

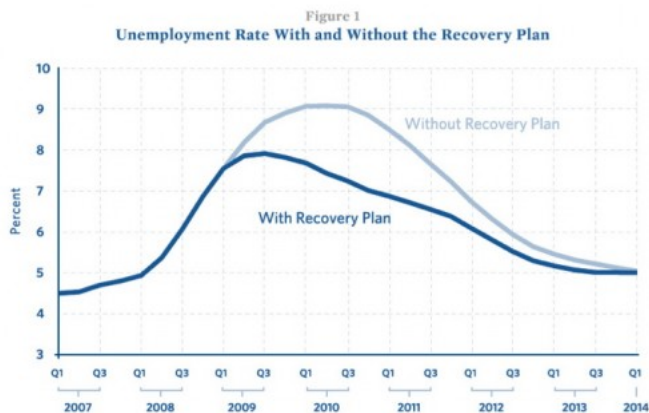
**IMPORTANT NOTICE FOR INTERNET READERS:** During the week of October 25 I will be liquidating most non-gold stocks in my IRAs and extensively weeding my taxable portfolios for a bear market.

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## An Industry by Industry Look at the Stimulus Failure by Morgen Richmond [at BigGovernment.com]

You are probably familiar by now with this infamous graph published by the White House in January 2009 highlighting their expectations for the impact of the Recovery Act on the rate of unemployment. Far from leveling off at 8% and then declining, the actual unemployment rate ran up to 10% by the end of 2009 and has declined only slightly since to 9.5%, largely due to a decline in labor force participation. This in spite of the rapid passage of the massive \$787 billion stimulus bill in February 2009. (Geoff at the Innocent Bystanders blog deserves everlasting credit for being the first to point out this disconnect.)

industry by industry forecast of where these 3-4 million jobs would come from. Here it is:



With the White House and other Democrats resolutely sticking to their claim that the stimulus bill “saved or created” 3-4 million jobs, I thought it might be worthwhile to point out that the very same January 2009 White House report also included an

Table 4  
Job Creation of Recovery Package by Industry

Industry	Jobs Created in 2010Q4
Mining	26,000
Construction	678,000
Manufacturing – Total	408,000
Wholesale Trade	158,000
Retail Trade	604,000
Information	50,000
Financial Activities	214,000
Professional and Business Services	345,000
Education and Health Services	240,000
Leisure and Hospitality	499,000
Other Services	99,000
Utilities	11,000
Transportation and Warehousing	98,000
Government – Total	244,000
<b>Total</b>	<b>3,675,000</b>

Thanks to the inclination of economists to model verifiable data (even when they are pulling numbers out of the sky), these industry categories happen to align perfectly with employment data tracked by the Bureau of Labor Statistics. Thus we can easily compare the actual changes in employment to the figures forecast by the White House. In the table below, I’ve calculated the net change in employment by industry from February 2009, when the stimulus bill was passed, to July 2010, using the latest data available from the BLS....

**Jobs Created      Jobs Created**

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	Forecast (Q4-2010)	Actual (2/2009 to 7/2010)
Mining	26,000	-14,000
Construction	678,000	-862,000
Manufacturing	408,000	-660,000
Wholesale Trade	158,000	-173,900
Retail Trade	604,000	-288,900
Information	50,000	-161,000
Financial Activities	214,000	-321,000
Professional and Business Services	345,000	-246,000
Education and Health Services	240,000	+473,000
Leisure and Hospitality	499,000	-86,000
Other Services	99,000	-71,000
Utilities	11,000	-11,400
Transportation and Warehousing	98,000	-143,500
Government	244,000	-64,000
<b>TOTAL</b>	<b>3,675,000</b>	<b>-2,629,700</b>

The figures speak for themselves, but note that the difference between the total number of jobs the White House forecast would be “created” and the actual number of jobs lost represents an astounding delta of over 6 million jobs. Six million! Where are the jobs, indeed.

Remarkably, even the total number of government jobs dropped, I imagine due to job losses at the state and local levels. And how can the Recovery Act be considered anything other than a complete and utter failure with over 1.5 million fewer construction jobs than forecasted? In spite of endless propaganda over shovel-ready projects, and the nation littered with

roadside signs touting Recovery Act projects.

Most damning of all I think is that the job losses I’ve highlighted occurred after President Obama assumed office, and by and large after the stimulus bill was passed and the money began to flow. These are not “inherited” job losses by any stretch.

Defenders of the White House argue that the economy was in more dire shape than they realized at the time, and that the employment situation would be worse without the stimulus bill. This may be the case, but it doesn’t change the fact that the Administration and their allies in Congress rammed through an unprecedented \$787 billion in spending - much of it having little to do with economic stimulus - based on flawed assumptions and overly optimistic forecasts.

It’s simply irrefutable that the Recovery Act has not had the beneficial impact projected by the White House. In fact, based on the data alone it’s arguable that the net impact has been detrimental to the economy, especially in combination with other legislation and policy changes enacted by the Administration and the Democrat-led Congress.

While Democrats would like to blame their declining political fortunes on a climate of fear stirred up by the GOP and conservative media, mainstream America recognizes incompetence and mismanagement when they see it. Saddling our children and grandchildren with \$787 billion of debt (plus interest), while presiding over the loss of millions of more jobs - and yet brazenly claiming that they somehow “saved or created” 3-4 million jobs - is a disgraceful legacy of failure and deceit from which there is no escape. November is coming.

## *QUOTES FOR THE MONTH*

*When the Fed creates inflation, that erodes the value of fixed-asset investments like bonds, which can't adjust their returns to the new price level. So many commentators are pointing to the record low bond yields as evidence that inflation is not a threat. But this is a misreading of the situation. What is overlooked is that when the Fed prints more dollars, it typically uses them to buy bonds. Traders know this, so they are stocking up on bonds at ridiculous prices just to flip them to the Fed. They don't care that, in the*

*long run, the Fed's policies will destroy the bonds' value because in the short run, the weak dollar policy serves as a tremendous subsidy to bond sellers. - Peter Schiff*

*Investors who want to avoid disaster should be at least 80% in Treasuries right now, since the preservation of capital is paramount. This next phase of the bear market is going to make the deep economic trough of the early 1970s look like a picnic. Back then, the*

economy was in a secular credit expansion that resumed following the 1973-4 bear market. This time, credit is collapsing and consumers will be unable to reverse the trend. Economic growth is going to swing negative in 2011, and it's possible it will remain negative by as much as 2% to 3% for a couple of years. That the stock markets have yet to discount an economic implosion of this degree implies that the collapse in share values just ahead will be devastating. If you've been hanging onto stocks, lulled by this summer's hoax into believing there's no need to rush for the exit, think again. It's time to get ready for the most destructive and precipitous phase of this Great-Recession-or-Worse. - Rick Ackerman

On May 6 the Dow opened at 10,862.22. Its intraday low came in nearly a thousand points lower at 9,869.62. And the closing price was 10,520.32. This roller coaster was immediately named the "flash crash". And it left many pundits demanding an explanation as to what might have caused this unusual event. Now the findings of the SEC and CFTC are in. And they're very frightening: Nothing special had happened! Yes, there was a \$4.1 billion stock-futures sell order - 75,000 E-mini contracts that mimic the movement of the Standard & Poor's 500-stock index - by a mutual fund company. Although relatively large, it was a normal hedging activity using a computer-generated program. But since the market was already nervous due to Europe's debt crisis, this order pushed the market into a tailspin. This finding is exactly what I had expected.... [previously] I called the flash crash a warning crack, typically occurring at the end of a huge bull move. It was indeed a warning sign that the bullish forces are fading and a hallmark of a forthcoming bear market. I also told you to take the flash crash as a harbinger of what this coming bear market will have in store for us. - Claus Vogt

I used to be a junk bond analyst and learned from that experience that the math generally doesn't work. Think about it. If you buy a junk bond at par and its price rises because the issuing company is doing well, they'll call the bonds away from you. So your upside is limited to the coupon plus a modest take-out premium. But your downside risk if the company runs into trouble -- as a big percentage of junk issuers do -- is much higher, frequently 50% or more. Even in good times these aren't attractive odds. The default rate for junk bond issuers has been very low lately. This is always the case when money is easy, because even weak companies are able to avoid default by refinancing their loans. But when the economy turns down or interest rates rise you discover, as Warren Buffett likes to say, who's been swimming naked. Typically the junk market has a lot of skinny-dippers. -

John Rubino

I think the government's going to continue to throw gasoline on the fire they lit. That's all they know. They want to keep us spending. They want to keep asset prices from falling. They want to keep insolvent institutions afloat. And the only way to do that is to keep printing money because the politicians who are there don't want to face the music. They don't want to admit how severe the problems are - that they themselves are at the root of those problems, and that the solutions require less government. Instead, they want to play Santa Claus. And they want to vilify the market, vilify capitalism, and vilify the greed on Wall Street. But that isn't the cause of our problems - it's the greed in Washington, the greed for power. It's their subsidies and regulations that removed the fear and allowed private sector greed to run unchecked. And now they refuse to acknowledge the damage they've done to this economy. - Peter Schiff

The simple truth is that Bernanke can't pull liquidity at the present time because the government is spending all of its tax receipts paying for entitlements. Even if the economy "recovers" he still can't do it because doing so means that interest expense would more than double, and the government doesn't have the money now and won't even under a rosy economic recovery scenario. This is an environment in which it makes sense to own stocks as investments? The hell it does. This is a classic "death spiral" situation and equity valuations are in a severe bubble as a consequence of all the government "cheese", despite "appearing" to be "cheap." - Karl Denninger

Quantitative Easing will some day be looked back upon as we now look at healing the sick through bleeding back in the 1700s. It is terrible economic policy, in fact should be considered criminal activity. Criminal for many reasons, such as debasing the value of the dollar, but more importantly because it will be the final nail that destroys our economy. Wall Street is the key beneficiary. Households (consumers) which account for 70 percent of GDP, and small businesses, which account for 70 percent of employment, will not benefit from this fraudulent activity by the Federal Reserve. Where on earth is it right for someone to print trillions of dollars out of thin air and then buy legitimate, legally-binding debt instruments in exchange for this printed paper? Anyone else doing this would be arrested and thrown in jail, with the key tossed into the deep blue sea. - Robert McHugh

The whole purpose of QE2 is to try and get consumers and businesses spending. For a Keynesian, it is all about stimulating final consumer demand. That is

tough in a world coming out of a credit crisis, where consumers are wanting to deleverage. But what if they push a few trillion into the economy and it shows up in the stock market? Or the market just feels good that "Daddy" is doing something and runs up on its own? Can that change consumer sentiment? Will we feel like spending more? Could that be the catalyst? Maybe, but I doubt it. But you can bet your last trillion they are going to try.... Sadly, if we go down that path I think this is going to end in tears. There are just too many unintended consequences that can reach up and bite us in our collective derrieres. I am not sanguine about 2011. I dearly, truly hope I am wrong. For your sake, gentle reader, and for my seven kids. - John Mauldin

As I stated in June of 2008, we are now on the back side of peak consumption and peak credit. Regardless of what Bernanke of the Fed does, the demographic pendulum is in motion. There is no going back. Once attitudes hit extreme then reverse, there is nothing the Fed or anyone else can do about it. Thus, the question is not whether the US will follow the footsteps of Japan, the question is whether the US or Japan blows up first from misguided central banks fighting a battle that cannot be won. - Mike "Mish" Shedlock

As an historian, I repudiate the cult of Keynesianism. Their theories have a perfect track record; 100% failure! Keynesians therefore have a learning curve as flat as a tabletop, and should be driven out of government! - Kent Crawford, PhD

You can't continue to have the Fed print like mad, and foreign and hard assets skyrocket in value forever, without destabilizing the entire global financial system. Something has to give, and any number of dire consequences - a dollar collapse, a surge in inflation and interest rates, a massive collapse in overvalued asset prices - could result.... be wary for out-of-the-blue reversals, because global economic tensions are building fast. - Mike Larson

It's official now. The Fed said it in their meeting notes. And Bernanke said it again on Friday [October 15]: He's going to run the money printing presses. It's the same trick we've seen in countries like Brazil, Argentina and Russia. It's the age-old tactic of GUTTING THE CURRENCY - this time targeting the most important one on Earth, the U.S. dollar.... trashing paper currency is an insidious tactic that governments the world over have repeatedly used when skyrocketing deficits and debt threatened the collapse of their economies. It never works. It always ends in disaster. And now ... Here it is - striking the U.S. dollar directly and relentlessly! Right before our

very eyes! I had hoped I'd never live to see this day. Now, here it is in aces and spades.... Doesn't [Bernanke] realize that every time a government plays these games, the majority of its people suffer? Doesn't he know that our wealth is hopelessly eroded by the falling value of our currency? Doesn't he remember the lessons of history? Of course he does! The real problem is he doesn't seem to care. No matter how LOW the chances of these old tricks working ... and no matter how HIGH the probability that they will backfire ... Bernanke is determined to plow ahead ANYHOW! - Martin Weiss

Consequently, we're seeing the rise in currency market interventions from some of China's key trade competitors as a way to combat their damaging currency disadvantage. This is a clear sign the team effort pledged by G-20 members to combat the economic crisis is falling apart ... Last March, when the G20 assembled during the depths of the worst economic crisis, they broke camp with a vow to fight the battle together - to act in coordination. Central bankers slashed interest rates. Governments rolled out fiscal stimulus packages, and the world economy started producing what many thought was an impressive recovery. But it turned out to be nothing more than a stimulus-induced flop. Now leaders around the world are seeing the writing on the wall - a long period of deleveraging, littered with more economic pain and shocks. And the vow of coordination is giving way to every man for himself. - Bryan Rich

The time may finally be at hand when the imbalances created by Bretton Woods 2 now tear the system asunder. The collapse is coming via an unexpected channel; rather than originating from abroad, the shock that sets it in motion comes from the inside, a blast of stimulus from the US Federal Reserve. And at the moment, the collapse looks likely to turn disorderly quickly. If the Federal Reserve is committed to quantitative easing, there is no way for the rest of the world to stop the flow of dollars that is already emanating from the US. Yet much of the world does not want to accept the inevitable, and there appears to be no agreement on what comes next. Call me pessimistic, but right now I don't see how this situation gets anything but more ugly. - Tim Duy

Thirty years ago [in Japan], more than 99 percent of college graduates were employed during the critical April hiring season; if more than 1 percent failed to get work, it was considered shocking. Reason: Unlike their counterparts in the U.S., once they miss that window, most become unemployable. Companies view them as rejects, failures. In the next hiring season, it

becomes almost impossible for them to get another interview. Today, approximately 20 percent of college graduates are failing to get a job ... crawling into a corner at their parents' home, or worse, on the streets ... and never re-entering the job market. In the Japanese context, this is TWENTY times more shocking than anything ever seen in prior generations. - Martin Weiss

September 2010 was the month when America's housing market either started to struggle out of economic quicksand, or it caught a falling anchor. As a real estate broker.... I have the real-time numbers right now, right in front of me. Anchors away, sailor. The numbers released in the final week of October will be greeted by the public with the enthusiasm of final taps at a wedding. Sales slipped off a cliff. New sellers reached for the sky (this is a hold-up - hand over all your equity and don't try any funny moves - pun intended). While this clearly devastates those on Main Street who pinned their hopes on a fledgling housing recovery (or just a respite), the effects on Wall Street, and the ballot box, may be quite the opposite. The market will react badly to sour existing and new home sales. For a day or two. It may also quickly push the Fed off its starting block in the race to drop payloads of cash on the problem. A new tidal wave of bucks may not make much sense to those who believe in fiscal responsibility, but what better timing could there be to try to buy an election (or at least delay, perhaps briefly, a political disaster). Meaning? The stock market may rebound smartly from this latest housing collapse. October may end on a note of bitter retreat, but then the sky is the limit as corporation after corporation grabs record earnings from cheap money, combined with the joyous bulge of foreign exchange on bottom lines (an accounting gift fabricated by the collapsing dollar). Damn the torpedoes. Full speed astern. - Temple Williams

The Great Foreclosure Fraud is not, as many optimists are attempting to downplay it, a matter of some shady mortgage holders attempting to use a minor technicality to get out of paying their mortgages. Nor is it a matter of poor filing systems or misplaced paperwork on the part of the banks. It is actually the systematic unraveling of a massive fraud cubed, in which the banks have been caught breaking both state and federal law in a large-scale, but futile attempt to cover up their collective insolvency as well as their previous violations of state and federal law. And worse, they have done so with the full knowledge and complicity of the Federal Reserve, Congress and the financial regulatory bodies.... The present economic situation is far more dire than is being reported by the media.... Consider the way in which commercial bank

credit has plunged an unprecedented 13.6 percent since its peak in December 2008; the previous two-year record was the 0.8 percent decline during 1974 and 1975. Since bank credit has historically grown by 8.4 percent each year, this means that the credit supply of the U.S. economy is presently \$2.1 trillion below where it would have been if the economy had continued to grow normally in 2009 and 2010. - Vox Day

If you think there is chaos in the housing market now, just wait. You've already read about banks suddenly stopping foreclosures because of paperwork snafus and the like.... But I'm wondering what impact the moratorium will have on another group: homeowners who bought their places within the last five years owe a lot more on the house than it's now worth and are struggling financially and emotionally with the monthly payments. What's to keep these people from purposely defaulting on their loans? In fact, under the current scenarios, why would anyone cut back on other things their family needs just to pay the loan on a house that the bank can't foreclose on? Yes, I know, there are moral obligation to make the payments. And ethics, and all that other quaint stuff. But don't be surprised if the backlog of "could-be foreclosed but wasn't" properties suddenly spikes. And when push finally comes to shove, even a half-witted attorney representing an aggrieved homeowner can find some sort of paperwork error or misstatement at the time of closing that will keep the family in the house and the bank on the hook forever. - John Crudele

We CANNOT allow this debacle to continue. It will bring the system down. Who will want to buy a mortgage that is in a securitized package with no clear title? Who will get title insurance? Some judge somewhere is going to make a ruling that is going to petrify every title company, and the whole thing grinds to a halt. Let's be very clear. If we cannot securitize mortgages, there is no mortgage market. We cannot go back to where lenders warehoused the notes. It would take a decade to build that infrastructure. In the meantime, housing prices are devastated. Whatever wealth effect remains from housing gets worse, and the economy rolls over.... This needs to get solved. Someone took out a mortgage. Some entity thinks they are owed money. Fix the damn paper trail so that happens, whether in a legal if time-consuming manner, in a regulatory fix, or with legislation. Now, that is not to say the people who did this stuff did not commit felonies and such. We can sort that out over time. The longer we wait the worse it will get. Fix the problem and then go round up the bad guys. There are bigger issues in play here. - John Mauldin

The endless stream of Washington's tone-deaf policies makes it almost impossible to plan. Growing regulatory burdens for small businesses is a huge problem for the labor market. I've heard from a half dozen sources in the past few weeks about soaring premiums as health insurance plans come up for

renewal. Thanks to the mandates in the newly-signed healthcare law, premiums will keep rising. The law had the effect of increasing the cost of hiring new employees, so we shouldn't be surprised that layoffs still exceed new hiring - even this far into the recovery.  
- Dan Amoss

## STOCK MARKET OUTLOOK

So much for the Hindenburg Omen. Needless to say, stocks did not behave as I expected in September, instead putting in a healthy rise for one of the best Septembers on record. By mid-September it was becoming obvious to me (thanks to the whiff of a promise.... later confirmed.... from the Federal Reserve that it would soon print more gobs of dollars) that a multi-month rally was in progress, which could extend to year-end but was more likely to end around election time, give or take a week or two.

Actually, the rally began when the Fed announced it was rolling over the crap on its balance sheet, rather than let it be repaid on maturity. (Did you know that the Federal Reserve owns the second-largest pile of U.S. Treasury debt, after China [which is first] and before Japan?)

Technically, this rally has a lot to not recommend it.... rises on lower volume, concentration in stocks favored by computers trading, massive selling of shares by corporate insiders, historically-low cash levels in mutual funds, and - recently - very high levels of bullishness among money managers ("the herd") and individual investors, the real economy starting to head south again. It appears to me to again be the anti-dollar.... as the value of the dollar declined against other fiat currencies, stocks rose.... especially stocks backed by assets of value, such as commodities and gold.

As I said, normally I would expect the rally to continue to the end of the year. But this is not a normal year.

First, we have the November elections which, rather than an affirmation of business as usual, are more likely to give us a government which will refuse to bail out anybody, for any reason, because that is the way a clear majority of the public wants it to be. Although this is very healthy for the long-term recovery and growth of the economy, in the short term it is very deflationary.

That means that the misguided Keynesians will have only one agency - the Federal Reserve - at their disposal for trying to reflate the economy their way. And the Fed has really only one tool - running the money-printing presses (or their electronic equivalent, as Bernanke might say) to attempt this. But excess dollars stimulate our trading partners into competitive currency devaluations.... now underway.... and further strain the debt-bloated international financial system.

I want to emphasize this last point: The international financial system is again under severe stress, and another systemic failure, for which I currently assess about 55% odds, could pop up at any time.

In such an environment I would recommend caution rather than trying to chase this rally on the assumption that little could go wrong. I do not know just what that failure could be, though it would be financial.... collapse of the dollar, sovereign debt default, China cashing in its U.S. Treasuries, stupid actions (or inaction) by a lame-duck Congress, whatever.... I only feel that the odds are high that *something* could snap fairly soon.

## PORTFOLIO REVIEW

Prices shown are as of October 21, 2010.

### A. "Gold and 'Free' Stocks" - real "dividend and interest distribution" portfolio:

Shrs	Description	Symbol	Bought	Cash Spent	Cost Was	Price	Curr Value
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25	Alliant Energy Corp.	1.58	[LNT/nyse]	17Aug2009	199.53	659.75	36.52	913.00
5	Alliant Energy Corp.	1.58	[LNT/nyse]	25May2010	36.28	153.89	36.52	182.60
35	Barclays PLC	.18	[BCS/nyse]	19Nov2008	139.66	394.50	17.88	625.80
15	Barclays PLC	.18	[BCS/nyse]	4Jun2010	93.53	248.96	17.88	268.20
35	Baytex Energy Trust	2.13	[BTE/nyse]	6Apr2009	26.10	457.34	37.13	1299.55
55	Baytex Energy Trust	2.13	[BTE/nyse]	23May2009	83.63	700.96	37.13	2042.15
12	BHP Billiton Ltd.	1.68	[BHP/nyse]	18Nov2008	10.71	376.64	80.81	969.72
20	BHP Billiton Ltd.	1.68	[BHP/nyse]	19Nov2008	15.20	589.19	80.81	1616.20
11	Cenovus Energy Inc.	.78	[CVE/nyse]	20Nov2008	64.86	173.91	28.25	310.75
4	Cenovus Energy Inc.	.78	[CVE/nyse]	25Feb2010	26.52	95.79	28.25	113.00
7	Cenovus Energy Inc.	.78	[CVE/nyse]	19May2010	22.34	177.47	28.25	197.75
5	Cenovus Energy Inc.	.78	[CVE/nyse]	29Jun2010	57.07	131.64	28.25	141.25
10	CommonWealth REIT	1.92	[CWH/nyse]	4Mar2009	14.61	193.68	26.14	261.40
200	Continental Minerals Corp.		[KMKCF/otc]	21May2010	72.85	359.39	2.49	498.00
20	Coeur d'Alène Mines		[CDE/nyse]	10Nov2008	64.87	140.95	19.52	390.40
5	Coeur d'Alène Mines		[CDE/nyse]	16Jul2010	18.72	72.63	19.52	97.60
50	Deswell Industries Inc.	.40	[DSWL/otc]	12Dec2008	29.32	71.00	3.14	157.00
15	Dow Chemical Co.	.60	[DOW/nyse]	29Dec2008	16.36	415.00	30.52	457.80
5	Duke Energy Corp.	.98	[DUK/nyse]	21May2010	12.62	79.70	17.06	85.30
40	ECB Bancorp Inc.	.28	[ECBE/otc]	4Jan2010	219.37	452.00	13.33	533.20
11	EnCana Corp.	.80	[ECA/nyse]	20Nov2008	79.28	212.56	27.65	304.15
4	EnCana Corp.	.80	[ECA/nyse]	19Mar2010	39.24	123.34	27.65	110.60
10	EnCana Corp.	.80	[ECA/nyse]	25May2010	88.03	286.49	27.65	276.50
45	Entrée Gold		[EGI/ase]	28Feb2007	41.23	69.63	2.66	119.70
100	Entrée Gold		[EGI/ase]	28Oct2008	.00	56.94	2.66	266.00
50	FelCor Lodging Trust		[FCH/nyse]	18Nov2008	1.84	115.95	5.97	298.50
50	First Marblehead Corp.		[FMD/nyse]	23Dec2008	36.95	68.00	2.38	119.00
35	Freeport-McMoRan Copper&Gld	.60	[FCX/nyse]	12Nov2008	95.94	819.32	96.43	3375.05
10	Gammon Gold		[GRS/nyse]	22Oct2008	2.04	41.48	6.77	67.70
50	Gammon Gold		[GRS/nyse]	31Oct2008	7.94	174.95	6.77	338.50
50	Gammon Gold		[GRS/nyse]	3Nov2008	7.45	167.45	6.77	338.50
50	Gammon Gold		[GRS/nyse]	5Dec2008	6.57	123.00	6.77	338.50
50	Gammon Gold		[GRS/nyse]	19Jul2010	147.00	267.88	6.77	338.50
65	Gladstone Capital Corp.	.84	[GLAD/otc]	25Nov2008	64.86	336.15	11.56	751.40
150	Gladstone Capital Corp.	.84	[GLAD/otc]	18Feb2009	349.66	1151.59	11.56	1734.00
100	Gladstone Commercial Corp.	1.50	[GOOD/otc]	16Jan2009	192.82	772.67	18.51	1851.00
100	Gladstone Investment Corp.	.48	[GAIN/otc]	17Nov2008	127.98	349.65	7.27	727.00
100	Gladstone Investment Corp.	.48	[GAIN/otc]	16Jan2009	307.83	518.97	7.27	727.00
15	Gladstone Investment Corp.	.48	[GAIN/otc]	7May2010	26.93	81.42	7.27	109.05
30	Gladstone Investment Corp.	.48	[GAIN/otc]	20,24May2010	46.38	162.30	7.27	218.10
15	GlaxoSmithKline PLC ADS	2.29	[GSK/nyse]	8Jun2009	329.88	497.10	40.50	607.50
5	GlaxoSmithKline PLC ADS	2.29	[GSK/nyse]	21May2010	60.83	163.59	40.50	202.50

60	Integrys Energy Group	2.72	[TEG/nyse]	4Mar2009	540.76	1331.93	53.35	3201.00
15	Intel Corp.	.63	[INTC/otc]	20Nov2008	43.59	187.90	19.76	296.40
5	Intel Corp.	.63	[INTC/otc]	2Jul2010	30.53	95.80	19.76	98.80
25	Kinross Gold Corp.		[KGC/nyse]	4Feb2010	422.94	417.95	17.52	438.00
25	Kinross Gold Corp.		[KGC/nyse]	19Jul2010	392.95	392.95	??	438.00
15	L-3 Communications	1.60	[LLL/nyse]	15May2003	160.67	672.97	70.04	1050.60
22	Macquarie Global Infrastructure	.64	[MGU/nyse]	30Apr2009	97.65	240.46	17.16	377.52
15	Macquarie Global Infrastructure	.64	[MGU/nyse]	21May2010	186.59	57.63	17.16	257.40
100	Macquarie Infrastructure Co.		[MIC/nyse]	2Mar2009	46.46	84.59	18.22	1822.00
20	Market Vectors Gold Miners ETF		[GDX/ase]	6Oct2008	.00	517.22	54.28	1085.60
15	Market Vectors Gold Miners ETF		[GDX/ase]	13Oct2008	.00	404.21	54.28	814.20
25	Market Vectors Gold Miners ETF		[GDX/ase]	31Oct2008	.00	545.20	54.28	1357.00
50	Medical Properties Trust	.80	[MPW/nyse]	12Feb2009	11.39	218.00	11.07	553.50
50	Medical Properties Trust	.80	[MPW/nyse]	18feb2009	11.38	194.50	11.07	553.50
11	Microsoft Corp.	.52	[MSFT/otc]	20Nov2008	17.37	198.99	25.42	279.62
4	Microsoft Corp.	.52	[MSFT/otc]	2Jul2010	35.37	93.23	25.42	101.68
100	Neuberger Berman Real Estate	.08	[NRO/nyse]	16Jun2009	111.01	197.00	3.83	383.00
50	Neuberger Berman Real Estate	.08	[NRO/nyse]	25May2010	11.56	156.99	3.83	191.50
10	Newmont Mining	.40	[NEM/nyse]	25May2007	266.47	397.99	59.22	592.20
5	Newmont Mining	.40	[NEM/nyse]	20Mar2008	25.78	234.67	59.22	296.10
20	Newmont Mining	.40	[NEM/nyse]	24Oct2008	182.92	445.95	59.22	1184.40
10	NextEra Energy Inc.	2.00	[NEE/nyse]	9Nov2005	98.03	419.60	55.59	555.90
3	NextEra Energy Inc.	2.00	[NEE/nyse]	4Jun2010	51.87	148.03	55.59	166.77
105	Penn West Energy Trust	1.77	[PWE/nyse]	18Feb2009	9.55	1028.87	22.53	2365.65
25	Penn West Energy Trust	1.77	[PWE/nyse]	3Mar2009	32.78	190.69	22.53	563.25
25	Precision Drilling Corp.		[PDS/nyse]	20May2010	34.16	168.13	7.55	188.75
100	PNM Resources Inc.	.50	[PNM/nyse]	6Apr2009	454.92	831.57	11.97	1197.00
50	Qwest Communications Int'l	.32	[Q/nyse]	29Apr2009	62.30	187.86	6.43	321.50
25	R.R. Donnelley & Sons	1.04	[RRD/nyse]	12Feb2009	68.86	238.24	18.40	460.00
10	R.R. Donnelley & Sons	1.04	[RRD/nyse]	2Jul2010	80.83	161.27	18.40	184.00
50	Richmont Mines Inc.		[RIC/ase]	21Jan2010	93.91	209.29	4.71	235.50
50	Richmont Mines Inc.		[RIC/ase]	29Jan2010	197.50	197.50	4.71	235.50
4	Rio Tinto PLC ADS	.90	[RIO/nyse]	30Jun2010	94.14	178.71	64.47	257.88
110	Rubicon Minerals Corp.		[RBY/ase]	4Jun2008	18.40	148.46	3.55	390.50
100	Rubicon Minerals Corp.		[RBY/ase]	13Oct2008	16.54	124.94	3.55	355.00
40	SeaDrill Ltd.	2.44	[SDRL/nyse]	9Jul2010	339.08	806.78	29.88	1195.20
25	Teekay Corp.	1.27	[TK/nyse]	14Nov2008	60.19	451.24	31.26	781.50
100	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	13May2009	196.53	436.70	7.00	700.00
100	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	26May2009	168.22	408.39	7.00	700.00
100	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	28May2008	151.36	391.53	7.00	700.00
200	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	6Jun2009	395.27	875.62	7.00	1400.00
25	Tortoise Energy Capital Corp.	1.60	[TYE/nyse]	31Mar2009	191.58	400.06	26.69	667.25

35	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	31Mar2009	405.54	516.36	26.69	934.15
15	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	5Feb2010	270.18	317.68	26.69	400.35
10	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	19May2010	132.88	237.52	26.69	266.90
5	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	25May2010	52.30	113.54	26.69	133.45
25	Tortoise North American Enrgy	1.48	[TYN/nyse]	10Oct2008	.00	177.17	24.59	614.75
150	Tortoise North American Enrgy	1.48	[TYN/nyse]	15Oct2008	217.93	1357.52	24.59	3688.50
100	US Gold Corporation		[UXG/ase]	9Jun2008	141.77	213.94	4.80	480.00
10	VimpelCom Ltd.	.32	[VIP/nyse]	19Nov2008	31.07	82.60	14.63	146.30
25	VimpelCom Ltd.	.32	[VIP/nyse]	22Dec2008	61.18	190.00	14.63	365.75
25	VimpelCom Ltd.	.32	[VIP/nyse]	2Feb2009	15.43	144.25	14.63	365.75
50	Windstream Corp.	1.00	[WIN/nyse]	30Oct2008	353.92	353.92	12.47	623.50
40	Windstream Corp.	1.00	[WIN/nyse]	6Apr2009	243.00	597.50	12.47	498.80
40	Windstream Corp.	1.00	[WIN/nyse]	8Jun2009	274.00	628.50	12.47	498.80
10	Yamana Gold	.04	[AUY/nyse]	22Jun2009	41.46	86.73	10.66	106.60
40	Yamana Gold	.04	[AUY/nyse]	17Aug2009	171.71	351.58	10.66	426.40
50	Yamana Gold	.04	[AUY/nyse]	19Jul2010	326.75	469.45	10.66	533.00
	adjust cash spent for closeouts				-2448.93			
	Totals				8,750.62	32,149.6		61826.99

## SUMMARY - "Free" Stock:

Original cost:	\$34,598.53	
Present value:	\$61,826.99	
Increase:	\$27,228.46	[+78.70%]
(Cash spent:	\$ 8,750.62	
Increase on cash spent:	\$53,076.37	[+606.54%]

COMMENT on "Gold And 'Free' Stock":  
Changes are:

Baytex - I sold 5 shares (of the 40 bought 6Apr2009) @ \$35.52 on 5Oct2010, reducing the cash used for the remaining 35 shares.

Continental Minerals - the share price has flatlined at \$2.50 after KMK announced it was a buyout candidate, so the "folks who know" are anticipating a buyout offer of at least \$2.50 per share. Rather than wait around, I sold 500 shares @ \$2.49 on 1Oct2010, leaving only the 200 shares bought on 21May2010, at a much reduced cash expense, for the final buyout offer.

Gammon Gold - sold 200 @ \$6.82 on 1Oct2001 (of 100 shares bought 21Apr2010, 50 bought 16Jul2010 and 50 of the 100 bought 19Jul2010), leaving 50 shares of the 19Jul purchase.

Integrays - sold 15 shares @ \$52.32 on 5Oct2010, leaving 60 shares at reduced cash from the proceeds of the sale.

Kinross Gold - sold 75 @ \$18.90 on 1Oct2010 (50 shares bought 11Dec2009 and 25 bought 17Dec2009).

Market Vectors Gold Miners - sold 5 shares @ \$54.90 on 1Oct2010 (of the 20 shares bought 13Oct2008), rendering the cash used for all remaining shares of GDX \$0, with excess cash of \$10.57 applied to the adjustment line.

Newmont Mining - I sold 5 of the 10 shares which were bought on 20Mar2008 on 5Oct2010 @ \$62.41, with the proceeds reducing the cash of the remaining 5 shares.

Penn West - sold 10 (of the 115 bought 18Feb2009)

@ \$19.42 on 5Oct2010, reducing the cash used for the remaining 105 shares with the proceeds.

Richmont - on 1Oct2010 I sold 150 shares @ \$5.11. This included half of the 100 shares bought on 21Jan2010 and all of the shares bought on 18Jul2010, with the proceeds reducing the cash used for the remaining 21Jan2010 shares.

SeaDrill - new to the portfolio. Bought 100 @ \$20.17 on 9Jul2010 and sold 60 @ \$27.97 on 27Sep2010, keeping 40 shares.

Yamana - sold 100 shares (50 bought 4Feb2010 and 50 bought 2Jul2010) @ \$11.39 on 1Oct2010, leaving the 50 bought 19Jul2010 with reduced cash.

### B. "Penny Stock Wonders (I Hope)" - real (non-IRA) portfolio

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
200	China 3C Group	[CHCG/otc]	30Nov09			104.00	0.36	72.00
200	Coates International	[COTE/otc]	14Jan09			66.00	0.19	38.00
100	Dyadic International Inc.	[DYAI/otc,pk]	17Aug10			149.95	1.40	140.00
	CASH & money market					.00		0.00
	Totals					319.95		250.00

#### SUMMARY - "PSW":

Original cost:	\$	319.95	
Present value:	\$	250.00	
Increase:	\$	-69.95	[-21.86%]

COMMENT on "Penny Stock Wonders": There is no change from the last issue.

### C. Roth IRAs - real portfolio:

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
1	T-note 4.5% due 15May2017	-	12Jun07			1941.94	117.688	1,176.88
75	China Nepstar Chain Drugstore .26	[NPD/nyse]	21May10			313.20	4.25	318.75
100	China Nepstar Chain Drugstore .26	[NPD/nyse]	9Jun10			325.21	4.25	425.00
55	China Nepstar Chain Drugstore .26	[NPD/nyse]	16Jul10			172.37	4.25	233.75
15	CommonWealth REIT 1.92	[CWH/nyse]	2009			199.90	26.14	392.10
80	First Niagara Financial Group .56	[FNFG/otc]	2009			1008.57	12.08	966.40
48	ING Global Equity Opportunity 1.50	[IGD/nyse]	2009			470.43	11.55	554.40
52	ING Global Equity Opportunity 1.50	[IGD/nyse]	4Feb10			620.51	11.55	600.60
200	M&F Bancorp .07	[MFBP/otc]	25Jan10			320.00	3.30	660.00
379	Penn West Energy Trust 1.77	[PWE/nyse]	2006			11716.10	22.53	8,538.87
290	Prospect Capital Corp. 1.64	[PSEC/otc]	2007			5113.00	10.02	2,905.80
100	Pulaski Financial Corp. .38	[PULB/otc]	4Jan10			658.00	7.10	710.00
100	Pulaski Financial Corp. .38	[PULB/otc]	9Jun10			610.94	7.1	710.00
100	Rurban Financial Corp.	[RBNF/otc]	8Jan10			660.00	2.90	290.00
40	Rurban Financial Corp.	[RBNF/otc]	19Mar10			247.95	2.9	116.00
100	Shaw Communications	[SJR/nyse]	19May10			1789.95	22.85	2,285.00
650	Tortoise Capital Resources .52	[TTO/nyse]	2007,8,9			6699.97	7.00	4,550.00
110	USA Mobility Inc. 1.00	[USMO/otc]	2009			1155.60	15.41	1,695.10

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
	CASH (CD & Fidelity money market)	[FDRXX}				6675.61		6,675.61
	Totals					40,699.25		33,804.26

## SUMMARY - Roth IRAs:

Original cost:	\$ 30,746.19	
Present value:	\$ 33,804.26	
Increase/decrease:	\$ 3,058.07	[+9.95%]

COMMENT on Roth IRAs: For many years the "cash" line has included a bank CD, originally \$4K a half-decade ago. Needless to say, the bank is not offering 4.65% CDs any more, so as this matures it

is being transferred directly to Fidelity, where I believe I can achieve a higher yield with reasonable safety. (This should also simplify things for my wife should I suddenly and unexpectedly croak.)

## D. "Free" Stock inside IRA" - real "dividend distribution" portfolio:

Shrs	Description	Symbol	Bought	Cash Spent	Cost Was	Price	Curr Value
3	AFLAC Inc.	[AFL/nyse]	2Mar2009	27.68	50.34	55.24	165.72
6	AFLAC Inc.	[AFL/nyse]	10Mar2009	55.35	84.50	55.24	331.44
6	AFLAC Inc.	[AFL/nyse]	8Apr2009	55.35	130.28	55.24	331.44
2	AFLAC Inc.	[AFL/nyse]	4Jun2010	19.47	85.83	55.24	110.48
20	Alexander & Baldwin	[ALEX/nyse]	2Jan2009	302.01	463.80	34.77	695.40
5	Alexander & Baldwin	[ALEX/nyse]	1Jul2010	79.37	147.09	34.77	173.85
15	Allete Inc.	[ALE/nyse]	15May2009	219.28	396.75	37.34	560.10
5	Allete Inc.	[ALE/nyse]	25Feb2010	109.42	158.84	37.34	186.70
5	Allete Inc.	[ALE/nyse]	4Jun2010	95.93	170.34	37.34	186.70
50	Alpine Total Dynamic Dividend	[AOD/nyse]	14Jan2009	271.06	356.00	5.68	284.00
25	Alpine Total Dynamic Dividend	[AOD/nyse]	13Feb2009	149.78	192.25	5.68	142.00
15	Alpine Total Dynamic Dividend	[AOD/nyse]	5Feb2010	47.30	119.63	5.68	85.20
15	American Electric Power	[AEP/nyse]	14Apr2009	268.53	392.25	36.90	553.50
5	Automatic Data Processing Inc.	[ADP/nyse]	6Jun2009	62.62	177.50	43.57	217.85
2	Automatic Data Processing Inc.	[ADP/nyse]	25Feb2010	27.19	82.98	43.57	87.14
1	Automatic Data Processing Inc.	[ADP/nyse]	12Aug2010	16.61	39.98	43.57	43.57
15	Black Hills Corp.	[BKH/nyse]	15Jan2009	325.11	382.85	32.60	489.00
25	Black Hills Corp.	[BKH/nyse]	19Jan2009	376.52	472.75	32.60	815.00
15	CenturyLink Inc.	[CTL/nyse]	16Apr2009	272.44	403.19	40.47	607.05
15	CorpBanca S.A. ADS	[BCA/nyse]	29Dec2008	110.52	300.00	77.40	1161.00
50	BlackRock Real Asset Equity Tr	[BCF/nyse]	15Jan2009	42.82	332.97	13.41	670.50
20	BlackRock Energy & Resourc Tr	[BGR/nyse]	20Apr2009	125.67	315.99	25.52	510.40
50	BlackRock Enhanced Dividend	[BDJ/nyse]	7May2009	263.26	357.00	8.78	439.00
25	BlackRock Enhanced Dividend	[BDJ/nyse]	6May2010	42.38	190.69	8.78	219.50
10	BP PLC ADS	[BP/nyse]	15Apr2009	43.24	520.65	40.65	406.50
15	BP PLC ADS	[BP/nyse]	25Jun2010	275.52	413.19	40.65	609.75
5	Cohen & Steers Infrastructure	[UTF/nyse]	14Apr2009	5.85	141.25	16.70	83.50

25	Cohen & Steers Infrastructure	.96	[UTF/nyse]	20Apr2009	29.25	244.75	16.70	417.50
5	ConocoPhillips	2.20	[COP/nyse]	14Apr2009	26.51	201.40	61.12	305.60
5	ConocoPhillips	2.20	[COP/nyse]	8Jul2009	28.65	203.55	61.12	305.60
5	ConocoPhillips	2.20	[COP/nyse]	8Feb2010	102.85	240.30	61.12	305.60
5	ConocoPhillips	2.20	[COP/nyse]	25May2010	110.28	243.92	61.12	305.60
5	ConocoPhillips	2.20	[COP/nyse]	1Jul2010	173.54	243.99	61.12	305.60
25	DWS Dreman Value IncomEdge	.32	[DHG/nyse]	4May2009	102.82	205.00	14.57	364.25
30	Eaton Vance Enhanced Equity	1.44	[EOS/nyse]	12May2009	251.55	339.48	13.07	392.10
45	Eaton Vance Tax-Adv Global	1.20	[ETG/nyse]	20Apr2009	207.46	389.22	14.19	638.55
35	Enbridge Energy Management LLC		[EEQ/nyse]	18Dec2008	0.88	970.40	58.17	2035.95
50	Endeavour Silver Corp.		[EXK/ase]	8Feb2010	45.27	163.37	4.41	220.50
50	Exeter Resource Corp.		[XRA/ase]	8Dec2009	131.54	245.60	5.69	284.50
50	Exeter Resource Corp.		[XRA/ase]	17Dec2009	169.54	285.20	5.69	284.50
100	Exeter Resource Corp.		[XRA/ase]	16Jul2010	587.77	587.77	5.69	569.00
50	Extorre Gold Mines Ltd.		[EXGMF/otc.pk]	8Dec2009	32.88	61.40	4.96	248.00
50	Extorre Gold Mines Ltd.		[EXGMF/otc.pk]	17Dec2009	42.38	71.30	4.96	248.00
50	Fauquier Bankshares Inc.	.80	[FBSS/otc]	22Dec2009	489.97	639.00	12.75	637.50
10	First Trust Specialty Finance	.60	[FGB/nyse]	15Jan2009	9.60	195.50	7.29	72.90
50	First Trust Specialty Finance	.60	[FGB/nyse]	17Apr2009	47.99	190.47	7.29	364.50
25	First Trust Specialty Finance	.60	[FGB/nyse]	5Feb2010	48.07	139.12	7.29	182.25
15	First Trust Specialty Finance	.60	[FGB/nyse]	7May2010	14.83	99.60	7.29	109.35
25	First Trust Specialty Finance	.60	[FGB/nyse]	14May2010	52.44	180.16	7.29	182.25
35	Glatfelter	.36	[GLT/nyse]	17Apr2009	22.92	241.13	12.46	436.10
10	Glatfelter	.36	[GLT/nyse]	4Jun2010	40.62	110.09	12.46	124.60
10	Glatfelter	.36	[GLT/nyse]	1Jul2010	57.61	105.85	12.46	124.60
200	Golden Predator Royalty & Develop		[[GPRXF/otc.pk]	21Oct2009	114.54	114.54	0.55	110.00
200	Golden Predator Royalty & Develop		[[GPRXF/otc.pk]	5Feb2010	115.33	115.33	0.55	110.00
100	Great Basin Gold Ltd.		[GBG/ase]	5Oct2009	46.09	152.80	2.50	250.00
100	Great Basin Gold Ltd.		[GBG/ase]	17Dec2009	63.26	169.98	2.50	250.00
27	H&Q Life Sciences Investors	.80	[HQL/nyse]	14Apr2009	118.02	208.59	9.87	266.49
15	H&Q Life Sciences Investors	.80	[HQL/nyse]	2Feb2010	56.31	142.10	9.87	148.05
8	H&Q Life Sciences Investors	.80	[HQL/nyse]	12Aug2010	7.00	72.00	9.87	78.96
20	Hawaiian Electric Industries	1.24	[HE/nyse]	14Apr2009	198.59	313.59	22.55	451.00
3	HSBC Holdings PLC ADS	2.00	[HBC/nyse]	15Jan2009	26.40	200.45	52.55	157.65
5	HSBC Holdings PLC ADS	2.00	[HBC/nyse]	8Apr2009	44.00	92.44	52.55	262.75
25	ING Asia Pacific High Div Eq In	1.80	[IAE/nyse]	13Jan2009	183.99	272.74	17.57	439.25
17	Kayne Anderson Energy Dev	1.20	[KED/nyse]	20Apr2009	4.33	176.22	16.38	278.46
10	Kayne Anderson Energy Dev	1.20	[KED/nyse]	6May2010	29.44	145.34	16.38	163.80
10	Kayne Anderson Energy Dev	1.20	[KED/nyse]	19May2010	69.48	147.99	16.38	163.80
20	Kayne Anderson Energy Total R	1.92	[KYE/nyse]	20Apr2009	130.77	276.99	26.08	521.60
10	Kayne Anderson Energy Total R	1.92	[KYE/nyse]	5Feb2010	84.79	209.65	26.08	260.80
5	Kayne Anderson Energy Total R	1.92	[KYE/nyse]	6May2010	30.34	117.84	26.08	130.40

15	Kinder Morgan Management LLC		[KMR/nyse]	16Apr2009	558.41	623.65	62.37	935.55
3	Kinder Morgan Management LLC		[KMR/nyse]	25May2010	55.66	154.43	62.37	187.11
10	LNB Bancorp	.04	[LNBB/otc]	12May2009	27.84	50.80	4.73	47.30
50	LNB Bancorp	.04	[LNBB/otc]	21May2009	119.68	234.50	4.73	236.50
100	LNB Bancorp	.04	[LNBB/otc]	22Dec2009	311.94	418.99	4.73	473.00
30	Louisiana-Pacific Corp.		[LPX/nyse]	20Apr2009	24.91	150.50	8.21	246.30
15	Louisiana-Pacific Corp.		[LPX/nyse]	11Aug2010	24.32	102.41	8.21	123.15
20	L.S. Starrett & Co.	.24	[SCX/nyse]	6Jul2009	.00	213.80	9.55	191.00
20	L.S. Starrett & Co.	.24	[SCX/nyse]	25May2010	70.70	187.67	9.55	191.00
10	L.S. Starrett & Co.	.24	[SCX/nyse]	24Jun2010	29.42	90.30	9.55	95.50
5	L.S. Starrett & Co.	.24	[SCX/nyse]	13Aug2010	23.13	44.89	9.55	47.75
25	Methanex Corp.	.62	[MEOH/otc]	17Apr2009	35.83	358.63	27.01	675.25
5	Methanex Corp.	.62	[MEOH/otc]	30Jun2010	18.74	100.10	27.01	135.05
50	New York Community Bancorp	1.00	[NYB/nyse]	6Nov2009	322.57	538.00	16.76	838.00
30	Nisource Inc.	.92	[NI/nyse]	14Apr2009	202.42	315.43	17.69	530.70
10	Nisource Inc.	.92	[NI/nyse]	25May2010	64.83	143.29	17.69	176.90
10	Northwestern Corp.	1.36	[NWE/nyse]	17Apr2009	82.89	217.10	29.28	292.80
5	Northwestern Corp.	1.36	[NWE/nyse]	25Feb2010	46.23	126.54	29.28	146.40
5	Northwestern Corp.	1.36	[NWE/nyse]	28May2010	75.05	132.84	29.28	146.40
10	Novagold Resources		[NG/ase]	16Apr2009	6.27	26.30	9.01	90.10
50	Novagold Resources		[NG/ase]	17Apr2009	31.24	124.00	9.01	450.50
35	Novagold Resources		[NG/ase]	27Jul2010	65.81	216.26	9.01	315.35
24	Pace Oil & Gas Ltd.		[MDOEF/otc]	29Dec2008	10.25	98.73	7.28	174.72
26	Pace Oil & Gas Ltd.		[MDOEF/otc]	12Aug2009	192.71	192.71	7.28	189.28
200	Provident Energy Trust	.71	[PVX/nyse]	29Dec2008	73.58	708.87	7.51	1502.00
100	PSB Holdings Inc.		[PSBH/otc]	21Sep2009	166.97	330.00	3.49	349.00
35	Telecom Corp. of New Zealand	.84	[NZN/nyse]	30Dec2008	36.21	334.00	7.66	268.10
15	Telecom Corp. of New Zealand	.84	[NZN/nyse]	28May2010	41.40	97.79	7.66	114.90
20	Southern Copper Corp.	1.72	[SCCO/nyse]	15Jan2009	.00	285.00	42.04	840.80
20	Southern Copper Corp.	1.72	[SCCO/nyse]	19May2010	104.81	521.99	42.04	840.80
10	Southern Copper Corp.	1.72	[SCCO/nyse]	1Jul2010	.00	263.25	42.04	420.40
50	Premier Financial Bancorp Inc.	.44	[PFBI/otc]	14May2009	94.99	271.50	6.45	322.50
100	Sprott Resource Lending Corp.		[SILU/ase]	20Apr2009	77.94	77.94	1.78	178.00
5	Rayonier Inc.	2.00	[RYN/nyse]	20Apr2009	55.43	348.40	51.07	255.35
5	Rayonier Inc.	2.00	[RYN/nyse]	4Feb2010	124.32	207.19	51.07	255.35
5	Rayonier Inc.	2.00	[RYN/nyse]	20May2010	91.53	216.59	51.07	255.35
4	Rio Tinto PLC ADS	3.60	[RIO/nyse]	14Nov2008	18.17	81.44	64.47	257.88
20	Rio Tinto PLC ADS	3.60	[RIO/nyse]	15Nov2008	90.85	420.40	64.47	1289.40
5	Rio Tinto PLC ADS	3.60	[RIO/nyse]	30Jun2010	130.33	221.44	64.47	322.35
2	Rio Tinto PLC ADS	3.60	[RIO/nyse]	24Aug2010	16.84	96.28	64.47	128.94
10	RMR Real Estate Income Fund	1.60	[RIF/nyse]	8Jul2009	64.67	178.10	29.45	294.50
10	Schlumberger Limited	.84	[SLB/nyse]	24Dec2008	75.36	404.38	64.31	643.10

40	Silvercorp Metals Inc.	.08	[SVM/nyse]	20Apr2009	52.21	92.40	8.71	348.40
20	Silvercorp Metals Inc.	.08	[SVM/nyse]	27Jul2010	61.51	128.65	8.71	174.20
50	Riversource LaSalle Real Estate	.36	[SLS/nyse]	27Apr2009	44.96	253.47	9.84	492.00
40	Southern Bank	.48	[SMBC/otc]	10Jul2009	228.98	376.00	15.20	608.00
15	Spectra Energy Corp.	1.00	[SE/nyse]	11May2009	179.57	238.80	23.53	352.95
60	Taseko Mines Ltd.		[[TGB/ase]	8Jul2009	3.51	96.00	6.35	381.00
75	Teck Resources Ltd.		[TCK/nyse]	14Jan2009	22.96	370.88	44.40	3330.00
50	Teck Resources Ltd.		[TCK/nyse]	15Jan2009	15.30	215.20	44.40	2220.00
25	Tri-Continental Corp.	.16	[TY/nyse]	8Jul2009	71.47	227.00	12.86	321.50
1	Toronto-Dominion Bank	2.37	[TD/nyse]	30Sep2010	148.21	70.00	73.44	73.44
5	Sunoco Inc.	.60	[SUN/nyse]	22Jun2009	67.36	120.62	39.34	196.70
15	Sunoco Inc.	.60	[SUN/nyse]	6Jul2009	183.02	342.80	39.34	590.10
10	Sunoco Inc.	.60	[SUN/nyse]	18Dec2009	136.12	257.50	39.34	393.40
5	Waste Management Inc.	1.26	[WM/nyse]	10Jul2009	47.85	133.27	36.72	183.60
3	Waste Management Inc.	1.26	[WM/nyse]	10Feb2010	33.50	96.21	36.72	110.16
13.5	Weyerhaeuser Co.	.20	[WY/nyse]	14Jan2009	.00	151.95	16.38	221.13
27	Weyerhaeuser Co.	.20	[WY/nyse]	8Jul2009	.00	19.41	16.38	442.26
135	Weyerhaeuser Co.	.20	[WY/nyse]	2Jul2010	.00	41.09	16.38	2211.30
	adjust cash spent for closeouts				-1397.41			
	Totals				11,403.55	29,521.64		49587.37

## SUMMARY - "Free in IRA":

Original cost:	\$30,919.05	
Present value:	\$49,587.37	
Increase:	\$18,668.32	[+60.38%]
(Cash spent:	\$11,403.55	
Increase on cash spent:	\$30,882.68	[+270.82%]

## Comment on "Free in IRA": Changes include:

11Aug2010 and sold 85 of them @ \$7.75 on 27Sep2010, keeping 15 shares.

BP - bought 35 @ \$45.65 on 17May2010, 25 @ \$31.17 on 9Jun2010 and 25 @ \$27.55 on 25Jun2010, and sold 70 @ \$39.86 on 29Sep2010, keeping 15 shares.

Novagold - I sold 65 shares @ \$8.74 on 1Oct2010 (50 bought 22Jul2010 and 15 of the 50 bought 27Jul2010).

Endeavour Silver - I sold 150 shares @ \$4.13 on 1Oct2010 (50 of the 100 bought 8Feb2010, and 100 bought 29Jul2010), leaving 50 shares at reduced cash.

Rio Tinto - bought 50 @ \$48.14 on 24Aug2010 and sold 48 @ \$49.74 on 27Aug2010, keeping 2 shares.

Great Basin Gold - sold 300 @ \$2.43 on 1Oct2010 (100 shares bought 11Dec2009 and 200 bought 4Feb2010), with the proceeds reducing the cash for the remaining 200 shares.

Schlumberger - I received \$25.22 for a fractional share in the acquisition of Smith International, which I have used to reduce both the cost of, and cash used for the 10 shares of Schlumberger received.

Louisiana-Pacific - I bought 100 shares @ \$6.83 on

Silvercorp - sold 40 shares (of the 60 bought 27Jul2010) @ \$8.11 on 1Oct2010, leaving 20 shares from that lot.

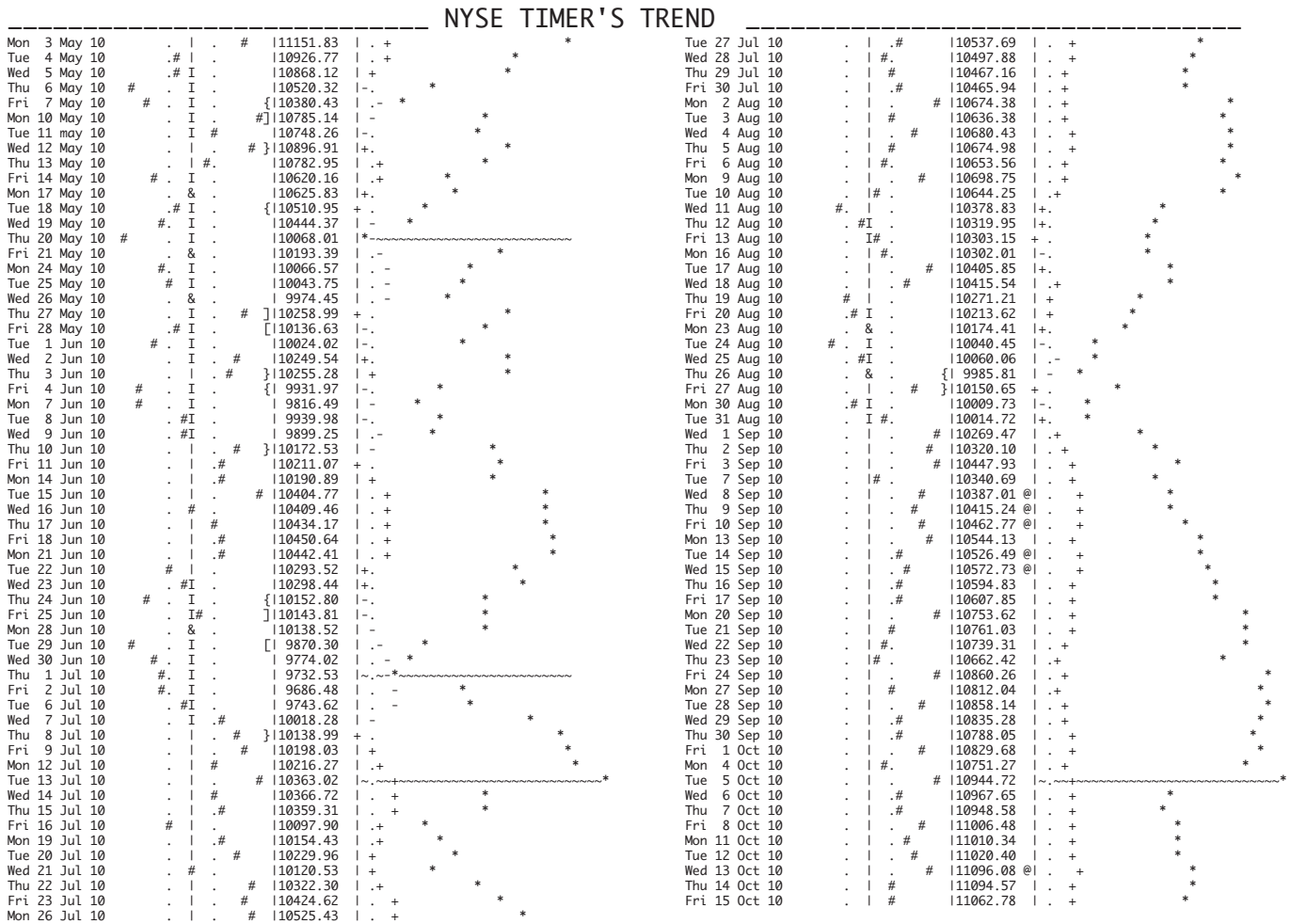
South Financial Group - the acquisition by Toronto Dominion Bank has been completed, for which I received 1 share of TD and \$42 cash.

Southern Copper - I sold 5 of 15 shares (bought 1Jul2010) @ \$34.33 on 1Oct2010, making the cash for the remaining 10 shares \$0 and reducing the cash for the shares bought 19May2010.

Weyerhaeuser - I received 34 new shares and \$530.18 in cash in the early September stock and cash dividend as part of the conversion to a REIT. This has the effect of reducing the cash used for the shares to \$0, with the excess cash of \$435.01 applied to the closeouts line. The cost of the shares has also been reduced proportionately.

**E. TIAA/CREF 403(b) and (non-Roth) IRA retirement plans:** My TIAA-CREF is still in a state of flux. TIAA-CREF values, 21Oct2010: stock, 225.80; equity-index, 86.07; MM, 25.53; bond, 99.15; inflation-indexed bond, 60.85; real estate, 209.99.

Comment on NYSE "Timer's Trend": We're on a BUY signal of August 27, 2010.



Comment on NASDAQ "Timer's Trend": We're on a BUY signal of September 24, 2010.



Wed 5 May 10	# . I .	2402.29	+.	*
Thu 6 May 10	# . I .	{ 2319.64	-	*
Fri 7 May 10	# . I .	2265.64	-	*
Mon 10 May 10	# . I . #	2374.67	-	*
Tue 11 May 10	# . I #.	2375.31	-	*
Wed 12 May 10	# . I . # }	2425.02	+.	*
Thu 13 May 10	# . I #.	2394.36	+.	*
Fri 14 May 10	# . I .	{ 2346.85	+.	*
Mon 17 May 10	# . & .	2354.23	+.	*
Tue 18 May 10	# . I .	2317.26	+.	*
Wed 19 May 10	# . I .	2298.37	-	*
Thu 20 May 10	# . I .	2294.01	-	*
Fri 21 May 10	# . I .	2229.04	-	*
Mon 24 May 10	# . I .	2213.55	@ -	*
Tue 25 May 10	# . I .	2210.95	@ -	*
Wed 26 May 10	# . I .	2195.88	-	*
Thu 27 May 10	# . I . #	2277.88	-	*
Fri 28 May 10	# . I .	2257.04	-	*
Tue 1 Jun 10	# . I .	2222.33	-	*
Wed 2 Jun 10	# . I #.	2282.07	+.	*
Thu 3 Jun 10	# . I . #	2303.03	+.	*
Fri 4 Jun 10	# . I .	2219.17	-	*
Mon 7 Jun 10	# . I .	2173.90	-	*
Tue 8 Jun 10	# . I .	2170.57	-	*
Wed 9 Jun 10	# . I .	2158.85	-	*
Thu 10 Jun 10	# . & .	2218.71	@ -	*
Fri 11 Jun 10	# . I . #	2243.60	-	*
Mon 14 Jun 10	# . I #.	2243.96	-	*
Tue 15 Jun 10	# . I . #	2305.88	+.	*
Wed 16 Jun 10	# . I #.	2305.93	+.	*
Thu 17 Jun 10	# . I .	2307.16	+.	*
Fri 18 Jun 10	# . I #.	2309.80	+.	*
Mon 21 Jun 10	# . I .	2289.09	+.	*
Tue 22 Jun 10	# . I .	2261.80	-	*
Wed 23 Jun 10	# . I .	2254.23	-	*
Thu 24 Jun 10	# . I .	2217.42	-	*
Fri 25 Jun 10	# . I .	2223.48	-	*
Mon 28 Jun 10	# . I #.	2220.65	-	*
Tue 29 Jun 10	# . I .	2135.18	-	*
Wed 30 Jun 10	# . I .	2109.24	@ -	*
Thu 1 Jul 10	# . I .	2101.36	-	*
Fri 2 Jul 10	# . I .	2091.79	@ -	*
Tue 6 Jul 10	# . I .	2093.88	@ -	*
Wed 7 Jul 10	# . & .	2159.47	-	*
Thu 8 Jul 10	# . & .	2175.40	-	*
Fri 9 Jul 10	# . I #.	2196.45	-	*
Mon 12 Jul 10	# . & .	2198.36	-	*
Tue 13 Jul 10	# . I . #	2242.03	+.	*
Wed 14 Jul 10	# . I . #	2249.84	+.	*
Thu 15 Jul 10	# . I . #	2249.08	+.	*
Fri 16 Jul 10	# . I .	2179.05	-	*
Mon 19 Jul 10	# . I .	2198.23	-	*
Tue 20 Jul 10	# . I .	2222.49	-	*
Wed 21 Jul 10	# . I .	2187.33	-	*
Thu 22 Jul 10	# . I . #	2245.89	-	*
Fri 23 Jul 10	# . I . #	2269.47	+.	*
Mon 26 Jul 10	# . I . # }	2296.43	+.	*
Tue 27 Jul 10	# . I #.	2288.25	+.	*
Wed 28 Jul 10	# . I .	[ 2264.56	+.	*
Thu 29 Jul 10	# . I .	2251.69	+.	*
Fri 30 Jul 10	# . I #.	2254.70	+.	*
Mon 2 Aug 10	# . I . #	] 2295.36	+.	*
Tue 3 Aug 10	# . I . #	[ 2283.52	+.	*
Wed 4 Aug 10	# . I . #	] 2303.52	+.	*
Thu 5 Aug 10	# . I .	[ 2293.06	+.	*
Fri 6 Aug 10	# . I .	] 2288.47	+.	*
Mon 9 Aug 10	# . I . #	] 2305.69	+.	*
Tue 10 Aug 10	# . I .	{ 2277.17	+.	*
Wed 11 Aug 10	# . I .	2208.63	-	*
Thu 12 Aug 10	# . I .	2190.27	-	*
Fri 13 Aug 10	# . I .	2173.48	-	*
Mon 16 Aug 10	# . I .	2181.87	@ -	*
Tue 17 Aug 10	# . I #.	2209.44	-	*
Wed 18 Aug 10	# . I #.	2215.70	-	*
Thu 19 Aug 10	# . I .	2178.95	-	*
Fri 20 Aug 10	# . I .	2179.76	-	*
Mon 23 Aug 10	# . I .	2159.63	-	*
Tue 24 Aug 10	# . I .	2173.76	-	*
Wed 25 Aug 10	# . I .	2141.54	-	*
Thu 26 Aug 10	# . I .	2118.69	-	*
Fri 27 Aug 10	# . I #.	2153.63	-	*
Mon 30 Aug 10	# . I .	2119.97	-	*
Tue 31 Aug 10	# . I .	2114.03	-	*
Wed 1 Sep 10	# . I . #	2176.84	-	*
Thu 2 Sep 10	# . I .	2200.01	+.	*
Fri 3 Sep 10	# . I . #	2233.75	+.	*
Tue 7 Sep 10	# . I .	2208.89	+.	*
Wed 8 Sep 10	# . I . #	2228.87	+.	*
Thu 9 Sep 10	# . I . #	2236.20	+.	*
Fri 10 Sep 10	# . I . #	2242.48	+.	*
Mon 13 Sep 10	# . I . # }	] 2285.71	+.	*
Tue 14 Sep 10	# . I . #	2289.77	+.	*
Wed 15 Sep 10	# . I . #	2301.32	+.	*
Thu 16 Sep 10	# . I . #	2302.25	+.	*
Fri 17 Sep 10	# . I . #	2315.61	+.	*
Mon 20 Sep 10	# . I . #	2355.83	+.	*
Tue 21 Sep 10	# . I . #	2349.35	+.	*
Wed 22 Sep 10	# . I . #	2334.55	+.	*
Thu 23 Sep 10	# . I . #	2327.08	+.	*
Fri 24 Sep 10	# . I . # }	] 2381.22	+.	*
Mon 27 Sep 10	# . I . #	2369.77	+.	*
Tue 28 Sep 10	# . I . #	2379.59	+.	*
Wed 29 Sep 10	# . I . #	2376.56	+.	*
Thu 30 Sep 10	# . I . #	2368.62	+.	*
Fri 1 Oct 10	# . I . #	2370.75	+.	*
Mon 4 Oct 10	# . I . #	2344.52	+.	*
Tue 5 Oct 10	# . I . #	2399.83	+.	*
Wed 6 Oct 10	# . I . #	2380.66	+.	*
Thu 7 Oct 10	# . I . #	2383.67	+.	*
Fri 8 Oct 10	# . I . #	2401.91	+.	*
Mon 11 Oct 10	# . I . #	2402.33	+.	*
Tue 12 Oct 10	# . I . #	2417.92	+.	*
Wed 13 Oct 10	# . I . #	2441.23	+.	*
Thu 14 Oct 10	# . I . #	2435.38	+.	*
Fri 15 Oct 10	# . I . #	2468.77	+.	*

"Timer's Trend" is based on 4% and 10% exponential moving averages of the New York Stock Exchange or NASDAQ advance/decline lines (that is, the ratio of advancing to declining stocks). There are many symbols shown above, but the ones that count are the braces: {, } = "Timer's Trend" (4% exponential confirmed by 10% exponential) SELL ({} or BUY ({} signal.

NEXT ISSUE - sometime in December, I think.