

NATE'S NOTES

Winning Ideas for the Individual Investor

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*Red and white, blue suede shoes,
I'm Uncle Sam, how do you do?
Give me five, I'm still alive,
Ain't no luck, I learned to duck...*

- from U.S Blues (Hunter/Garcia)

	Since Last Issue	Year To Date	Since Inception (10/31/97)
Model	+4.1%	+62.2%	+3,528.4%
Aggressive	+14.8%	+105.3%	+11,205.0%
DJIA	+3.1%	+3.3%	+296.2%
NASD	+2.2%	+31.8%	+642.3%

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The Market Seems To Like What It Sees...

Now that the election has come and gone and the market has had a chance to digest the results, I think it is fair to say investors across the board (well, except for folks who were net short the market, I suppose) got just about everything they could have hoped for out of the election!

While we may never know what would have happened if there had, in fact, been a "blue sweep," we do know that the market was rallying ahead of the election in anticipation of a Biden win, and the fact that Biden won... but it appears we will also have a "split government" (though Georgia is doing its part to keep things interesting!)... means that investors who may have been worried about how far left his administration might go can now breathe a sigh of relief that perhaps things won't be "as bad as feared."

And, as you can see in the performance numbers above, now that the uncertainty of the election is behind us, not only have the

markets as a whole been performing quite well (most major indices are once again hitting all-time highs), but both of the Portfolios in the newsletter have also continued to outperform the market by fairly sizable margins in the five weeks since last month's issue went to press!

That being said, as I always try to do when it starts to feel "too easy" to make money in the stock market, I want to remind you yet again that returns like the ones you see above are NOT sustainable on a longer-term basis, so please don't allow yourself to fall into a trap of complacency and/or start to take on more risk than is prudent at this stage of the game - to be sure, the trend is currently up, and it is hard to call new all-time highs anything but "bullish clues" when it comes to trying to assess the health of the market, but there are still plenty of things that can go wrong both here at home and around the rest of the world as well, and so, again, we need to be careful to not become too complacent.

As has been the case for several months now, the virus and its impact on society (which, by extension, includes the health of the

Nate's Latest Stock Recommendations (as of 11/13/20)

CORE STOCKS

Company	Symbol	Originally Rec'd. @	Closing Price	Strong Buy ≤	Buy ≤	New Orders^ (Aggressive Portfolio in parentheses)	First Buys
Apple	AAPL	\$0.24	\$119.26	\$100	\$120	Sell 150 (300)	✓
Bristol-Myers Squibb	BMJ	\$0.44	\$63.62	\$50	\$70		✓
Illumina	ILMN	\$17.92	\$308.86	\$275*	\$325*		✓
MannKind	MNKD	\$42.55	\$2.68	\$5	\$10		✓
NVIDIA Corp.	NVDA	\$4.49	\$531.88	\$450	\$525	Sell 50 (100)	✓
Tekla Life Sciences Investors	HQL	\$21.17	\$18.24	\$16	\$19		✓
Walt Disney Co.	DIS	\$13.00	\$138.36	\$110	\$135	Sell 100 (200)	✓
Alaska Air Group	ALK	\$30.00	\$44.66	\$32	\$44		
Cirrus Logic	CRUS	\$38.39	\$77.01	\$60*	\$75*		
Cleveland-Cliffs	CLF	\$11.15	\$8.50	\$7	\$10*	Buy 500 (1,500)	✓
Electronic Arts	EA	\$17.01	\$120.80	\$100*	\$125*		
First Solar	FSLR	\$60.91	\$79.95	\$70*	\$90*	Buy 100 (200)	✓
Luminex	LMNX	\$19.58	\$22.00	\$22*	\$28*	Buy 250 (500)	✓
NXP Semiconductors	NXPI	\$24.26	\$146.49	\$130*	\$150*		
Ontrak	OTRK	\$10.51	\$55.59	\$45	\$70	Sell 500 (1,000)	✓
PetMed Express	PETS	\$37.99	\$29.95	\$28	\$36		
PowerShares DB Ag.	DBA	\$36.90	\$15.02	--	\$16	Buy 750 (1,500)	✓
PowerShares DB Cmdties.	DBC	\$35.30	\$13.35	--	\$15	Buy 750 (1,500)	✓
Qorvo	QRVO	\$8.29	\$147.63	\$130*	\$155*		
Skyworks Solutions	SWKS	\$29.63	\$141.50	\$135	\$150		
SPDR Gold Trust ETF	GLD	\$93.39	\$177.16	--	\$190	Sell 100 (200)	✓

*changes since last issue ^we will use closing prices 11/16/20 for all transactions

economy) is right at the top of my own personal list of things to worry about, mainly because so many investors seem to be underestimating what we are still up against.

To be sure, it was great news to hear that we have taken some major steps forward in developing a vaccine, but, as you know, a) widespread deployment of any new vaccine is still several months (and perhaps even a couple of quarters) away, and b) this means that all of the near-term challenges we are facing with the virus are still the same today as they were before news of Pfizer's progress broke at the beginning of the week... and while it is quite possible that investors will continue looking across this "void of uncertainty" with the same level of optimism in the future as they have in the past, my experiences suggest that if any sort of gloom does start to take hold in the months ahead, that optimism will quickly turn to pessimism as investors scramble to lock-in what will likely become quickly shrinking profits after the great run the market has made.

Of course, such a shift in psychology has not occurred yet, and so our job is to remain as fully invested as we can comfortably be while still sleeping easily at night... but since I know just how quickly "greed" can turn to "fear" on Wall Street (especially during this stage of the market's fear-greed cycle), in order to respect my own sleeping levels, I am once again raising a bit more cash on a net basis as part of making this month's trades in both Portfolios (see below).

Along with the impacts of the virus itself, the timing, size, and composition of whatever stimulus plan *finally* comes out of Washington (shame on both parties for dragging their feet on this!) will also likely play a fairly big role in terms of influencing investor (and consumer) psychology in the weeks and months ahead, and this is another situation in which the consensus among investors seems to be that it will be "big enough and soon enough" to make a meaningful difference... and this, in turn, means that there is more room for disappointment than there might have otherwise been if people were feeling more pessimistic at this stage of the game (and, yes – this is also contributing to my decision to raise a little more cash again this month as part of respecting my own sleeping levels).

In addition to the possibility of stimulus on the fiscal side of things, one of the things the market clearly has going for it at this point in time is an extremely accommodative Federal Reserve, and though it is never safe to say that things are on "auto pilot," I think it is fair to say that, in the absence of some sort of "black swan" event that would likely throw everything for a loop anyway, the Fed's policies can be viewed as being very favorable for the stock market for the foreseeable future.

And, finally, as you'll see me mention below, though the trend is currently up for not just the major indices but so many sectors and individual stocks as well, the more stock prices rise, the worse the risk-reward ratios become for investors who are paying the higher prices for the stocks, and though Apple and NVIDIA are both firing on all cylinders these days, for example, their stocks are also "priced to perfection" at this stage of the game... and this means that everything has to continue going "just exactly perfectly" in order to keep investors happy.

This month's trades

As just mentioned, I am concerned that all the good news is already "baked into the cake," so to speak, with a number of the tech stocks in the newsletter, and, consequently, in order to respect my own anxieties about the market, I am taking a few more chips off the table in Apple and NVIDIA this month, and I am also choosing to simply let our existing semiconductor positions "just ride" rather than

adding to them at this point in time; in addition, I am selling some Ontrak and SPDR Gold Trust ETF in order to do some more "pruning" in these positions after the great runs they have made, and I am selling a bit of Disney out of concern that, again, there is still more virus-related "slog" ahead of us than most investors seem to be anticipating.

And, on the buy side, I am adding a few more shares of Cleveland-Cliffs and First Solar in response to how the election turned out, some Luminex due to the fact that I think the current sell-off is overdone and that the stock will likely rebound quite nicely if the rally currently underway in biotech continues to pick up steam, and, finally, I am adding some more DBA and DBC in response to their good relative strength and the fact that they make a great hedge against the (perhaps overly popular) idea that "inflation is dead."

By popular request, some thoughts on MannKind...

Though things are simply playing out in the manner that history suggests they should be, given the excruciatingly long wait many of us have endured before finally seeing reality start to set in with the stock again, I completely understand why so many of you have sent emails asking "what is going on with MannKind these days, Nate?!"

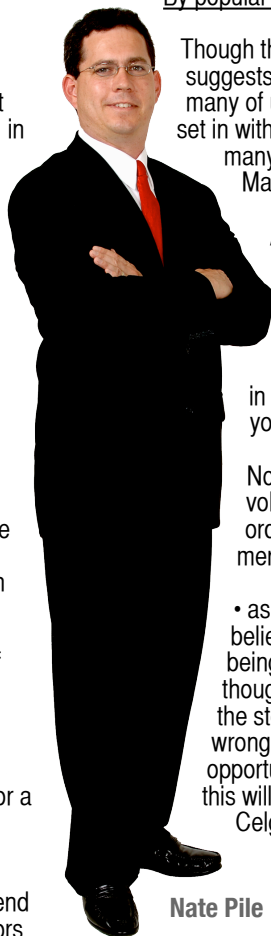
And, though I don't want to take up more space than necessary, given the surge in emails (and the fact that I know many of you have followed my lead in making MannKind one of the largest positions in your portfolios), it seems appropriate to take up whatever space is needed to offer up a few thoughts in hopes they'll help add some perspective for those of you trying to figure out what to do next... so here we go!

No, I don't know what has triggered the recent surge in volume (and price!) for the stock, but, in no particular order, here are some possible ideas (all of which are mere speculations, NOT predictions, mind you!):

- as you've seen me write many times over the years, I believe the stock has spent most of the last three years being undervalued by an order of magnitude or more, and, though it has taken far longer for reality to start to return to the stock, even though Wall Street sometimes gets stories wrong the first time around, they rarely overlook an opportunity twice... and, when it comes to Afrezza, I believe this will hold true to an even greater degree that it did with Celgene and its lead product (thalidomide) in the mid- and late-nineties (in summary, Wall Street thought the drug and the company were essentially "a joke"... but then the analysts started looking at the facts rather than just each other's research reports, and once they changed their minds, the stock gradually picked up steam and never looked back);

- in addition, the primary reason the stock got so cheap in the first place was because of all the short selling that had taken place over the years, and, in the same way that all of the "extra" selling pressure that hit the stock helped to drive the price down, all of the "extra" buying pressure that has been taking place due to short covering over the past several months is undoubtedly helping to push the price higher as those who are short race against new institutional investors to find shares available for purchase at the lowest prices available;

- of course, while those who may be thinking about starting a position on the long side can always walk away from the trade if the stock starts to get "too pricey, too quickly," those who are short the



Nate Pile

New To The Newsletter?

Here are a few guidelines to help you get started:

- Decide how much of your overall portfolio you'd like to allocate to the ideas in *Nate's Notes*... and then plan on investing it in roughly equal amounts each month over a period of several months.
- Make your initial purchases based on the "first buys" that are check-marked in the table on the front page of the newsletter (note that you do not have to buy all of them each month!), as well as in the commentary found in the company write-ups.
- Try to invest slightly more money in "core stocks" vs. "non-core stocks" (60%-40%, respectively, is a reasonable ratio to aim for when first starting out).

You can read more on this topic in the [May 2013 issue](#) of the newsletter online.

stock have no choice but either buy back their shares or put more money in their margin accounts (i.e. fall into the trap of "throwing good money after bad") as the trade continues to go against them, and though "short squeezes" are far less common than people like to hope they are, I believe the situation surrounding MannKind remains ripe for one, with or without any "news" in the weeks and months ahead;

- plain old FOMO ("fear of missing out"), as it would not surprise me if a lot of investors have been waiting to either see Afrezza start to gain a little more traction and/or the stock to starting breaking out before jumping in (or adding to their positions), and now that both seem to be developing at the same time, this group may be starting to come off the sidelines to join the fun in bidding for stock (and, as is almost always the case in situations like this, the better the stock acts, the more confident they will feel about joining the fray, be they retail investors or institutional money managers);

- "someone may know something" – though everyone is supposed to get "material information" at the same time, after following this industry for 30+ years, I know the reality of the situation is that news of deals, partnerships, etc. often does get "leaked" behind the scenes, and it is quite possible (but, again, I am not predicting!) that there could be positive news coming, with a few of the more intriguing possibilities being a) a "new and improved" relationship with United Therapeutics (UTHR – \$141.48), b) a new partnership with a new company for molecules that are currently "in the pipeline," c) a buyout or partial sale of the company (or perhaps a partner for Afrezza), d) the possibility that MannKind will be working Pfizer (PFE – \$38.62) to help develop a dry powder version of its new vaccine that would be stable at something closer to room temperature (wouldn't that be something if Al Mann's legacy ends up including a paragraph on helping to beat COVID-19?!), or e) something not even on anyone's radar screen yet.

Of course, none of these things may come to pass, and if they don't there is a chance that the stock will tumble a bit as traders who bought the rumors decide to sell their positions and move on to their next guessing game; however, if this happens, I strongly encourage you to look at the pullback as a chance to add to your position (assuming you still have room to do so while sleeping easily at night, of course!), as our investment thesis is not contingent any of those events happening!

As discussed in past issues, in order to help take as much emotion out of the equation as possible, you are encouraged to

have your own game plan in place ahead of time for selling (or perhaps buying, depending on your own approach) if the stock continues to climb (i.e. "sell 10% every 25% the stock goes up," "sell half if it hits \$5," etc.), but I also want to remind you that I consider the stock "a major steal" anywhere under the \$1 billion market cap level (which works out to a little over \$4 per share, if you are wondering), and you are therefore encouraged to be as patient as you can possibly be about taking profits while we are still under that level (while also respecting your own needs to sleep easily at night, of course).

Finally, as of right now, my own plan is to eventually scale-out of our positions with the same patience that we scaled-in to them, namely, by making small trades once a month as time goes by (and, for what it is worth, if we did not already own so much in both Portfolios, I would be buying a little more this month!).

Top Picks (for new money this month)

All else being equal (i.e. you already own "pretty much everything" in the newsletter), my top picks for you this month are:

MannKind (MNKD) – The stock is still dramatically undervalued, there is a still a very sizable short position that needs to buy back shares... and the stock appears to finally be turning the corner (on rising volume, as well).

NXP Semi. (NXPI) – Hard not to like the very methodical climb this stock has been making over the past couple of quarters, and now that it is hitting new highs again, there is a good chance the uptrend will accelerate as new investors get in board.

Qorvo (QRVO) – Along with NXP's, Qorvo's stock is also tracing out a very bullish chart pattern that suggests there may be additional new highs in its future.

Outstanding Orders

For the reasons discussed above and below, the Model (Aggressive) Portfolio will **sell** 150 (300) Apple, 50 (100) NVIDIA, 500 (1,000) Ontrak, 100 (200) SPDR Gold Trust ETF, and 100 (200) Walt Disney, and **purchase** 500 (1,500) Cleveland-Cliffs, 100 (200) First Solar, 250 (500) Luminex, 750 (1,500) PowerShares DB Ag., and 750 (1,500) PowerShares DB Cmties. We will use the closing prices on Monday, November 16th, for all transactions.


Nate Pile, Editor

"Eyebrow Levels"

(used to help us gauge the overall health of the market*)

Index	Current	One Eyebrow	Two Eyebrows
DJIA	29,480	25,350	23,500
Nasdaq	11,829	7,600	6,500
S&P 500	3,585	2,750	2,500
BTK	5,555	4,200	3,900
SOX	2,509	1,450	1,275

*As long as all five indices are trading above their "one eyebrow" levels, it is a sign that the current uptrend is still intact; however, if the indices start to dip below those levels, it will cause me to raise an eyebrow and wonder if the trend may be coming to an end... and if both eyebrows go up, it will mean that things are deteriorating in a hurry (if you see eyebrow levels being broken, start looking for a "Special Alert" from me in your email box).

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$30.00	\$44.66	\$70.95	\$20.02	131.8	\$5,886.2

As you can see in the chart to the right, Alaska Air's stock popped nicely in response to the news about Pfizer's vaccine at the beginning of the week, and though I have to admit that the chart doesn't look too bad, now that we have established a small position in, I would rather wait for more evidence that we are finally getting ahead of the virus before becoming more aggressive about adding additional shares. In the meantime, if you are more optimistic than I am about the speed of an economic recovery, I continue to believe that Alaska's balance sheet and strong management team make it one of the better plays in the airline space if it is an area you want to be involved with. **ALK is a strong buy under \$32 and a buy under \$44.**

Alaska Air Group • ALK



Apple • AAPL



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$0.24	\$119.26	\$137.98	\$53.15	17,122.0	\$2,041,969.7

Nope, nothing is wrong with Apple's chart... yet. As mentioned above, the stock and company are still firing on all cylinders; however, given where we seem to be at in the fear-greed cycle (along with the fact that "big name tech" is very widely owned right now), I am concerned that once the stock starts to tumble, it could fall hard and fast. On the flip side, however, I want to remind you that, even after this month's sales out of both Portfolios, we will still have nice positions in the stock... and, if the market does head higher rather than lower, the odds are good that Apple will continue to outperform (and I hope this observation makes you as comfortable as it makes me). **AAPL is a strong buy under \$100 and a buy under \$120.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$0.44	\$63.62	\$68.34	\$45.76	2,258.0	\$143,654.0

Though Bristol-Myers' stock rallied nicely into its earnings last week, I am afraid that, at least for now, it is struggling to push through the \$65 level, and though we are still fairly underweighted in the stock, I would rather increase the size of our cash position by a bit than add more shares under the current circumstances (and, knock on wood, MannKind will continue to climb in the weeks ahead and, at some point, it will make sense to start pulling some money out of that position and putting it back to work in some of our other biotech/pharma stocks). Keep an eye on the stock, and if it clears the \$65 level on good volume, you can feel better about buying! **BMJ remains a strong buy under \$50 and a buy under \$70.**

Bristol-Myers Squibb • BMJ



Cirrus Logic • CRUS



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$38.39	\$77.01	\$91.63	\$47.04	60.4	\$4,651.4

After spending several quarters being one of the biggest laggards in the newsletter (especially relative to its peers in the chip sector), I am pleased to report that Cirrus' stock has been acting much better lately! For its second fiscal quarter, the company reported revenues of \$347.3 million and net income of \$59.5 million, or \$0.99 per share, as compared to revenues of \$388.9 million and net income of \$76.2 million, or \$1.27 per share, in the same period a year ago. As mentioned above, I am more interested in respecting my own sleeping levels than I am in chasing chip stocks, especially since any moves higher should be "good ones" for our existing positions. **CRUS is a strong buy under \$60 and a buy under \$75.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$11.15	\$8.50	\$9.07	\$2.63	399.4	\$3,394.9

As you can see in the chart to the right, Cleveland-Cliffs' stock has been steadily powering higher after touching bottom in mid-March, and thanks to a combination of a good earnings report a few weeks ago and Biden's victory, the trend seems to be picking up steam in anticipation of what the next few years might bring for the company. For its third quarter, Cleveland-Cliffs reported revenues of \$1.6 billion and a net loss of \$10 million, or \$0.02 per share, as compared to revenues of roughly \$556 million and a net loss of \$186.0 million, or \$0.51 per share, in last year's third quarter. I am raising the buy limit a bit this month and adding more shares to both Portfolios. **CLF is a strong buy under \$7 and a buy under \$10.**

Cleveland-Cliffs • CLF



Electronic Arts • EA



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$17.01	\$120.80	\$147.36	\$85.69	295.0	\$35,636.0

Though the chart will still look ok as long as the stock can hold above \$110, I believe what has been going on with EA's stock for the past several months is a great example of what I am concerned could start happening with the likes of Apple's and NVIDIA's, namely, once a slide gets underway, it is hard to stop it "since everyone who wanted to buy the stock in the face of the great outlook had already done so." For its second quarter, EA reported revenues of \$1.2 billion and net income of \$185 million, or \$0.63 per share, as compared to revenues of \$1.3 billion and net income of \$854 million, or \$2.89 per share, in the same period a year ago. I still like the company long-term. **EA is a strong buy under \$100 and a buy under \$125.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$60.91	\$79.95	\$97.93	\$28.47	105.4	\$8,426.7

While it remains to be seen whether the stock will continue hold above the \$75-\$80 range as part of consolidating after breaking out into new multi-year high territory on significantly higher than usual volume, it is hard to interpret such price and volume action as anything but "bullish," and so, though there are never any guarantees, I am playing the odds and adding a few more shares to both Portfolios this month. For its third quarter, First Solar reported revenues of \$927.6 million and net income of \$155.0 million, or \$1.45 per share, as compared to revenues of \$546.8 million and net income of \$30.6 million, or \$0.29 per share, in last year's third quarter. **FSLR is considered a strong buy under \$70 and a buy under \$90.**

First Solar • FSLR



Illumina • ILMN



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$17.92	\$308.86	\$404.20	\$196.78	149.0	\$46,020.1

I believe the chart to the left is particularly noteworthy because of the fact that every single trader who uses charts is going to recognize that the uptrend line drawn from the March low to today's price and the downtrend line drawn from the August high to where we are today are now intersecting... and my experiences suggest that whenever it occurs in such a clear and dramatic fashion, it usually means whichever of the two trend lines wins out is the direction the stock is likely to continue heading next (and usually in an accelerating fashion as the "winning" trend line becomes more and more apparent). I am lowering the buy limits a bit this month while we wait and see. **ILMN is a strong buy under \$275 and a buy under \$325.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$19.58	\$22.00	\$41.69	\$19.60	44.2	\$972.4

After sliding in a very linear fashion for another couple of weeks after last month's issue went to press (trading behavior that suggests there were perhaps just one or two large sellers who were semi-anxious to unload their position and did so by selling a fixed amount every day until the position was gone), I am pleased to report that the stock seems to have found support "right where it should have" on the chart. For the third quarter, Luminex reported revenues of just over \$106 million and net income of just under \$1.8 million, or \$0.04 per share, as compared to revenues of \$78.7 million and a net loss of \$5.3 million, or \$0.12 per share, in the same period a year ago. **LMNX is now a strong buy under \$22 and a buy under \$28.**

Luminex • LMNX

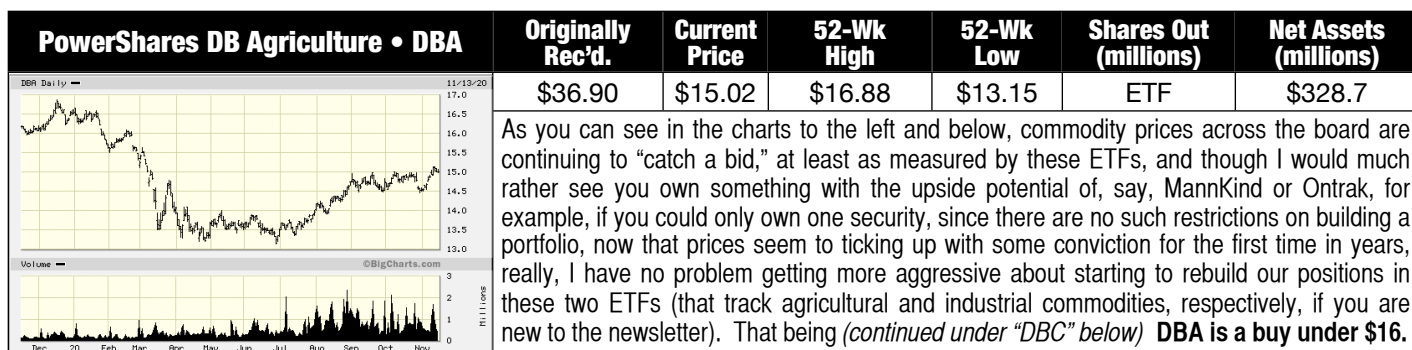
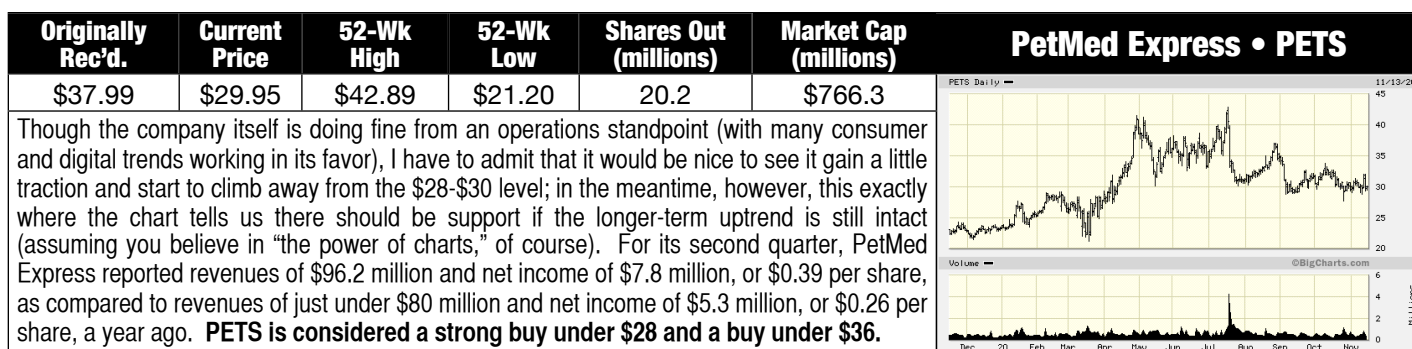
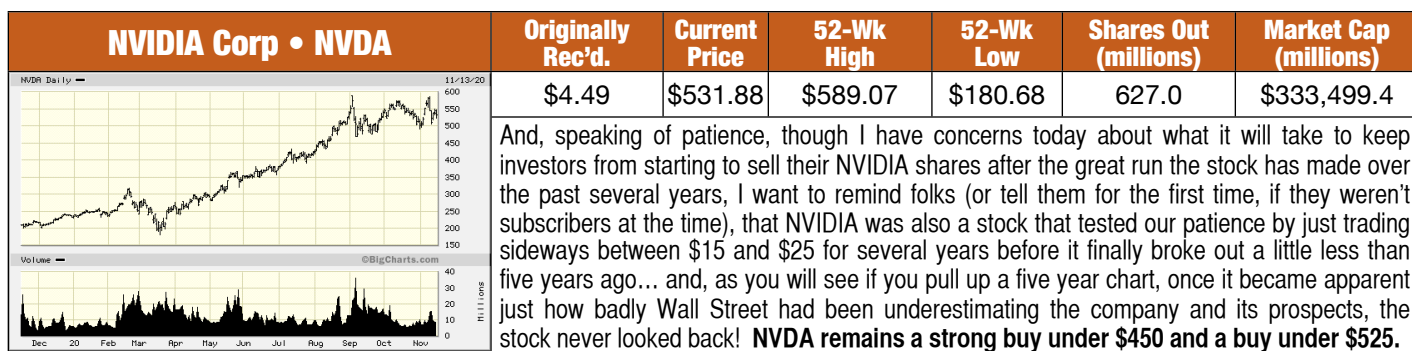


MannKind Corp. • MNKD




Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$42.55	\$2.68	\$3.20	\$0.80	229.2	\$614.3

Though the stock is clearly more than due for a "cooling-off period" after the great run it has made over the past couple of quarters, the chart to the left is looking more and more like a textbook example of what my experiences suggest it looks like when small biotech stocks that have been out of favor start to come back into favor... and, for all the reasons cited above, there are plenty of potential catalysts on the horizon that could help bring even more investors into the fold. Perhaps the fun will end as early as next week, but, from where I sit, it appears that our discipline (and patience – lots and lots of it!) over the past several years may be on the verge of finally paying off. **MNKD is a very strong buy under \$5 and a buy under \$10.**




Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)	PowerShares DB Commodities • DBC
\$35.30	\$13.35	\$16.30	\$10.41	ETF	\$851.3	

(continuing from "DBA" above) said, "these are crazy times," and so your guess is as good as mine as to how things are actually going to play out on the commodities front over the next six to twelve months – if we get ahead of the virus, demand will be up... but so will production... and, on the other hand, we need to get even more aggressive about "shutting things down for a bit," demand will shrink, but if production ends up shrinking by even more, prices could still go up under a variety of scenarios. Either way, now that we are seeing some decent relative strength for these ETFs, I am being a bit more aggressive about repurchasing some of the shares that we sold out of both Portfolios "many moons ago." **DBC is a buy under \$15.**




Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)	Qorvo • QRVO
\$8.29	\$147.63	\$154.43	\$67.54	118.5	\$17,486.8	

Yep – more great relative strength from a chip stock, and yep – I wish we still owned more of it; however, the peace of mind that has come with selling a few shares along the way and then letting the rest just ride has made it that much easier to remain disciplined about managing the Portfolios as a whole... and while the trend could admittedly change as soon as Monday, I believe the results of the approach we have been taking speak for themselves! For its second quarter, Qorvo reported revenues of \$1.0 billion and net income of \$136.9 million, or \$1.18 per share, as compared to revenues of \$806.7 million and net income of \$83.0 million, or \$0.70 per share, a year ago. **QRVO is now a strong buy under \$130 and a buy under \$155.**




Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)	Skyworks Solutions • SWKS
\$29.63	\$141.50	\$158.61	\$67.90	171.6	\$24,281.4	

Though its chart is hardly "broken" because of the price action, I do find it worth noting that, after breaking out into new all-time high territory right around the time last month's issue went to press, the stock has since given up those gains, even after rallying on big volume in response to the company's most recent earnings report. Speaking of which, For its 2020 fiscal year, Skyworks reported revenues of \$3.4 billion and net income of \$814.8 million, or \$4.80 per share, as compared to revenues of \$3.4 billion and net income of \$853.6 million, or \$4.89 per share, in the prior year. As is the case with many of our chip stocks, I am just sitting tight here, too, this month. **SWKS is a strong buy under \$135 and a buy under \$150.**




Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)	SPDR Gold Trust • GLD
\$93.39	\$177.16	\$194.45	\$136.12	ETF	\$66,990.0	

No, the past three months have not been terribly exciting for gold (with the exception of some big moves right around the election), but the consolidation that you can see taking place in the chart to the left is exactly the sort of price that we would hope to see to help boost our confidence that we are, in fact, still in the earlier (or, at the very worst, mid-) stages of a multi-year uptrend. And, though I am selling a few shares of this ETF out of both Portfolios this month as part of my own efforts to sleep comfortably at night, if you are still underweighted in this ETF, you are encouraged to adopt a game plan of buying small lots on a regular basis... and then stick with it until you own "enough" gold for your tastes! **GLD is a buy under \$190.**



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)	Tekla Life Sciences Investors • HQL
\$21.17	\$18.24	\$19.28	\$11.45	20.1	\$367.0	

I have to admit that I am both impressed and pleased that shares of HQL have continued to consolidate nicely in the \$17-\$19 range for several months now. As discussed in past issues, for those of you who know you want to be in biotech but don't like the volatility often associated with owning individual stocks in the sector, I believe this closed-end fund represents a great way to participate in the sector (while receiving a quarterly payout from the fund as well!). For now, I would rather have the Portfolios' money tied up in MannKind than HQL, but once we start to sell-off some of that position (be it at higher or lower prices), some of that money will be going here. **HQL is a strong buy under \$16 and a buy under \$19.**



Walt Disney • DIS



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$13.00	\$138.36	\$153.41	\$79.07	1,530.0	\$211,690.8

And, rounding out this month's issue, we've got an example showing just how heavily covid is weighing on investors' minds these days – as you can see in the chart to the left, Disney's stock gapped up dramatically on huge volume in response to news about the Pfizer's vaccine! However, as I'm sure you can guess if you've been reading the newsletter "front to back" (yes, I realize that, in this digital era, most of you read it top to bottom... but I still like saying it that way!), there is still an extended period of "uncertainty" ahead of us while we wait for the potential impacts of the vaccine to actually be felt, and so I am taking advantage of the pop to sell a few shares this month. **DIS remains a strong buy under \$110 and buy under \$135.**

POSITION	PORTFOLIO #1: MODEL				PORTFOLIO #2: AGGRESSIVE			
Company	Shares owned	Total Cost	Today's Value	Total % Change	Shares owned	Total Cost	Today's Value	Total % Change
Alaska Air Group	600	\$19,312	\$26,796	+38.8%	1,500	\$48,624	\$66,990	+37.8%
Apple	1,000	\$34,154	\$119,260	+249.2%	2,500	\$69,992	\$298,150	+326.0%
Bristol-Myers Squibb	1,300	\$91,516	\$82,706	-9.6%	2,250	\$156,559	\$143,145	-8.6%
Cirrus Logic	675	\$34,045	\$51,982	+52.7%	1,800	\$80,850	\$138,618	+71.5%
Cleveland-Cliffs	14,500	\$107,066	\$123,250	+15.1%	45,000	\$338,867	\$382,500	+12.9%
Electronic Arts	675	\$58,354	\$81,540	+39.7%	2,000	\$152,467	\$241,600	+58.5%
First Solar	1,400	\$71,438	\$111,930	+56.7%	3,800	\$203,944	\$303,810	+49.0%
Illumina	250	\$57,234	\$77,215	+34.9%	600	\$116,102	\$185,316	+59.6%
Luminex	4,500	\$111,097	\$99,000	-10.9%	15,000	\$313,552	\$330,000	+5.2%
MannKind	300,000	\$569,811	\$804,000	+41.1%	2,250,000	\$5,004,253	\$6,030,000	+20.5%
NVIDIA Corp.	275	\$31,117	\$146,267	+370.1%	800	\$47,195	\$425,504	+801.6%
NXP Semiconductors	550	\$56,830	\$80,570	+41.8%	1,400	\$139,536	\$205,086	+47.0%
Ontrak	12,500	\$168,780	\$694,813	+311.7%	40,000	\$518,116	\$2,223,400	+329.1%
PetMed Express	1,100	\$36,889	\$32,945	-10.7%	2,500	\$84,481	\$74,875	-11.4%
PowerShares DB Ag.	2,500	\$48,466	\$37,550	-22.5%	7,000	\$131,354	\$105,140	-20.0%
PowerShares DB Cmdties.	2,750	\$42,277	\$36,713	-13.2%	6,500	\$97,859	\$86,775	-11.3%
Qorvo	500	\$34,673	\$73,815	+112.9%	1,800	\$100,417	\$265,734	+164.6%
Skyworks Solutions	350	\$32,361	\$49,525	+53.0%	800	\$63,348	\$113,200	+78.7%
SPDR Gold Trust ETF	800	\$98,270	\$141,728	+44.2%	4,000	\$490,931	\$708,640	+44.3%
Tekla Life Sciences Investors	1,368.9	\$9,913	\$24,969	+151.9%	4,928.2	\$37,062	\$89,890	+142.5%
Walt Disney Co.	900	\$90,289	\$124,524	+37.9%	3,000	\$289,147	\$415,080	+43.6%
		Stocks:	\$3,021,096				Stocks:	\$12,833,453
		Cash (Debit):	\$472,432				Cash (Debit):	(\$1,528,405)
		Total Value:	\$3,493,528	+3,393.5%			Total Value:	\$11,305,048
								+11,205.0%

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Orders Filled 10/12/20

(Aggressive Portfolio in parentheses)

Sold 50 (250) EA @ \$130.88
Sold 1,000 (5,000) OTRK @ \$62.35
Bought 500 (2,500) CLF @ \$7.49
Bought 50 (200) FSLR @ \$79.31
Bought 100 (500) PETS @ \$32.81
Bought 250 (1,000) DBA @ \$14.79
Bought 250 (1,000) DBC @ \$13.20
credited \$405 (\$1,350) from LMNX dividend 10/15/20
credited \$585 (\$1,013) from BMY dividend 11/2/20
credited \$205 (\$513) from AAPL dividend 11/12/20