INVESTOR'S
Value View
April 7
2008
A STRAIGHTFORWARD INVESTMENT REPORT FEATURING VALUE AND GROWTH-ORIENTED STOCK-PICKS, FINANCIAL NEWS, MONEY TIPS AND INSIGHTS FOR INVESTORS.

Bull In A China Shop

Last issue, we began advising our readers how to defend themselves against the uncertainty of the churning financial markets. Our new section, Diversification Station, on page 2, outlines a variety of alternative investments that may be useful in diversifying your holdings in these uncertain times. Times are changing rapidly, and many investors will be caught unprepared. Our goal is to help make sure that you aren't one of them.

Earlier in the month, we saw venerable investment banking firm Bear Stearns topple, saved at the brink of bankruptcy by a $2 per share buyout offer. This represented a 7300% drop from its high price around $148. This is the kind of uncertainty we've been warning about.

Defending against external uncertainty is difficult enough. Now we learn that we must also be prepared to defend ourselves against our own government. Suddenly, the nation is thrust into a new cavern of confusion, created by the onslaught of arbitrary regulatory changes coming from Washington. In fact, the proposals that Treasury Secretary Paulson brought to the nation on Monday, March 31st, are the most far-reaching restructuring of the American financial system since….well, since the Great Depression. We don't care to speculate on whether our revered officials truly believe things are as bad as they were then.

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investor's
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A VARIETY OF ALTERNATIVE INVESTMENTS TO AID IN DIVERSIFYING YOUR HOLDINGS IN THESE UNCERTAIN TIMES.

Fund Name	Symbol	NAV	Price	Discount	Holding Category	Fund Type
ishares Lehman TIPS Bond	TIP	108.31	108.32	N/A	Inflation Adj Bond	ETF
Powershares Commodity Index Fund	DBC	35.60	35.57	N/A	Commodity	ETF
ishares COMEX Gold Trust	**IAU**	**87.18**	**87.05**	**N/A**	**Commodity (Gold)**	**ETF**
ishares Silver Trust	SLV	165.81	166.00	N/A	Commodity (Silver)	ETF
Powershares Precious Metal	DBP	32.79	32.57	N/A	Commodity (Gold/Silver)	ETF
ishares Materials Sector Index Fund	IYM	75.99	75.72	N/A	Materials	ETF
ishares Oil Equip./Svcs Index Fund	IEZ	62.44	62.39	N/A	Energy	ETF
Powershares Global Clean Energy	PBD	25.92	26.17	N/A	Energy	ETF
ishares France Index Fund	EWQ	35.60	36.06	N/A	International	ETF
Ishares Malaysia Index Fund	EWM	11.74	11.98	N/A	Emerging Market	ETF
Columbia Tech Z	CMTFX	N/A	9.98	N/A	Tech	Open-end
Mexico Fund	MXE	29.44	25.51	-13.35%	Emerging Market	Closed-end
The New Ireland Fund	IRL	23.13	19.90	-13.96%	International	Closed-end
MS Asia Pacific Fund	APF	21.73	18.88	-13.12%	International	Closed-end
Templeton Dragon Fund	**TDF**	**29.08**	**25.45**	**-12.48%**	**Int'l/ Emerging Mkt**	**Closed-end**
New Germany Fund	**GF**	**18.65**	**15.90**	**-14.75%**	**International**	**Closed-end**
Morgan Stanley India Fund	IIF	41.65	40.10	-3.72%	Emerging Market	Closed-end
Black Rock Real Asset Eq. Trust	BCF	19.42	16.47	-15.19%	Energy/Materials	Closed-end
Indonesia Fund	IF	11.92	10.60	-11.07%	Emerging Market	Closed-end
ASA LTD.	ASA	88.51	80.65	-8.88%	Gold Stocks	Closed-end
MS Eastern Europe Fund	RNE	35.68	32.00	-10.31%	Emerging Market	Closed-end
DWS Global Commodities	**GCS**	**19.79**	**16.89**	**-14.65%**	**Commodity Stocks**	**Closed-end**

Commodities- In today's market with high inflation, a lower dollar value and tremendous international growth, commodities serve as a great place to put your money. Gold and silver have been the traditional hedges for inflation, however due to the growth of many emerging markets such as China and India, all commodities are going to be increasing in price over time due to higher international demand. Having other commodities in your portfolio is also beneficial for diversification purposes.

Materials- As with commodities, materials are a very durable sector to invest in due to their seemingly endless demand in the domestic and international markets.

Energy- With high oil prices, very stable energy demand, and alternative energy looking unlikely to develop anytime soon, traditional energy companies are a great investment right now that can produce huge returns.

International- Because the U.S. economy today is somewhat unpredictable, does not mean you cannot successfully invest in stocks. There are many international investment opportunities available in other countries whose economies are currently much more stable with equal or even higher growth prospects.

Emerging Market- Investing in emerging markets falls under the same principles as international investing. Emerging market economies are arguably less stable but have more growth potential.

Definitions

Open–end Mutual Fund (Traditional)- The traditional mutual fund is a fund whereby investors collectively pay into a pool of securities that is actively managed by the fund. Traditional mutual funds shares are bought and sold directly from the fund.

Closed-end Fund- A closed-end mutual fund is a mutual fund traded on secondary markets. The capital is closed at inception. Which means investors do not increase the capital of the fund by buying into it, but rather buy shares much like a stock. Closed-end funds tend to sell at either a premium or discount meaning there is a difference between its NAV (net asset value) and trading price.

ETF (Exchange Traded Fund) - An ETF is a closed-end fund that is managed in such a way that there is little or no discrepancy between the NAV and selling price.

Our Top Pick: TDF

The Templeton Dragon Fund is our top fund pick for this issue. This fund's investment objective is long-term capital appreciation by investing in emerging market securities mostly in China but in many other Asia-pacific countries as well. With the U.S. economy's current instability, emerging markets may be a better place to have your money. The main reason we like this fund is its high quality and experienced management. The Fund has been managed since 1994 by Dr. Mark Mobius, who has been with Franklin Templeton Investments since 1987, and is a specialist in emerging market funds managing over $37 billion in total.

Although management quality is a large component in our fund selection process it is not the only thing we examine. The Templeton Dragon Fund is comprised of 61.6% Chinese securities, as well as 23.7% Hong Kong securities, 13.3% Taiwan securities and many other eastern emerging markets, which all have fantastic growth prospects. The fund's sector holdings are nicely diversified with 25.8% in Energy, 14% in Telecom, 12.2% in consumer staples, 12.1% in financials, 11.5% in industrials, 10.4% in information technology and 14% in other sectors.

The fund is selling at $25.24, with an NAV of $29.96 which provides a very attractive 15.57% discount. In the last 10 years the fund has produced annualized average NAV return of 16.03%, while its share price has averaged a 17.47% annual return. The fund has a relatively low expense ratio of 1.47% considering the funds adept management. Due to the funds high quality and diversified holdings, top-notch management, great historical performance, and future growth potential, we at Value View declare the Temple Dragon Fund a top pick!

Bull In A China Shop, from page 1

The document from the Treasury outlining the proposals is a 218-page file that is surprisingly short on detail. It provides pages of explanations of why the administration thinks the changes need to be made, but little in the way of formal description of what the changes would actually look like. The document is also strikingly contradictory in places, sometimes asserting that states would maintain regulatory authority, other times asserting the redundancy of state regulators. Economist Paul Krugman has criticized the document for two reasons. First, he cites its lack of substance in addressing the actual problems in the economy. He dubbed it "The Dilbert Strategy" for its plan to rearrange the org chart instead of offering any real reform. Secondly, he criticized it for its confusing and opaque language. The plan really seems designed to be unclear.

A few things are clear, however. Among the changes proposed is the complete abolition of Savings & Loan institutions. The argument is made that Savings & Loan institutions, whose initial purpose was making mortgage loans available to average citizens, are no longer needed because mortgages are now readily available to everyone. This is a strange argument to make in a time when the mortgage market is fast evaporating, and mortgages are becoming available to fewer and fewer borrowers, and when the bottom of this crisis is still unknown. One could easily argue that Savings & Loans will be particularly important in helping our nation recover from this crisis.

In addition, hedge funds, payment processors, and other unregulated financial service firms will suddenly become regulated by a new super-regulator. Some may argue that more regulations are necessary, but in each case these arguments have already been discussed, and for various reasons, discarded. Finally, the placement of most regulatory authority under the Federal Reserve, rather than an agency accountable to Congress (or anybody), is most worrisome. Regulators who are not accountable to the people at any level are something that America has never tolerated.

There are dozens of other items in the document. Read the report for yourself at: www.treas.gov/press/releases/reports/blueprint.pdf. As a structure, it gives enormous power to representatives of the banking industry and financial firms, and relatively little say to the people who will be footing the bill. Moreover, the massive increase in regulation will do what it always does: give advantage to large companies over small ones, lethargic firms over upstarts, and entrenched bureaucracies over innovators.

The final result of this whole scheme will be repression of financial innovation in the U.S. This is most distressing, since financial services are one of the few industries where the U.S. is still competitive. Giving away this edge will only further weaken our economy.

Moreover, since it will not truly solve any of the ongoing problems in the financial markets, it will serve as merely a smokescreen for the more serious problems in the economy. Investors may be wise to avoid small financial firms, especially in the Savings & Loan space, and divert investment to non-U.S. holdings. The increasing uncertainty is simply another argument in support of our strategy of diversification across asset classes. It's time to think outside the box.

TRUE BLUES

Every month we follow legitimate "blue chips" that can generally be held long term without great concern for market changes. We rate them for valuation only. While it may pay to move from an overvalued member of this list to a bargain-priced choice, most of these stocks can be held even when overvalued without significant long-term risk.

Stock	Symbol	Price	Earnings	P/E	Gr. Est.	Yld.	Recommendation
Abercrombie & Fitch	ANF	$76.66	$5.22	14.7	15%	0.9%	Hold
AFLAC	AFL	$65.10	$3.25	20.0	15%	0.8%	Hold
AutoZone	AZO	$116.98	$8.93	13.1	13%	0.0%	Nibble
Bank of America	BAC	$39.41	$3.31	11.9	11%	5.7%	Avoid
Bank of Nova Scotia	BNS	$46.39	$3.17	14.6	10%	4.1%	Avoid
Bed Bath & Beyond	BBBY	$31.60	$2.22	14.2	14%	0.0%	Hold
Canon	CAJ	$47.97	$3.22	14.9	16%	1.9%	Buy
Capital One	COF	$51.27	$4.15	12.4	15%	2.9%	Avoid
Cisco	CSCO	$24.39	$1.26	19.4	15%	0.0%	Nibble
Constellation Brands	STZ	$19.89	$1.65	12.1	15%	0.0%	Nibble
CRH	CRH	$39.45	$2.47	16.0	12%	0.8%	Hold Loosely
DRS Technologies	DRS	$58.94	$3.06	19.3	14%	0.2%	Hold
FedEx Corporation	FDX	$96.87	$6.53	14.8	13%	0.0%	Nibble
Fortune Brands	FO	$73.92	$5.09	14.5	13%	2.1%	Hold
General Electric	GE	$37.56	$2.13	17.6	14%	2.2%	Avoid
Harley Davidson	HOG	$39.22	$3.73	10.5	14%	3.1%	Avoid
Home Depot	HD	$28.79	$2.42	11.9	13%	3.1%	Avoid
L-3 Communications	LLL	$111.97	$5.97	18.8	14%	1.1%	Hold Tightly
Marshall & Ilsley	MI	$24.15	$2.69	9.0	10%	5.1%	Avoid
Medtronic	MDT	$49.65	$2.47	20.1	15%	0.9%	Hold
PepsiCo, Inc.	PEP	$71.53	$3.02	23.7	10%	2.1%	Hold
Pfizer	PFE	$21.35	$2.40	8.9	15%	5.4%	Nibble
Staples, Inc.	SPLS	$23.25	$1.34	17.4	16%	1.2%	Hold Loosely
Walgreen Company	WAG	$37.90	$2.13	17.8	15%	0.8%	Hold
Wal-Mart	WMT	$54.40	$3.11	17.5	10%	1.7%	Hold
Walt Disney	DIS	$31.24	$1.88	16.6	12%	1.0%	Hold
Western Union	WU	$20.77	$1.06	19.6	14%	0.2%	Avoid
Xerox	XRX	$15.10	$1.22	12.4	11%	1.1%	Buy

Abercrombie & Fitch Co. recently reported an 11% increase in net sales for the month of February and a 2% decrease in comparable store sales. These numbers are a result of decreasing sales in the Hollister and Ruehl product lines. Although this is not good news, the company is still doing considerably well given the economic environment.

AutoZone, Inc. reported a 3% increase in net sales for the end of the second quarter, February 9th. In addition, net income increased 3.6% from the same period last year. The company still has a positive outlook on the future despite a small decrease in sales from the first quarter.

Bank of America Corp. is believed to have lost around $6.5 billion linked to subprime debt. Of course this doesn't make investors happy after the bank put aside a total of $8.4 billion in the year 2007 for compensations. This is up 67% from the prior year.

Canon Inc. announced plans to double its production of compact digital cameras in certain factories as a result of booming demand in developing countries. Like many other international companies, Canon is benefiting from high demand rates in developing countries like China.

DRS Technologies, Inc. announced third quarter revenues were approximately $837 million, a massive 23% increase from the same quarter last year.

Fortune Brands, Inc., after a failed bid to buy Absolut Vodka, launched a large share buyback program. These actions proved to display company focuses on shareholder interests. Share earnings are expected to be unaffected by this buyback.

General Electric Company announced plans to sell Corporate Payment Services to American Express for $1.1 billion in cash. GE also reported a separate agreement to sell its consumer finance, credit card, and auto loan businesses in Germany, Finland, and Austria to Spanish bank Banco Santander. This transaction is valued at $1.6 billion.

Harley Davidson, Inc. is still feeling the effects of the economic storm. According to analysts the stock still isn't cheap enough to buy even though it's trading at year 2000 prices.

Home Depot suffered a decrease in profit by about 24% and a decline in annual sales as a result of the weak housing market. The company posted a drop in annual earnings of 15.1% from a year ago.

Medtronic announced plans to outsource manufacturing to countries with lower labor costs and consolidate factories. These plans are an effort to cut manufacturing costs by 25% and boost foreign sales.

Pfizer recently halted a melanoma drug study already in the late stages because data proved the drug no better than standard chemotherapy.

Wal-Mart Stores, Inc. reported that same-store sales for the month of February rose 2.6% mainly due to growth in groceries.

Bed Bath & Beyond shares fell after analysts downgraded the home-furnishings retailer. This is mainly a result of difficult competition and a rough retail market.

Walgreen Company reported sales up 10.4% for the fiscal year to date. The company recorded strong front-end sales, exceeding expectations despite the economy.

Cisco Systems purchased $110 million plus shares of China Communications Services Corp in their 22% sell off of shares. CSCO also reported that the sales of its high-end routers had accelerated in the past several months, helping to ease worries about slower technology spending.

Staples Inc. recently announced that it has obtained firm financing commitments for a $3 billion credit facility to pursue its proposed acquisition of Corporate Express.

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VALUE VIEWFINDER

These stocks appear to be below reasonable valuations, based on expected future growth. But unlike many stock-pickers who divide stocks into "growth" or "value" picks, we believe growth outlook is a prime factor for determining value. They may not always show immediate results, but should provide outstanding returns in the long-run.

Stock	Symbol	Price	Earnings	P/E	Gr. Est.	Recommend
Apple Inc.	AAPL	$151.61	$4.56	33.2	24%	Buy
Asta Funding	**ASFI**	**$14.98**	**$3.66**	**4.1**	**15%**	**Buy Aggressively**
Cognizant Tech. Sol.	CTSH	$29.56	$1.16	25.5	25%	Buy Aggressively
Diamond Offshore	DO	$119.46	$6.54	18.3	12%	Buy
ENSCO Int'l	ESV	$64.19	$6.66	9.6	12%	Buy
GeoEye Inc.	GEOY	$25.84	$2.19	11.8	15%	Buy
Mobile Telesystems	MBT	$80.85	$4.35	18.6	12%	Buy
Mesa Laboratories	MLAB	$22.05	$1.48	14.9	18%	Buy Aggressively
Nokia	NOK	$33.75	$1.78	19.0	12%	Buy
Oracle Inc.	ORCL	$20.68	$1.20	17.2	14%	Buy
Pixelworks	PXLW	$0.75	-$0.64	n/a	20%	Speculative Buy
Tata Motors	**TTM**	**$16.14**	**$1.43**	**11.3**	**15%**	**Buy Aggressively**
Teck Cominco Ltd.	TCK	$43.56	$3.64	12.0	10%	Buy
Telefonica S.A.	**TEF**	**$89.44**	**$5.74**	**15.6**	**15%**	**Buy Aggressively**

Apple will release 2nd quarter earnings on April 23, the results are eagerly awaited.

Asta Funding continues to see its share price drop despite good news. First quarter results beat expectations and show no signs of slowing over the next year. They continue to acquire portfolios for pennies on the dollar, which should maintain earnings momentum over the next few years. Without a doubt, these shares are a terrific value buy.

Cognizant Technology Solutions saw 4th quarter profit rise 39%. The company continues to perform well from top to bottom. With plans for growth and expansion, the company should do well as outsourcing grows each year.

Diamond Offshore and the rest of the oil drillers have not risen in accordance with oil prices. Despite a one time tax charge, the company still managed to report positive 4th quarter and year end results. Earnings for the 1st quarter are released on April 24th and are expected to show exceptional year over year growth.

ENSCO International has seen its shares trade within a tight range despite excellent earnings. The companies 4th quarter results beat analyst expectations and year end results were the best in company history due to higher day-rates. With 1st quarter earnings on the horizon, expect a lot of positive price momentum.

GeoEye is a provider of global spaced imagery of the earth. The company recently announced 4th quarter profit that doubled from last year. Due to its exposure to a wide variety of industries, this company should maintain earnings despite the harsh economic outlook.

Mobile Telesystems is a mobile phone operator in Russia and various other eastern European countries. Due to the positive outlook in this area and the outstanding growth opportunities available, this company should provide investors a safe haven from U.S. market turmoil.

Mesa Laboratories reported 3rd quarter earnings that rose 37%. Despite great earnings reports, the company's shares have fallen with the market. This provides investors with a great value buy opportunity as the company should continue to post great earnings.

Nokia's shares have fallen since our last recommendation. The company recently announced the release of four new phones focusing in on emerging markets. This growth strategy and the company's solid fundamentals provide investors with a chance to buy Nokia at a great discount.

Oracle's share price declined when the company reported lower 3rd quarter sales. Despite the gloomy sales report, the company met profit expectations and affirmed their year end outlook.

Pixelworks is our speculative play for the next few months. If the stock does not stay above $1 per share- NASDAQ's requirements- before July 1, 2008, the company will be de-listed. Despite this news, we expect the company to surprise investors with a positive earnings report. If this occurs, there should be a significant movement in share price.

Tata Motors completed its purchase of Ford and Jaguar. With the growing reputation of the Nano car and the continued growth in emerging markets, these shares are a great buy.

Teck Cominco saw 4th quarter profit and revenues fall due to lower metal prices and currency flucuations. Despite these results, share prices have risen due to future outlook. Their exposure to various metals should allow the company to turnaround from that negative quarter.

Telefonica SA had profit rise 2.3% in the 4th quarter due to growth in Latin America. The company still sells at a discount to its previous high and allows investors to hold a stock not tied to the U.S. economy.

XTO Energy reported higher 4th quarter profit due to oil prices and expects higher output during 2008. Despite the recent jump in share prices, we believe the companies continued earnings growth will propel the stock to higher levels.

> Never confuse motion with action.
>
> ~Benjamin Franklin

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Western Union expects to incur about $60 million in costs for this year resulting from the shut down of their Missouri and Texas facilities. About 650 positions will be eliminated or relocated to other facilities.

FedEx Corp. reported 3rd quarter earnings of $1.26 a share. This missed last years 3rd quarter results by 6.7%.

Pepsi recently completed the formation of its joint venture with Strauss Group to operate Sabra- a company that makes hummus. Pepsi's Frito-Lay North America unit and Strauss will both own 50 percent of the partnership, although financial terms of the deal were not disclosed.

DYNAMIC INSURGENTS

Dynamic Insurgents enjoy a strong position in their changing fields. Potential blue chips of the future, they are relatively unproven and operate in fast-paced industries. These are most appropriate for risk-oriented investors. Conservative investors may want to hold a small position in some of these potential world-beaters as well.

Stock	Symbol	Price	Earnings	P/E	Gr. Est.	Recommendation
America Movil	AMX	$66.75	$2.75	24.3	20%	Buy
Buffalo Wild Wings	BWLD	$26.50	$1.11	23.9	24%	Hold Loosely
Cephalon	CEPH	$64.76	$3.89	16.6	20%	Buy
Covanta Holding	CVA	$28.97	$0.84	34.5	12%	Nibble
Crocs Inc.	CROX	$17.18	$2.00	8.6	22%	Inconclusive
Digital River	DRIV	$33.46	$1.58	21.2	20%	Nibble
Emergency Med. Svcs.	EMS	$25.42	$1.39	18.3	15%	Buy Aggressively
J-2 Global Commun.	JCOM	$22.60	$1.35	16.7	18%	Speculative Buy
Landec Corp.	LNDC	$7.77	$1.29	6.0	40%	Inconclusive
MEMC Electronics	WFR	$73.76	$3.56	20.7	30%	Nibble
Millicomm Int'l Cell.	**MICC**	**$94.99**	**$5.84**	**16.3**	**25%**	**Buy Aggressively**
Net 1 UEPS Tech.	UEPS	$24.48	$1.29	19.0	19%	Buy
Netflix	NFLX	$37.33	$0.97	38.5	21%	Speculative Buy
NetGear Inc.	NTGR	$19.99	$1.28	15.6	19%	Speculative Buy
PetMed Express	PETS	$11.36	$0.77	14.8	21%	Buy
Priceline.com	PCLN	$128.00	$3.31	38.7	22%	Harvest
Research In Motion	RIMM	$122.58	$1.87	65.6	23%	Harvest
Silicon Motion	SIMO	$15.63	$1.28	12.2	20%	Buy
Tempur-Pedic	TPX	$12.23	$1.75	7.0	18%	Inconclusive

America Movil announced a 30 billion peso share buyback (about $371 million) and a 30% increase in its 2008 dividend. The company said that due to the absence of acquisitions, they would continue to return cash to shareholders.

Buffalo Wild Wings announced Q4 earnings of $0.34 per share, four cents less than the year ago quarter. However, the prior year period had an additional week, which added $0.08 to the bottom-line. The company renewed its chicken wing contract in late March; the price per pound was significantly lower than in January.

Cephalon announced earnings of $0.56 per share in Q4, compared to a $0.08 loss in Q4 last year. The company maintained its 2008 earnings forecast of $5.10-5.20 per share and has had a number of positive FDA announcements relating to their chemotherapy and leukemia drugs.

Covanta Holding Corporation owns and operates energy generation plants around the world. Unlike other utility companies, Covanta uses garbage as fuel. The idea, while not unique to Covanta, has positioned the company to make strategic inroads into the Chinese market partnering with Guangzhou Development Industry in a joint venture.

Crocs earned $0.45 per share, compared to $0.26 in Q4 2006. The stock sunk when management provided 2008 guidance that was below Wall Street consensus. The company has been the victim of high shipping costs, which has eaten into their margins.

Digital River announced $0.46 in earnings, compared to $0.36 in the pervious year. The company guided 2008 earnings below Wall Street expectations, but historically the company has been conservative in its estimates. They also announced a $127 million accelerated share buyback program in February.

Emergency Medical Services announced Q4 earnings of $0.31 compared $0.33 in Q4 2007. The earnings were less than expected due to severance charges of two unprofitable contracts in the ambulatory division. The company provided 2008 earnings guidance of $1.57-1.63 per share.

J2 Global Communication earned $0.34 a share compared to $0.29 a share, in the pervious year. The company also announced a new repurchase program of 5 million shares- approximately 10% of which are outstanding shares.

Landec announced a delay in reporting its 3Q 2008 results. It's newly appointed accounting firm needs time to reconcile the results due to questions concerning the purchase of Landec's seed business by Monsanto.

MEMC Electronic Materials is a manufacturer of silicon wafers for use in solar panels and semiconductors. The company has a proprietary process, which cuts the cost to the buyers of their finished goods due to a process which reduces the amount of defective items. The company has strong margins, is a market share leader, and good pricing power; making it difficult for competitors to enter the market.

Millicomm International earned $1.11 in Q4 2007, compared to $0.50 in the prior period a year ago. The Board announced a special dividend of $2.40 per share. The company announced a 56% increase in subscribers versus Q4 2006, bringing the total to 23 million subscribers.

Netflix appears to be a strong performer in a weak domestic economy. The company has launched an online platform for viewing a selection of movies and television shows and will soon launch a new set top box, currently being developed by LG, which will position the company to deliver video on demand to the living room for a fraction of the cost of cable or satellite to the consumer.

NetGear's fourth-quarter earnings of $0.35 per share were $0.03 less than a year ago. NetGear blamed higher air freight costs on the lower earnings. Revenue in the company's Asia Pacific region rose 72%, representing about 11% of total revenue.

Silicon Motion announced earnings of $0.35 per share compared to $0.33 per share, in Q4 2006. The company announced a $40 million share repurchase program, about 10% of market cap, to be completed within one year.

Tempur-Pedic has been hurt by significantly weak US sales. The company announced a projected 50% drop in 1Q 2008 profit, but provided earnings guidance of $2.03 to $2.20 a share in 2008.

We are ceasing coverage of Apollo Group, Heely's, and Nutrisystem due to significant earnings drops, and Syntax-Brillian due to a debt default.

The Secret to 15% Returns: Private Equity Concepts Revealed

The stock market has been a victim of volatility over the past few months, causing many sleepless nights for investors, but most investors would not trade off the volatility, because they like the ability to buy and sell at their convenience. Private equity refers to a select group of long-term value investors hired by affluent investors and large pension plans to investment money in illiquid securities, usually private companies. These investors, known has "Private Equity Investors", buy companies with a five to ten year investment lockup period. The reward for their illiquidity has been 15% annualized average returns. Here are three observations on how private equity investment firms identify attractive investments. This information will provide insight for a young investor to approach stock research and overall portfolio management using a similar strategy.

The first observation is 'cash is king'. Private equity investors always look for companies with plentiful and consistent free cash flows in order to pay themselves dividends or to pay off debt obligations. Free cash flow is cash that a company is able to generate after laying out the money required in maintaining or expanding its asset base, it is calculated by subtracting capital expenditures from operating cash flow. In the preliminary screening procedure, a young investor should look for stocks with a low price/free cash flow ratio or enterprise value/free cash flow ratio. For example, a stock with a price/free cash flow ratio of 4.0 means that a company would generate enough cash in four years to cover the current market capitalization, assuming free cash flow stayed the same over the four year period.

The second observation is the importance of 'staging the investment'. Instead of immediately making a full investment into a company, set goals for that company, put a percentage of the initial total investment into the company (say 25%), and review the company on a quarterly, semi-annual or annual basis. Should a company not meet an investor's goals, or should something materially change during the evaluation period, then no further investment should be made. This approach, while somewhat conservative, forces an investor to constantly monitor developments and diversify his or her portfolio at the same time. The goal of this money management technique is to progressively add to the best companies and either exit or let languish the weaker companies. Spreading the investment over a few years allows an investor to buy into the company in various economic environments, thus diffusing the risk.

The last observation is 'don't overlook boring industries'. While most young investors are looking for the next technological advancement, even the most traditional industries can generate generous returns. There is a lot of risk that investors typically overlook when investing in technology companies. Development risk, market risk, and production risk all need to be factored in. By investing in stocks that operate in more traditional industries, more money can be put to work due to the lower risk when compared to a new technology start-up.

A young investor with a long-term investment horizon can apply one or all of these observations to his or her portfolio. By identifying companies that can generate free cash flow, one is buying a financially strong company able to meet debt payments, pay dividends or buy back shares. In staging the investment, one is spreading out the risk, while progressively building a portfolio of strong stocks. Finally, by focusing on core businesses, instead of swinging for the fences, one will preserve capital, while generating good risk-adjusted returns. Private equity investors, using these core ideas, have been successful for over thirty years and with proper research and patience, a young investor can share in similar success.

Glossary of Terms

What does our stock recommendation jargon mean in the charts?

Buy Aggressively	*Best buys at the best prices. Does not indicate momentum.*
Buy	*Not as exciting or certain as "buy aggressively", but still a good buy.*
Speculative Buy	*Great potential; may not be great values. Higher risk.*
Nibble	*Buy a little at a time as prices become more favorable.*
Hold Tightly	*An attractive stock, probably too high to buy. Don't sell yet.*
Hold Loosely	*Approaching excess valuation. Trade out selectively.*
Harvest	*Quality stock, inflated in price. Sell it. No impending problems. Hold if you can't afford to take profits, but risk of holding is greater. Selling a portion is often a good strategy.*
Inconclusive	*Similar to sell . When news creates uncertainty, or action appears negative, uncertainty can create outstanding valuation, even with no news. Still, most people prefer not to hold uncertain stocks.*
Sell	*Reserved for stocks that have struck bad times. Sell this stock.*
Highlighted	*Entries that are highlighted represent the most attractive securities at this time.*

Deal with it before it happens.
Set things in order before there is confusion.

~Lao Tzu

AS THE STOCKS TICK

Keeping a finger on the pulse of your investments, based on our recommendations.

Earnings Reports

Stock Name	Earning Period	Current Earning	1 Year Ago	Percent Change	Current Recommendation
Cephalon	Q4	$0.56	-$0.08	800.0%	Buy
Millicom International	Q4	$1.11	$0.50	122.0%	Buy Aggressively
Crocs	Q4	$0.45	$0.26	73.1%	Inconclusive
Cognizant Tech	Q4	$0.32	$0.23	39.1%	Buy Aggressively
Mesa Laboratories	Q3	$0.34	$0.25	36.0%	Buy Aggressively
Oracle	Q3	$0.26	$0.20	30.0%	Buy
Digital River	Q4	$0.46	$0.36	27.8%	Nibble
Ensco International	Q4	$1.66	$1.39	19.4%	Buy
L-3 Communications	Q4	$1.64	$1.38	18.8%	Hold Tightly
J2 Communication	Q4	$0.34	$0.29	17.2%	Speculative Buy
Constellation Brands	Q4	$0.34	$0.29	17.2%	Nibble
Asta Funding	Q1	$0.90	$0.77	16.9%	Buy Aggressively
AFLAC	Q4	$0.78	$0.67	16.4%	Hold
AutoZone	Q2	$1.67	$1.45	15.2%	Nibble
Canon	Q4	$0.90	$0.80	12.5%	Buy
Abercrombie & Fitch	Q4	$2.40	$2.14	12.1%	Hold
Wal-Mart	Q4	$1.02	$0.95	7.4%	Hold
Cisco	Q2	$0.33	$0.31	6.5%	Nibble
Walgreen	Q2	$0.69	$0.65	6.2%	Hold
Silicon Motion	Q4	$0.35	$0.33	6.1%	Buy
Bed Bath & Beyond	Q3	$0.52	$0.50	4.0%	Hold
Medtronic	Q3	$0.63	$0.61	3.3%	Hold
Staples	Q4	$0.47	$0.46	2.2%	Hold Loosely
Home Depot	Q4	$0.40	$0.42	-4.8%	Avoid
Bank of Nova Scotia	Q1	$0.83	$0.88	-5.7%	Avoid
Emergency Med. Svcs.	Q4	$0.31	$0.33	-6.1%	Buy Aggressively
FedEx	Q3	$1.26	$1.35	-6.7%	Nibble
NetGear	Q4	$0.35	$0.38	-7.9%	Speculative Buy
Buffalo Wild Wings	Q4	$0.34	$0.38	-10.5%	Hold Loosely
Disney	Q1	$0.63	$0.78	-19.2%	Hold
Diamond Offshore	Q4	$1.19	$1.60	-25.6%	Buy
PepsiCo.	Q4	$0.75	$1.09	-31.2%	Hold
Bank of America	Q4	$0.05	$1.16	-95.7%	Avoid

Truth comes out of error more readily than out of confusion.

~Francis Bacon

Breakthrough Stocks

Name	Symbol	Price	Prev. Price	Increase	Recommendation
Teck Cominco	TCK	$44.87	$35.18	27.54%	Buy
ENSCO Int'l	ESV	$65.49	$52.11	25.68%	Buy
XTO Energy	XTO	$63.05	$53.16	18.60%	Hold Tightly
Freeport McMoran	FCX	$107.69	$92.10	16.93%	Hold Tightly
Apple	AAPL	$153.08	$133.75	14.45%	Buy
Gilead Pharma	GILD	$52.35	$45.93	13.98%	Hold Tightly
Digital River	DRIV	$33.48	$30.38	10.20%	Nibble

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In March, 2008, *Investor's Value View* Publisher Scott Pearson received a Ph.D. from The Ohio State University, where his studies focused on Development Economics & Finance.

Congratulations, Dr. Pearson!