

NATE'S NOTES

Winning Ideas for the Individual Investor

Worrying is like paying on a debt that may never come due...

- Will Rogers

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	Since Last Issue	Year To Date	Since Inception (10/31/97)
Model	-4.9%	-3.4%	+3,792.0%
Aggressive	-9.2%	-5.6%	+12,869.5%
DJIA	+1.5%	+0.5%	+408.9%
NASD	+3.4%	+2.0%	+860.8%

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What To Do, What To Do...

As you can see in the performance numbers above, I am afraid that I am having to start off yet another issue of the newsletter with an acknowledgement that both Portfolios are continuing to underperform the market due, in no small part, to the fact that our intentionally oversized positions in MannKind are once again dragging things down.

That being said (and as discussed in more detail below), I remain confident about my decision to maintain such large positions, as I believe the odds greatly favor MannKind eventually reversing course and providing similarly outsized performance on the upside.

In the meantime, I want to remind you that the market as a whole is continuing to act quite well, and though the trend could change as early as Monday morning, my advice

continues to be that you should remain as fully invested as you can comfortably be while still sleeping easy at night (and, of course, make sure that you are at least approximating the "whole portfolio" approach I take with the newsletter's Portfolios, i.e. make sure that you own a diversified basket of the recommended stocks and ETFs, even if you do not want to own all 21 of them).

For now, I think that, along with the always present possibility of another "geopolitical escalation" to occur somewhere around the world, the fact that so many investors seem convinced the Fed is going to go on a massive rate cutting spree is probably the biggest risk facing the market, as I believe it is still too early to adopt such a belief (and given how lopsided the "conventional wisdom" seems to be at the moment, my experiences suggest it will likely end up being wrong... much as the belief that a "hard landing in 2023 was inevitable" turned out to be).

Nate's Latest Stock Recommendations (as of 1/19/24)

CORESTOCKS

Company	Symbol	Originally Rec'd @	Closing Price	Strong Buy ≤	Buy ≤	New Orders [^] (Aggressive Portfolio in parentheses)	First Buys
abrdn Life Sciences Investors	HQL	\$21.17	\$13.95	\$11	\$14		✓
Apple	AAPL	\$0.24	\$191.56	\$175*	\$200*		✓
Bristol-Myers Squibb	BMJ	\$0.44	\$50.11	\$40	\$55	Buy 150 (500)	✓
Illumina	ILMN	\$17.92	\$135.88	\$125*	\$150*	Buy 100 (200)	✓
MannKind	MNKD	\$42.55	\$3.36	\$5	\$10		✓
NVIDIA Corp.	NVDA	\$1.12	\$594.91	\$525*	\$600*	Sell 50 (100)	✓
Walt Disney Co.	DIS	\$13.00	\$93.06	\$80	\$100	Buy 100 (200)	✓
Affirm Holdings	AFRM	\$23.06	\$42.18	\$28	\$35	Sell 500 (2,500)	
Charles Schwab Corp.	SCHW	\$50.77	\$63.78	\$62	\$70		✓
Cirrus Logic	CRUS	\$38.39	\$80.68	\$65	\$80		✓
Cleveland-Cliffs	CLF	\$11.15	\$17.73	\$16	\$20		✓
Electronic Arts	EA	\$17.01	\$137.72	\$130*	\$145*	Buy 100 (250)	✓
First Solar	FSLR	\$60.91	\$145.92	\$140	\$160		
Invesco DB Ag. Fund	DBA	\$36.90	\$21.01	--	\$23*		
Invesco DB Cmties. Fund	DBC	\$35.30	\$21.94	--	\$24*		
Lattice Semiconductor	LSCC	\$58.91	\$68.46	\$55*	\$70*		✓
NXP Semiconductors	NXPI	\$24.26	\$218.36	\$190	\$220		✓
Qorvo	QRVO	\$8.29	\$105.56	\$80	\$100		
Recursion Pharmaceuticals	RXRJ	\$11.90	\$9.63	\$8	\$12	Buy 1,000 (2,500)	✓
Skyworks Solutions	SWKS	\$29.63	\$106.04	\$80	\$100		
SPDR Gold Trust ETF	GLD	\$93.39	\$187.93	--	\$190*		✓
SPDR S&P Reg. Bank ETF	KRE	\$36.37	\$51.03	--	\$55		✓

*changes since last issue ^we will use closing prices 1/22/24 for all transactions

As you will see as you look through the charts associated with all the recommendations in this month's issue, most of them are tracing out chart patterns that are quite consistent with the idea that we are in the early stages of a new bull market, but it should be noted that many of them (especially all of the chip companies not named NVIDIA) do, in fact, have the potential to start flashing bearish signals if they happen to all take a turn for the worse in unison, and so there is a chance I will be singing a different tune next month (or perhaps even as early as the next Inter-Issue Commentary); however, for now, I want to reiterate that my experiences suggest you should leave as many chips (both literally and figuratively) on the table as you can while we wait to see what happens next.

By request, more on MannKind...

Given how the stock has been acting ever since the company reported its first profitable quarter back in August, MannKind continues to be the stock I am asked about most often in emails I receive from subscribers, and so I want to once again devote some space to discussing the story...

First off, yes, I am as perplexed as most of you as to why the stock has been acting so poorly for the past four months, especially given that the fundamentals of the story have only continued to improve (greatly, in fact) over that time period.

As you know, there has always been a sizable short interest in the stock, with part of it being "legitimate" shorts who are actually betting against the company, and, more recently, another part (presumably) associated with the convertible debt that was issued back in March 2021 (holders of such debt often short the underlying stock as a "hedge" and/or to leverage their investment by putting capital back into their account while they sit back and watch how the story plays out), and though there is no way to tell what percentage of the current short interest is attributable to each group, I think the important thing to keep in mind is that, at the end of the day, every share that is currently sold short will need to be bought back (or accepted in lieu of cash, in the case of the convertible notes) at a future date in order for those behind the trade to close out their positions.

In other words, for every share that has been shorted, there is a "built-in" buy order on the books waiting to be executed, and this means that once they decide to unwind their trade, in the same way that shorting the stock created "artificial" selling pressure that helped push the stock to the downside, there will be "artificial" buying pressure added to the mix.

And, while this circumstance in no way guarantees that a "short squeeze" will develop in the stock ("squeezes" are far less common than people like to believe they are), it does mean that once they decide to unwind their trade, the large size of the current short position should work in our favor to the upside... and, though it remains to be seen how the story will play out, I do sincerely believe that once the stock finally starts heading north again, the story has developed into one that is likely going to capture the attention of Wall Street (especially given where I believe we are currently at in the cycle for biotech, from both a fear-greed standpoint, as well as from an M&A standpoint as well).

And, in fact, while the following is in NO WAY a prediction (it is merely a pondering one of the *many* possible outcomes we could see from here based on how Wall Street has been known to operate), one way that holders of convertible notes often leverage their position is to first build up a sizable short position (an exercise that invariably tends to drive the share price down), and then, once the stock has finally hit a level where they can tell other large institutions have finally taken an interest (as evidenced by the fact

that their shorting is always met with solid buying), they begin the process of covering (i.e. buying back their short position).

As they start the process of covering, they also get a chance to find out just how easy or not easy it is to buy large blocks of stock (i.e. they get a nice indication of how many institutional sellers are actually left in the marketplace in the current price range), and if it turns out they have "read the table" correctly, they will likely accelerate their buying to help give the stock even more juice to the upside, and this, in turn, usually ends up attracting new investors to the stock.

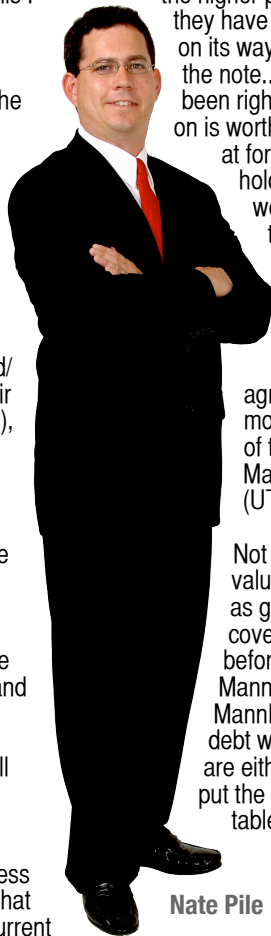
Of course (surprise, surprise), in the absence of the previous wall of short selling that always kept a lid on the stock, the stock will continue to gain momentum due to a combination of short covering and new buyers coming, and though the last of the shares that the note holders buy back will likely result in a loss of some sort (due to the higher prices), if they played their cards correctly, by the time they have closed out their short position, the stock will be well on its way to rising above the conversion price associated with the note... and, in this case, if it turns out that I have, in fact, been right regarding my assertion that what MannKind is sitting on is worth quite a bit more than Wall Street has been valuing it at for the past several years, this means any stock the note holders might receive in lieu of cash will also likely be worth quite a bit more than the conversion price by the time they receive it.

That being said, I am very pleased to report that MannKind threw everyone a curve ball a few weeks ago when it announced that it has entered into a deal with Sagard Healthcare under which Sagard agreed to pay \$150 million upfront (and potentially \$50M more if certain milestones are hit) in exchange for 1/10th of the royalty stream associated with Tyvaso DPI that MannKind will be receiving from United Therapeutics (UTHR – \$217.84).

Not only did this transaction help highlight the potential value of this revenue stream (good for investors, as well as good for helping analysts on Wall Street build their coveted "financial models," something they all must do before starting coverage of a stock), but it also beefed up MannKind's coffers nicely... and, in doing so, gave MannKind much more flexibility in terms of paying down debt while also being able to fund all the clinical trials that are either underway or anticipated (plus, it almost certainly put the company in a stronger position at any negotiating tables that may find itself sitting at today or in the near future).

Nate Pile And, speaking of Tyvaso DPI, one of the more likely explanations for the pressure on MannKind's stock lately is that there has been a lot of hoopla generated around the Liquidia (LQDA – \$12.89) story lately due to the fact that a recent court ruling makes it likely their drug, Yutrepia, will start competing with Tyvaso DPI sooner than it would have been able to had the ruling gone the other direction, and though I continue to believe that Liquidia is facing long odds, there is a definite possibility that some traders are "doubling down" by not just going long LQDA but also shorting UTHR and/or MNKD as part of their gambit... and, as discussed above, even if it is "artificial" in nature, selling pressure is selling pressure.

Finally, I want to re-iterate that not only do I believe that the company is in the best shape it has ever been, but my confidence has also never been higher, with the only remaining "risk" being that the trials currently underway with Afrezza come in less robust than we are anticipating (and though I believe the odds of this happening



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.

are very, very low, please note that they are NOT zero, so please do be disciplined about not owning more than you can sleep with at night and/or afford to lose if it turns out I am wrong!).

Rationale for this month's trades

As you will notice when you look through this month's list of trades, I am making fewer trades than usual as part of this month's rebalancing efforts, mainly because I am already quite content with the current weightings in both Portfolios.

On the buy side of the ledger, I am adding a few more shares of Bristol-Myers and Disney because they are currently under-represented in the Portfolios (especially as "core stocks"), and even though neither of them are "small" positions at the moment, I am buying a bit more Electronic Arts and Recursion Pharmaceuticals, and, in order to pay for these purchases while keeping our cash position essentially unchanged (roughly 6% in the Model Portfolio), I am taking advantage of the recent moves we have seen Affirm and NVIDIA to lock-in some more profits in both of these stocks.

That being said, please note that there are a number of other stocks that are also flagged as "first buys" this month even though I am not buying them in the Portfolios, so please be sure to include them on your shopping list if you are newer to the newsletter and still working on building positions (just remember that you are encouraged to a) always buy small lots on a regular basis rather than making single large purchases all at once, and b) avoid "chasing" stocks above their buy limits – I have raised a number of them this month in order to make them "accessible" to newer subscribers (NVIDIA, in particular), but, again, please be as disciplined as possible about not succumbing to FOMO).

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:

Apple (AAPL) – It was tough to decide, but, once again, the same three stocks are my "Top Picks" this month as they were last month... and the month before!

MannKind (MNKD) – Naturally, with the stock back down here in the sub-\$3.50 range, it cannot help but be a "Top Pick" this time around.

NVIDIA (NVDA) – With a reminder to always make small purchases over a period of time rather than placing a single large bet all at once, it's hard to not like the momentum we are seeing in the stock these days!!

Outstanding Orders

For the reasons discussed above and below, the Model (Aggressive) Portfolio will **sell** 500 (2,500) Affirm Holdings and 50 (100) NVIDIA and **purchase** 150 (500) Bristol-Myers, 100 (250) Electronic Arts, 100 (200) Illumina, 1,000 (2,500) Recursion Pharmaceuticals, and 100 (200) Walt Disney. We will use the closing prices on Monday, January 22nd, 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	37,864	30,500	25,500
Nasdaq	15,311	12,250	10,500
S&P 500	4,840	3,700	3,200
BTK	5,202	4,750	3,900
SOX	4,376	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).*

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)	abrdn Life Sciences Investors • HQL
\$21.17	\$13.95	\$14.99	\$11.34	26.2	\$365.6	

As I am sure you can imagine, I am naturally quite pleased by the fact that HQL's stock is acting exactly how I hoped it would as 2024 gets underway, and though we cannot assign too much weight to the "evidence," I believe the fact that this closed-end fund has continued to rally into the new year provides additional confirmation that we may be entering the early stages of a new bull market for biotech stocks. As always, though I think you can get more bang for your buck investing in individual biotech stocks (especially with MannKind back down here in the mid-\$3s, for example), this stock represents a great way to participate in the growth of the sector with less risk. **HQL is a strong buy under \$11 and a buy under \$14.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$23.06	\$42.18	\$52.48	\$8.80	297.2	\$12,535.9

Affirm Holdings • AFRM



After continuing to run to over \$50 shortly after last month's issue came out, it should come as no surprise that selling price finally overtook the buying pressure, and, as you can see in the chart to the right, the stock has since pulled back to right around where it was trading when last month's issue went to press. Because I can see the stock possibly falling all the way back to \$25 after the great run it has made just as easily as I can see it potentially running into the mid-\$70s (or higher) if it does manage to rally from here instead (and the market stays strong), I am locking-in some more of our profits this month, but leaving a fair amount of chips on the table as well, and **AFRM remains a strong buy under \$28 and a buy under \$35.**

Apple • AAPL



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$0.24	\$191.56	\$199.62	\$134.22	15,744.2	\$3,015,959.0

Apple's stock is definitely one of the ones that led me to choose the title of this month's issue, as both the stock and the company appear to be at critical junctures – a breakout into new all-time high territory will almost certainly lead to at least another 25-40% in gains before the rally eventually runs out of steam, but a breakdown below \$165 would almost mean the stock was headed back to the \$125-\$150 range... and everyone is wondering where future growth is going to come from for the company while knowing all-too-well that it has historically been a bad move to underestimate what Apple might be working on behind the scenes (think AI, spatial computing, etc.). **AAPL is now a strong buy under \$175 and a buy under \$200.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$0.44	\$50.11	\$75.18	\$48.25	2,113.0	\$105,882.4

Bristol-Myers Squibb • BMJ



On the one hand, I was hoping that the mini-uptrend that appeared to be getting underway as last month's issue was going to press would be evolving into something more convincing by now, but, on the other hand, I also take heart in the fact that, at least for now, the stock has also managed to hold above the lows that it set in late November (and, as long as it continues to do so, we can remain comfortable assuming that, at the worst, "a base is forming"). No, there is nowhere near as much upside potential in this stock as MannKind, for example, but it does pay a nice dividend and represents a solid (and fairly conservative) way to participate in the biopharma space. **BMJ remains a strong buy under \$40 and a buy under \$55.**

Charles Schwab Corp. • SCHW



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$50.77	\$63.78	\$81.96	\$45.00	1,842.0	\$117,482.8

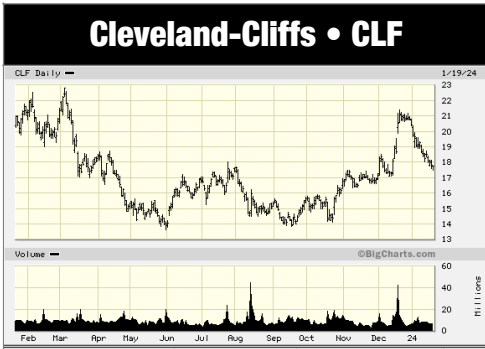
As you can see in the chart to the left, after rallying sharply in early December when investors got excited by the idea that perhaps the Fed is "pivoting," Schwab's stock has since given back a good chunk of the gains that were registered as part of the move. And, as was the case with Apple (and others yet to be discussed), Schwab is another situation that I am afraid also could go one way or the other from here, both in terms of the stock, but also the company's fortunes over the next several quarters. Because we took some profits last month, I am content sitting tight for the time being; however, please note that the stock is flagged as a "first buy" this month. **SCHW remains a strong buy under \$62 and a buy under \$70.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$38.39	\$80.68	\$111.15	\$65.02	54.5	\$4,397.1

Cirrus Logic • CRUS



As discussed above in the main commentary section of the newsletter, Cirrus is just one of many chip stocks that, at least so far, is consolidating in a fairly pleasing manner after the nice run it made to close out the year, but my experiences also suggest that if the recent lows end up breaking in the days and weeks ahead, it will greatly increase the odds that the lows set back in November will end up being re-tested after all. And, of course, the situation is further complicated by the fact that price action we have been seeing in NVIDIA lately is making it extremely difficult to assess the true "health" of the chip stocks as a group in the eyes of investors. As a "first buy," **CRUS remains a strong buy under \$65 and a buy under \$80.**



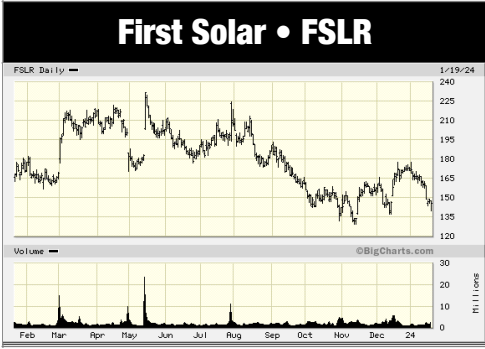
Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$11.15	\$17.73	\$22.83	\$13.61	498.9	\$8,845.5

Well, I am happy to report that, shortly after last month's issue went to press, Cleveland-Cliffs' stock did, in fact, manage to punch through \$19 on good volume (as I had hoped it might); however, after spending some time trading sideways just below \$21, I am afraid that the stock has since pulled back to the level it was trading at five weeks ago... and, in doing so, has added itself to the list of stocks that are not really giving us any clues one way or the other where investors are likely to take them next. That being said, the longer-term uptrend for the stock is clearly still intact, and so, as part of gaining some exposure to "commodities," it is once again flagged as a "first buy." **CLF is a strong buy under \$16 and a buy under \$20.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$17.01	\$137.72	\$143.47	\$108.53	271.0	\$37,322.1

Electronic Arts • EA					
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As you can see in the chart to the right, though the stock was not able to generate much follow-through after clearing \$140 shortly after last month's issue went to press (a potentially bearish turn of events), it appears to be finding solid support here at the upper-end of its trading range... and, while there are never any guarantees, my experiences suggest that if it does manage to push through that level again in the weeks ahead, the move to the upside could be "a good one" (esp. if the overall market stays strong). I am raising the buy limits a bit this month and adding a few more shares to both Portfolios in anticipation of such a turn of events, and I hope you will join me! **EA is a strong buy under \$130 and a buy under \$145.**



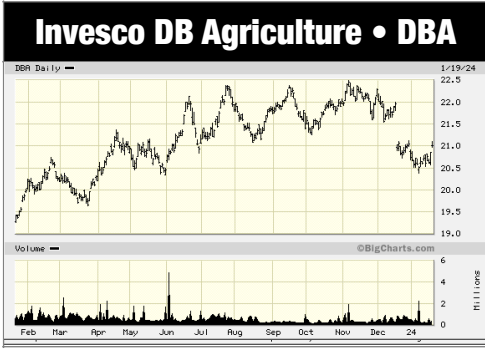
Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$60.91	\$145.92	\$232.00	\$129.22	106.9	\$15,598.8

Unfortunately, after staging a nice rally into the end of the year, I am afraid that First Solar's stock has given back almost all of its gains in fairly short order. As it stands, I am not too worried by the price action; however, if the stock fails to hold above the lows that it set back mid-November, I believe the odds will go up considerably that the stock will also end up re-testing the \$75-\$100 level before all is said and done as part of the down move. I am content just sitting tight and waiting to see what happens next before I do any buying or selling, but if you are feeling anxious about the situation, there is absolutely nothing wrong with selling a few shares even though I am not. **FSLR is a strong buy under \$140 and a buy under \$160.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$17.92	\$135.88	\$238.55	\$89.00	158.0	\$21,469.0

Illumina • ILMN					
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Though it has admittedly been quite painful to be involved with Illumina's stock for the past couple of years, I believe the odds are continuing to grow that both the stock and the company itself are finally starting to get back on the tracks, so to speak, and, consequently, I am once again raising the buy limits and adding a few more shares to both Portfolios this month. In addition, though there are no guarantees the stock will actually break above the \$140 level in the days and weeks ahead, if it happens to do so on good volume between now and when next month's issue comes out, you are encouraged to be as patient as possible when it comes to taking profits. **ILMN is a strong buy under \$125 and a buy under \$150.**



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
\$36.90	\$21.01	\$22.49	\$19.25	ETF	\$328.7

As discussed last month, shares of both DBA and DBC have been running out of steam lately, a turn of events that should not be too surprising given how the inflation data has been trading lately. However, as you can see in the charts of both ETFs, it is possible (but still too early to say with much certainty) that commodity prices might be firming again... and, if they are, it increases the odds that we *might* see prices start to pick up again. Of course, if they do start to head higher, it will almost certainly mean that investors are not going to get all of the rate cuts they are currently expecting from the Fed this year, and, consequently, even if you do not own these ETFs, you (continued under "DBC" below) **DBA is now a buy under \$23.**

Invesco DB Commodities • DBC	Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
	\$35.30	\$21.94	\$25.63	\$21.62	ETF	\$851.3

(continuing from "DBA" above) are encouraged to keep an eye on them for clues about where inflation (and, in turn, the Fed) is likely to be going next. That being said, if you are not terribly interested in hedging your bets by owning these two ETFs, you are doubly-encouraged to take a look at Cleveland-Cliffs and the SPDR Gold Trust ETF as a way gain at least a little exposure to the situation. Yes, it has been a crazy ride so far trying to figure out where prices, the Fed, interest rates, and the economy (both domestically and globally) are going to go next (and how each variable is going to influence the others), but, knock on wood, it appears things may finally be "normalizing" in a post-pandemic world. **DBC is considered a buy under \$24.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)	Lattice Semiconductor • LSCC
\$58.91	\$68.46	\$98.30	\$51.96	140.2	\$9,598.1	

As you can see in the chart to the right, after rallying nicely shortly after last month's issue went to press, Lattice's stock has also been consolidating in an equally pleasing fashion.. and, while two days does not a trend make, I do find it encouraging to see that the stock has been showing some renewed strength over the past two days. That being said, since we locked in some profits last month, I am comfortable just sitting tight on our positions here as well while we wait to see where the sector as a whole wants to go next (which, of course, will likely be influenced greatly by what NVIDIA ends up doing over the next few weeks). The stock is a "first buy" this month, and **LSCC is a strong buy under \$55 and a buy under \$70.**

MannKind • MNKD	Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
	\$42.55	\$3.36	\$5.75	\$3.21	268.7	\$902.8

Despite the slide in the stock, from where I sit, the story is only getting better with each passing week, and though there is always a chance the stock has been sliding due to leaked "bad" trial results, my experiences suggest that if that is what is going on, we would be seeing volume several times larger than we have been getting. Both Portfolios still intentionally own "more than enough" of the stock, but if you are still underweighted relative to your own sleeping levels, you strongly encouraged to continue building a position while we wait to see whether it is a buy-in, a buyout, licensing deals, or a go it alone approach that eventually takes us across the goal line. **MNKD is very a strong buy under \$5 and a buy under \$10.**

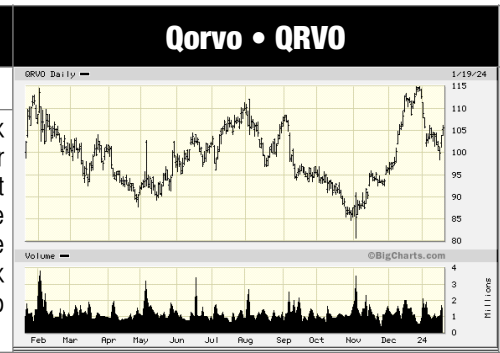
Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)	NVIDIA Corp • NVDA
\$1.12	\$594.91	\$595.00	\$168.25	2,507.0	\$1,491,439.4	

After spending a little over half-a-year consolidating in the \$400-\$500 range, NVIDIA's stock has once again broken into new high territory... and I have to say that, after following the market for 35+ years now (and with a reminder that "this time could be different"), the chart pattern that you see to the right is probably one of the most bullish ones you can hope to see. NVIDIA is clearly the leading supplier of the picks and shovels needed for the "AI Gold Rush" that is now underway, and I believe the odds are good the stock is going to continue marching higher for a while; however, to help myself sleep at night, I am selling a small chunk of stock (but letting the rest "just ride"). **NVDA is a strong buy under \$525 and a buy under \$600.**

NXP Semiconductors • NXPI	Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
	\$24.26	\$218.36	\$238.27	\$155.31	261.1	\$57,013.8

And now, getting back to a chip stock that is acting more like its peers, though I was disappointed to see NXP's stock participate in the tumble most chips took as soon as 2024 got underway and investors could finally take the profits that they had been postponing for tax purposes, I am pleased to report that the stock has since held at a level that remains consistent with the idea that it is still in an uptrend... and, in fact, like many other chip stocks, NXP's also has perked up along with the rest of the market over the past two days! This is another case where I am comfortable just sitting tight after locking in some profits last month, but note the stock is a "first buy." **NXPI is a strong buy under \$190 and a buy under \$220.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$8.29	\$105.56	\$114.97	\$80.62	98.6	\$10,408.2



After rocketing to the very top of its one-year trading range during December, Qorvo's stock also sold off sharply once the new year got underway and investors could finally book their profits while postponing the taxes due on them by a year... and, as you can see in the chart to the right, the stock has essentially been tracing out the same chart pattern as all of the other chip stocks in the newsletter (except NVIDIA, of course). Consequently, it should come as no surprise that I am just sitting tight here as well this month – we locked-in some quick gains last month, and given all the uncertainties in the world and market right now, I am in no rush to do much at the moment. **QRVO is a strong buy under \$80 and a buy under \$100.**

Recursion Pharmaceuticals • RRX



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$11.90	\$9.63	\$16.75	\$4.54	184.6	\$1,777.7

After running all the way to \$14 (in a move that happened to "top out" in conjunction with the JP Morgan Healthcare Conference that took place in the second week of January - can you say "buy the rumor, sell the news?"), Recursion's stock has since pulled back to current levels, and I am afraid that this is another example of a stock that really could go either way from here. However, because of my thoughts about where we are at in the biotech fear-greed cycle (along with a belief the Recursion is likely a stock that showed up on many investors' radar screens after JPM), I am comfortable adding a few more shares to both Portfolios this month as part of building a position. **RRX is a strong buy under \$8 and a buy under \$12.**

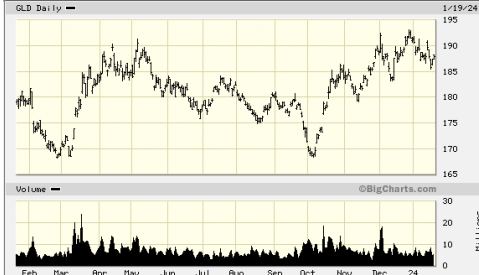
Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$29.63	\$106.04	\$123.69	\$85.06	161.5	\$17,125.5

Skyworks Solutions • SWKS



Hmmm... where have we seen a chart like the one to the right before?? There's not much more I can say at this point in the newsletter, other than to remind you that a) the sell-off we saw at the beginning of the year is easily explained by delayed profit-taking, b) virtually all chip stocks not only experienced the same thing, but have also almost universally "found support" over the past week or so, and c) many of these stocks have also started to head higher again over the past few days (which is exactly what we would hope to see for confirmation that the recent sell-off was "just some profit-taking" rather than the start of a new bear market for the sector). **SWKS remains a strong buy under \$80 and a buy under \$100.**

SPDR Gold Trust ETF • GLD



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
\$93.39	\$187.93	\$193.18	\$168.19	ETF	\$66,990.0

No, gold has still not managed to definitively breakout to the upside... and it may never do so... but I continue to believe that the odds favor it; consequently, you are encouraged to own at least a bit of it (even if in some form other than this ETF), as a way to not only participate in any price appreciation that may develop, but also as a way help hedge yourself (both mentally and financially) against the possibilities that inflation may start ticking up again and/or "true chaos" may break out in the world for one reason or another (and, to answer a question I am being asked more often these days, I would still rather see you involved with gold than "crypto" if your true goal is "hedging" rather than "speculation"). **GLD is a buy under \$190.**

Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Net Assets (millions)
\$36.37	\$51.03	\$65.32	\$34.52	ETF	\$2,920.0

SPDR S&P Regional Bank ETF • KRE



As you can see in the chart to the right, shares of this regional bank ETF appear to be consolidating nicely after the great run they made to close out 2023, and while we cannot say that they are out of the woods just yet (we have no choice but to wait and see what sort of slowdown in the economy we eventually end up with as part of the current interest rate/business cycle), I do believe that after all the scrutiny the regional banks were given last year following the blow-up of Silicon Valley Bank, the odds are good prices are once again starting to reflect "something closer to reality" now that all of the tires have been kicked hundreds of times over, so to speak. This ETF is a "first buy," and **KRE remains now a buy under \$55.**

Walt Disney • DIS



Originally Rec'd.	Current Price	52-Wk High	52-Wk Low	Shares Out (millions)	Market Cap (millions)
\$13.00	\$93.06	\$118.18	\$78.73	1,819.0	\$169,276.1

Though the fact that Nelson Peltz is still at it when it comes to trying to gain seats on Disney's Board means that there is currently a nice floor under the stock (and his activism may end up pushing the stock higher as time goes by), I think it is important to keep in mind that if/when he decides to give up the fight (if it comes to that), we could see some pressure on the stock while he and his allies (presumably) start to unload their shares. That being said, with or without his presence, I like how the story is shaping up, and I am comfortable adding a few more shares to both Portfolios again this month as part of my efforts to patiently rebuild our positions. **DIS is a strong buy under \$80 and a buy under \$100.**

POSITION	MODEL PORTFOLIO				AGGRESSIVE PORTFOLIO			
Company	Shares owned	Total Cost	Today's Value	Total % Change	Shares owned	Total Cost	Today's Value	Total % Change
abrdn Life Sciences Investors	7,180.7	\$85,790	\$100,171	+16.8%	25,571.2	\$301,468	\$356,718	+18.3%
Affirm Holdings	3,000	\$59,265	\$126,525	+113.5%	13,500	\$256,755	\$569,363	+121.8%
Apple	600	\$46,994	\$114,936	+144.6%	1,800	\$145,308	\$344,808	+137.3%
Bristol-Myers Squibb	1,600	\$107,168	\$80,176	-25.2%	4,000	\$272,679	\$200,440	-26.5%
Charles Schwab Corp.	1,500	\$81,614	\$95,670	+17.2%	5,500	\$297,627	\$350,790	+17.9%
Cirrus Logic	1,200	\$87,451	\$96,816	+10.7%	3,250	\$229,331	\$262,210	+14.3%
Cleveland-Cliffs	9,500	\$92,977	\$168,435	+81.2%	28,000	\$271,452	\$496,440	+82.9%
Electronic Arts	1,000	\$108,122	\$137,720	+27.4%	3,000	\$301,083	\$413,160	+37.2%
First Solar	700	\$40,891	\$102,144	+149.8%	2,000	\$120,476	\$291,840	+142.2%
Illumina	900	\$182,104	\$122,292	-32.8%	2,800	\$588,274	\$380,464	-35.3%
Invesco DB Ag. Fund	5,000	\$95,960	\$105,050	+9.5%	13,000	\$248,601	\$273,130	+9.9%
Invesco DB Cmties. Fund	4,000	\$74,530	\$87,760	+17.8%	11,000	\$205,984	\$241,340	+17.2%
Lattice Semiconductor	1,400	\$87,334	\$95,844	+9.7%	3,600	\$225,951	\$246,456	+9.1%
MannKind	300,000	\$664,869	\$1,008,000	+51.6%	2,200,000	\$5,495,999	\$7,392,000	+34.5%
NVIDIA Corp.	500	\$52,348	\$297,455	+468.2%	1,700	\$161,869	\$1,011,347	+524.8%
NXP Semiconductors	675	\$101,799	\$147,393	+44.8%	2,250	\$361,067	\$491,310	+36.1%
Qorvo	850	\$83,812	\$89,726	+7.1%	2,700	\$255,623	\$285,012	+11.5%
Recursion Pharmaceuticals	11,000	\$113,843	\$105,930	-7.0%	35,000	\$362,268	\$337,050	-7.0%
Skyworks Solutions	850	\$93,092	\$90,134	-3.2%	2,500	\$276,515	\$265,100	-4.1%
SPDR Gold Trust ETF	875	\$127,283	\$164,439	+29.2%	4,250	\$597,048	\$798,703	+33.8%
SPDR S&P Reg. Bank ETF	1,800	\$74,842	\$91,854	+22.7%	6,200	\$258,187	\$316,386	+22.5%
Walt Disney Co.	1,000	\$107,225	\$93,060	-13.2%	3,300	\$350,613	\$307,098	-12.4%
		Stocks:	\$3,521,530			Stocks:	\$15,631,164	
		Cash (Debit):	\$225,758			Cash (Debit):	(\$2,661,671)	
		Total Value:	\$3,747,288			Total Value:	\$12,969,493	

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Orders Filled 12/18/23

(Aggressive Portfolio in parentheses)

Sold 500 (2,500) AFRM @ \$43.70

Sold 200 (500) SCHW @ \$69.31

Sold 200 (500) CRUS @ \$83.46

Sold 200 (400) LSCC @ \$68.77

Sold 75 (250) NXPI @ \$229.33

Sold 100 (300) QRVO @ \$111.91

Sold 100 (300) SWKS @ \$111.27

Bought 200 (400) BMY @ \$51.34

Bought 100 (200) ILMN @ \$129.10

Bought 1,000 (3,000) RXRX @ \$9.45

Bought 150 (400) KRE @ \$51.98

Bought 100 (300) DIS @ \$92.86

credited \$190 (\$570) from EA dividend 12/20/23

credited \$712 (\$2,502) from KRE dividend 12/21/23

credited \$20 (\$68) from NVDA dividend 12/28/23

credited \$761 (\$2,535) from NXPI dividend 1/5/24

credited \$270 (\$900) from DIS dividend 1/10/24

credited 158.9 (565.7) shares HQL via

dividend reinvestment on 1/10/24