



**BILL GUNDERSON'S  
BEST STOCKS NOW NEWSLETTER**  
*Honest Counsel for Successful People.*

April 25, 2014

Password for the Premium Newsletter Archive is: bonds

# ***Risk Management...***



There is some degree of risk in almost everything we do. Sometimes I like to take my crew out for a nice big, fat Greek lunch after the market closes. Folks that live above the restaurant have an exit plan in case of a fire. They had better hope that there is a firefighter waiting at the end of the stairs, because that last drop is a doozy!

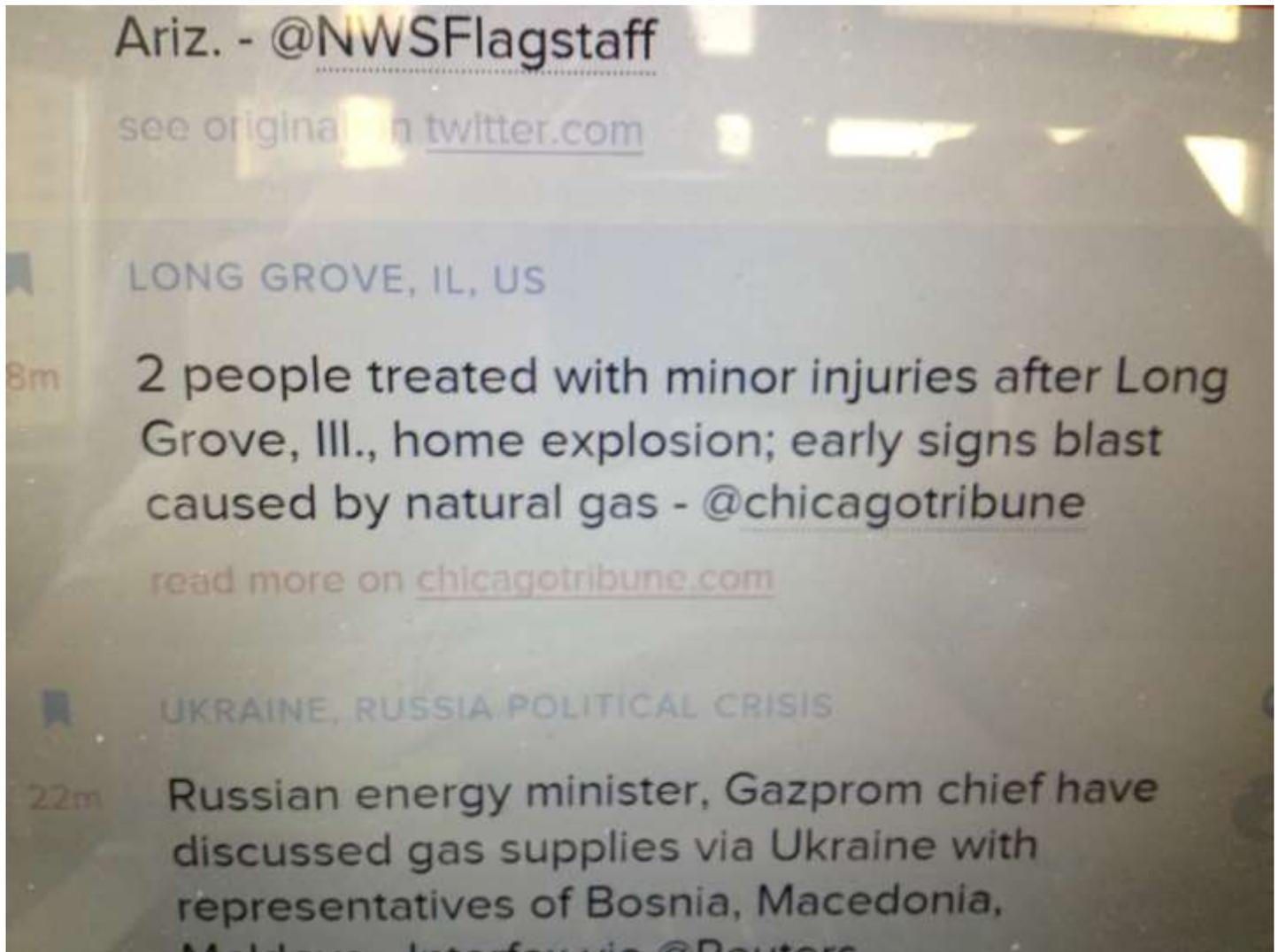
Mothers and fathers strap their children into specially made car seats to help manage the risk of a car accident.



Warships like this guard U.S. against the risks of an attack by an enemy. I snapped this picture out of my window on Friday as this ship was returning home from a long deployment overseas.



We take risks every day from the moment we wake up, until we go to bed at night. Even while we sleep there risk.



I keep a website up on my desk at work called *BreakingNews.com*. All day long there are events happening all over the world that remind us just how vulnerable we really are.

Bombs at high schools, shootings at grocery stores, ferry boats sinking, planes gone missing, terrorist attacks, etc., etc. It is enough to make you afraid to get out of bed in the morning. But, life must go on.

Kids need to get to school, commutes have to be made, families need to be supported, kids need to go to college, and saving for future needs should take place.

While there is no way to eliminate risk, there are lots of methods of mitigating risk.

A healthy diet and regular exercise can help to mitigate risk against many maladies that can befall our bodies. But then, I have seen some of the healthiest people I know get hit with something genetic out of the blue.

Strapping on our seatbelts, obeying the traffic laws, and being focused on our driving can help mitigate our risk against a bad traffic accident. But, I have had friends killed by drunk drivers through no fault of their own.

It seems that the unexpected can and almost always will happen. Just buy an old fishing boat and you will find out what I mean by this. **THE UNEXPECTED ALMOST ALWAYS HAPPENS.**

Soon after I got my boat several years ago, I was taking a nice cruise down the coastline. I was just a few miles from the harbor when my autopilot malfunctioned. The boat was put into spin mode and I was doing nice, tight circles right off the beach in Oceanside.

I must have looked really silly. No matter what I tried, the boat continued to spin. I called my wife and told her my predicament, and she replied "what do you want me to do." I finally turned off the boat and dropped anchor as I was not too far from the breakers.

I finally figured out how to disable the autopilot after several hours of trying just about everything. During the process I learned how to turn on and off the bait tank, the trim tabs, the hot water heater, everything but the auto pilot.

It was now time to turn on the anchor motor and get that big heavy anchor back on the boat where it belonged. I stepped on the pedal and after about 10 seconds, the motor stopped cold. It was done.

These anchors are not light in weight. I was in about 100 feet of water. In addition to this, the anchor is attached to a heavy, heavy chain. There is no cutting your losses and making a run for it.

I had to hand over hand the anchor. As I reached down to grab hold of the chain, my brand new cell phone went plunging out of my pocket into Davey Jones locker. I think that a halibut answered for a week or two. He answered "don't eat at Joe's Crab Shack."

After about 45 minute solo tug of war with the anchor, wind, and ocean currents, I had the darn thing back on boat, and I was headed back for the safety of the harbor. My Kaiser physician found the exact spot of the new hernias just two week later, and I went under the knife shortly thereafter.

I remember coming home and my wife asking me how my fishing trip went. I just grinned and said, let's go out to a nice fish restaurant tonight.

Every day when the bell sounds to open up the stock market, there are risks lurking around just about every corner. But the bottom line is this:

**THERE HAS NOT BEEN A BETTER INVESTMENT OVER THE LONG HAUL THAN THE STOCK MARKET.**

That being said, what are the main risks in the market, and what do I do to mitigate these risks?

**GEOPOLITICAL RISK**-During my twenty years as a money manager I have seen a lot of dangerous world events. These will never go away. We have had several wars, terrorist attacks, natural disasters, and on and on and on. I was at my desk watching CNBC when the planes flew into the World Trade Center. The market was halted for a few weeks.

I remember the days leading up to the first Gulf War. Saddam's Republican Guard was supposed to be the fiercest fighting group in the world. Today, a re-energized Russia seeks to re-take lost ground, while the Palestinians are teaming up with Hamas in their battle with Israel.

What is next? Something. We just don't know what we don't know.

Yet, when I first started in the business, the Dow was around 3,000. Today it is over 16,000.

**ECONOMIC RISK**-The economy is cyclical. Econ 101 taught us about expansions, peaks, contractions, and troughs. It taught us about the FED and interest rates, money supply, inflation, deflation, GDP, etc.

I have seen many of the cycles over and over again in my lifetime. They greatly affect the stock market, the bond market, and the real estate market.

And just when we thought that we have seen just about everything, the 2008 fiscal crisis comes along.

**POLITICAL RISK**-If you have not noticed lately, the two parties in our country really do not like each other. Much of the drops on the market over the last decade have been caused directly by them. We have very little control over what dumb things either party is going to do that impacts our economy, our stability, or the growth of our great nation.

**INDIVIDUAL COMPANY RISK**-I worked with a guy who was a devotee of the *CANSLIM* method of investing. This is a momentum style invented by William J. O'Neill of *Investor's Business Daily* fame. This man that I knew was busy building a position in a fertilizer stock in the Midwest that had almost cornered the market in Nitrogen.

One day one of the employees of this publicly traded company was smoking at lunchtime and accidentally blew up a large part of the plant along with several of his co-workers. It was a tragic event that immediately impacted the stock in a very adverse way.

**WAYS TO MITIGATE RISK**- There is no way to mitigate the risk of an overnight event happening in the world that would have a major impact on the markets or the economy, or on an individual company. This is something that we have to accept as investors. I do my best to stay on top of world events and know where the main risk lies, but I cannot protect my investors from the **unknown**. For this reason, I have added a new disclaimer to all of my model portfolios. Investors need to realize that this risk of a sudden and unexpected event will always be there, it is never going away.

**Knowledge** of where we are at in the economic cycle is of utmost importance. We are now in the sixth year of a Bull Market. We are also in the sixth year of an economic expansion that began from the depths of hell.

And while I don't believe we are near the peak, we are no longer in the stimulus induced euphoria of the expansion either. That is the main reason that we have seen a major shift away from the growth stocks to value stocks.

**Knowledge of world events and the economy** is one more way of mitigating risk.

**Diversification** is obviously another way to mitigate risk. I am sure you have heard the old saying, *"it is not good to have your eggs in one basket."*

**Diversification** is a fine line however. How much is too much, and how much is not enough. Buffet does not have that many eggs in his basket and he has done just fine. Asset allocators have eggs of every shape size color in their basket, even rotten ones. As you know, I rank the asset classes on a daily basis and only have exposure to the freshest eggs at any given time.

Sometimes that is 100% equities. Sometimes it is very few equities. Sometimes it is heavily tilted towards bonds or cash. Sometimes it is heavily weighted in hard assets (commodities). And sometimes it is hedged or tilted towards **INVERSE FUNDS**.

**Quality** means something different to everybody. Penny stocks are not quality. Private startups are very, very risky. There are a lot of unknowns in IPO's. I like companies with strong track records that have proven themselves over the years. As you can see from my Best Stocks Now™ app, I place a lot of emphasis on quality. Still there are no guarantees.

**Valuation** is another way of mitigating risk. It would not be wise to go down and buy the dry-cleaning shop on the corner at 10X sales or 50X earnings. Nor is it wise to do this with a publicly traded company, unless of course, future growth can support these multiples. Valuation is a big, big part of what I do in mitigating risk for my clients. There are still no guarantees. Companies can badly miss a quarter. Valuation then contracts swiftly. At the same time a company can exceed estimates, like Apple (AAPL) did this past week, and the valuation suddenly expands.

**Hedging** is yet another way to mitigate risk. Airlines hedge their fuel costs by investing in oil futures. Farmers also use futures to hedge against price fluctuations with their crops. Hedging can be very expensive, however. I have pointed out many times that a 50/50 stock bond portfolio would have only produced results of 7% last year, while a 100% stock portfolio was up 25%-30%. Investors can hedge their portfolios with inverse funds or short positions. I do not like to hedge until I can find some that begin to look attractive. I don't like to hedge just to be hedged. I want a good reason for it.

**Technical Analysis** in my opinion is critical. That is why I look at hundreds and hundreds of charts on a daily basis. How can a doctor do his job without an x-ray? How can a mechanic diagnose the condition of an engine without looking under the hood?

I like to know where a stock has been, which way it is currently headed, and how far from its recent starting point it is. I also like to know when a stock begins to change direction. A stock that is transitioning from an uptrend to a downtrend is an ominous warning to a vigilant technician. And on the other hand, a stock that is moving from a downtrend to an uptrend is a beautiful sight to an investor looking for opportunities.

Being able to just spot a general trend in a one year chart of any asset is a very valuable piece of the puzzle. Still there are no guarantees.

**Sell Stops** are one of the most controversial forms of risk mitigation. There are lots of pluses and there are lots of minuses. There have been times in during my investment career when I thought they were the greatest thing since sliced bread. There have also been times when I loathed them.

There have been numerous times when I have been stopped out of a stock for a 7% loss only to watch the stock go on to be one of the biggest winners in the market after that. At the same time, there have also been numerous times when I was stopped out with a small loss which would have become a much larger loss.

The **Flash Crash** really soured me on sell stops. I did not have any stops in on that day, but if I had them, I would have been stopped out on all of my positions, only to see them come back by the end of the day. I would have been fielding upset client calls for the next several weeks.

Recently, I have done everything visually. I have not used automatic sell-stops. If a stock breaks trend or I just don't like what I see I put it on a very short leash. You can look at the track record of the sells in my portfolio and see how I have mitigated risk through technical analysis. The biotech and internet stocks that I sold weeks ago have gotten MUCH WORSE since I sold them.

Are you glad that I was watching the charts when I determined that the trend in ISIS was changing?



It has gotten a lot worse since I sold it for an 8.8% loss.

Look what has happened to Workday (WDAY) after I sold it for a 3.3% loss.



I am finally starting to use sell stops once again. Hopefully we will not have another flash crash. I am using 5%-8% trailing sells on most of my more volatile stocks. As the market enters into the latter years of this current bull, I feel that it is a prudent thing to do. I have already had one stock hit its sell-stop only to rebound by the end of the day. But I believe that this is the exception as opposed to the rule.



It must also be remembered that a sell stop will not protect you against a “gap-down.” You will be filled at where the stock lands, not in-between the gap. A 7% sell-stop could easily be a 40% gap-down loss. Many times stocks will then rally from a “gap-down” and you essentially end up getting stopped out at or near the bottom.

As you can see. **SELL-STOPS** can be a two edged sword.

**Answers for the RISK ADVERSE and the Monday Morning Quarterbacks.**

Q: How come you don't sell stocks for small gains to “protect” profits?

A: Because I am not in the market for small gains. I am in the market for big gains.

Q: I can't sleep at night knowing all of the risk that is out there in the world right now.

A: You more than likely do not belong in the stock market. Your choices are a nice CD that pay about 1-2% annually, or maybe a principle protected indexed annuity. Realize however that you are severely capped on the up side, your money is locked up for a long time, and expenses are high.

Q: Aren't bonds safer than stocks?

A: Not in a rising interest environment. They can have 20-25% downside risk.

Q: Aren't mutual funds, indexes, and exchange traded funds safer than individual stocks?

A: Mutual funds, indexes, and ETF's are made up of individual stocks. And they stay fully invested all of the time. The S&P 500 index fell 50% during the financial crisis of 2007-2008. How is that safer than individual stocks?

Q: Can you keep me protected against 10-20% swings in the market?

A: NO. The market is now in the sixth year of a bull market. It has gone from 666-1866 during that time, but there have been numerous scares, sell-offs, and corrections along the way.

Q: Why were you so heavily weighted in Pharmaceutical and Healthcare stocks in February of this year?

A: Because I was heavily invested in them for fifteen months. Nobody complained about being too heavily weighted to these are of market in 2013. They were basically the only sectors in the world that worked.

Q: What are you doing to manage my risk?

A: See pages 5-9 of my April 25<sup>th</sup>, 2014 newsletter.

Here is how the market fared during another volatile week:

<b>Asset Class</b>	<b>Fri. 4/18/14 Close</b>	<b>Fri. 4/25/14 Close</b>	<b>Week Change</b>	<b>Pct. Change</b>
<b>S&amp;P500</b>	1864.85	1863.40	<b>-1.45</b>	<b>-0.08%</b>
<b>Avg.Forward PE ratio 3800 stocks</b>	18.29	18.12	<b>-0.17</b>	<b>-0.93%</b>
<b>DJIA</b>	16,408.54	16,361.46	<b>-47.08</b>	<b>-0.29%</b>
<b>NASD</b>	4095.52	4075.56	<b>-19.96</b>	<b>-0.49%</b>
<b>S&amp;P600 (Small)</b>	657.73	649.73	<b>-8.00</b>	<b>-1.22%</b>
<b>S&amp;P400 (Mid-Cap)</b>	1351.42	1347.22	<b>-4.20</b>	<b>-0.31%</b>
<b>Tot.Wld Stock Index (VT)</b>	59.66	59.41	<b>-0.25</b>	<b>-0.42%</b>
<b>Emg. Mkts (VWO)</b>	41.56	40.46	<b>-1.10</b>	<b>-2.65%</b>
<b>Em Mkt Sm. Cap (DGS)</b>	47.81	46.66	<b>-1.15</b>	<b>-2.41%</b>
<b>Europe (EFA)</b>	67.53	67.40	<b>-0.13</b>	<b>-0.19%</b>
<b>China (FXI)</b>	35.82	34.70	<b>-1.12</b>	<b>-3.13%</b>
<b>Russia (RSX)</b>	23.99	21.74	<b>-2.25</b>	<b>-9.38%</b>
<b>Latin America (ILF)</b>	38.13	37.58	<b>-0.55</b>	<b>-1.44%</b>
<b>20 Yr.+ U.S Treas. (TLT)</b>	110.05	111.33	<b>1.28</b>	<b>1.16%</b>
<b>7-10 Yr. U.S Treas. (IEF)</b>	101.79	102.10	<b>0.31</b>	<b>0.30%</b>
<b>U.S. 10yr. Tr. Yield</b>	2.72%	2.67%	<b>-0.05%</b>	<b>1.84%</b>
<b>Greece 10yr. Bond</b>	6.11%	6.31%	<b>0.20%</b>	<b>-3.27%</b>
<b>Brazil 10yr. Bond</b>	12.64%	12.45%	<b>-0.19%</b>	<b>1.50%</b>
<b>Oil</b>	104.59	100.69	<b>-3.90</b>	<b>-3.73%</b>
<b>Gold</b>	1295.80	1303.60	<b>7.80</b>	<b>0.60%</b>

It is pretty obvious where the market volatility came from this past week-PUTIN. There was also some volatility coming from the earnings season that we are in.

Some companies like Apple beat expectations:



While some like Amazon.com (AMZN) disappointed.

25-Apr-2014 **Open** 316.25 **High** 316.49 **Low** 302.71 **Close** 303.83 **Volume** 16.2M **Chg** -33.32 (-9.88%) ▼

↑↓ AMZN (Daily) 303.83

— MA(50) 347.46

— MA(200) 342.88

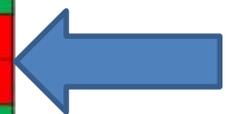
— MA(20) 326.40



I don't own either one. **A lot more earnings reports coming up this week!**

Here is where we stand year to date:

Asset Class	12/31/2013 Close	Fri. 4/25/14 Close	2012 Final	2013 Final	2014 YTD
S&P500	1848.36	1863.40	13.41%	29.18%	0.81%
Forward PE ratio	18.58	18.12	14.78	12.67%	-2.48%
DJIA	16576.66	16361.46	7.06%	26.50%	-1.30%
NASD	4176.59	4075.56	15.66%	37.80%	-2.42%
S&P600 (Small)	665.54	649.73	14.82%	39.65%	-2.38%
S&P400 (Mid-Cap)	1342.53	1347.22	16.07%	31.57%	0.35%
Tot World Stock Index (VT)	59.40	59.41	16.07%	20.19%	0.02%
Emg. Mkts (VWO)	41.14	40.46	16.54%	-7.61%	-1.65%
Em Mkt Sm. Cap (DGS)	46.09	46.66	19.59%	-6.78%	1.24%
Europe (EFA)	67.10	67.40	14.80%	18.01%	0.45%
China (FXI)	38.37	34.70	16.00%	-5.14%	-9.56%
Russia (RSX)	28.87	21.74	15.05%	0.89%	-24.70%
Latin America (ILF)	37.04	37.58	1.70%	-15.51%	1.46%
20 Yr.+ U.S Treas. (TLT)	101.86	111.33	1.70%	-15.94%	9.30%
7-10 Yr. U.S Treas. (IEF)	99.24	102.10	2.50%	-7.24%	2.88%
U.S. 10yr. Tr.	2.98%	2.67%	0.31%	-49.25%	10.40%
Oil	94.18	100.69	5.21%	-2.07%	6.91%
Gold	1237.40	1303.60	6.14%	-26.34%	5.35%



Can you believe RUSSIA???? In reality, it is impacting the entire global market this year!



What an ugly, ugly chart!

This one looks a lot better!



China is not helping either. Even the emerging markets are were impacted this past week.



What will Putin do next? Does anybody really know?

In the meantime, there are a few sectors that are really benefitting by the tensions in the Ukraine. The various energy sectors started rising back in early March. Then they assumed leadership in this market about four weeks ago. Here is my current ranking of the sixty sectors that I track on a daily basis.

Top 8 three weeks ago



Top 8 two weeks ago



Top 8 this week



Friday was the first bad day in quite a while for this sector. I do have trailing sell stops on my energy stocks just in case.



Oil Equipment and Service stocks are currently my favorite sector.



Here is what sectors 9-16 look like right now.

#9-16 (3 weeks ago)



#9-16 (2 weeks ago)



#9-16 (this week)



What a difference from last year!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

Here are this week's bottom ranked sectors

**Bottom 8 Two Weeks Ago**



**Bottom 8 Last Week**



**Bottom 8 This Week**



Can you believe that the Internet sector is now the worst ranked sector in the entire market? It was one of the darlings of 2014.

**THIS IS A HORRIBLE CHART!**



P.U!!!!!!!!!!!!!!!!!!!!!!!!!!!!

Another one of last year's darlings, the biotechs does not look any better.



Here is how the 60 world indexes that I track on a daily basis stack this week.

BEST two weeks ago



BEST last week



BEST this week



**SPLV** PowerShares S&P 500 Low Volatility Portfolio NYSE

© StockCharts.com

25-Apr-2014

Open 34.15 High 34.21 Low 34.08 Close 34.16 Volume 380.6K Chg -0.02 (-0.06%) ▼

↑ SPLV (Daily) 34.16

MA(50) 33.50  
MA(200) 32.19  
MA(20) 33.93



**IDV** iShares Dow Jones EPAC Select Dividend NYSE

© StockCharts.com

25-Apr-2014

Open 39.38 High 39.40 Low 39.12 Close 39.22 Volume 518.5K Chg -0.18 (-0.46%) ▼

↑ IDV (Daily) 39.22

MA(50) 38.32  
MA(200) 36.34  
MA(20) 38.91



Here are 9-16.

Two weeks ago

Last week

This week.



Here are this week's bottom ranked indexes:

Worst Indexes 2 weeks ago

Worst Indexes last week

Worst Indexes this week



No real surprises here.

Out of the 66 asset classes that I follow, here are the current leaders.

Top 8 (3 wks. ago)



Top 8 (2 wks. ago)



Top 8 (This week)



Value, dividends, and foreign. Look at the run in preferred stocks.



Here is the second tier of asset classes:

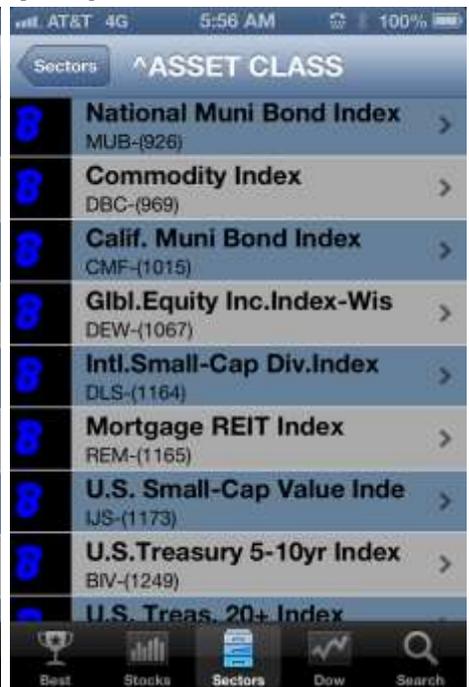
(9-16) Three weeks ago



(9-16) Last week



(9-16) This week



Here are my CURRENT bottom eight ranked asset classes:

Bottom 8 two weeks ago



Bottom 8 last week



Bottom 8 this week



Interestingly enough, shorting the market or hedging still does not look all that enticing.

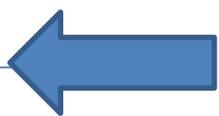
Now it is time to look at some important market charts:



DULL! Undecided. Neutral. **Topping out or Setting up for a new leg up?** Neither shorts nor longs are working.



Ditto.

Now for the Nasdaq, I have been calling this chart not good and vulnerable to more downside for several weeks now. It still looks awful. You can see where the important support level is. Right at the 200 day moving average. 



If the Nasdaq cannot hold its 200 day moving average, here is the first inverse fund on my list.



This is number two on my list.



Before we panic however, lets take a look at the five year, two month old BULL. **STILL GOING STRONG!**

**S&P 500**  
■ S&P500



# ***THIS WEEK'S BOTTOM LINE***

After a fantastic 2013, I put up the yellow caution flag on January 3<sup>rd</sup>. of this year.



I still do not believe that the BULL MARKET has come to an end. Instead it has done a very turbulent rotation out of high PE into low PE. It is also rotating out of the U.S. and into foreign stocks.

I still believe that we could have a decent year in 2014, but only in certain areas of the market. I would have to say that the Ukrainian situation is holding the key to this market right now. There are also other hotspots in the world lurking out there too, however.

It would seem to me that these current world hotspots are bullish for oil. That is why I am heavily weighted in this sector. But, I also have trailing sell stops just in case the world becomes a safer place all of sudden and oil prices start to drop. I also putting trailing sell stops in place in my overseas investing, just in case the world situation worsens. I am also prepared to profit from inverse funds should the market decide to sell off.

I continue to keep a **RED FLAG** on the momentum and high PE areas of the U.S. markets. This includes the drug, internet, and social media sectors. In my other hand, I am waving a **GREEN FLAG** on the low PE areas of the U.S. markets. This would include energy, natural resources, infrastructure, and some technology stocks.

I am also still waving a **GREEN FLAG** on the international markets, especially the frontier and emerging ones.



Please follow me on Twitter @BillGunderson throughout the week for any changes in my current stance on the market or individual stocks. My tweets are also found on my **BEST STOCKS NOW** app every day, and on the [homepage](#) of my website:

<http://www.pwstreet.com>

# Bill Gunderson's Aggressive Growth Model Portfolio

This is my most aggressive portfolio. It is designed for investors with **long-term** time horizons, seeking maximum growth. **It is also my most VOLATILE portfolio.** Investors need to be able to stomach as much as **10-20% swings** from time to time in an aggressive style of investing. This portfolio goes anywhere in the world, wherever the action is. This portfolio was up **39.5%** in 2013 after all expenses. It can also be heavily weighted in certain sectors of the market.

This portfolio is

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***ABG had a nice EPS report this past week.***



***Weatherford was a nice buy earlier in the week. I was one of the biggest winners in the market on Friday!***



## Bill Gunderson's Conservative Growth Model Portfolio

This model is made up of mostly large and mid-cap companies that I consider suitable for investors who have a **conservative growth risk profile**. Time horizon of at least 3-5 years would be appropriate. **Investors need to be able to ride through swings of 10-18%.**

This portfolio was up **23.85%** in 2013. This is net of an annual mgt. fee of 2.0% and all \$7 trades. This portfolio is

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## Bill Gunderson's Income & Growth Model Portfolio

This portfolio is for investors seeking Income along with the possibility of Growth. This is a good mix for retirees who are seeking a CD alternative-albeit with greater risk. This is my **MOST CONSERVATIVE** portfolio. Still, investors need to be able to handle a **10-15% swing**. This portfolio currently has an average yield of **3.7%**.

This portfolio was up **21.75%** in 2013. It is now up **27.9%** since its August 5, 2011 inception. This works out to an annualized rate of **10.26%**. **Not bad for an Income account.**

This portfolio is

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# Bill Gunderson's ETF Model Portfolio

This portfolio is for investors seeking growth. Investors should have at least a five year time horizon and be able to handle swings of 10-20%. **BIG LOSSES COULD OCCUR IF EXTREME EVENTS WERE TO HIT THE WORLD SUDDENLY.**

This portfolio was up 27.07% in 2013. This portfolio is

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The above portfolio is the one that Bill Gunderson has moved his new Granddaughter Melissa's money to. Too many restrictions with mutual funds!



Two Weeks Ago

Last Week

This Week



*“Buy me some peanuts and cracker jacks!”*

Melissa Odette Furrows is now five months old. She was born one hour after my mother passed away on Nov 21, 2013.

## **Bill Gunderson's 401-K/Mutual Fund Model Portfolio**

Everyone has different choices to them in their 401-ks. The choices basically fall into several broad categories however: Large Cap, Mid-Cap, Small-Cap, Govt. Bond, Corp. Bond, Inflation Protected Bond, International, Emerging Market, and maybes sectors like technology, natural resources, etc.

I have added a number of mutual funds to my **Best Stocks Now** database that are representative of the various categories of funds that are available in most 401k plans. I grade them on a daily basis. I am almost done with my **BEST MUTUAL FUNDS NOW™** app. It will have only **NO LOAD** mutual funds in it.

If you have a wide selection of mutual funds in your plan, here is my current recommendation. This portfolio was up **31.33%** in 2013 (net of all fees and trading costs).

It is now

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## **TSP Plans or Basic 401 -k plans**

Many folks have a very limited selection of choices in their retirement plans. This is my current recommendation for such basic plans.

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***I salute our troops!***

## Bill Gunderson's Trading Account (new)

This is Bill Gunderson's actual trading account. I deposited \$25,000 into it on 3/21/14 and went shopping. I have sent out a tweet on every trade I have made since. For the most part, these stocks are too small or too thinly traded for my managed accounts. This is not a day-trading account. I am looking to bag some big winners, while keeping a short leash on my positions. I am now putting in 7-8% **trailing sell stops** on all positions. I am also now buying \$2000 positions as opposed to \$1,000 positions.

I sold

THIS SECTION IS FOR CLIENTS AND SUBSCRIBERS ONLY



# Current leveraged index/sector rankings (not for the faint of heart)

2 Wks ago

Last week

This week



2 Wks ago

Last week

This week



2 Wks ago

Last week

This week

Rank	Symbol	Change
1	ProShares Ultra Utilities	UPW-(19)
2	Energy I	ERX-(224)
3	Consumer Goods Index 2X	UGE-(641)
4	Real Estate Sector 2X	URE-(642)
5	Semiconductors Sector 2x	USD-(1462)
6	Developed Markets 100...	ADRD-(1549)
7	Industrials Sector 2X	UXI-(2319)
8	Telecommunications Sec...	LTL-(2440)
9	U.S. Hlthcare Idx 2X	

Rank	Symbol	Change
1	Energy I	ERX-(23)
2	ProShares Ultra Utilities	UPW-(25)
3	Real Estate Sector 2X	URE-(237)
4	Semiconductors Sector 2x	USD-(306)
5	Consumer Goods Index 2X	UGE-(371)
6	Industrials Sector 2X	UXI-(793)
7	Developed Markets 100...	ADRD-(908)
8	Basic Materials Index 2X	UYM-(1445)
9	Technology Sector 2x	

Rank	Symbol	Change
1	ProShares Ultra Utilities	UPW-(11)
2	Energy I	ERX-(23)
3	Real Estate Sector 2X	URE-(148)
4	Consumer Goods Index 2X	UGE-(219)
5	Industrials Sector 2X	UXI-(876)
6	Developed Markets 100...	ADRD-(943)
7	Consumer Services Index 2	UGC-(1097)
8	U S Hlthcare Idx 2X	RXL-(1547)
9	Basic Materials Index 2X	

Bill Gunderson is a professional fee-based money manager. Gunderson Capital Management manages hundreds of accounts all across the country. Minimum account size is \$100,000. Annual Mgt. fees are 2% on accounts under \$250,000, 1.5%-1.75% on accounts between \$250k and \$1 million, and 1% on accounts over \$1 million. Call us for a portfolio evaluation and more info. (855)611-BEST.

To view this past week's show archives click [here](#)

## BILL GUNDERSON'S WEEKLY TOP 300 LIST

Rank	Symbol	Company Name
1	SXL	Sunoco Logistic Partners
2	FTK	Flotek Industries
3	ODFL	Old Dominion Freight Line
4	CLR	Continental Res Inc.
5	DXPE	DXP Enterprises Inc
6	CXD	Concho Resources
7	BCPC	Balchem Corp.
8	ABG	Asbury Automotive Group I
9		Pampa Energia Sa Atr

*This is just an appetizer, here is the full list.*

THIS SECTION IS FOR CLIENTS AND SUBSCRIBERS ONLY, BUT HERE ARE 200-300

# Bill Gunderson's

## Best Stocks Now

### Top 300 as of 4/25/2014

			One	Six	Three	Two	Six	One	Two	One	Yest.	Current
			Year Ago	Mos. Ago	Mos. Ago	Mos. Ago	Wks. Ago	Mo. Ago	Wks. Ago	Wk. Ago		
			<u>Rank</u>									
A-	FMC	FMC Corp	581	729	513	474	186	215	485	324	189	<b>201</b>
A-	HD	Home Depot Inc	40	597	337	337	422	460	701	496	159	<b>202</b>
A-	DORM	Dorman Products Inc	272	306	46	108	50	41	221	54	240	<b>203</b>
A-	ETE	Energy Transfer	589	60	290	305	71	58	46	125	216	<b>204</b>
A-	SGU	Star Gas Partners Lp	601	703	1636	1493	660	261	115	145	152	<b>206</b>
A-	AHGP	Alliance Holdings	138	619	652	1082	795	484	133	183	306	<b>207</b>
A-	CMN	Cantel Medical	89	340	346	232	75	34	61	141	210	<b>208</b>
A-	HAR	Harman Intl Ind	2442	332	206	197	85	120	467	491	780	<b>209</b>
A-	WHR	Whirlpool Corp	248	1351	989	1038	750	665	509	243	197	<b>210</b>
A-	GIII	G-III Apparel Group, Ltd	91	165	211	109	217	124	567	892	311	<b>211</b>
A-	GILD	Gilead Sciences Inc	21	14	92	245	415	280	1027	961	91	<b>212</b>
A-	BBD	Banco Bradesco Sa Adr	1697	2363	1244	1987	1196	1213	210	227	236	<b>213</b>
A-	HF	H F F inc.	215	153	351	382	48	25	157	224	253	<b>214</b>
A-	HIL	Hill International Inc	3073	2463	3101	3096	68	74	114	409	251	<b>215</b>
A-	REX	Rex American Resources	2618	514	402	322	145	103	122	150	228	<b>216</b>
B+	IEX	IDEX Corp	503	348	398	406	627	493	942	447	281	<b>221</b>
B+	WCN	Waste Connections Inc	495	1027	566	565	397	589	1026	781	282	<b>222</b>
B+	IIIN	Insteel	196	461	444	981	789	671	212	196	268	<b>223</b>
B+	KLIC	Kulicke & Sotta Ind Inc	1858	2559	2490	1484	1225	961	922	1189	145	<b>224</b>
B+	ITC	I T C Holdings	489	328	500	369	264	268	196	284	270	<b>225</b>
B+	KEP	Korea Electric Power Corp	1863	1614	1096	1929	1136	1545	129	179	168	<b>226</b>
B+	SGF	Singapore Fund	735	2667	2036	2209	1359	1160	346	217	169	<b>227</b>
B+	AZZ	AZZ Inc	299	713	763	736	862	635	269	267	364	<b>228</b>
B+	CAM	Cooper Cameron Corp	1250	861	1025	1306	1907	1032	678	207	473	<b>229</b>
B+	HGR	Hanger Orthopedic Grp	264	1088	1598	1473	1134	1154	1396	818	164	<b>230</b>
B+	NUS	Nu Skin Enterprises, Inc	624	365	407	496	243	119	71	37	342	<b>232</b>
B+	THO	Thor Ind Inc	991	1493	621	442	34	19	35	17	76	<b>233</b>
B+	MYL	Mylan Labs Inc	1260	571	476	499	291	259	1587	1363	177	<b>234</b>
B+	LUX	Luxottica Grp SpA Adr	168	731	583	691	312	222	49	49	248	<b>235</b>
B+	EOG	E O G Resources Inc	1772	496	470	347	181	117	77	85	149	<b>238</b>
B+	HOG	Harley-Davidson Inc	1252	1700	1212	894	841	755	1331	1331	244	<b>239</b>
B+	CRZO	Carrizo Oil & Gas Inc	2613	709	550	411	385	384	52	83	187	<b>240</b>
B+	NDSN	Nordson Corp	586	1055	791	1280	1202	1120	823	262	315	<b>241</b>
B+	ACT	Actavis Inc.	42	3	4	2	28	40	461	454	295	<b>244</b>
B+	NTCT	Netscout Systems Inc	806	473	433	164	176	186	748	764	352	<b>245</b>
B+	FMO	Fiduciary/Clay MLP Opp.	0	2374	2693	2236	2275	1822	350	346	643	<b>246</b>
B+	WRES	Warren Resources	3178	2591	1798	1561	1506	2400	1207	794	298	<b>247</b>
B+	BCEI	Bonanza Creek Energy	2513	2326	1622	1550	2896	2613	1735	2012	304	<b>249</b>
B+	BTE	Baytex Energy Trust	1950	1115	2246	1287	506	544	88	130	345	<b>250</b>

# Bill Gunderson's

## Best Stocks Now

### Top 300 as of 4/25/2014

		One	Six	Three	Two	Six	One	Two	One	Yest.	Current	
		Year Ago	Mos. Ago	Mos. Ago	Mos. Ago	Wks. Ago	Mo. Ago	Wks. Ago	Wk. Ago			
		<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	<u>Rank</u>	
B+	ADM	Archer Daniels Midland	1488	1510	2092	1466	1523	1377	717	772	405	<b>251</b>
B+	CIB	Bancolumbia Sa Adr	1374	1001	541	709	247	287	74	160	230	<b>252</b>
B+	CRI	Carters Inc	250	641	261	194	174	231	474	460	231	<b>253</b>
B+	GEO	Geo Grp Inc	90	432	884	726	618	546	275	175	327	<b>254</b>
B+	PUK	Prudential Plc Adr	419	1647	738	1159	745	687	1001	670	515	<b>255</b>
B+	TUP	Tupperware Corp	93	935	1578	922	560	617	181	270	308	<b>256</b>
B+	UHS	Universal Health Svcs B	280	558	1130	1844	1027	1183	1002	1183	245	<b>257</b>
B+	ORLY	O'Reilly Automotive Inc	181	221	172	321	153	233	395	299	212	<b>258</b>
B+	PKOH	Park Ohio Holding Corp	337	347	324	354	492	234	427	300	266	<b>259</b>
B+	TAXI	Medallion Financial Corp	39	874	839	1073	1006	1166	1297	1337	402	<b>260</b>
B+	UHAL	Amerco	286	287	777	983	1031	1016	559	254	346	<b>261</b>
B+	SYRG	Synergy Resources	0	1854	1376	1600	1012	1523	1779	1229	312	<b>263</b>
B+	GBX	Greenbrier Companies Inc	1469	284	564	386	116	175	646	734	366	<b>264</b>
B+	GMK	Gruma SA de CV Adr	326	121	336	307	167	140	237	446	385	<b>265</b>
B+	OKE	Oneok	193	296	431	436	500	321	425	550	135	<b>266</b>
B+	RAI	Reynolds American Inc	494	802	657	295	250	420	323	182	220	<b>267</b>
B+	MPWR	Monolithic Power Systems	1732	673	319	135	69	138	837	1223	323	<b>268</b>
B+	KKR	K K & R Co.	0	405	674	2292	1874	1174	2665	1584	585	<b>269</b>
B+	SUSP	Susser Petroleum	0	0	0	0	0	0	1647	375	305	<b>270</b>
B+	WX	Wuxi Pharmatech	0	0	0	0	0	0	1244	1868	406	<b>271</b>
B+	ATO	Atmos Energy Corp	587	1022	1079	652	781	561	184	206	664	<b>273</b>
B+	ERF	Enerplus Partners	3203	2305	2063	2758	1251	685	225	190	348	<b>274</b>
B+	GCO	Genesco Inc	970	1002	1125	945	1021	586	110	363	434	<b>275</b>
B+	GWR	Genesee & Wyoming Inc	209	715	547	536	589	743	722	335	326	<b>276</b>
B+	LAD	Lithia Motors Inc	96	984	618	840	713	599	1414	461	351	<b>277</b>
B+	TRV	St. Paul Travelers Co	341	1517	1629	1530	896	1036	553	464	430	<b>278</b>
B+	DFZ	Barry RG Corp	926	666	389	280	398	527	1217	1243	333	<b>279</b>
B+	HFC	Frontier Oil Corp	261	1689	2419	915	1511	1367	1721	689	586	<b>282</b>
B+	DRC	Dresser-rand Grp	1976	2237	2653	2769	1555	1810	1385	372	374	<b>283</b>
B+	MVO	M V Oil Trust	1674	2594	3325	2612	1558	1208	658	387	241	<b>285</b>
B+	ARI	Apollo Comm. RE	744	615	1399	1077	946	731	149	144	209	<b>286</b>
B+	CB	Chubb Corp	656	1374	1305	920	711	662	298	238	227	<b>287</b>
B+	EPD	Enterprise Products Ptrn	623	1025	1267	1156	914	704	215	133	452	<b>288</b>
B+	GWV	Grainger WW Inc	36	730	397	507	383	278	288	309	213	<b>289</b>
B+	NR	Newpark Resourcs Inc	873	1258	1455	1728	766	865	944	340	389	<b>290</b>
B+	OIL	Oceaneering Intl Inc	150	1275	914	974	693	494	322	231	454	<b>291</b>
B+	TSO	Tesoro Petroleum Corp	151	1238	1840	1500	1343	1415	1791	870	314	<b>292</b>
B+	GLNG	Golar Lng Inc	1914	1326	1656	1012	720	822	87	154	1176	<b>293</b>
B+	IGTE	IGate Corp	1450	384	643	625	654	691	314	357	238	<b>294</b>
B+	OTEX	Open Text Corp	839	89	62	311	304	481	800	787	259	<b>295</b>
B+	HLF	Herbalife	1217	815	480	1236	1177	1319	2419	315	196	<b>297</b>
B+	OVTI	Omnivision Technologies	2954	2544	1991	2303	1098	1222	302	313	436	<b>298</b>
B+	MTW	Manitowoc Co	2089	273	183	90	117	122	344	589	341	<b>299</b>
B+	SCS	Steelcase Inc	1472	1549	1711	1745	784	793	256	298	1177	<b>300</b>

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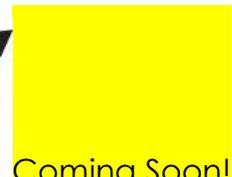
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Bill Gunderson is also columnist for *The Street.com*, *MarketWatch.com*, *Townhall Finance*, and *SeekingAlpha.com*.



You can see my recent articles for the *TheStreet* by clicking [here](#)

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The San Diego



Here are snippets on all of the stocks I have talked about on my radio show, and articles that I have written over the last few months. They are in alphabetical order.

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