portfolio size is limited to 15 stocks. No diversity requirements are applied. An equal amount of capital was allocated to all stocks.

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.

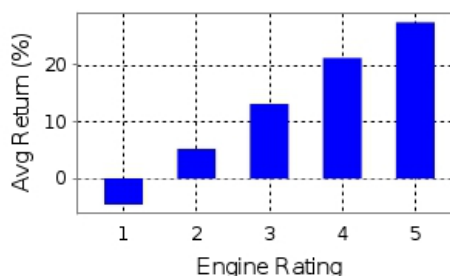
ValuEngine's stock valuation employs a sophisticated, three-factor approach. Fundamental variables, such as a company's trailing 12-month Earnings-Per-Share (EPS), the analyst consensus estimate of the company's future 12-month EPS, and the 30-year Treasury yield, are all used to create a more accurate 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

ValuEngine offers equity recommendations and related return estimates to investors and their advisors. It uses a three-class Buy-Hold-Sell rating system. This is a consolidated version of the firm's five class rating system: most favorable and favorable ratings are buys; neutral ratings are holds and the categories unfavorable and most unfavorable are sells.

STOCK RATINGS: The terms below are used to rate a stock's 12-month performance:

1. Buy: Expected to outperform the SP500 producing above average returns.
2. Hold: Expected to perform in line with the SP500 with average returns.
3. Sell: Expected to underperform the SP500 producing below-average returns.

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