



# **BILL GUNDERSON'S BEST STOCKS NOW NEWSLETTER**

*Honest Counsel for Successful People.*

October 17, 2014

Password for the Standard Newsletter Archive is: biotechs

## ***Bulls vs. Bears***



It looks like the Bears are closing in and surrounding Luck, while the bulls around him are starting weaken. We are going to need some Luck to keep this market from slipping into a Bear Market, which it has not done yet.

The Bulls have had the home field advantage for the last 5.5 years. And even though they have fumbled the ball and thrown a few interceptions along the way, the Bulls have been crushing the Bears since March of 2009.

In fact it has been no contest. During this time, the S&P 500 has gone from 666 to well over 2,000. Yet, many have bet heavily on the Bears during this run by the Bulls. They expected the Bulls to fold a long time ago. Instead they have continue to pile on the Bears. It has been one of the biggest crushing defeats for the Bears in history of the stock market.

Here is what it has looked like for the Bulls over the last five years.



And here is what it has looked like for the Bears.



The Bulls look like they are getting a little winded, however. After all, they have been on the field for the last 67 months! But every time they have started to get weary, in came the waterboy with “Fed Juice” courtesy of Ben Bernanke. A big swig of bright green Quantitative Easing was all the market and the economy needed to maintain control of the ball.

The Bulls have played one of their best games ever. It looks like there is no more Gatorade from the Fed, however. The market did rally on Friday however, as investors cried for more from Fed Chair, Janet Yellen. After all, it was her that not only continued the taper, but also mentioned that there will be a Fed rate hike at some point in the future. The market has been staggering ever since.

This is like telling a poor, tired offensive tackle that not only has the Gatorade bucket run dry, but that the other team is now going to bring in a fresh new bunch of players called *quantitative tightening*. It remains to be seen if they can stop the Bull in its tracks, however.

The red-hot small-cap stocks which really racked up the yardage last year is all of sudden rolling over and looks to be out of wind. See my reading of this chart below:



I like to teach folks basic technical analysis from time to time during my radio show. At any given point in time, a stock or index is 1.) Going sideways 2.) Going up 3.) Topping and getting ready to roll over 4.) Going down.

The above chart is a classic example of a #3. This looks like a chart that that has been going up for a long time, now topping out, and even starting to roll over. The scary part of the Russell 2000 index is how far down the next level of support is! I see about 20% downside risk.

If technical analysis was 100% accurate we would all be multi-millionaires. And while it is not exactly infallible, it does give us an indication of where a stock or index is in its cycle. Right now, the probability of this index rolling over and falling looks much greater than it all of sudden reversing its course and storming higher.

For that to happen, we would need Luck to escape the grasp of the Bears and throw the ball downfield to a wide upon receiver. In market terms, it would take the FED to all of sudden show up with a new batch of ice cold, fresh new quantitative easing (money printing). This scenario cannot be ruled out. There have already been rumblings of this happening.

If the Russell 2000 small-cap U.S. index continues to roll over, then there will be a big money making opportunity in the inverse Russell 2000 ETF (RWM). I already own a small position just in case.



Right now (RWM) is a classic “breaking out of a base” technical pattern. This is a pattern that make me salivate more than any other! That is why I currently have a 5% position in this inverse ETF. This is not a sure bet either. We still have to worry about Luck (Yellen) heaving the ball downfield into the arms of one of her receivers.

Another Luck scenario would be for the European Central Bank (ECB) president, Mario Draghi to make up a batch of European Stimulus of his own. This would help Europe stay out of recession and thereby calm nervous investors in America. So far, Draghi has said no to quantitative easing, European Style.

In the meantime, Europe (EFA) continues to come unraveled. Below is a good example of a chart that has gone from a #1 sideways trend, to a #2 uptrend, to a #3 topping out trend, and finally to the worst trend of all, a #4 DOWNTREND!



If Europe goes into a full-on recession and BEAR MARKET, then there will be opportunity to make money all the way down in inverse funds like (EFZ). There is a lot be negative about right now. But then, the U.S. economy is nowhere in the critical condition it was in back in 2008. I HAVE BEEN BULLISH SINCE MARCH OF 2009, but I am really getting nervous. It is not time to be a "Pollyanna."

Here are some of the comments that I have heard from them this past week:

- "Europe is fine."
- "This is a wonderful buying opportunity."
- "The U.S. Economy is healthy, there is nothing to worry about."
- "It is best to stay fully invested all of the time."



I heard these same arguments in 2001 and again in 2008. That is why I invented my **Best Stocks Now App**™ back during the bear market of 2008. I don't trust the so-called "experts" on TV. They are rarely right! And even though the S&P 500 has not given a full-on SELL SIGNAL yet, many areas of the market (like Europe) have. More on the current *Buy, Sell, & Hold* market signals a bit later in the newsletter.

The chart of the European INVERSE ETF (EFZ) below is a very good example of a chart that has gone from topping out (#3), to downtrend (#4), to sideways (#1), to a new uptrend (#2)? I tried to buy some this past week, but it was just too overdone. And there is still that risk of Draghi stepping up to the plate and doing something in the way of QE.



ECB President, Mario Draghi

And of course the real fear is that Europe's woes will spread to the U.S economy and market. Here is what our S&P 500 looked like last week:



Here is what it looks like this week:



There was further deterioration, breaking of trend, and falling below the long-term 200 day moving average.

As you can see, our market it is starting to follow Europe's lead-DOWN! Will the European Central Bank step forward with the Gatorade for the European market and economy? Or will our own Fed Chair, Janet Yellen come forth with a new dose of American stimulus? Right now, it is too soon to commit one way or another in the market.

If no new stimulus is forthcoming then the S&P 500 could be in real trouble. There will be money to be made in the INVERSE S&P 500 fund (SH). I currently have a 5% position in it.



Look at how bad the one-year chart of our S&P 500 looks right now.





Remember that money can be made in these inverse funds if the market turns completely bearish on us. Right now, I am using the inverse funds as a HEDGE to help with volatility and help with the really big, down days in the market. Remember, on UP days, these inverse funds go down. But, they can be wildly profitable in the next bear market.

The Dow also looks very vulnerable right now.



It too has broken its 200 day moving average. It can be rescued by a FED intervention, however. Soothing words are probably not going to do it anymore. Europe is deteriorating too rapidly for that. Soothing words worked two weeks ago, but they will not work anymore. Some kind of FED action will speak much louder than words.

And lastly, a look at the Nasdaq shows a similar picture.



The beginning of the end?

Here is how we finished the MOST VOLATILE week of the year:

<b>Asset Class</b>	<b>Fri. 10/10/14 Close</b>	<b>Fri. 10/17/14 Close</b>	<b>Week Change</b>	<b>Pct. Change</b>
<b>S&amp;P500</b>	1906.13	1886.76	<b>-19.37</b>	<b>-1.02%</b>
Avg.Forward PE ratio 3800 stocks	16.48	16.37	<b>-0.11</b>	<b>-0.67%</b>
<b>DJIA</b>	16,544.10	16,380.41	<b>-163.69</b>	<b>-0.99%</b>
<b>NASD</b>	4276.24	4258.44	<b>-17.80</b>	<b>-0.42%</b>
<b>S&amp;P600 (Small)</b>	611.01	624.71	<b>13.70</b>	<b>2.24%</b>
<b>S&amp;P400 (Mid-Cap)</b>	1305.36	1322.35	<b>16.99</b>	<b>1.30%</b>
<b>Tot.Wld Stock Index (VT)</b>	57.71	57.60	<b>-0.11</b>	<b>-0.19%</b>
<b>Emg. Mkts (VWO)</b>	40.94	41.15	<b>0.21</b>	<b>0.51%</b>
<b>Em Mkt Sm. Cap (DGS)</b>	44.95	44.65	<b>-0.30</b>	<b>-0.67%</b>
<b>Europe (EFA)</b>	60.38	60.64	<b>0.26</b>	<b>0.43%</b>
<b>India (INP)</b>	69.21	68.25	<b>-0.96</b>	<b>-1.39%</b>
<b>China (FXI)</b>	37.73	38.24	<b>0.51</b>	<b>1.35%</b>
<b>Canada (EWC)</b>	29.19	29.03	<b>-0.16</b>	<b>-0.55%</b>
<b>Russia (RSX)</b>	21.30	21.60	<b>0.30</b>	<b>1.41%</b>
<b>Brazil (EWZ)</b>	44.85	45.08	<b>0.23</b>	<b>0.51%</b>
<b>Latin America (ILF)</b>	37.13	37.13	<b>0.00</b>	<b>0.00%</b>
<b>20 Yr.+ U.S Treas. (TLT)</b>	119.87	121.07	<b>1.20</b>	<b>1.00%</b>
<b>7-10 Yr. U.S Treas. (IEF)</b>	105.24	106.10	<b>0.86</b>	<b>0.82%</b>
<b>U.S. 10yr. Tr. Yield \$TNX</b>	2.31%	2.20%	<b>-0.11%</b>	<b>4.64%</b>
<b>Greece 10yr. Bond</b>	6.66%	7.08%	<b>0.42%</b>	<b>-6.31%</b>
<b>Brazil 10yr. Bond</b>	11.51%	11.64%	<b>0.13%</b>	<b>-1.13%</b>
<b>U.S Dollar (UUP)</b>	23.86	22.66	<b>-1.20</b>	<b>-5.03%</b>
<b>Oil</b>	85.54	83.00	<b>-2.54</b>	<b>-2.97%</b>
<b>Gold \$GOLD</b>	1224.10	1238.20	<b>14.10</b>	<b>1.15%</b>

The weekly results don't even begin to tell the real story. It was much worse than the chart above shows.

Monday= (-223)

Tuesday= (-6)

Wednesday= (-173) after being down 450!

Thursday= (-25) after been down 160

Friday= (+261) after rumors of a FED intervention.

This more accurately tells the real story of what this past week was like. The volatility index (VXX) also shows the huge increase in volatility lately.



I had a few clients call up and throw in the towel this past week. This is always a good indicator of volatility and investor sentiment. I fully understand volatility getting to be too much to take after a while. It can be really nerve-wracking. Just remember that bear markets can be really profitable if they stick around for a while.

Small-cap stocks were actually up this past week, but I have already showed you how bad the chart of the Russell 2000 looks. Maybe Luck will save the day, but I am hedged just in case. I am also prepared to increase my inverse positions.

But isn't shorting the market dangerous? It is no more dangerous than being long the market. You are just calling tails instead of heads when the market gets dicey.



The BOND MARKET had its biggest rally in several years. For a short time, the interest rate on the U.S. ten year Treasury dipped below 2.0%. It is already back to 2.2%, however. This just shows how much fear is out there right now.

Another battle that this going on right now is a battle between **fundamentals** and **sentiment**. The fundamentals of the U.S. are still good. It is still growing, there is no sign of any inflation, and interest rates are still extremely low. But, the market is extremely nervous. The market is telling us that maybe the fundamentals of the U. S. economy are deteriorating underneath the surface.

The sentiment has really taken a turn for the worse recently. It has been my experience that you can argue fundamentals all the way down. It is a dangerous thing to do. Sentiment should not be ignored. Technical patterns should not be ignored either. They are the best indication of sentiment. I have already shown you several really bad technical charts. They represent just how bad sentiment is right now.





The massive rush into bonds is also indicative of just how bad the sentiment has gotten since Mid-September. This is where we now stand year to date:

<b>Asset Class</b>	<b>12/31/2013 Close</b>	<b>Fri. 10/17/14 Close</b>	<b>2012 Final</b>	<b>2013 Final</b>	<b>2014 YTD</b>
<b>S&amp;P500</b>	<b>1848.36</b>	<b>1886.76</b>	<b>13.41%</b>	<b>29.18%</b>	<b>2.08%</b>
<b>Forward PE ratio</b>	<b>18.58</b>	<b>16.37</b>	<b>14.78</b>	<b>18.58</b>	<b>-11.89%</b>
<b>DJIA</b>	<b>16576.66</b>	<b>16380.41</b>	<b>7.06%</b>	<b>26.50%</b>	<b>-1.18%</b>
<b>NASD</b>	<b>4176.59</b>	<b>4258.44</b>	<b>15.66%</b>	<b>37.80%</b>	<b>1.96%</b>
<b>S&amp;P600 (Small)</b>	<b>665.54</b>	<b>624.71</b>	<b>14.82%</b>	<b>39.65%</b>	<b>-6.13%</b>
<b>S&amp;P400 (Mid-Cap)</b>	<b>1342.53</b>	<b>1322.35</b>	<b>16.07%</b>	<b>31.57%</b>	<b>-1.50%</b>
<b>Tot World Stock Index (VT)</b>	<b>59.40</b>	<b>57.60</b>	<b>16.07%</b>	<b>20.19%</b>	<b>-3.03%</b>
<b>Emg. Mkts (VWO)</b>	<b>41.14</b>	<b>41.15</b>	<b>16.54%</b>	<b>-7.61%</b>	<b>0.02%</b>
<b>Em Mkt Sm. Cap (DGS)</b>	<b>46.09</b>	<b>44.65</b>	<b>19.59%</b>	<b>-6.78%</b>	<b>-3.12%</b>
<b>India (INP)</b>	<b>56.96</b>	<b>60.64</b>	<b>26.60%</b>	<b>-3.52%</b>	<b>6.46%</b>
<b>Europe (EFA)</b>	<b>67.10</b>	<b>60.64</b>	<b>14.80%</b>	<b>18.01%</b>	<b>-9.63%</b>
<b>China (FXI)</b>	<b>38.37</b>	<b>38.24</b>	<b>16.00%</b>	<b>-5.14%</b>	<b>-0.34%</b>
<b>Canada (EWC)</b>	<b>29.16</b>	<b>29.03</b>	<b>9.10%</b>	<b>5.31%</b>	<b>-0.45%</b>
<b>Russia (RSX)</b>	<b>28.87</b>	<b>21.60</b>	<b>15.05%</b>	<b>0.89%</b>	<b>-25.18%</b>
<b>Brazil</b>	<b>44.69</b>	<b>45.08</b>	<b>23.65%</b>	<b>-3.85%</b>	<b>0.87%</b>
<b>Latin America (ILF)</b>	<b>37.04</b>	<b>37.13</b>	<b>1.70%</b>	<b>-15.51%</b>	<b>0.24%</b>
<b>20 Yr.+ U.S Treas. (TLT)</b>	<b>101.86</b>	<b>121.07</b>	<b>1.70%</b>	<b>-15.94%</b>	<b>18.86%</b>
<b>7-10 Yr. U.S Treas. (IEF)</b>	<b>99.24</b>	<b>106.10</b>	<b>2.50%</b>	<b>-7.24%</b>	<b>6.91%</b>
<b>U.S. 10yr. Tr. Yield \$TNX</b>	<b>2.98%</b>	<b>2.20%</b>	<b>0.78%</b>	<b>-49.25%</b>	<b>26.17%</b>
<b>U.S Dollar (UUP)</b>	<b>21.94</b>	<b>21.94</b>	<b>-2.9%</b>	<b>-1.33%</b>	<b>1.95%</b>
<b>Oil</b>	<b>94.18</b>	<b>83.00</b>	<b>5.21%</b>	<b>-2.07%</b>	<b>-11.87%</b>
<b>Gold</b>	<b>1237.40</b>	<b>1238.20</b>	<b>6.14%</b>	<b>-26.34%</b>	<b>0.06%</b>

Again, the fundamentals of the U.S. market look decent right now. The PE ratio keeps dropping. It now stands at just 16.37. This is the lowest level in over a year. But if earnings estimates are currently too high, and the economy is starting to falter, this is not an accurate reading.

It is also important to remember that the economy looked a lot different the last time we went into a BEAR MARKET. The housing market was collapsing, jobs were disappearing, and Americans were losing their homes. This is another reason to not get real panicky just yet.

The Russian situation has still not been solved. Putin is getting clobbered by a market that has dropped by 25%! And his two biggest forms of currency, oil and the ruble continue to plunge.



One of the few areas where America has actually been creating jobs, has been in the oil patch. The Shale Boom has driven unemployment rates to under 3% in fracking states. Now with \$80 oil, even that sector of our economy is nervous.

Low oil prices are good for consumers, however. Less money going into the consumer's gas tank is being spent at places like Domino's Pizza.



As you can see, just because the tide has been going out, there are still a lot of individual stocks like Domino's (DPZ) that are doing just fine.

I currently have about 30% in cash, 10% in inverse positions, and the other 60% in stocks or funds like Domino's that are still holding up well.

You still have to take it one day at a time, and one holding at a time. It makes no sense to sell everything, but I understand the need for folks to sleep well at night also.

Let's look at that (IJT) etf that I have been monitoring for the last several months.



Once again, here are the support and resistance levels of this key index. **\$108-\$124**. We are currently at **\$110.21**. It did close below its support level on Wednesday, however. It is now BARELY hanging in there.

As I have said previously, Yellen could come to the rescue with a new stimulus package. That is the danger of going overboard with inverse funds right now.

**FUNDAMENTALS=GOOD**

**SENTIMENT=BAD**

Here are this week's all-important ranking of the 77 indexes that I track on a daily basis:  
**GRADING LEGEND** (A+)=BEST (A)=Strong Buy (A-)=Buy (B+)=Strong Hold (B)=Hold (B-)=Weak Hold (C+)=WEAK HO (C)=SELL (C-)=Strong Sell (D+)=SHORT (D)=Strong Short (D-)=Horrible (F+)=Horrid (F)=Worst

The Legend above is very important in interpreting the current status of these indexes.

BEST two weeks ago (Top 10)



Top Ten last week



Top Ten this week



As you can see, U.S. Bond indexes occupy Wall Street right now. They are in the top four spots. Notice too that the S&P 500 has not yet given a SELL SIGNAL yet. A **C+ grade** is a WEAK HOLD. That is another reason why I am so cautious right now. The Dow has not given a sell signal either. There is very solid support down at 15,700. We are currently at 16,380.





Here are my second tier ranking (11-20) of the indexes.

Two weeks ago



Last week



This week.



The Russell 2000 did give a brief **sell signal** last week, but is now back at a very **weak hold**. Ditto the U.S. Mid Cap index. Better to just stand aside right now in these areas of the market until we get a new trend. Almost all foreign markets are now on a **sell signal**. I continue to hold India (IFN), however.

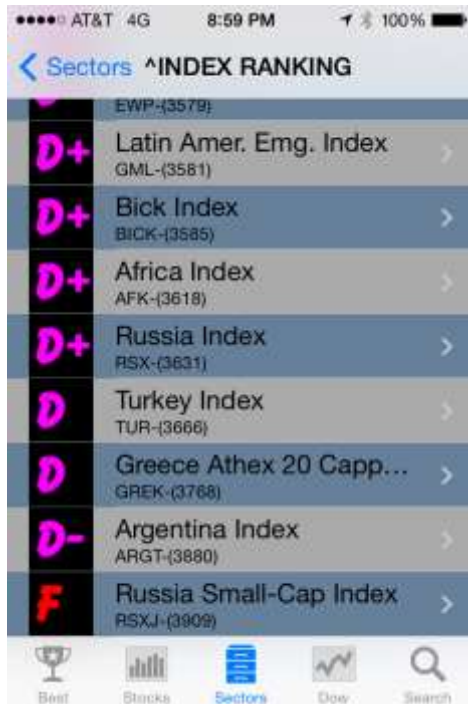


Here are this week's ten bottom ranked indexes.

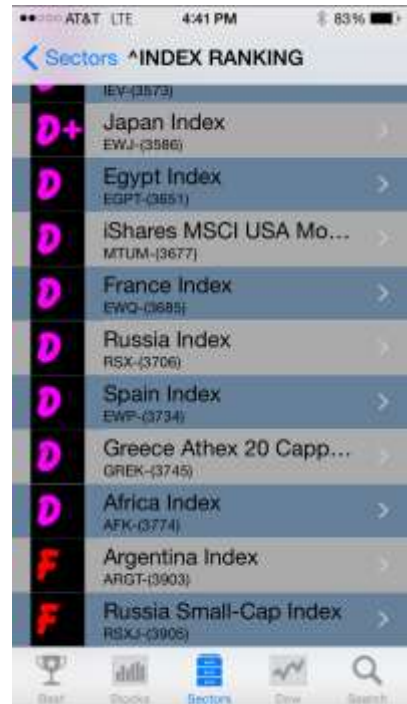
Worst Indexes 2 weeks ago



Worst Indexes last week



Worst Indexes this week



I continue to have a very small **SHORT POSITION** on the Africa Index. I have some others that I will show you later in the Speculative Trading Account.



Now for this week's ranking of the 34 asset classes. This gives me a good indication of where the money is flowing. It will also help to warn us of a lurking bear. I am NOT an asset allocator, nor am I a perma-bull. I am a market-timer.

Top 10 (3 wks. ago)



Top 10 (2 wks. ago)



Top 10 (This week)



As you can see, the top ten asset classes are now all bond related! This represents a major shift from the last two years. It could be temporary, or it could be the beginning of the end.





Here is the second tier of leading asset classes:

(11-20) Three weeks ago



(11-20) Last week



(11-20) This week



The **INVERSE S&P 500** which has been in last place for the last two years is now all the way up to #13. It currently has a grade of B- (HOLD). What a difference a few weeks makes! The Nasdaq and even Large Cap growth are now WEAK HOLDS.





Here are this week's worst ranked asset classes. This also very important to watch going forward. As I just mentioned (SH) Inverse S&P 500 has now left the cellar and is beginning to wake up.

Bottom 8 two weeks ago



Bottom 8 last week



Bottom 8 this week



That is a long list of SELL SIGNALS. Emerging Markets still look horrible. Gold continues to stabilize. This almost always precedes a move up, but it is still too soon own gold in my opinion.



Here is my current ranking of the sixty equity sectors that I track on a daily basis. The sector rankings will also be critical to watch going forward.

Top 10 three weeks ago



Top 10 two weeks ago



Top 10 this week



Interest rate sensitive sectors came storming up the leaderboard this past week as rates plunged on U.S. treasuries. This is a temporary move that is now overdone, however. I would not go chasing yield here. **Medical** related sectors are still the best sectors in the market.





Here is what sectors 11-20 look like right now.

#11-20 (3 weeks ago)



#11-20 (2 weeks ago)



#11-20 (this week)



Here are this week's bottom ranked sectors

Bottom 10 Two Weeks Ago



Bottom 10 Last Week



Bottom 10 This Week



*I sent out quite a few PUSH NOTIFICATIONS for all PREMIUM app subscribers this past week. I made several trades this past week. This service is now available for iOS Apple and Android premium app subscribers. In addition to the push notifications, we are also working on sending out an email at the same time. These push notifications are almost instantaneous. This is really remarkable technology.*

*If you are having any trouble receiving the notifications, contact me directly at [bill@pwstreet.com](mailto:bill@pwstreet.com) I have a great technical support dept. that will get right on it and help you. I aim to please all subscribers to my services!*

*We are working on adding these “live trading” notifications to the web based app. [www.beststocksnowapp.com](http://www.beststocksnowapp.com). It will be ready to go soon. Live trade notifications will also be available for LIVE UPDATE NEWSLETTER SUBSCRIBERS. This option will also be ready soon.*

*The cost for live trading notifications is \$89 per month. This service is not included in the free version of the app or the \$9.99 monthly subscription to the app. This service is also not included in the free Standard or Premium versions of the newsletter. It will be available soon however for web-based folks.*

*I do not tweet live trades any more. I still send out about 5-10 tweets per day however, on stocks that really look outstanding or are giving new buy or sell signals. A premium “market closing” 15 min. video for premium subscribers is also in the works.*



This is what a Push Notification Looks like on an iPhone.



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

The good news is that the U.S. economy is still in decent shape. Especially when you compare where it was at preceding the last BEAR MARKET. The bad news is that the sentiment on the market has soured considerably

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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>

### **Gunderson Conservative Growth Model “C” 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 10-25%, however.**

This portfolio was up **23.8%** in 2013. This is net of an annual mgt. fee of 2% and all \$7 trades. This portfolio is

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### **Gunderson Model “D” Portfolio (Dividend & Growth)**

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 **10-20% swing**. This portfolio currently has an average yield of **2.9%**. This portfolio was up **21.75%** in 2013. It is now

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### **Gunderson Model “B” (Moderate Risk Portfolio)**

**COMING SOON! Co-Manager-Stephen Gunderson**

## Gunderson Model “E” Portfolio (ETF’s)

This portfolio is for investors seeking growth. Investors should have at least a five year time horizon and be able to handle swings of 10-25%. **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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## Gunderson Aggressive Growth Model “A” 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 anyone in 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 down

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## Gunderson’s Model “F” Portfolio (Funds/401-k)

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.

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 down

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**BASIC 401-K ALLOCATION**

U.S. Small Cap Growth	0.0%	U.S. Small Cap Value	0.0%	U.S. Large Cap Growth	0.0%
U.S. Mid Cap Growth	0.0%	U.S. Mid Cap Value	0.0%	U.S. Large Cap Value	0.0%
U.S. REIT's	0.0%	U.S. Govt. Bonds	0.0%	U. S. Corp. Bonds	0.0%
Developed International	0.0%	Emerging Markets Stocks	0.0%	Emerging Market Income	0.0%
Natural Resources/Energy	0.0%	Precious Metals	0.0%	Technology	0.0%
Money Market (CASH)	0.0%	Latin America	0.0%	Asia	0.0%

THESE SECTIONS ARE FOR CLIENTS AND SUBSCRIBERS ONLY

**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.

U.S. Lg. & Midcap Stocks	0.0%	C Fund
U.S. Sm. & Mid-Cap stocks	0.0%	S Fund
U.S. Bonds (CASH)	0.0%	G Fund (Government Securities)
Bond Fund	0.0%	F Fund (Govt. Bonds, Mortgage bonds, and Corp. Bonds)
International Dev. Mkts.	0.0%	I Fund
Asset Allocation	0.0%	L fund

# Gunderson Trading Model Portfolio (Model "T")

This is my MOST AGGRESSIVE account. 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 using sell stops on most leveraged investments.

This account is now

THIS SECTION IS FOR CLIENTS AND SUBSCRIBERS ONLY

**Looking for a Hedge. Here is my current ranking of inverse (Bearish) ETF's:**

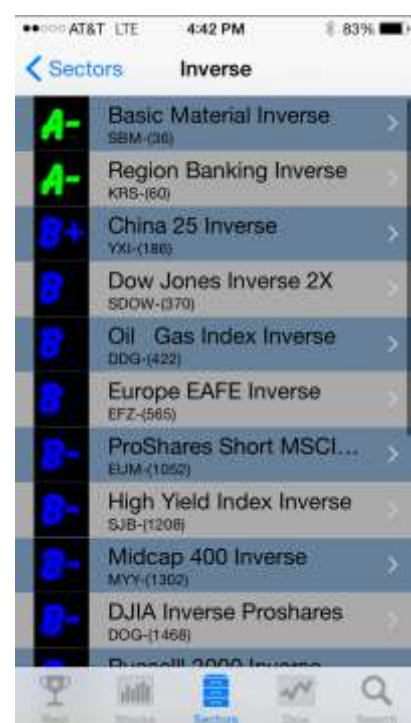
Two Weeks Ago



Last week.



This week.



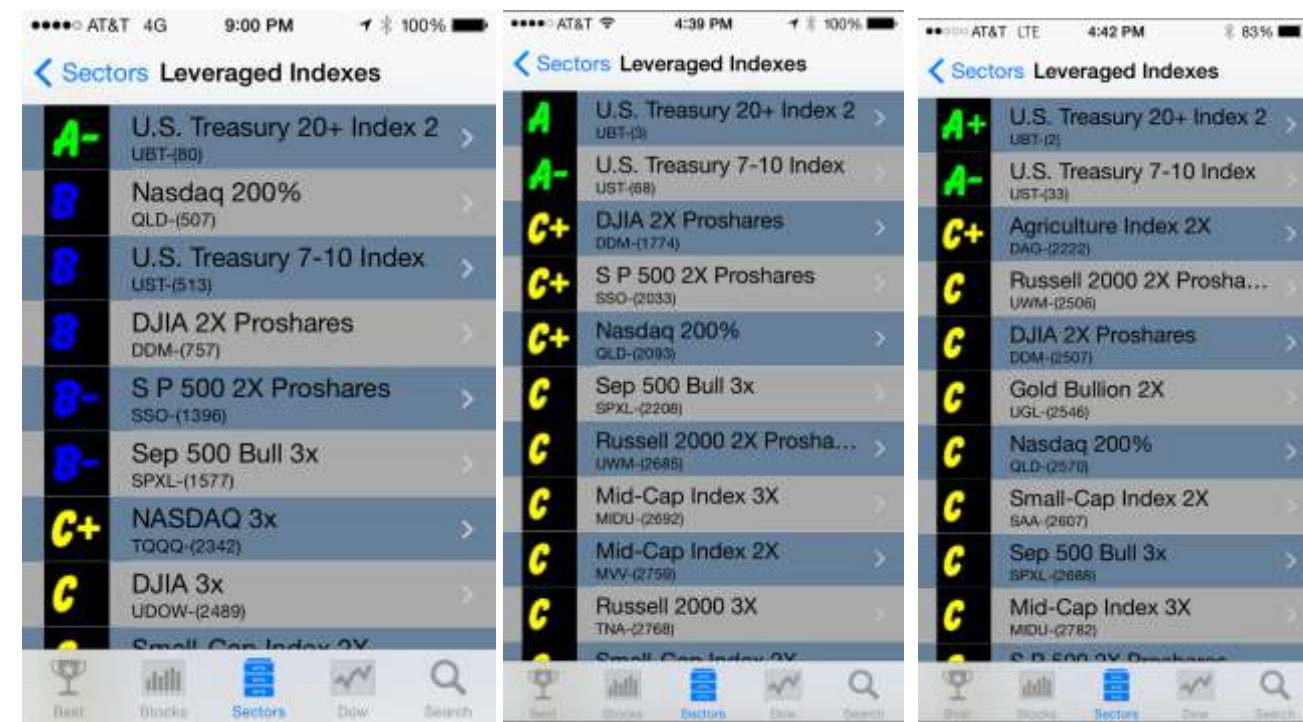
A lot of INVERSE funds are now looking interesting. I bought RWM as a hedge.

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

2 Wks ago

Last week

This week

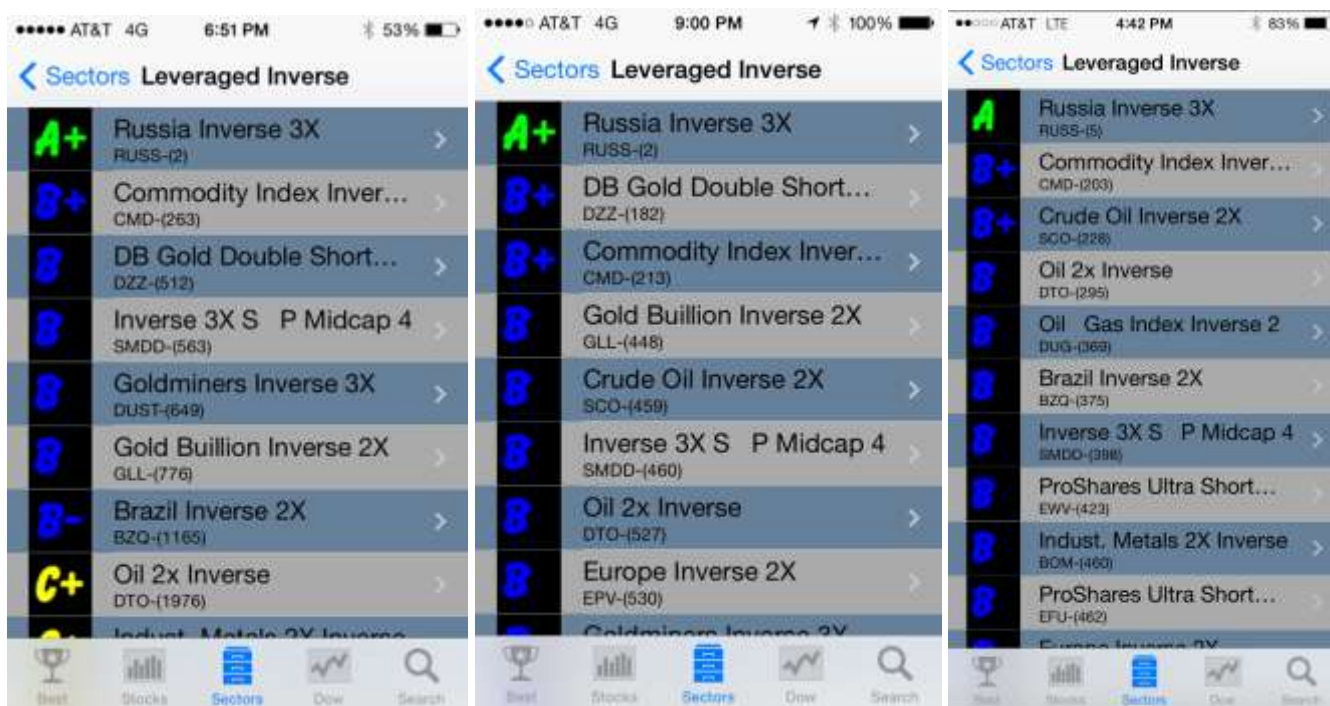


## Leveraged Inverse Rankings

2 Wks ago

Last week

This week





## Leveraged Sectors

2 Wks ago

Sector	Rating
U S Hithcre Idx 2X (RXL-576)	B
Technology Sector 2x (ROM-814)	B-
Retail Index 3X (RETL-816)	B-
Financial Sector 2X (UYG-951)	B-
Consumer Goods Index... (UGE-1223)	B-
Biotech Sector 2x (BIB-1332)	B-
Consumer Services Ind... (UCC-1397)	B-
Semiconductors Sector... (USD-1802)	C+
ProShares Ultra Utilities (UPW-294)	B

Last week

Sector	Rating
ProShares Ultra Utilities (UPW-848)	B-
Retail Index 3X (RETL-1046)	B-
U S Hithcre Idx 2X (RXL-1099)	B-
Consumer Goods Index... (UGE-1465)	C+
Real Estate Sector 2X (URE-1864)	C+
Financial Sector 2X (UYG-1880)	C+
Consumer Services Ind... (UCC-1943)	C+
Developed Markets 100... (ADRD-2482)	C
Industrials Sector 2X (UXI-2661)	C
Technology Sector 2x (ROM-2723)	C
Telecommunications Se... (LTL-2974)	C

This week

Sector	Rating
ProShares Ultra Utilities (UPW-294)	B
Real Estate Sector 2X (URE-633)	B
U S Hithcre Idx 2X (RXL-2219)	C+
Consumer Goods Index... (UGE-2254)	C+
Biotech Sector 2x (BIB-2723)	C
Consumer Services Ind... (UCC-2749)	C
Industrials Sector 2X (UXI-2755)	C
Financial Sector 2X (UYG-2783)	C
Technology Sector 2x (ROM-2973)	C-
Telecommunications Se... (LTL-2974)	C-
Developed Markets 100... (ADRD-2482)	C

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

# BILL GUNDERSON'S WEEKLY TOP 300 LIST



***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 10/17/2014

		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+	BIIB	Biogen Idec Inc	134	1053	284	2	234	328	274	169	337	<b>200</b>
B+	CALM	Cal-Maine Foods Inc	607	70	11	683	143	4	4	1	156	<b>201</b>
B+	CBST	Cubist Pharmaceuticals	74	1075	2	384	218	378	508	508	338	<b>202</b>
B+	LABL	Multi Color Corp.	1171	244	1223	101	76	107	391	180	189	<b>203</b>
B+	MCK	McKesson Corp	516	626	46	458	383	233	109	133	403	<b>204</b>
B+	MIDD	Middleby Corp	36	594	106	102	262	154	82	170	195	<b>205</b>
B+	NVAX	Novavax Inc	3423	3075	1339	1785	2378	3299	3298	2788	127	<b>206</b>
B+	IPXL	Impax Labs	3389	3483	2836	3018	1284	1410	1112	122	135	<b>207</b>
B+	HNI	HNI Corp	2690	2282	2179	629	509	908	1395	1266	162	<b>208</b>
B+	HAS	Hasbro Inc	2654	1377	1997	545	417	232	142	99	147	<b>209</b>
B+	WDFC	WD 40 Co	1138	767	1169	733	499	687	261	625	606	<b>210</b>
B+	MTSC	M T S Systems	0	2820	1341	431	852	1710	657	515	261	<b>211</b>
B+	KYN	Kayne Anderson MLP	1632	559	1207	561	194	180	157	697	481	<b>214</b>
B+	BMY	Bristol-Myers Squibb Co	526	981	347	321	318	229	167	163	347	<b>215</b>
B+	BRFS	Brazil Foods	365	69	560	975	251	1001	1181	226	716	<b>216</b>
B+	EGP	Eastgroup Prop	1225	712	75	1160	1092	1764	1022	663	221	<b>217</b>
B+	LMT	Lockheed Martin	1413	1158	1233	595	357	169	108	118	208	<b>218</b>
B+	OHI	Omega Healthcare	428	411	354	1110	1335	1892	1209	418	165	<b>219</b>
B+	TREX	Trex Company Inc	295	957	417	53	108	318	208	273	233	<b>220</b>
B+	AAPL	Apple Computer	297	647	617	41	196	159	97	79	234	<b>221</b>
B+	CACC	Credit Acceptance Corp.	454	1163	41	479	462	604	364	305	289	<b>222</b>
B+	PRXL	Parexel Intl Corp	223	765	1774	74	131	68	28	149	183	<b>223</b>
B+	MTGE	Amer. Cap. Mtg. Inv.	1172	2189	55	621	1085	1385	1165	283	154	<b>224</b>
B+	HBI	Hanes Brands	213	349	625	317	104	53	54	45	245	<b>225</b>
B+	NHC	National Healthcare Corp.	1055	1732	191	1018	1140	1165	730	771	321	<b>226</b>
B+	RAI	Reynolds American Inc	1395	182	1761	795	1001	885	400	214	619	<b>228</b>
B+	VFC	VF Corp	710	451	1082	285	202	70	38	113	241	<b>229</b>
B+	ICUI	ICU Medical Inc	1791	2480	591	2168	2281	2489	623	487	267	<b>230</b>
B+	SWKS	Skyworks Solutions Inc	647	327	2897	92	10	35	60	391	201	<b>231</b>
B+	STZ	Constellation Brands A	56	433	7	491	181	276	170	135	350	<b>232</b>
B+	VAL	Valspar Corp	276	396	321	214	142	304	226	250	351	<b>233</b>
B+	ASGN	On Assignment	190	890	148	1946	286	1369	699	684	485	<b>234</b>
B+	IDXX	Idexx Labs	508	1335	776	1383	965	1483	327	253	391	<b>235</b>
B+	OMCL	Omniceil	1953	2756	777	615	566	1551	523	448	148	<b>236</b>
B+	TSCO	Tractor Supply Co	98	988	1753	189	353	588	602	333	271	<b>237</b>
B+	UNFI	United Natural Foods Inc	1189	1839	185	646	707	590	798	742	128	<b>238</b>
B+	HQH	H & Q Healthcare Fund	1040	2119	2258	165	140	136	163	175	256	<b>240</b>
B+	ABG	Asbury Automotive Group Inc	148	65	39	610	166	807	444	212	313	<b>241</b>
B+	BLL	Ball Corp	1483	640	44	1185	995	1000	800	654	829	<b>242</b>
B+	HRL	Hormel Foods Co	1273	775	511	472	590	323	252	78	238	<b>243</b>
B+	MFA	M F A Financial	1049	287	1002	1187	1027	1463	777	209	239	<b>244</b>
B+	ASML	ASML Hldgs NY Ny	46	1011	597	32	91	44	123	304	404	<b>245</b>
B+	PAYX	Paychex Inc	2274	1962	680	1417	1320	915	182	139	259	<b>246</b>
B+	CCF	Chase Corps	1434	255	897	229	1303	1446	1425	944	218	<b>247</b>
B+	ENSG	Ensign Group	112	681	1316	77	317	533	358	155	75	<b>248</b>
B+	N	Netsuite	1383	3140	20	342	135	550	86	906	323	<b>249</b>





# Bill Gunderson's

## Best Stocks Now

### Top 300 as of 10/17/2014

		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+	SXI	Standex Intl Corp	115	121	2094	751	722	339	514	588	253	<b>251</b>
B+	AOS	Smith AO Corp	43	226	765	563	167	312	291	207	275	<b>252</b>
B+	CRM	Salesforce.com Inc	350	1727	223	96	111	209	336	556	540	<b>253</b>
B+	NHI	National Health Investor	589	1094	916	435	478	1844	936	545	232	<b>254</b>
B+	TTC	Toro Co	77	609	659	240	479	1008	382	291	263	<b>255</b>
B+	ACET	Aceto Corp	101	143	754	225	169	19	313	463	242	<b>256</b>
B+	AMGN	Amgen Inc	982	2269	1086	143	171	115	189	128	309	<b>257</b>
B+	GAIA	Gaiam Inc Cl A	3167	999	662	1557	2689	3007	3222	3405	595	<b>258</b>
B+	MNRO	Monro Muffler Brake Inc	581	853	3523	299	1188	728	412	190	160	<b>259</b>
B+	LVS	Las Vegas Sands	789	2171	1092	2103	3065	2365	606	851	133	<b>260</b>
B+	ACAD	Acadia Pharm.	189	3141	1717	50	61	46	789	1049	358	<b>261</b>
B+	AVB	Avalon Bay	1297	639	1978	274	624	1498	736	381	236	<b>262</b>
B+	CATO	Cato Corp.	1987	2152	470	45	32	87	310	241	203	<b>263</b>
B+	STKL	Sunopta	1713	105	685	1571	1973	1276	392	707	623	<b>264</b>
B+	OB	Onebeaconb Ins. Grp	0	2085	342	914	1309	1627	609	334	206	<b>265</b>
B+	XPO	X P O Logistics	0	0	885	0	0	0	1	89	214	<b>266</b>
B+	MMP	Magellan Midstream Ptrns	222	26	0	475	273	61	174	186	193	<b>267</b>
B+	CERN	Cerner Corp	45	1012	45	153	173	80	71	188	258	<b>268</b>
B+	HTLD	Heartland Express Inc	3179	1861	37	956	843	468	308	622	390	<b>269</b>
B+	ILMN	Illumina Inc	206	986	462	355	70	222	367	358	268	<b>270</b>
B+	SNAK	Inventure Foods Inc.	774	399	80	802	2635	460	68	76	120	<b>271</b>
B+	DWRE	Demandware Inc.	406	3624	983	3569	2645	3142	386	3176	407	<b>272</b>
B+	CSS	CSS Ind Inc	2473	3118	2472	3097	2169	2842	2880	2670	370	<b>275</b>
B+	ZUMZ	Zumiez	1527	3114	3082	558	926	1950	2329	379	333	<b>277</b>
B+	FBDIX	Franklin Biotech Discovery	511	2304	1929	3	3	27	264	162	434	<b>278</b>
B+	SPB	Spectrum Brands	3074	2956	182	290	355	609	96	199	401	<b>279</b>
B+	ACE	ACE Limited	1295	512	861	867	868	556	316	223	457	<b>280</b>
B+	CVTI	Covenant Transport Inc	2347	3206	933	599	482	575	300	183	302	<b>281</b>
B+	ERIE	Erie Indemnity Co	1950	538	441	936	1245	791	366	230	366	<b>282</b>
B+	OTEX	Open Text Corp	531	787	1389	88	133	165	301	159	303	<b>283</b>
B+	AEL		0 335	1430	578	502	0	0	0	606	519	<b>284</b>
B+	KEP	Korea Electric Power Corp	2797	179	1160	1037	2352	1313	362	165	293	<b>285</b>
B+	NVO	Novo Nordisk A/S	506	181	1699	694	1195	128	19	134	364	<b>287</b>
B+	WHR	Whirlpool Corp	496	243	515	344	480	202	652	419	352	<b>288</b>
B+	MFI	MicroFinancial Inc	1985	763	389	713	1318	607	625	474	405	<b>289</b>
B+	RP	Realpage Inc.	573	2230	1444	2385	1130	2490	669	1075	204	<b>290</b>
B+	PCRX	Pacira Pharmaceuticals	20	3407	3219	40	116	1199	947	949	81	<b>291</b>
B+	HEP	Holly Energy Ptrs	2804	2837	1534	420	546	255	183	1262	197	<b>292</b>
B+	DRTX	Durata Therapeutics	1016	3804	1287	1887	3859	3886	3902	204	273	<b>293</b>
B+	OAKS	Five Oaks Investment	0	726	3835	2100	2114	2559	2174	1154	455	<b>294</b>
B+	RVP	Retractable Technologies	0	2181	1925	720	1143	1169	100	222	301	<b>295</b>
B+	PACB	Pacific Biosciences	428	411	2265	1110	0	0	0	0	331	<b>296</b>
B	AJG	A J Gallagher	411	882	417	552	0	0	0	300	369	<b>297</b>
B	FDX	FedEx Corporation	1126	1516	458	934	625	124	64	71	387	<b>298</b>
B	KR	Kroger Co	872	954	574	594	659	230	154	63	286	<b>299</b>
B	RTN	Raytheon Company	1730	242	505	901	754	62	61	210	439	<b>300</b>

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



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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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