N A T E ' S   N O T E S

Nate's Notes

Winning Ideas for the Individual Investor

October. This is one of the peculiarly dangerous months to speculate in stocks. The others are July, January, September, April, November, May, March, June, December, August, and February.

– from *Pudd'nhead Wilson* (Mark Twain)

Inside this issue

	Since Last Issue	Year To Date	Since Inception (10/31/97)
Model	-11.4%	-17.6%	+3,325.3%
Aggressive	-15.1%	-22.4%	+11,526.8%
DJIA	-8.7%	-15.2%	+314.3%
NASD	-12.3%	-26.8%	+618.4%

A monthly publication by Nate Pile   www.NatesNotes.com   Issue 332 September 16, 2022

Fear Reigns Supreme as October Draws Closer...

As you can see in the performance numbers above, after rallying sharply ahead of last month's issue, stocks have since reversed course and are essentially back to where they were nine weeks ago, with a few exceptions here and there – some stocks are actually up nicely, but, unfortunately, there are more stocks than I would like to see (both in the newsletter and outside the newsletter) trading lower than they were a little over two months ago... and I have to admit that it is hard to call such price action anything other than "bearish."

That being said, the silver lining to the current situation is that not only are many (but admittedly not all) of the poorly acting stocks still trading above the lows they set earlier this year (an encouraging sign), but the five major indices I use to gauge the health of the overall market (see Eyebrow Levels table below) are still hanging on and collectively telling us that, at least as measured by said table, the ongoing bull market actually hasn't come to an end yet *after almost nine months (and counting!) of investors fretting that it has*... and while there is no rule that says it won't finally come to an end as early as next week, those you who have been with the newsletter for a while now already know that I am a big believer in the idea that we should always position our portfolios based on what the market is actually doing, not on what think (or are worried) it *might* do.

Consequently, as you will see in the list of trades below (and as is discussed in more detail in the "Rationale..." section a little further down), though I am admittedly raising a little bit of cash in the Model Portfolio, I am essentially staying close to fully invested in that Portfolio, and I am actually going a tiny bit further out on margin in the Aggressive Portfolio as part of the month's rebalancing efforts (and you are likewise encouraged to remain as fully invested you can

Nate's Latest Stock Recommendations (as of 9/16/22)

CORE STOCKS

Company	Symbol	Originally Rec'd @	Closing Price	Strong Buy ≤	Buy ≤	New Orders^ (Aggressive Portfolio in parentheses)	First Buys
Apple	AAPL	$0.24	$150.70	$135*	$160*		✓
Bristol-Myers Squibb	BMY	$0.44	$71.52	$60	$80	Buy 100 (500)	✓
Illumina	ILMN	$17.92	$199.88	$175	$225	Buy 50 (200)	✓
MannKind	MNKD	$42.55	$3.57	$5	$10	Buy 10,000 (50,000)	✓
NVIDIA Corp.	NVDA	$1.12	$131.98	$125*	$150*	Sell 75 (250)	✓
Tekla Life Sciences Investors	HQL	$21.17	$14.55	$15	$18		✓
Walt Disney Co.	DIS	$13.00	$108.25	$100	$120		✓
Affirm Holdings	AFRM	$23.06	$22.30	$22*	$30*	Buy 250 (1,000)	✓
Alaska Air Group	ALK	$30.00	$44.38	$38	$45		
Cirrus Logic	CRUS	$38.39	$75.01	$70	$85		
Cleveland-Cliffs	CLF	$11.15	$15.00	$12*	$18*	Sell 1,250 (2,500)	
Electronic Arts	EA	$17.01	$121.74	$110	$130		
First Solar	FSLR	$60.91	$135.81	$110*	$125*		
Lattice Semiconductor	LSCC	$58.91	$51.69	$45	$60		
NXP Semiconductors	NXPI	$24.26	$159.94	$155*	$175*		
PetMed Express	PETS	$37.99	$21.11	$20	$24	Buy 250 (1,000)	✓
Invesco DB Ag.	DBA	$36.90	$20.52	--	$22	Sell 1,000 (2,500)	
Invesco DB Cmdties.	DBC	$35.30	$24.88	--	$28	Sell 1,000 (2,500)	
Qorvo	QRVO	$8.29	$85.93	$75*	$90*	Sell 75 (250)	
Skyworks Solutions	SWKS	$29.63	$99.88	$75*	$90*		
SPDR Gold Trust ETF	GLD	$93.39	$155.84	--	$162*	Sell 75 (200)	

*changes since last issue   ^we will use closing prices 9/19/22 for all transactions be while still sleeping easy at night, even if this means you are sitting on a much larger pile of cash than I am at this stage of the game).

On the one hand, there are plenty of signs that things are slowing in both the domestic and global economies, but, on the other hand, I think it is important to keep in mind that this is exactly what we have been hoping to see, and so, while it is understandable that such a turn of events is making investors fearful, it is also somewhat amusing as well, since it serves as a reminder of just how powerful "group think" can be, with the risk being that "fearful group think" could eventually turn into a full-blown "madness of crowds" that eventually becomes a self-fulfilling prophecy with plenty of action to the downside.

In response to one of the questions I have received more often than others over the course of the summer, I want to remind you that yes, it is, in fact, possible for stocks to rally during periods of great pessimism for the simple reason that, at the end of the day, investors are always trying to anticipate what is coming next... and, in the same way that they have sold stocks *en masse* in anticipation of a recession that technically hasn't even occurred yet (but admittedly could be on the verge of materializing), once it becomes clear that we are actually in a recession (if it comes to that), history suggests that investors will already be looking forward to the end of it and starting to sift through all of the "bargains" that have been created by the selling pressure that occurred prior to the recession actually starting.

And, in the same way that it seems implausible that our market here at home *might* end up performing well if the situation in Europe (and elsewhere) does continue to erode at a faster pace than it is here at home, I want to also remind you that, in many ways, the U.S. stock markets (and our economy) are clearly "one of the cleanest dirty shirts in the laundry basket," as pundits like to say, and, consequently, it is quite possible that even though we may see a fair amount of slowdown in our economy and stock markets, money from around the world will actually still be flowing here as it flees other markets.

At the moment, while there are clearly plenty of other variables in play as well, I think it is fair to say that most investors are taking their cue from what the Fed both says and does when it comes to its plans for interest rates going forward... and, while your guess is as good as mine as to how investors will actually react to whatever the Fed's next move might be, I think it is fair to say that the biggest risk at this point is that Fed ends up becoming too aggressive in raising rates again (and again) before waiting to see what impact the last several rate hikes actually end up having on the economy (as pointed out before, there is usually a several quarter lag between when rates are hiked and when those hikes finally start to make their presence felt, so to speak).

Of course, along with the direction of interest rates, there are also mid-term elections coming up here in America that investors may decide to worry about, the war in Ukraine (and all of the tensions it is creating as various superpowers take various steps to gain an as much of an upper-hand as possible out of the situation) is certainly a major source of investors' anxiety (but, of course, also holds the potential to deliver an upside surprise for the markets if signs of a "cool down" period start to appear), and, naturally, the potential for increased civil unrest around the world as people start to go hungry, lack the resources to stay warm through the winter, etc. cannot be overlooked as a potential negative for the market either, and, as always, my advice to you is to raise enough cash as you need to in order to either not worry about losing your capital and/or feel "prepared enough" that you will be in a good position to take advantage of any major sell-offs that might occur in the months ahead.

<u>Rationale for this month's trades</u>

Nate Pile

As far as this month's sales go, I am selling some NVIDIA and some Qorvo in an effort to reduce our exposure a bit in the semiconductor space, and though I feel very confident that NVIDIA's stock, in particular, is very likely to be trading higher than where it is today two years from now, it is hard to deny the fact that it is starting to hit new 52-week lows at the same time that just about every analyst on Wall Street is choosing to focus 100% on anything and everything negative they can find related to the story as part of not wanting to go against what has become "conventional wisdom" at this stage of the game (yes, analysts are just as susceptible to "herd mentality" as retail investors can be!).

In addition, because logic suggests that commodity prices should *eventually* start to fall in response to what is going on with interest rates and the global economy these days (even if they end up making another run higher first)... along with the fact that we are still fairly heavily-weighted in them after the great run they have made over the past few years... I am selling off another chunk of all of our commodity plays this month in order to put that money to work in the biopharma space, in particular.

Because biopharma stocks are showing some of the best relative strength at this stage of the market cycle (after being among the first to turn weak when investors first started to worry about higher interest rates at the beginning of the year, if you recall), I am adding more shares of Bristol-Myers and Illumina to both Portfolios... and, yes, in response to the continuing flow of good news we have been seeing for the company and its biggest partner, United Therapeutics (UTHR – $218.11), I am also buying back some of the MannKind that we have sold over the past several months; in addition, I am making another small purchase of our newest recommendation, Affirm Holdings, this month as part of my efforts to patiently build a position in the stock, and I am also adding a few more shares of PetMed Express in response to how the stock has been acting relative to the rest of the market lately.

<u>Answers to Questions on MannKind</u>

Though it has been refreshing to be done with posting about the stock on social media for the past few weeks, it should come as no surprise that my absence there has also resulted in a significant increase in emails from subscribers

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.

curious to know my thoughts on various topics that are coming up there; to save space, here my answers to general versions of the questions in bullet-point form (i.e. I'm leaving it up to you to figure out the flavor of the questions I'm responding to)...

• at this point, Liquidia (LQDA – $5.99) is continuing to struggle to get the sort of news it needs in order to have a fighting chance against UTHR over the long-haul, and barring an unexpected turn of events, it is looking more and more like they are going to end up being too late to the party to really enjoy themselves once they get there; on a related note, as part of promoting the Liquidia story, there seems to also be a corresponding push to short MannKind as part of the thesis "since MannKind will be the biggest loser when Liquidia wins," and that is my best guess as to where/why the recent surge in short interest has come from;

• yes, it is quite possible that CEO Mike Castagna is "slow walking" Afrezza, and while I know there are many on social media who have different ideas about how to best monetize the situation, as has been pointed out a number of times, the biggest thing we learned from the Hope For MannKind movement (an activist movement hoping to change the company's direction via a change of leadership) a few years ago was that the Board was not only comfortable with Mike, but they were also comfortable with whatever plan(s) he had for the company (and given how things have been playing out since then, I would be surprised if they have lost confidence in said plans); that being said, "it is what it is," and if you do not care for the path he and the Board have chosen to take, you are strongly encouraged to exit your position;

• and, speaking of confidence, if you are also finding yourself being brought down by the never ending stream of complaints on social media regarding the slow rate of script growth for Afrezza, you need look no further than just how far Vdex has been able to get over the past five years when it comes to making a noticeable change in the way the medical community manages diabetes to be reminded that the assessment we have been operating under in the newsletter since Afrezza was first approved is proving to almost certainly be the most correct explanation as to why things are taking as long as they are (but don't forget that history also tells us how the story is almost certainly going to play out in the long run, be it via a slow grind with MannKind keeping the product for itself or a faster acceleration if/when Mike ends up partnering or selling the product (and with a number of clinical trials currently underway, there is a chance the potential price tag to participate will be going up substantially if the trials end up showing what logic suggests they should show)).

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:

Bristol-Myers Squibb (BMY) – Given my belief that the biopharma space is likely to be on the better performers in the months ahead, Bristol is a "Top Pick" this time around.

Illumina (ILMN) – With the caveat that current support levels may not hold, if they do, I believe the stock will likely lead the sector higher once a new uptrend gets underway.

MannKind (MNKD) – For the reasons discussed elsewhere in the newsletter this month, MannKind is once again a "Top Pick" (provided you can still sleep comfortably at night owning additional shares, of course!).

Outstanding Orders

For the reasons discussed above and below, the Model (Aggressive) Portfolio will **sell** 1,250 (2,500) Cleveland-Cliffs, 75 (250) NVIDIA, 1,000 (2,500) Invesco DB Ag., 1,000 (2,500) Invesco DB Cmdties., 75 (250) Qorvo, and 75 (200) SPDR Gold Trust ETF and **purchase** 250 (1,000) Affirm Holdings, 100 (500) Bristol-Myers Squibb, 50 (200) Illumina, 10,000 (50,000) MannKind, and 250 (1,000) PetMed Express. We will use the closing prices on Monday, September 19th, 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	30,822	30,500	25,500
Nasdaq	11,448	12,250	10,500
S&P 500	3,873	3,700	3,200
BTK	4,751	4,750	3,900
SOX	2,563	2,700	2,100

**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).*

Affirm Holdings • AFRM

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$23.06	$22.30	$176.65	$13.64	285.6	$6,368.9

Though Affirm's stock took a bit of a tumble in response to the company's earnings report and associated commentary a few weeks ago, as you can see in the chart to the right, it is continuing to do a great job establishing the sort of "basing pattern" that we would like to see occurring at this point in the market cycle. For the company's fiscal year 2022, Affirm reported revenues of $1.3 billion and a net loss $721.3 million, or $2.51 per share, as compared to revenues of $870.5 million and a net loss of roughly $434 million in the prior year. Though the economy may continue to slow, I like how the story is shaping up with Affirm and am adding a few more shares this month. **AFRM is now a strong buy under $22 and a buy under $30.**

Alaska Air Group • ALK

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$30.00	$44.38	$63.76	$38.19	126.8	$5,627.4

I have to admit that I was close to adding a few more shares of Alaska Air to both Portfolios this month based on how well the stock has held up during the recent market sell-off; however, given how many different things could cause investors to start selling the stock again (another leg higher in fuel prices, a slowing economy and consumer that does not have room in the budget for as many trips, rising labor costs, etc.), I am going to wait at least another month to see what's going on in the world before I start nibbling again. That being said, even though the stock is not a "first buy" either, those of you looking for some diversification may want to buy a bit. **ALK is considered a strong buy under $38 and a buy under $45.**

Apple • AAPL

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$0.24	$150.70	$182.94	$129.04	16,519.0	$2,489,413.3

As you can see in the chart to the right, Apple's stock reversed course shortly after last month's issue went to press and has been heading lower with the same day-after-day persistence that it had on the way up as well. If you recall, we took some profits in the stock in both Portfolios last month, and so I am content just letting things ride for the time being while we wait to see where the overall market wants to go next (and, yes, I realize that, in many ways, it will be Apple that tells us where the market is heading next, not the other way around... but you get the idea). With a reminder that there is nothing wrong with buying just one or two shares at a time, **AAPL is now a strong buy under $135 and a buy under $160.**

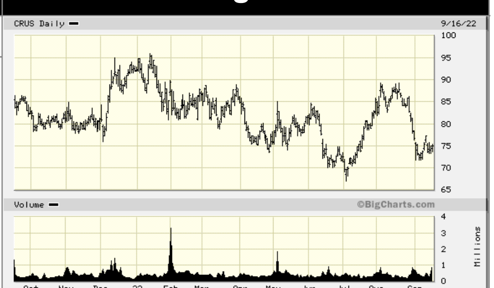
Bristol-Myers Squibb • BMY

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$0.44	$71.52	$80.59	$53.22	2,236.0	$159,918.7

On the one hand, it was admittedly a bit disconcerting to see Bristol's stock take a sizable plunge downwards as August came to a close, but, on the other hand, the way the stock has been acting since then suggests that the sell-off likely served its purpose of clearing out all the weak holders (which, in turn should make it easier for the stock to head higher going forward). No, the story here is nowhere near as exciting as it is with MannKind (nor even Illumina, for that matter), but that does not mean that you should not feel good about having a solid position in this core stock at this stage of the game, especially given investors' desire for "conservative" ideas these days. **BMY is a strong buy under $60 and a buy under $80.**

Cirrus Logic • CRUS

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$38.39	$75.01	$95.84	$67.03	57.8	$4,335.6



Yep - another "growth name" that rallied sharply in July and part of August, only to abruptly reverse course and give back most of the gains over the past few weeks in response to renewed fears about rising interest rates. That being said, though it is never fun to see stocks tumble so far, so fast, I do take it as a fairly encouraging sign that, unlike some of its peers in the semiconductor space, Cirrus' stock has, at least for now, actually found support at a level above the lows that were set back in late June/early July; of course, the question is whether those stocks that have found support are simply lagging the rest of the sector, or if they are the leaders we should be watching. **CRUS is a strong buy under $70 and a buy under $85.**

Core Stocks shown in orange • Charts courtesy of BigCharts.com • All prices shown are as of the publication date

Cleveland-Cliffs • CLF

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$11.15	$15.00	$34.04	$14.32	498.9	$7,483.5

Nope - other than the fact that the stock is hanging on at the $15-level, there really isn't much positive that can be said about the chart to the left... and, as discussed above, because we are still fairly overweight all of our commodity plays, I am locking-in some more of our profits as part of this month's rebalancing efforts. That being said, I believe it is still too early to say with certainty that we are going to experience the sort of slowdown in the economy that would truly justify a further decline in Cleveland-Cliffs' share price, and, consequently, you are encouraged to follow my lead in terms of scaling-out of your position slowly over a longer period of time "if needed." **CLF is now a strong buy under $12 and a buy under $18.**

Electronic Arts • EA

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$17.01	$121.74	$146.72	$109.24	281.0	$34,208.9

Though EA's stock is clearly in a downtrend on a shorter-term basis, the longer-term chart actually looks quite a bit better than those of many other stocks when looked at over the same time period, and while the sideways price action that is taking place on a longer-term basis does not guarantee that the next move in the stock will be higher, it does suggest that if the move does turn out to be higher, it will likely be a longer and more sustained run than it would have otherwise been without the extended consolidation period. I am not willing to flag the stock as a "first buy" just yet, but I might do so next month if the stock continues to trade sideways between now and then. **EA is a strong buy under $110 and a buy under $130.**

First Solar • FSLR

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$60.91	$135.81	$140.14	$59.60	106.9	$14,518.1

As you can see in the chart to the left, thanks to the passage of the Inflation Reduction Act, along with a renewed interest in alternative energy socks on the part of investors as energy prices continue to skyrocket around the globe, First Solar's stock has continued to buck the trend of the overall market in a big way over the past couple of months! To be sure, the stock is more than due for a cooling-off period, but it is hard to ignore just how solid the relative strength has been lately, and since we already locked-in some of our profits last month, I am comfortable letting the remainder of our position "just ride" for the time being while we wait to see what happens next. **FSLR is now a strong buy under $110 and a buy under $125.**

Illumina • ILMN

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$17.92	$199.88	$453.92	$173.45	147.0	$29,382.4

No, the chart to the right certainly does not show much in the way of an uptrend, and no, there are no guarantees that the stock is not going to end up hitting a new 52-week low in the weeks ahead, a turn of events that, if it occurs will almost certainly mean another sizable leg down for the stock before all is said and done; however, given my belief that the biopharma space as a whole is more likely than not in the early stages of a new uptrend, I am adding a few more shares to both Portfolios this month on the assumption that the stock may actually be in the "sideways" phase of the cycle now. New subscribers are esp. encouraged to make this stock one of their "first buys." **ILMN is a strong buy under $175 and a buy under $225.**

Lattice Semiconductor • LSCC

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$58.91	$51.69	$85.45	$43.41	140.2	$7,246.9

As was the case with Cirrus, this is another chip stock that has tumbled sharply in the latest market sell-off but is also still trading above the lows that were set back in the May-July time period, and as was also discussed above, the question is whether all of the chip stocks that are holding above their lows are telling us that things aren't really as bad as some of the headline stocks in the sector are suggesting they might be (NVIDIA, for example)... or if the likes of NVIDIA and Qorvo (to name two in the newsletter) are actually the stocks that are more accurately telling us about the future, and it will only be a matter of time before Cirrus and Lattice join them... stay tuned! **LSCC is a strong buy under $45 and a buy under $60.**

MannKind Corp. • MNKD

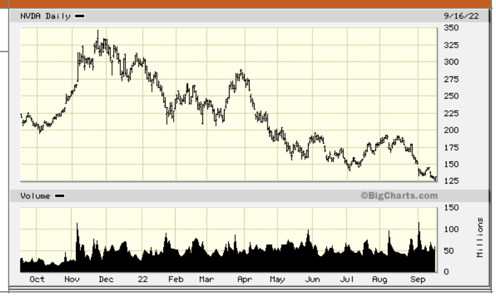
Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$42.55	$3.57	$5.44	$2.49	251.2	$896.8

Along with the replies to questions discussed above, I want to also add that I have seen a lot of chatter on StockTwits, etc. about why there was so much volume in the stock right at the close of the market today, I do not believe I have seen anyone make the more relevant observation that, regardless of what prompted such a large amount of stock to trade hands in the final seconds of trading ("triple witching," rumors of a buyout, a large investor giving up, etc.), the fact of the matter is that all of that stock has now been "cleaned up" and is not likely to represent an overhang on the market going forward. Provided you do not already own more than you can sleep with, **MNKD is a very strong buy under $5 and a buy under $10.**

NVIDIA Corp • NVDA

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$1.12	$131.98	$346.47	$126.17	2,508.0	$331,005.8

As you can see in the chart to the right, NVIDIA's stock is once again pushing into new 52-week low territory, and as mentioned above, given that analysts are literally tripping over themselves trying to find the next thing that is going wrong for the company, I believe the prudent thing to do is to take a few chips off the table while we wait for the dust to settle. That being said, I want to remind you that this is a best of breed company, and since it is impossible to know ahead of time when a stock is going to reverse direction, you are encouraged to always hold a position rather than "selling it all today in hopes of buying it all back tomorrow at a lower price." **NVDA is a strong buy under $125 and a buy under $150.**



NXP Semiconductors • NXPI

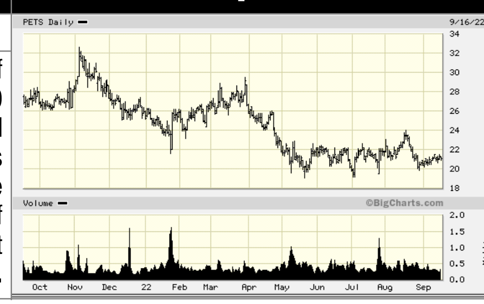
Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$24.26	$159.94	$239.10	$140.33	264.7	$42,336.1

Though your interpretation may be different than mine, I believe the chart to the left is sitting on the fence between the more promising charts of Cirrus, Lattice, and Skyworks and the more concerning charts of NIVIDIA and Qorvo, for example, and, consequently, it is one that will be watching especially closely for clues about which of the different messages being flashed by those two groups of stocks is actually the correct one for us to be listening to. In the meantime, though it is not a core stock, this is another one that I want to encourage you to always maintain a meaningful position in, esp. given the rumors of a buyout that were circulating a few months ago. **NXPI is a strong buy under $155 and a buy under $175.**

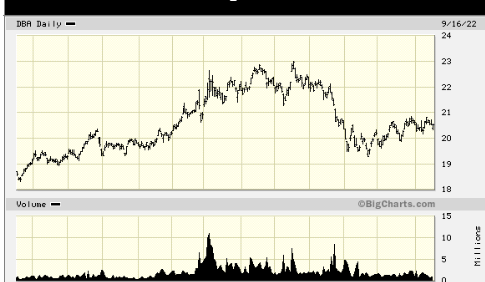
PetMed Express • PETS

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$37.99	$21.11	$32.67	$19.09	20.2	$766.3

To be sure, it was not fun to watch the stock tumble the way it did in the second half of August; however, I like the way the stock has been acting after briefly dipping below $20 during the down move, and though it will be another couple of months until the next dividend payment rolls around, I am comfortable adding a few more shares to both Portfolios this month, not only for the nice dividend yield, but also for a bit of diversification away from the tech sector (a sector that, unfortunately, is looking more and more like it might remain out of favor for at least a bit longer). With a reminder to also buy all of the core stocks, this is a "first buy" for new subscribers this month. **PETS is a strong buy under $20 and a buy under $24.**



Invesco DB Agriculture • DBA



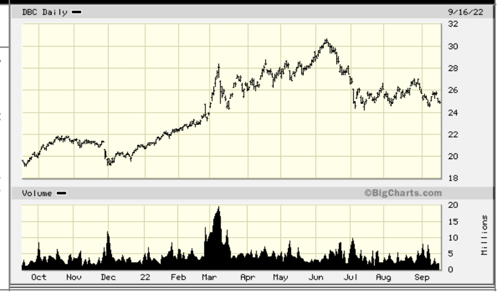
Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
$36.90	$20.52	$23.01	$18.32	ETF	$328.7

As discussed above, while logic suggests that we will eventually see commodity price "roll over" in response to rising interest rates, there are also a numbers of forces at work that could lead to another leg higher in commodity prices before all is said and done, and, consequently, I think this means that it is still too early to become overly aggressive about taking profits in either DBA or DBC. That being said, while neither of the charts of these ETFs have broken down just yet, they are both tracing out chart patterns that will be come much more bearish looking if/when the lows that were set a little over two months ago end up being taken out in the days and weeks ahead. *(continued under "DBC" below)* **DBA remains a buy under $22.**

Core Stocks shown in orange • Charts courtesy of BigCharts.com • All prices shown are as of the publication date

Invesco DB Commodities • DBC

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
$35.30	$24.88	$30.64	$19.08	ETF	$851.3



(continuing from "DBA" above) In particular, the chart to the right is looking especially ripe for a decline if the $24 level does not hold... and while it has obviously not broken down yet, I am using it as a reason to lock in a few more of our profits this month "just in case" (as those of you take advantage of the downloadable spreadsheets that are available on the same page as you get the newsletter from already know, the exact amount is 11.4% of our current positions - and if you hadn't noticed the spreadsheets before, now you know they are there!). To be sure, I will almost certainly end up buying these shares back if the ETFs start hitting new highs again, for now, I am sleeping easy with our positions! **DBC is a buy under $28.**

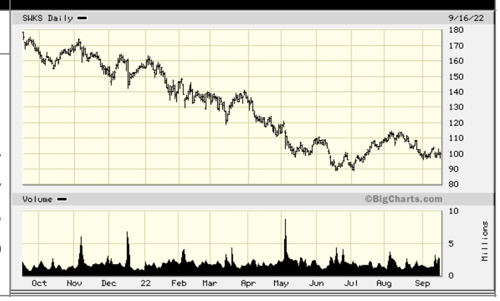
Qorvo • QRVO

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$8.29	$85.93	$178.80	$83.90	112.4	$9,658.5

Unfortunately, the optimism that Qorvo's stock was providing us as last month's issue was going to press has completely faded away, as there is never anything bullish that can be said about a stock that is hitting new 52-week lows. As discussed above, it is still too early know whether the likes of Qorvo and NVIDIA are the anomalies that "just need to get one more round of selling out of their systems"... or if they are actually the canaries in the coal mine trying to warn us of even darker days ahead for the sector... but as also discussed above, I am using the weakness as a reason to sell a few shares as part of rebalancing the Portfolios this time around. **QRVO is considered a strong buy under $75 and a buy under $90.**

Skyworks Solutions • SWKS

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
$29.63	$99.88	$178.42	$88.76	161.5	$16,130.6



And, I get to round out the write-ups on our chip stocks this month with the observation that, for the first time in a very long time, Qorvo's stock and Skyworks' stock are actually looking somewhat decoupled from each other as a new issue is going to press... and as I'm sure you know by now if you read the newsletter start to finish each month, I believe it is still too early to know what this bifurcation actually means for the sector going forward! I am not selling any of our Skyworks this month (it is already one of the smallest positions), but will likely be quite a bit more aggressive about adding shares in future months IF the "good performers" end up winning the day. **SWKS is now considered a strong buy under $75 and a buy under $90.**

SPDR Gold Trust • GLD

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
$93.39	$155.84	$193.30	$154.34	ETF	$66,990.0

Though I know there are lots of "logical" reasons for the price of gold to be falling in the current economic environment, I have to confess that I am somewhat surprised that it is not holding up better for "psychological" reasons. That being said, because the SPDR Gold Trust ETF is still one of the larger positions in both Portfolios (i.e. even after this month's sale, we will still have plenty of skin in the game if commodity prices do end up moving higher after all), this is another situation where I am using the weakness as an excuse to sell a bit in order to help myself sleep more easily at night (and I will most likely continue to sell small lots in the future as well if the price of gold continues to remain weak). **GLD is now a buy under $162.**

Tekla Life Sciences Investors • HQL

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
$21.17	$14.55	$21.85	$13.03	20.1	$292.8

Yes, I do find the chart to the right to be consistent with my belief that biopharma may be in the early stages of emerging as the sector that will end up leading the market higher once all of the hoopla surrounding interest rates has died down, but, since you might be wondering, I am not adding more shares to either Portfolio this month for the simple reason that I believe we can get more bang for our buck owning the individual stocks we are buying the space this month, and since I only have a finite amount of capital to work with (and didn't want to sell anything else this time around), I decided to leave this closed-end fund off the list (but it is a "first buy" for newer subscribers). **HQL is a strong buy under $15 and a buy under $18.**

Walt Disney • DIS	Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
	$13.00	$108.25	$185.90	$90.23	1,819.0	$196,906.8

As you can see in the chart to the left, though Disney's stock has fallen a bit from where it was when last month's issue went to press, it is actually tracing out one of the more bullish looking chart patterns among all the stocks in the newsletter this month! We already have a solid position in both Portfolios, so I am going to wait for at least another month's worth of economic data (and investors' response to it) before I think about raising the buy limits and/or adding more shares to the Portfolios, but please note that Disney is flagged as a "first buy" for new subscribers and should be on your list of stocks to think about adding to your portfolio as part of patiently building positions. **DIS is a strong buy under $100 and buy under $120.**

POSITION	MODEL PORTFOLIO				AGGRESSIVE PORTFOLIO			
Company	**Shares owned**	**Total Cost**	**Todays Value**	**Total % Change**	**Shares owned**	**Total Cost**	**Todays Value**	**Total % Change**
Affirm Holdings	750	$21,740	$16,725	-23.1%	3,000	$86,961	$66,900	-23.1%
Alaska Air Group	1,500	$72,921	$66,570	-8.7%	4,200	$210,489	$186,396	-11.4%
Apple	1,050	$82,238	$158,235	+92.4%	3,000	$242,180	$452,100	+86.7%
Bristol-Myers Squibb	2,400	$165,388	$171,648	+3.8%	5,500	$379,277	$393,360	+3.7%
Cirrus Logic	1,250	$88,116	$93,763	+6.4%	3,500	$238,185	$262,535	+10.2%
Cleveland-Cliffs	11,250	$104,936	$168,750	+60.8%	32,500	$305,010	$487,500	+59.8%
Electronic Arts	850	$89,997	$103,479	+15.0%	2,500	$240,665	$304,350	+26.5%
First Solar	1,350	$78,860	$183,344	+132.5%	3,800	$228,907	$516,078	+125.5%
Illumina	450	$122,792	$89,946	-26.7%	1,500	$393,066	$299,820	-23.7%
Lattice Semiconductor	1,775	$109,295	$91,750	-16.1%	4,500	$280,264	$232,605	-17.0%
MannKind	290,000	$603,301	$1,035,300	+71.6%	2,150,000	$5,202,262	$7,675,500	+47.5%
NVIDIA Corp.	750	$67,511	$98,985	+46.6%	2,650	$220,731	$349,747	+58.4%
NXP Semiconductors	900	$133,168	$143,946	+8.1%	3,000	$476,128	$479,820	+0.8%
PetMed Express	3,500	$90,660	$73,885	-18.5%	10,000	$297,521	$211,100	-29.0%
Invesco DB Ag.	8,750	$162,115	$179,550	+10.8%	22,500	$415,066	$461,700	+11.2%
Invesco DB Cmdties.	8,750	$154,105	$217,700	+41.3%	22,500	$396,289	$559,800	+41.3%
Qorvo	500	$49,177	$42,965	-12.6%	1,750	$156,548	$150,378	-3.9%
Skyworks Solutions	450	$53,594	$44,946	-16.1%	1,250	$150,691	$124,850	-17.1%
SPDR Gold Trust ETF	875	$121,785	$136,360	+12.0%	4,200	$564,585	$654,528	+15.9%
Tekla Life Sciences	3,564.3	$46,603	$51,861	+11.3%	13,245.5	$168,979	$192,722	+14.1%
Walt Disney Co.	925	$103,620	$100,131	-3.4%	3,000	$331,649	$324,750	-2.1%
		Stocks:	$3,269,838			Stocks:	$14,386,539	
		Cash (Debit):	$27,993			Cash (Debit):	($2,760,078)	
		Total Value:	$3,297,831			**Total Value:**	$11,626,461	

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The Model and Aggressive Portfolios are designed to hypothetically track the results of our recommendations over time. The Model Portfolio was started with $100K in February 1995. The Aggressive Portfolio was started with $100K in October 1997 and is designed for investors with a shorter time horizon and higher tolerance for risk (due to regular use of margin). For the purposes of tracking performance, a commission of 1% is charged on all stock transactions. All realized gains (and any dividends paid on existing positions) are reinvested in their respective Portfolios. As is standard in the newsletter industry, due to the variability of tax rates and margin rates depending on an individual's situation, no effort is made to factor either of them into the returns reported.

Orders Filled 8/15/22 (Aggressive Portfolio in parentheses)
Sold 25 (150) AAPL @ $173.19
Sold 75 (200) FSLR @ $118.22
Sold 5,000 (25,000) MNKD @ $4.07
Bought 250 (1,000) AFRM @ $38.42
Bought 75 (500) BMY @ $74.53
Bought 50 (200) ILMN @ $226.59
Bought 250 (1,000) PETS @ $22.79
Bought 75 (250) QRO@ $108.92
Bought 100 (250) SWKS @ $112.55
Bought 300 (1,000) HQL @ $16.31
credited $975 ($2,700) from PETS dividend 8/19/22
credited $279 ($775) from SWKS dividend 9/15/22