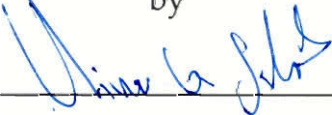


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Project Number: DZT 0403 -49

PORTFOLIO MANAGEMENT

An Interactive Qualifying Project Report:
Submitted to the faculty
of the
Worcester Polytechnic Institute
in partial fulfillment of the requirements for
the Degree of Bachelor of Science
by



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Date:
9 July, 2004

Approved:



Professor Dalin Tang
Advisor

Abstract

Through the use of information and tools available on the internet, we conducted a three-month simulation in the stock market to make good profit. The experience learned from this project will be useful for our future realistic investment.

Acknowledgments

We would like to thank Professor Dalin Tang for his advice and guidance in this project.

We would like to thank our family members for their strong support.

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Chapter 1. Introduction

The activities of buying and selling stocks on the stock market are extremely important for the allocation of capital within economies. Although most of the business on the stock market consists of dealing in existing (secondary) securities, the prices of these securities provided important signals. Companies whose share prices are at a premium to the book value of their assets and on low dividend yields have a 'badge of approval' which enhances their chances of harrowing capital on favorable terms and of raising capital by issuing new shares. Also, transaction pries and quotations provide investors with an indication of the market value of their wealth which may influence their decisions about consumption expenditure. When prices are at historically high levels and/or rising this indicates confidence among investors and may affect the confidence of businessmen and hence their investment decisions.

1.1 Stockholders' reasons for stock ownership.

Why people prefer to buy stocks instead of buying jewelry or something else?

The NYSE conducted surveys in 1944 and again in 1959 to learn why people bought stock. Although 40 years have passed, it seems likely that the reasons cited then are still largely valid: long-term growth of capital, dividends, ada hedge against the inflationary erosion of purchasing power.

The inflationary-hedge rationale is sometimes not valid in the short run. From the mid-1970s to the early 1980s, for example, the U.S. economy was bedeviled by both high inflation and either flat or falling stock prices. Investors who bought shares during this period and sold before the launch of the huge bull market in 1982 would have been fortunate to have recovered their principal, and even that at a reduced purchasing power value. Over the long run, however, share ownership has proven to be a sound off-set to the ravages of inflation. Pioneering research at the University of Chicago, and later at other places, demonstrated the advantages of stock ownership:

The rate of return on an equally weighted portfolio of all NYSE stocks that was held from 1925 through the end of 1976 was 9.0% per annum compounded annually. The rate on long-term governments for the same period was 3.4%. Both calculations are in current dollars.

The study has been updated several times since, and others have expanded the scope by using different market measures. Thus far the earlier work has not only been reconfirmed, but the advantage of stocks over competitive investments has actually widened. Ibbotson & Associates and Ned Davis Research have determined that small stocks returned 12.5% and the Standard & Poor 500 stock index 10.47% annually from 1926 through 1996, while real estate averaged 11.1% and intermediate term bonds 5.2% over the same period.

There have been periods when gold, rare coins, some real estate, and even baseball cards have outperformed stocks, but such periods have usually been brief. Certain investments such as antique Chinese ceramics and old masters paintings have had

excellent long-term performance, but are not erasable investments for those lacking the large sums and specialized knowledge necessary to take advantage of such opportunities. Even these investments are not without risk and are as prone to speculative bubbles as are stocks. This was demonstrated by the astounding sums speculative investors paid for certain van Gogh's and other paintings in the late 1980s. Many of the highest priced paintings were purchased by highly leveraged Japanese investors, and some reappeared in the auction market at significantly reduced prices when the Japanese bubble economy cooled off.

Likewise, many people treated residential real estate as if it were a speculation in the 1980s. Recent experiences had convinced them that prices only went up, although more rapidly at some times and in some places than others. In some areas of California and New York prices doubled in as little as three to five years. Some persons traded houses as short-term speculative vehicles. When the bubble burst, it left many disappointed homeowners holding houses with mortgages equal to, or greater than, their market values. The lesson taught, and with luck learned, is that there are no one-way streets in the investment world.

Few investments approach common stocks for ease of investment and liquidity. Commitments can be made in small amounts and at moderate cost. For most publicly traded securities, accurate and current price information is readily available. Although no price guarantees may be given, the ability to convert securities investments readily into cash illustrates a degree of liquidity seen in none of the other investments with comparable performance characteristics. Holders of art, real estate, jewelry, and some

other investments may be forced to wait months or even years to realize an acceptable price, and then must pay a commission that by stock standards may be exorbitant.

The risk involved in stock investment has to weigh carefully, but it should not be a disvaluing disadvantage when compared, for example, with a risk-free 30-Year U.S. Treasury bond. In fact, no form of investment is without some risk. The buyer of the Treasury bond receives two guarantees—one explicit, the other implicit. The Treasury agrees to pay a stipulated rate of interest, say 7%, and to repay the principal amount at maturity. The implicit guarantee is that the Treasury will not pay the investor 10% and will not repay one penny more than the principal amount. In other indexed Treasury bonds do not wholly address the trade-off of safety versus growth of capital. Thus investors who seek a higher rate of return may find that they cannot afford the risk of not investing in common stocks. That stocks may actually go down in price, sometimes for extended periods, is a risk investors new to the markets in the 1990s should carefully consider. Having seen little in the way of severe price declines, some have come to believe that returns of 10% or so are customary annual figures, rather than long-term averages. The danger is that these investors may not truly appreciate the risk in equity investment, having seen only the return. Still, the risk is worth taking for those who can appreciate it.

Ownership of even the best-quality shares gives no assurance of a superior or indeed of any, return. The past two decades witnessed the bankruptcy of the Johns-Manville Corporation and International Harvester, once staples of the Dow Jones Industrial Average. Serious financial problems in the same period afflicted, among others,

Chrysler, Texaco, Union carbide, and several of the most important banking institutions in the United States, including Chase Manhattan and Citicorp. Although these companies survived and some indeed later prospered, investors who sold shares when the future seemed the bleakest may have lost sizable amounts. The lessons to be learned by stock investors are that they must maintain constant vigilance over investments. They should not evaluate companies solely on past results, however useful those may be in demonstrating superior management and products. Constant vigilance does not imply active trading, a practice that few of even the most skillful professionals succeed at. Rather, it means keeping oneself informed of the nature of the company's business and its place in the global economy as world economic conditions change. There is probably no way investors can protect themselves from the kind of disaster that befell Union Carbide in Bhopal, India, but informed investors can perceive changes that will allow them to avoid declining industries and invest in those with greater growth potential. An investor who correctly perceived the U.S. trend toward eating fast foods in 1965 and bought 100 shares of McDonald's for \$2,250 would have seen that investment grow, if left untouched and with dividends reinvested, to 37,180 shares worth \$1,700,000 by year end 1995. Investors perceiving the same trend but buying shares of less successful competitors may have made much less or even lost money. Indeed, there are probably numerous investors who bought McDonalds shares for \$2,250 and later sold them for \$5,500, considering this to be a fine profit at the time. If there are no guarantees against loss, neither are there any that might prevent a stock investor from doubling or tripling his or her investment by buying common stocks today, regardless of the overall state of

the market. Investors seeking greater than average returns must be ready for greater than average risks.

1.2 What is stock market and why we have to know it.

Before we can understand the stock market and turn our eyes upon its workings, its technique and methods of making profit from our study, it is imperative that we know first the nature of the fundamental goods with which we are dealing. It is very important for us to understand the nature of stock market before we begin the study of technical considerations and methods of operation, the fundamental nature of the physical goods with which we are going to deal. And much of the confusion which now surrounds the motivating forces of security market operation leading to eventual failure and loss, might be avoided if we were more thoroughly grounded in the fundamental characteristics of the actual goods in which he deals.

Stock market operation has been made so easy, so readily available to the general public in recent years that there is a lack of apparent necessity, and therefore a lack of genuine desire, for knowledge of the properties which form the basis of buying and selling stocks.

1.3 The Common Stock.

The common stock, therefore, takes the big chances if either profit or loss, standing as the actual "owner of the corporation's business. For this reason much greater care, study and judgment are necessary in dealing with common stocks than with the

other forms of corporate security, and we shall concern ourselves largely with this particular type of issue. The common stock presents greater risk, but it also offers the chief opportunity for unlimited profit. It is the security representing true ownership in corporate business. And this aspect of true part ownership in physics and producing property is at the corner stone of our understanding of the true meaning of stock market trading.

1.4 What Stock Ownership Means

How many of the small investors scattered throughout the country who have bought small lots of United States Steel Corporation common stock in the last few years visualize the meaning and the significance of the paper stock certificate which they hold? They are more likely to look upon it merely as a negotiable instrument whose fluctuating price is reflected in the morning and evening newspapers.

Yet this small and insignificant piece of paper represents ownership. It represents property. It represents a portion of one of the greatest industrial enterprises of the modern world. Here are millions of acres of valuable property, located throughout the globe. Here are hundreds of square miles of huge factories, their modern co-ordinate machinery working with a precision and sightlines of purpose almost unbelievable. Here are huge smokestacks pouring forth the insignia of active and profitable operation.

Here are hundreds of miles of railroad track, with long trains of heavily laden cars, bearing raw materials to the huge plants and bearing finished products to a consuming world. Here are great coal and iron mines, with steam shovels laboring by the hundreds,

with thousands of men burrowing through tunnels in the depth of the earth to extract valuable ore and raw materials.

Here are mighty fleets of ships, all kinds and all classes, sailing across the seven seas, carrying goods to every corner of the globe. Here are properties, plants, offices in hundreds of great cities in foreign countries scattered throughout the civilized world. Here are branch offices, sales offices, representatives, hospitals, libraries, lawyers' offices, great civic settlements providing homes for thousands of workmen and their families, banks, stores—in short almost every conceivable adjunct of modern productive and consumptive life.

And this modest little piece of paper, this stock certificate, represents part ownership of all this vast domain of wealth. This unassuming, perhaps unthinking, member of the common people is a part owner, a part manager, a part executive in this tremendous clivicle of wealth, of progress and of industry.

1.5 Two Classes of Market Operator

The two classes of stock market operator which are generally admitted and which we merge are outstanding include the investor and the speculator...

Most authorities on the subject of stock market trading and its theories distinguish the three types according to the methods used in securing income from their commitments. But it is perfectly clear that the diversification of classes must be based upon the plan and intent of the purchaser and is in no wise directly dependent upon the quality of the security.

Simply because a man buys a stock which is commonly considered a very strong security and a high grade investment issue is no sign that he is investing in that stock. He is only investing if he buys it with the intention of investing. If he buys it with the idea of taking a risk in it, of profiting by assumption of that risk and selling again in the near future at a higher price than he paid, then it matters not how decisive the investment caliber of the stock he bought. That man is not investing. He is speculating.

Chapter 2 Short term strategy

2.1 Introduction to the project.

At high school we were interested in the stock market. But because we were ordinary guys, without any special advantages, we had no money to invest and went through engineering school and into the work force before we had some surplus savings we could put into stocks in my after-work hours.

Along the way we read everything we could get our hands on and watched the markets. This didn't prepare us for real-life trading, of course. Theory never does. But we did notice a pattern. We spotted that Internet stocks usually pulled back after the open but then bounced back to new highs. Recognizing patterns is very important. But knowing that these patterns change is even more critical, and that's what we learned next. Having noticed the Internet stock trend, we opened a direct access trading account and made our first trade. But at almost the same time, unexpectedly, the pattern we were relying on changed! We had bought DCLK at \$103. At first the price went above that, as we'd anticipated. But then it reversed. Fast.

We froze.

We didn't want to give back our profits. Rather, we hoped the price would rebound. So we bought more shares — at \$94.

But the price slid further. At \$91 we got out.

Those shares slumped even lower, and were not back at \$91 for a long time. The good thing is we had bought only a few shares, so we lost just \$550.

But the price drop almost \$10 in less than two hours!

This left us nervous and insecure. To compound our fears, the next few trades were not wildly profitable, so we stopped trading and looked for alternative, 'safe' strategies.

It took us less than three weeks to learn there are no 'safe' strategies.

And then we found an Internet chat room with an education focus. It was exactly what we needed! Slowly we discovered how to learn and apply strategies in real trading under various market conditions.

Step by step we learned from top traders. And eventually we became expert in a set of special strategies that gave us profits over and over again, even in changing market environments. These strategies have never stopped working. Now our trades are consistently profitable.

Since this situation we started to study every movement about the market and read books and ask stock broker in order to learn the game and here what we ended up with 10 rules to play the game.

2.2 Rules of the Game.

Rule #1 Analysts Recommendation

These analysts would appear to be doing the investment world a great service by giving ratings on different stocks. In fact these analysts often have hidden agendas that the average investor is not aware of. Ever notice how analysts issue buy recommendations when a stock is at its all time high and sell recommendations when stocks are at their all time low?

Rule #2 Money Management

One of the important things to learn with investing is how to manage risk. Anyone that has no respect for risk is on the road for complete financial disaster. You often hear these great stories about the guy who turned a small amount of money into a million dollars but what you don't hear is that years down the road these same people are also often wiped out as a result of not respecting the risks that go with investing. Learning how to pick investments that can appreciate in both good and bad times is key to successful investing.

Rule # 3 P/E's Are Important

There is a good reason why there is a current P/E ratio on every stock quote. Stocks always have to answer to earnings at some point. Investing in low P/E stocks doesn't guarantee positive returns, it merely helps determine your risk/reward ratio. All professional investors use P/E ratios as a primary deciding factor in determining which

stocks they are going to invest in. Even though you might see a stock that is currently growing at 30% a year, keep in mind that in slow growth times like a recession, it's almost impossible for companies to keep up with aggressive growth over the long haul. As a rule, the higher P/E you pay for a stock the more you are speculating which increases your risk.

Rule # 4 IPO's, OTC Stocks

Start investing in IPO's after they begin to trade and you will be able to count the days till you are done doing that! IPO's can start trading up anywhere from 20% to 400% up on their first day of trading and go straight downhill from there until they bottom out. About 75% of all IPO's are trading below their IPO price one year after trading.

OTC or penny stocks defy all logic as they move up mostly on hype instead of actual net profits. There are 2 main ways OTC stocks move up rapidly.

1. A pump and dump tactic, in which a group of people front-load the stock, then issue a big newsletter, etc. in which they sell into the rally. After the rally, the stock moves back down almost as fast as it went up.

2. Massive PR campaigns which are used to bring awareness to an OTC stock. These campaigns work great for a while but by the time the average investor sees the stock the money runs out as the stock start to head back downhill again.

Rule #5 Low Priced Stock Myths

Low priced stocks are not a better value than high priced stocks and they don't go up any faster than high priced stocks. Even in the day of free information there is still a this

feeling that if you buy a stock that is trading at \$5 a share you are have more upside potential than a stock trading at \$65 a share. Even crazier is the feeling that if we have more shares us is better off then if we have only had a few shares. Fact is that only the company's market cap that represents the total value of all shares is important when it comes to putting a value on a company.

Rule #6 Margin Trading is a Fools Game

The key to successful investing is having available cash to choose the next best investing opportunity that comes along. When you get into debt you begin to lose your options and get trapped into your original investments. Remember that all stocks can crash and odds are if you are high in margin that you will soon have a margin call, which you could lose 75% of your money. As a general rule, buying stock on margin is bad money management.

Rule #7 Buying Stocks at Their 52wk High Myth

Even respectable people will tell you that it is logical that only stocks that hit their 52wk highs can hit their next 52wk highs and so on. Also they say that most of the great companies are trading at their 52wk highs. In fact that if you are losing money on a stock it's most likely that you bought the stock at the wrong time being when everybody wants it.

Rule #8 Don't try to hit the home run on every pick

Everyone wants to be the one to have their portfolio shoot up 200% in a short amount of time. Fact is that there is no way to achieve this without taking on severe risk. Have you ever heard of the story "**The Tortoise and the Hare**"? The rabbit has more speed, but

the turtle has more determination, stamina and consistency. The rabbit may get a fast start, but the turtle wins the race.

Rule #9 The Urge to Trade

Emotions work against you in investing and its very easy to want constant action. The problem is that great picks don't come along daily. Idle periods are a part of business. You may force yourself you to find some stock to invest in that will go against you at the worst possible time. You need to be emotionally clean and ready to take on a new investment rather than get caught in a deteriorating position. As a rule, the more you trade, the more risk you take.

Rule #10 All Stocks Can Crash

This is a hard lesson to learn for new investors that ride out a single stock only to see their favorite stock crash later on. As we have seen with history that great stocks like Microsoft, Intel, Compaq and AT&T have all crashed recently. While these stocks will likely hit their highs again sometime in the future, they just like any other stock is bound to crash sometime no matter how great the company is.

2.3 Trading Strategy

There are many ways and many different strategies when it comes to choosing and trading stocks. The main thing to remember is to always be comfortable with your investment strategies because if you aren't comfortable then you shouldn't use them. You may want to consider an industry course to understand these trading vehicles better but

learning with your own money isn't wise. I decided to choose short term trading as my trading strategy.

What is the Short term Strategy?

Buying a stock and holding onto it for a short period of time such as a few months, weeks, and even days .The strategy of short-term traders is to set a target price to buy or to sell. If they think the price will increase, they will usually set a goal and sell the stock when it reaches that price. However, if the share price decreases, the short-term traders usually sell the stock quickly. They hope to make a respectable profit on the stocks they guessed correctly and lose as little as possible on the stocks they guessed incorrectly.

Clearly, to follow their buy and sell strategies, short-term trading requires a lot of discipline. For example, if the share price drops, a short-term investor may not want to sell for a loss and will wait in hopes that the share price will rise. Instead, the price could drop even lower, producing even more losses. Similarly, if the share price increases, a short-term trader may get greedy, holding onto the stock thinking that it will rise even higher. The share price may indeed raise more, but it could also drop below that investor's goal price. The investor may wait for the stock to climb back to the goal price, but the stock's price could also keep falling. In both cases, short-term investors are also practicing the buy-and-hold. By failing to commit to one method, they can reduce potential gains. Many short-term investors suffer from lack of discipline.

To try to be in and out of the stock market at the right time, short-term traders try to time the market. They base their decisions on the performance of the market, but when was the last time someone could consistently predict whether the market was going to go

up or down? Almost every financial advisor says it's impossible to time the market, but many short-term investors still use market-timing strategies to improve their chances of buying and selling for the largest profit and the smallest loss.

Here are a few ways of choosing stocks:

The algorithm used to guarantee profits in the stock market does not exist. If anyone finds a way to predict the precise behavior of any stock on any given day, the stock market will soon become obsolete. For every time one person profits on a transaction, there is another who loses money. Some predictions are right and some are wrong. The only thing an investor can do is make an intelligent prediction. This prediction may be based on an annual earnings report. It can be based on the pattern of stock prices over a certain time period. Supply and demand from around the world may lead an investor to make his or her decision. Some people take all of these factors into account and then some.

The strategy of an investor also reflects his or her goals for the investment. The risk of an investment is directly proportional to the potential gain. Individuals who seek large returns in the stock market will need to make some big risks. Likewise, those who cannot afford to lose much money will have to make investments with smaller return potential. The investor should also have a general idea of how often they will be making transactions. A day-trader looking for frequent small gains will have a different game plan than an investor who wants to put money in a stock that will rise gradually over time. All of these factors should be incorporated into an individual's formula for investment.

There are two ways of doing research to find out which stocks have potential. The easy way is going on the Internet and signing up in one of the groups online that give out tips of which stocks will soon skyrocket. This way is not very dependable because you don't know where the group is getting their information and it is also very expensive. So I don't suggest doing it this way. The other way is going online and doing the research yourself. I say online because probably by the time it hits the newspapers, and definitely the magazines, it will be too late and you will have missed your opportunity to buy the stock. Also, "thanks to a proliferation of financial data on the net, the average person today can tap into information that would have been available only to investment professionals 10 years ago." This way is a little harder and takes a little more time, but it's free, and at least you know where you're getting your information. Knowing where you get your information from is important. You should always make sure your financial information is coming from professionals who do not have any vested interest in the stocks they recommend. You want to make sure that the information you get is unbiased.

In choosing my company stocks I wanted to look at the latest news that might affect the stock price. I particularly looked at the companies' earnings report. At this time in October companies come out with their latest earnings report. I would buy the company stock a day or two nights before they announced the report was coming out and hope that they would have good earnings. . I also, looked if the company was upgraded or downgraded and what the reasons were for the change. I looked for any big events that would effect the stock and if I should by or sell the stock. I looked up anything related to the industry the company was in to see if the news would affect the company

personally. I would like to keep the stock in my position for at least a week or so if the stock came out with good news.

2.4 My Strategy

I chose fifteen companies to invest my money with them for three month start from January 2004 to April 2004. What I did is I check the history for the top 40 companies and I chose fifteen of them to invest my money with them, but I rank them and also I dived them to three groups. The first group includes the top five companies that work very well during the last year when I did check their history and basically they are all pharmaceutical companies and bio tech companies .also I did watch them for three month before I start to invest my money. The first five companies are (VICRUN PHARMA, MGI PHARMA, EPIX MEDICAL INC, HARVARD BIOTECHNOLOGY GROUP AND SENSYTECH INC.).

My trading strategy is a short term trading strategy designed to capitalize on short-term corrections and spurts of growth. My strategy is not as dynamic as day trading but still can be used to capitalize on the aforementioned corrections and growth. The reason I used this strategy was so that I had a chance to make a decent percentage of money in the short term without the risk or work of day trading.

I made my own strategy which is the companies that has the best history record will stay to the end of the trading and the company that has okay record I will sell it once I make a profit.

Chapter 3

Investment with Major Economic Companies

3.1 Stocks Chosen

I choose my first group which all pharmaceutical and biotech companies because I know for sure that the drug field and the chemistry field will never close. Their always will be new disease need researches in order to discover the drugs and to manufacturing the drugs need pharmaceutical companies. So I know for sure that I will make a good profit in this group of companies or at least I will not loose. Another reason why I chose pharmaceutical and biotech companies that I knew that even though we aren't actually in a war right now and we just finish the war on Iraqi, we are still going to be doing research about some weapons that we could use when we do go to war. And I know the terrorist attack will never stop so the government will encourage any research that fight or protect us from the bio chem. War. So I started looking in the biotechnology area and thought.

3.2 VICRUN PHARMA (MICU)

3.2.1 Who is the company and why I choose this company?

BASED ON THE COMPAY INITIATIN PHASE III OF TREATING SKIN AND SOFT TISSUE INFECTION and that is a short summary about the company Vicuron Pharmaceuticals, Inc. is a transatlantic biopharmaceutical company focused on the discovery, development, manufacturing and marketing of pharmaceutical products.

The Company's lead antifungal product candidate, Anidulafungin, is intended for the intravenous treatment of fungal infections. Its lead antibiotic product candidate, Dalbavancin, is a next-generation antibiotic belonging to the same class as vancomycin, one of the most widely used injectable antibiotics for Staphylococcal infections. Dalbavancin is intended for the treatment of serious infections, particularly those caused by Staphylococci. Vicuron's third product candidate, Ramoplanin, is a type of antibiotic called a lipopeptide that has a novel mechanism of action. The Company's fourth product candidate, VIC-Acne, is a novel antibiotic that the Company is developing as a topical cream.

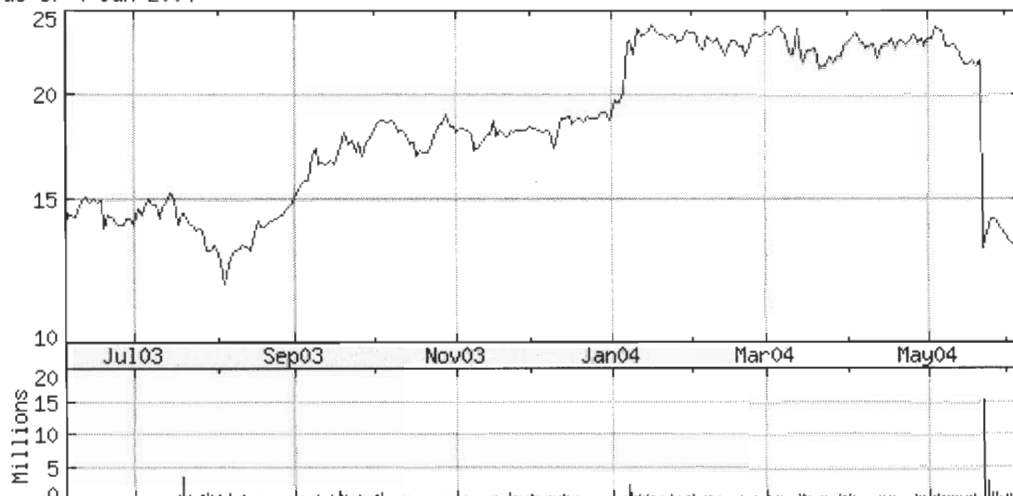
3.2.2 History

For the three months ended 3/31/04, revenues rose 10% to \$1.9 million. Net loss fell 78% to \$23.5 million. Revenues reflect an increase in R&D fees and milestone payments from Pfizer. Net loss reflects the absence of a \$94.5 million acquired in-process research and development charge.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Jun-04	13.91	14.04	13.17	13.40	763,125	13.40
May-04	22.85	24.30	11.95	13.90	1,338,060	13.90
Apr-04	22.90	23.80	21.79	22.80	305,833	22.80
Mar-04	23.43	24.43	20.99	22.75	403,543	22.75
Feb-04	23.79	24.54	21.92	23.37	291,605	23.37
Jan-04	18.80	24.25	18.79	23.72	540,670	23.72
Dec-03	18.15	19.46	16.87	18.65	330,140	18.65
Nov-03	18.37	18.73	16.86	18.15	347,026	18.15
Oct-03	17.60	19.00	16.76	18.34	300,256	18.34
Sep-03	14.75	18.00	14.50	17.70	503,128	17.70
Aug-03	13.13	15.07	11.68	14.78	350,433	14.78
Jul-03	14.15	15.51	12.92	13.23	578,227	13.23
Jun-03	14.38	15.62	13.73	14.20	176,485	14.20
May-03	11.77	14.60	11.30	14.28	183,257	14.28
Apr-03	10.92	13.00	10.54	11.75	186,228	11.75
Mar-03	10.55	13.08	10.05	10.83	361,423	10.83
Feb-03	11.26	11.40	10.18	10.30	79,810	10.30
Jan-03	10.44	12.35	10.17	11.04	173,475	11.04

Table 3.2.2 Monthly table for MICU for a whole year (03-04)

VICURON PHARM
as of 4-Jun-2004



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Last Trade:	13.40
Trade Time:	Jun 4
Change:	↑0.20 (1.52%)
Prev Close:	13.20
Open:	13.45
Bid:	0.01 x 100
Ask:	9,000.00 x 100
1y Target Est:	22.22

Day's Range:	13.21 – 13.58
52wk Range:	11.68 – 24.54
Volume:	383,757
Avg Vol (3m):	650,590
Market Cap:	731.71M
P/E (ttm):	N/A
EPS (ttm):	-1.80
Div & Yield:	N/A (N/A)

FIGURE 3.2.2: Chart for trade stock investment for a whole year (03-04) for MICU

3.2.3 Actual Process

I bought 1000 shares on January 3 @ 19.59 for cost of 19.590 and I sold it for 23.19 and I made profit of 18.37 %.

The price goes up through the whole period. GOOD FOR ME

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	22.90	23.33	22.71	23.19	648,400	23.19
Mar-04	23.43	24.43	20.99	22.75	403,543	22.75
Feb-04	23.79	24.54	21.92	23.37	291,605	23.37
Jan-04	19.59	24.25	19.32	23.72	560,026	23.72

TABLE 3.2.3 for stock investment three month period when I invest my money with MICU

3.2.4 Chart of process

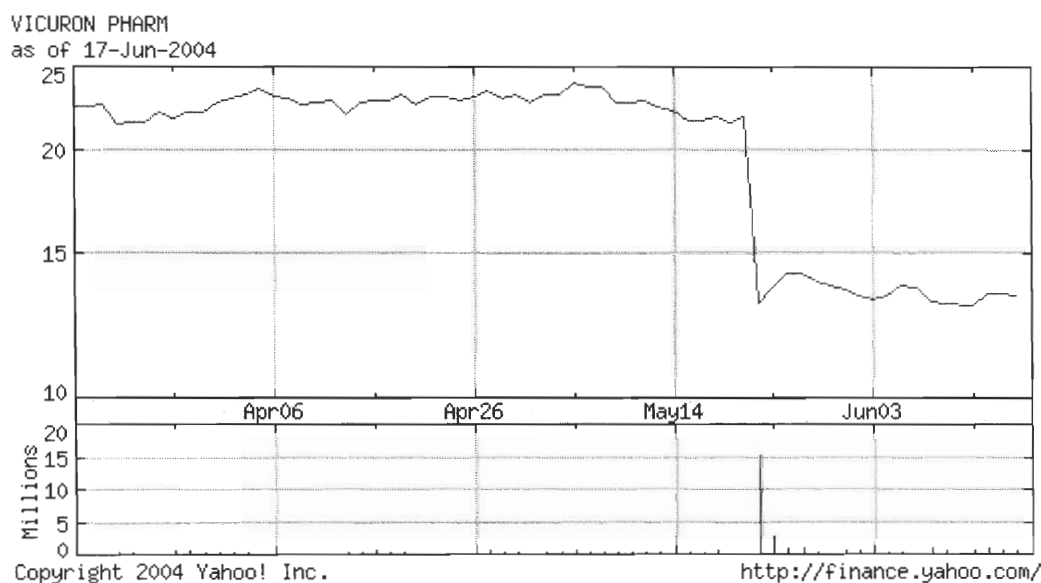


FIGURE 3.2.4: chart for three month period of my investment with MICU

3.3 MGI PHARMA (MOGN)

3.3.1 Who is the company and why I choose this company?

THE COMPANY REPORTED NET LOSS OF \$11.4 MILLION ON 10/15 AND ITS STOCK PLUNGED TO \$37.17 And that is a short summary about the company MGI PHARMA, Inc. is an oncology-focused biopharmaceutical company that acquires, develops and commercializes proprietary pharmaceutical products that meet cancer patient needs. The Company's marketed products include Aloxi (palonosetron hydrochloride) injection, Salagen Tablets (pilocarpine hydrochloride) and Hexalen (altretamine) capsules. MGI began promotion of Aloxi (palonosetron hydrochloride) injection, in September 2003, in the United States for the prevention of chemotherapy-induced nausea and vomiting. It markets Salagen Tablets (pilocarpine hydrochloride) in the United States to oncologists as a treatment for the symptoms of radiation-induced dry mouth in head and neck cancer patients and to rheumatologists as a treatment for dry mouth associated with the autoimmune disease Sjogren's syndrome. Hexalen capsules are an orally administered chemotherapeutic agent approved in the United States for treatment of refractory ovarian cancer patients.

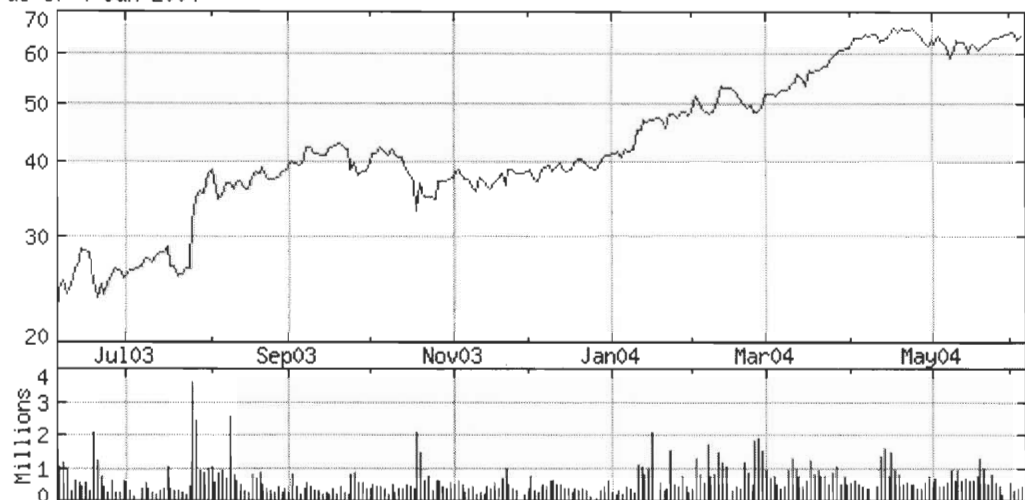
3.3.2 History.

For the three months ended 3/31/04, revenues totaled \$26.9 million, up from \$6.8 million. Net loss fell 53% to \$3.1 million. Revenues reflect increased Salagen Tablet sales due to patient demand growth. Lower loss also reflects an increase in margins.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Jun-04	64.37	65.36	63.49	63.49	545,166	63.49
May-04	61.35	65.63	57.25	64.31	687,270	64.31
Apr-04	60.75	68.18	60.42	61.82	733,528	61.82
Mar-04	49.23	61.75	49.09	61.26	784,821	61.26
Feb-04	47.89	53.75	46.56	49.11	1,087,400	49.11
Jan-04	41.49	49.50	39.80	47.69	672,325	47.69
Dec-03	38.47	41.28	36.40	41.15	445,668	41.15
Nov-03	37.50	39.58	35.36	38.42	455,131	38.42
Oct-03	38.67	42.50	33.09	37.56	611,326	37.56
Sep-03	39.09	43.12	36.42	38.61	449,600	38.61
Aug-03	38.40	40.32	33.20	38.62	701,133	38.62
Jul-03	25.21	38.78	24.95	38.38	754,718	38.38
Jun-03	20.74	29.50	20.11	25.58	757,623	25.58
May-03	14.40	22.24	14.20	20.14	404,809	20.14
Apr-03	12.60	14.80	11.50	14.47	256,552	14.47
Mar-03	10.03	12.99	9.95	12.60	136,571	12.60
Feb-03	8.17	10.43	7.62	10.02	112,242	10.02
Jan-03	7.70	8.14	6.85	8.10	89,215	8.10

Table 3.3.2 Monthly table for MOGN a whole year (03-04)

MGI PHARMA INC
as of 4-Jun-2004



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<http://finance.yahoo.com/>

Last Trade:	64.33
Trade Time:	Jun 4
Change:	↑0.84 (1.32%)
Prev Close:	63.49
Open:	63.96
Bid:	0.01 x 100
Ask:	9,000.00 x 100
1y Target Est:	68.63

Day's Range:	63.531 - 64.46
52wk Range:	20.11 - 68.18
Volume:	466,706
Avg Vol (3m):	687,636
Market Cap:	2.27B
P/E (ttm):	N/A
EPS (ttm):	-1.931
Div & Yield:	N/A (N/A)

FIGURE 3.3.2: Chart for trade stock investment for a whole year (03-04) for MOGN

3.3.3 Actual Process

I bought 2000 shares on January 3 @ 41.69 for cost of 83,380 and I sold it for 63.64 and I made profit of 52.65 %. That was amaze result I had. I did watch the price go up through the whole period so I did know that I will make a really good profit.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	60.75	63.73	60.42	63.64	929,300	63.64
Mar-04	49.23	61.75	49.09	61.26	784,821	61.26
Feb-04	47.89	53.75	46.56	49.11	1,087,400	49.11
Jan-04	41.69	49.50	39.80	47.69	696,500	47.69

Table 3.3.3 for stock investment three month period when I invest my money with MOGN

3.3.4 Chart for my process.

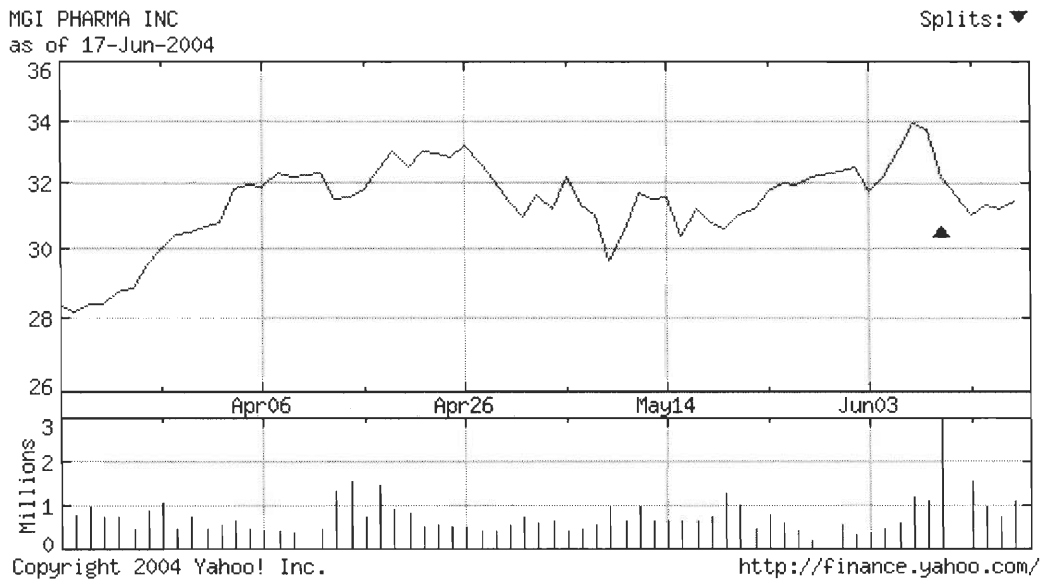


FIGURE 3.3.4 chart for three month period of my investment with MOGN

3.4 EPIX MEDICAL INC (EPIX)

3.4.1 Who is the company and why I choose this company?

ON OCTOBER 23 THE COMPANY ANNOUNCED A LOSS OF \$.17/ SHARE BUT REVENUES INCREASED COMPARED TO LAST QUARTER. And she is the summary about the company EPIX Medical, Inc. is a developer of targeted contrast agents that are designed to improve the diagnostic quality of images produced by magnetic resonance imaging (MRI). MRI is an imaging technology for range of applications, including the identification and diagnosis of a variety of medical disorders. The Company is developing two products, MS-325 and EP-2104R, for use in MRI to improve the diagnosis of multiple cardiovascular diseases affecting the body's arteries and veins (the vascular system). In December 2003, it submitted a New Drug Application, for MS-325, the principal product the Company is developing, to the United States Food and Drug Administration. MS-325 is designed to provide visual imaging of the vascular system through a type of MRI known as magnetic resonance angiography. EP-2104R is designed to illuminate and identify blood clots using MRI.

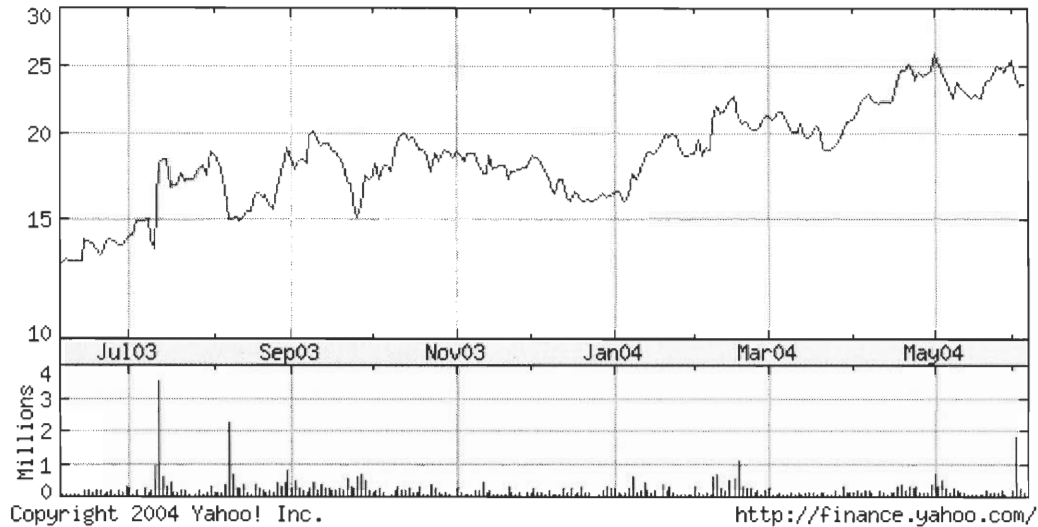
3.4.2 History

For the three months ended 3/31/04, revenues rose 4% to \$3.6 million. Net loss fell 29% to \$3.9 million. Revenues reflect higher product development sales from Schering AG. Lower loss also reflects reduced clinical trial costs.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Jan-04	16.69	16.85	16.25	16.50	311,000	16.50
Dec-03	18.08	18.95	15.50	16.28	193,131	16.28
Nov-03	18.50	19.67	16.35	17.88	173,057	17.88
Oct-03	17.00	20.10	16.98	18.51	182,686	18.51
Sep-03	19.15	20.65	14.85	17.14	358,057	17.14
Aug-03	19.00	20.15	14.50	19.03	437,628	19.03
Jul-03	14.15	20.27	13.55	18.83	407,659	18.83
Jun-03	12.05	14.32	11.95	14.05	155,800	14.05
May-03	9.67	12.28	8.15	11.93	72,580	11.93
Apr-03	8.00	9.75	7.83	9.55	28,852	9.55
Mar-03	6.80	8.90	6.35	8.00	37,047	8.00
Feb-03	7.67	7.67	6.21	6.40	18,700	6.40
Jan-03	7.68	8.10	6.98	7.35	22,130	7.35

Table 3.4.1 Monthly table for EPIX a whole year (03-04)

EPIX MEDICAL INC
as of 4-Jun-2004



Last Trade:	23.50
Trade Time:	Jun 4
Change:	↑0.08 (0.34%)
Prev Close:	23.42
Open:	23.90
Bid:	0.01 x 100
Ask:	9,000.00 x 100
1y Target Est:	26.93

Day's Range:	23.161 - 23.90
52wk Range:	11.95 - 26.37
Volume:	149,506
Avg Vol (3m):	211,136
Market Cap:	535.45M
P/E (ttm):	N/A
EPS (ttm):	-0.942
Div & Yield:	N/A (N/A)

FIGURE 3.4.1: Chart for trade stock investment for a whole year (03-04) for EPIX

3.4.3 Actual Process

On January 3 I bought 1000 shares @16.65 for cost of 16,650 and sold it for 21.35 and I made a profit of 28.22%. Still even in Thirds Company the price goes up. I was really afraid because what happen to the company In October 3 but I took my chance and the risk and it went all right.

Date	Open	High	Low	Close	Avgas Vol	Adj Close*
Apr-04	20.60	21.69	20.34	21.35	278,450	21.35
Mar-04	21.08	21.61	18.75	20.75	141,226	20.75
Feb-04	18.50	23.40	18.21	21.07	348,394	21.07
Jan-04	16.65	19.95	15.94	18.70	216,163	18.70

. Table 3.4.3 for stock investment three month period when I invest my money with EPIX

3.4.4 Chart for my process.

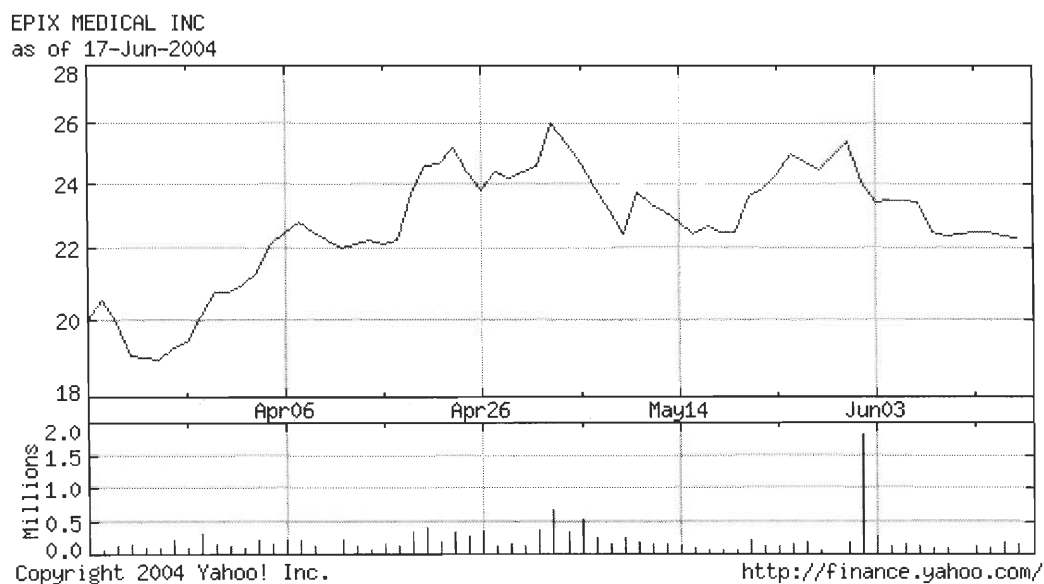


FIGURE 3.4.4 chart for three month period of my investment with EPIX

3.5 HARVARD BIOTECHNOLOGY GROUP (HBIO)

3.5.1 Who is the company and why I choose this company?

Harvard is one of the best schools in the nation, they are probably going to be doing the top research and if they hit on something big, then there stock would go up.

Summary about the company

Harvard Bioscience, Inc. is a global developer, manufacturer and marketer of a range of specialized products, primarily scientific instruments, used to accelerate drug discovery research at pharmaceutical and biotechnology companies, universities and government laboratories worldwide. The Company's product range is generally targeted towards four major application areas: ADMET (absorption, distribution, metabolism, elimination and toxicology) screening; molecular biology; high-throughput/high-content screening for model organisms, and genomics, proteomics and high-throughput screening of potential drugs. Harvard operates primarily in three geographic regions: the United States, United Kingdom and the rest of the world. The Company's largest customers in the United States include Yale University, Aventis, Glaxo SmithKline, Pfizer, Merck & Co. and Roche Bioscience.

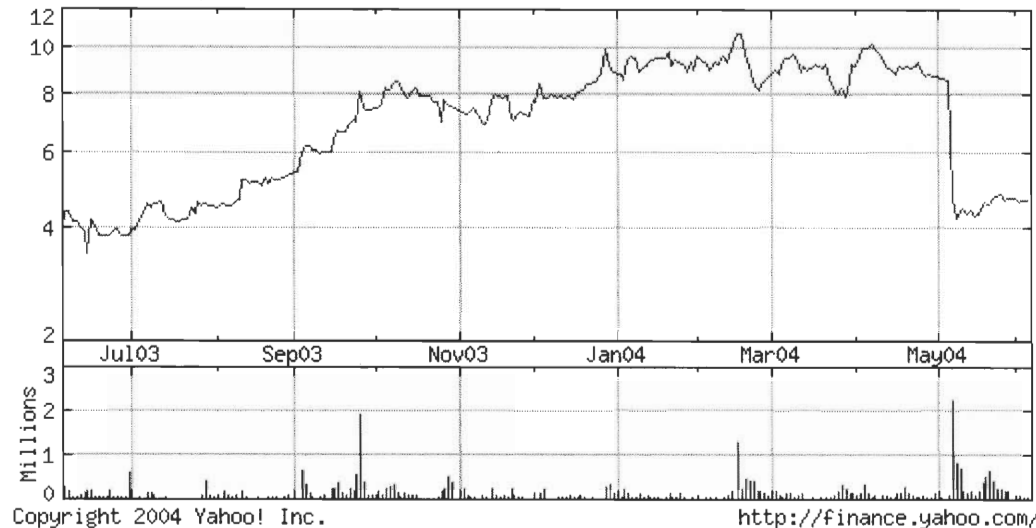
3.5.2 History.

For the three months ended 3/31/04, revenues rose 14% to \$22.2 million. Net loss totalled \$51 thousand vs. an income of \$776 thousand. Revenues reflect growth of the acquired companies. Net loss reflects an increase in sales and marketing expenses.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Jan-04	8.91	9.04	8.58	8.82	145,400	8.82
Dec-03	7.20	10.59	7.15	8.90	105,895	8.90
Nov-03	7.66	8.22	6.80	7.20	103,005	7.20
Oct-03	7.49	8.84	6.57	7.47	159,195	7.47
Sep-03	5.37	8.50	5.29	7.42	299,704	7.42
Aug-03	4.55	5.44	4.35	5.35	76,428	5.35
Jul-03	3.89	4.85	3.81	4.49	84,122	4.49
Jun-03	3.71	4.88	3.43	3.80	179,714	3.80
May-03	3.51	4.00	3.23	3.72	59,761	3.72
Apr-03	3.73	3.95	2.96	3.39	57,538	3.39
Mar-03	3.51	4.03	3.06	3.75	31,623	3.75
Feb-03	3.00	3.51	2.93	3.50	54,552	3.50
Jan-03	3.34	3.34	2.63	3.01	81,045	3.01

Table 3.5.2 Monthly table for HBIO a whole year (03-04)

HARVARD BIOSCIENCE INC
as of 4-Jun-2004



Last Trade:	4.63
Trade Time:	Jun 4
Change:	↓ 0.03 (0.64%)
Prev Close:	4.66
Open:	4.65
Bid:	0.01 x 100
Ask:	9,000.00 x 100
1y Target Est:	6.65

Day's Range:	4.60 - 4.80
52wk Range:	3.43 - 11.10
Volume:	57,353
Avg Vol (3m):	198,363
Market Cap:	139.97M
P/E (ttm):	41.71
EPS (ttm):	0.111
Div & Yield:	N/A (N/A)

FIGURE 3.5.2: Chart for trade stock investment for a whole year (03-04) for HBIO

3.5.3 Actual Process

I bought on January 3 1000 shares @ 8.91 for the cost of 8,910 and I sold for 9.21 and I made profit of 3.36%. I know it is not big profit as the last three companies but

at least I didn't lose. In fact my expectation was different I thought I will make the best profit in this company because the condition of the war and tarots attack but I realize that the only byre for this product is the government and you know the government. Hope I learn from my experience for the future.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	8.91	9.50	8.84	9.21	186,600	9.21
Mar-04	8.51	9.94	7.76	9.27	123,586	9.27
Feb-04	9.55	11.10	7.90	8.67	232,326	8.67
Jan-04	8.91	10.10	8.37	9.01	91,425	9.01

Table 3.5.3 for stock investment three month period when I invest my money with HBIO

3.5.4 Chart for my process.

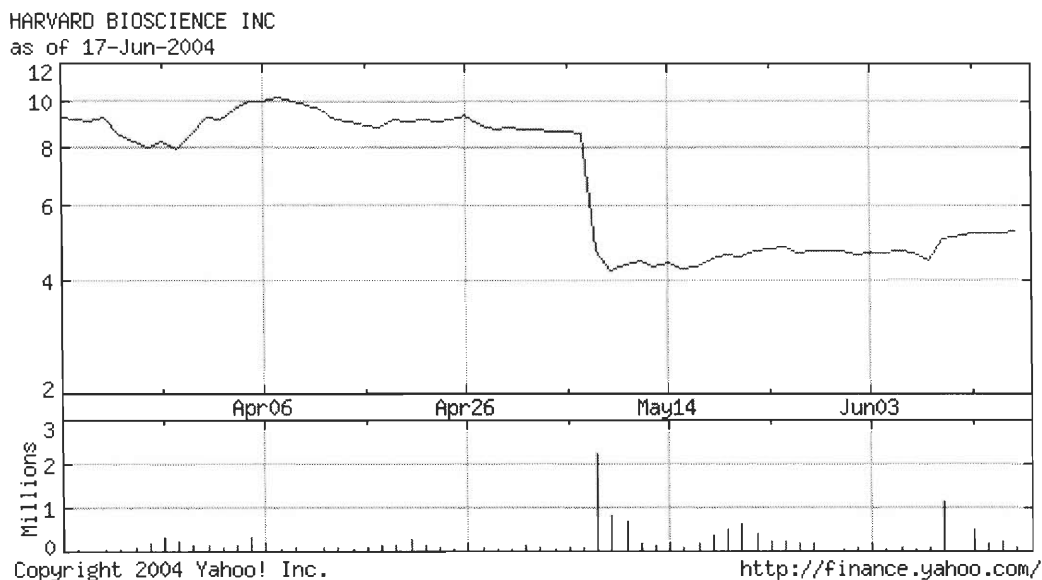


FIGURE 3.5.4 chart for three month period of my investment with HBIO

3.6 SENSYTECH INC (STST)

3.6.1 Who is the company and why I choose this company?

BASED ON NEWS THAT ITS MERGER WITH KLAMATH BANCCORP IS PROCEEDING AS SECHEDULED. Summary about the company Sensytech, Inc. is a designer, developer and manufacturer of electronics and technology products for the defense and intelligence markets. Specifically, the Company specializes in integrated passive surveillance, communications and data links, electronic countermeasures and threat simulator systems, as well as airborne imaging and scanning systems. Its customers include the United States Department of Defense (DoD), other United States federal government agencies, major domestic prime defense contractors (such as Lockheed Martin Corporation and L-3 Communications Corporation), foreign governments and agencies and foreign defense contractors. Many of its products are used in national defense programs for the United States federal government intelligence community and approved international customers

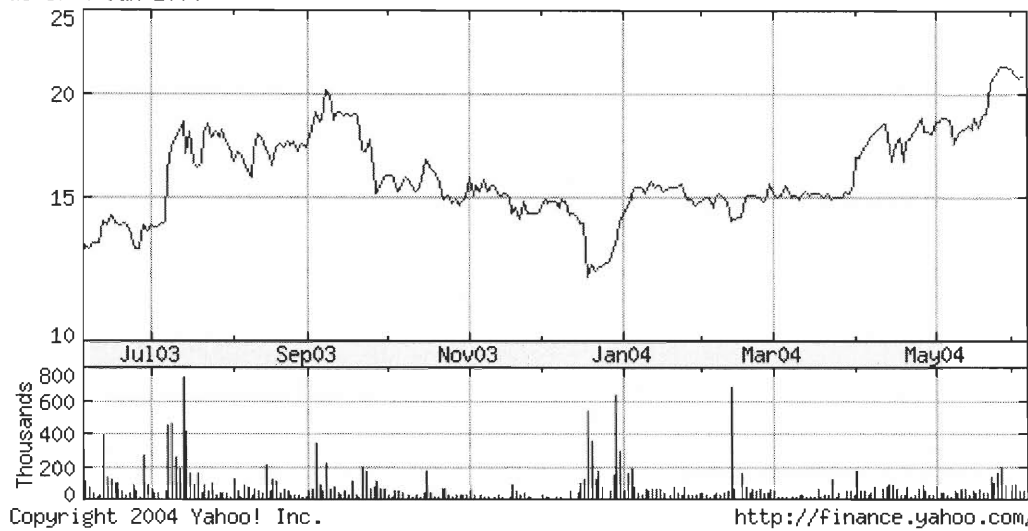
3.6.2 History.

For the six months ended 3/31/04, revenues rose 9% to \$26.7 million. Net income increased 1% to \$1.9 million. Revenues reflect higher revenues from defense systems group. Net income was partially offset by a decreased in operating margins due to higher cost of revenue and general and administrative expense.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Jan-04	14.04	14.75	14.00	14.60	337,200	14.60
Dec-03	14.40	15.65	11.91	14.00	143,295	14.00
Nov-03	15.30	16.05	14.10	14.40	26,284	14.40
Oct-03	15.76	17.27	14.30	15.00	41,217	15.00
Sep-03	16.76	20.45	14.25	15.84	99,819	15.84
Aug-03	16.92	18.30	15.50	17.25	67,552	17.25
Jul-03	13.68	19.20	13.25	17.22	164,990	17.22
Jun-03	13.35	14.74	12.25	13.69	94,709	13.69
May-03	10.05	13.79	9.85	13.20	87,200	13.20
Apr-03	9.97	10.89	9.52	10.00	41,466	10.00
Mar-03	10.76	11.01	9.11	9.94	23,590	9.94
Feb-03	10.38	12.43	9.79	10.86	42,210	10.86
Jan-03	11.61	12.40	10.25	11.32	48,315	11.32

Table 3.6.2 Monthly table for STST a whole year (03-04)

SENSYTECH INC
as of 4-Jun-2004



Last Trade:	20.94
Trade Time:	Jun 4
Change:	↑0.12 (0.58%)
Prev Close:	20.82
Open:	21.49
Bid:	0.01 x 100
Ask:	9,000.00 x 100
1y Target Est:	22.88

Day's Range:	20.52 - 21.49
52wk Range:	11.91 - 22.18
Volume:	54,990
Avg Vol (3m):	54,590
Market Cap:	137.24M
P/E (ttm):	34.27
EPS (ttm):	0.611
Div & Yield:	N/A (N/A)

FIGURE 3.6.2: Chart for trade stock investment for a whole year (03-04) for STST

3.5.3 Actual process.

On January 3 I bought 500 shares @ 14.77 for the cost of 7,385 and I sold it for 16.76 .I made a profit of 13.47%

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	15.63	17.36	15.52	16.76	146,350	16.76
Mar-04	15.50	15.65	14.65	15.52	32,147	15.52
Feb-04	15.12	15.71	13.45	15.60	91,605	15.60
Jan-04	14.77	15.87	14.48	14.82	59,236	14.82

Table 3.5.3 for stock investment three month period when I invest my money with STST

Chart for my process.

SENSYTECH INC
as of 17-Jun-2004

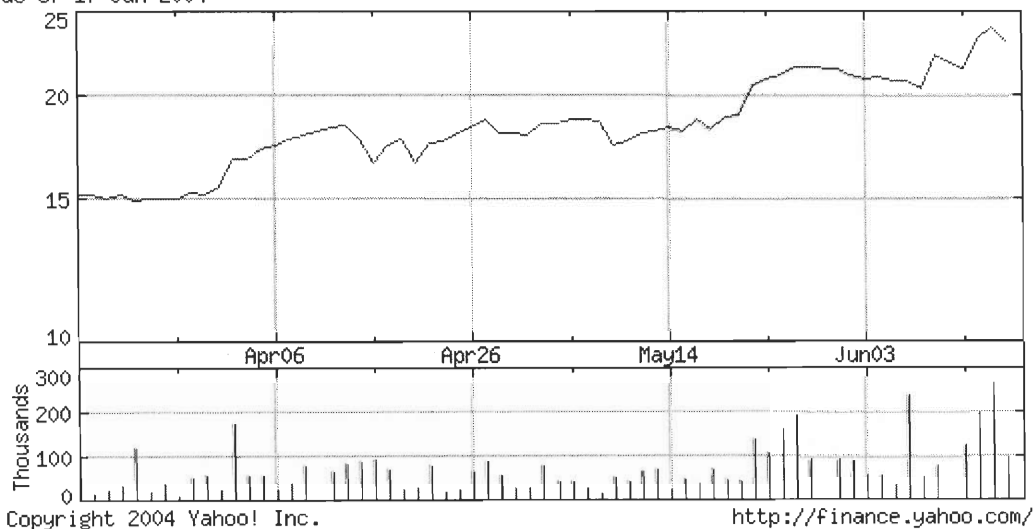


FIGURE 3.6.4 chart for three month period of my investment with STST

3.6.5 Tables of Action (FIRST GROUP).

DATE	ACTION	STOCK	SHARES	SHARE PRICE	AMOUNT OF BUYING	AMOUNT OF SELLING	PERCENTAGE OF THE PROFIT
4-APR	SELL	MICU	1000	23.19		23190	18.37%
3-JAN	BUY	MICU	1000	19.59	19590		
4-APR	SELL	MOGN	2000	63.64		127280	52.65%
3-JAN	BUY	MOGN	2000	41.69	83380		
4-APR	SELL	EPIX	1000	21.35		21350	28.22%
3-JAN	BUY	EPIX	1000	16.65	16650		
4-APR	SELL	HBIO	1000	9.21		9210	3.365
3-JAN	BUY	HBIO	1000	8.91	8910		
4-APR	SELL	STST	500	16.76		8380	13.47%
3-JN	BUY	STST	500	14.77	7385		

2004

TOTAL OF BUYING: \$135915

TOTAL OF SELLING: \$189410

Chapter 4. Investment with middle class companies

4.1 Stocks Chosen

My second group is a group of a food companies and the reason why I choose this group is the same reason that I choose the pharmaceutical and biotech companies is that will always people will eat and eat in order to live that is our need. Always people will eat and that is why any business food is successful and makes a big profit, especial in country that the people like to eat outside and them like always change. First year in united stead when I came I was working in a pizza place and I was so surprise that the cheapest pizza cost us just a dollar to make it and guess how much we sell it for, we sell it for at least eight dollar see how much the owner make 800% profit amaze that is why I know for sure I will make a good profit if I invest my money in a food companies. And these are my companies that I choose (Krispy Kreme Donuts Corporation,Applebee's, Kellogg Company, Outback Steak house, PepsiCo)

4.2 Krispy Kreme Donuts Corporation (KKD)

4.2.1 Who is the company and why I choose this company?

THE COMPANY HAS GOOD POTENTIAL AS IT JUST ADDED U.S PATENT TO SURFACTANT PATENT ESTATE. Krispy Kreme Doughnuts, Inc. is a specialty retailer of doughnuts. It owns and franchises Krispy Kreme doughnut stores where the Company makes and sells over 20 varieties of doughnuts, including its Hot

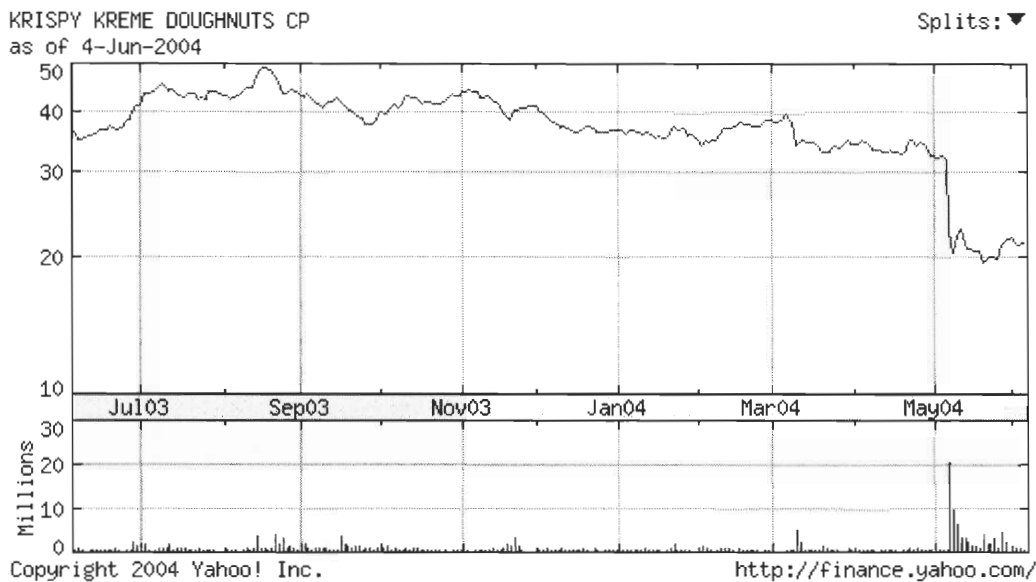
Original Glazed variety. Each of its traditional stores is a doughnut factory with the capacity to produce from 4,000 dozen to over 10,000 dozen doughnuts daily. Its sales channels consist of on-premises sales and off-premises sales. The Company has two complementary business units: its company and franchised stores, which Krispy Kreme refers to, collectively, as Store Operations and Krispy Kreme Manufacturing and Distribution (KKM&D). At February 1, 2004, there were 357 Krispy Kreme factory stores in operation, of which 338 are located in the United States. During the fiscal year ended February 1, 2004 (fiscal 2003), it acquired the remaining 33% interest in Golden Gate Doughnuts, LLC that it did not already own.

4.2.2 History

The Krispy Kreme Donuts Corporation is a specialty retailer that has been open to the public since nineteen thirty-seven. This company does sell coffee and frozen beverages but their specialty product is the donut. Over twenty-five different types' pf donuts are available to the customers, but the one most famous is by far their original glazed. This glazed treat has made store sales growth go up each year from 9.7%, to 14.1%, to 17.1 starting in nineteen ninety-nine. In two thousand two net income rose 79.1% from the last fiscal year and For the 13 weeks ended 5/02/04, revenues rose 24% to \$184.4 million. Net income decreased 25% to \$9.8 million. Revenues benefited from increased comparable store sales and new franchise stores. Earnings were offset by higher general and administrative expenses and depreciation.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	41.47	41.65	36.02	36.60	739,854	36.60
Nov-03	43.33	44.54	38.50	41.37	984,547	41.37
Oct-03	39.30	44.18	38.73	43.32	847,991	43.32
Sep-03	44.00	44.09	37.50	38.50	1,317,076	38.50
Aug-03	43.41	49.74	41.60	44.13	1,374,114	44.13
Jul-03	41.18	45.77	40.40	43.66	868,809	43.66
Jun-03	35.05	41.35	34.51	41.18	929,880	41.18
May-03	32.48	35.11	30.20	34.66	1,078,676	34.66
Apr-03	33.92	35.00	31.17	32.48	576,828	32.48
Mar-03	32.95	35.36	32.01	33.86	826,547	33.86
Feb-03	30.41	33.52	26.42	32.85	912,584	32.85
Jan-03	34.00	34.86	29.45	30.41	707,923	30.41

Table 4.2.2 Monthly table for KKD a whole year (03-04)



Last Trade:	21.34
Trade Time:	Jun 4
Change:	↑0.27 (1.28%)
Prev Close:	21.07
Open:	21.67
Bid:	N/A
Ask:	N/A
1y Target Est:	37.25

Day's Range:	21.14 - 21.67
52wk Range:	19.00 - 49.74
Volume:	820,700
Avg Vol (3m):	1,724,681
Market Cap:	1.31B
P/E (ttm):	25.05
EPS (ttm):	0.852
Div & Yield:	N/A (N/A)

FIGURE 4.2.2: Chart for trade stock investment for a whole year (03-04) for KKD

4.2.3 Actual Process

I know I will do well in this company so I bought 2000 shares @36.66 for the cost of 73,320 and sold it for 34.35 and I lost , what a surprise, I never expect to lose in this company a at least I will get what I spend but I did lost 6.3% from what I spent. I didn't

know that the expenses of the revenue the company will affect the market of the company; I thought when the company do any revenue or high new staff that s will be off the budget basically extra money but it seems not. I believe I held on to this stock to long. It initially went up but eventually coming back down lower than my original price.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	34.45	35.17	33.90	34.35	1,013,750	34.35
Mar-04	38.46	39.99	32.38	34.34	994,395	34.34
Feb-04	35.64	38.88	33.65	38.46	842,847	38.46
Jan-04	36.66	37.80	35.00	35.64	745,247	35.64

Table 4.2.3 for stock investment three month period when I invest my money with KKD

4.2.4 Chart for my Actual Process

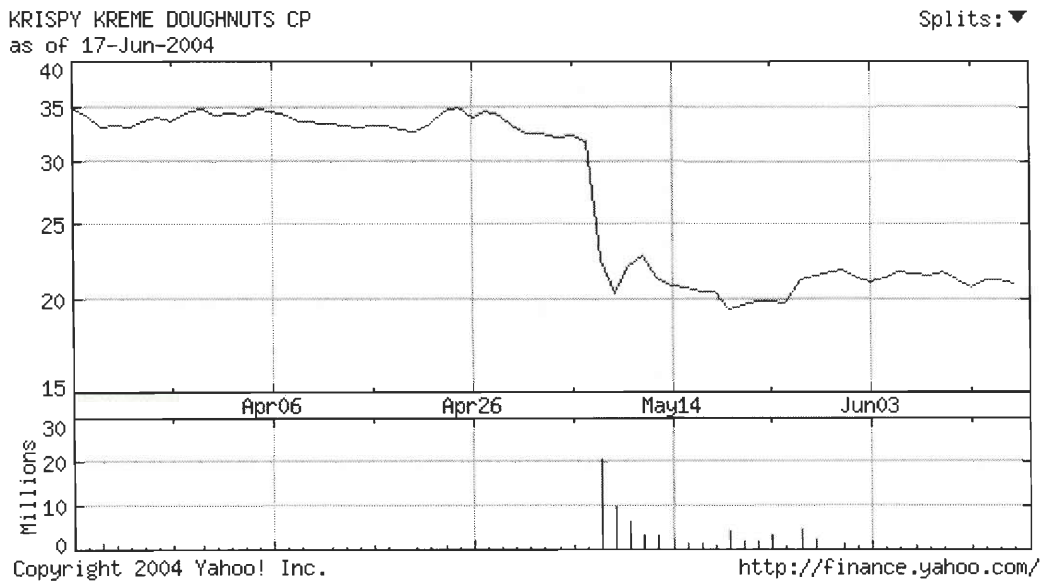


FIGURE 4.2.4 chart for three month period of my investment with KKD

4.3 Applebee's (APPB)

4.3.1 Who is the company and why I choose this company?

COMPANY HAS A GOOD OUTLOOK AFTER REPLACING THE CMO STOCK SAW A SLIT JUMP AFTER THE NEWS. Applebee's International, Inc. develops franchises and operates casual dining restaurants under the name Applebee's Neighborhood Grill & Bar. As of December 28, 2003, the Company had 1,585 restaurants. Franchisees operated 1,202 of the restaurants and 383 restaurants were company operated. These restaurants were located in 49 states and nine international countries. During 2003, 100 new restaurants were opened, including 74 franchise restaurants and 26 company restaurants. Each Applebee's restaurant is designed as an attractive, friendly, neighborhood establishment featuring moderately priced food and beverage items, table service and a comfortable atmosphere. The Company's restaurants appeal to a range of customers, including young adults, senior citizens and families with young children.

4.3.2 History

During 1998, the Company initiated a strategy to enter into counties with a population of less than 50,000. Applebee's recognizes that small towns represent a market with significant potential. As of December 30, 2001, there were a total of 92 restaurants open in these smaller markets, and the Company anticipates at least 150 restaurants to be opened long-term in small towns. Because of these factors, the Company expects that the Applebee's system will encompass at least 1,800 restaurants in the United States. The Company opened 25 new Applebee's restaurants in 2001 and anticipates opening approximately 25 new Applebee's restaurants in 2002. As of December 30, 2001, there

were 1,082 franchise restaurants. Franchisees opened 80 restaurants in 1999, 100 restaurants in 2000 and 84 restaurants in 2001. Applebee's anticipates between 80 and 90 franchise restaurant openings in 2002.

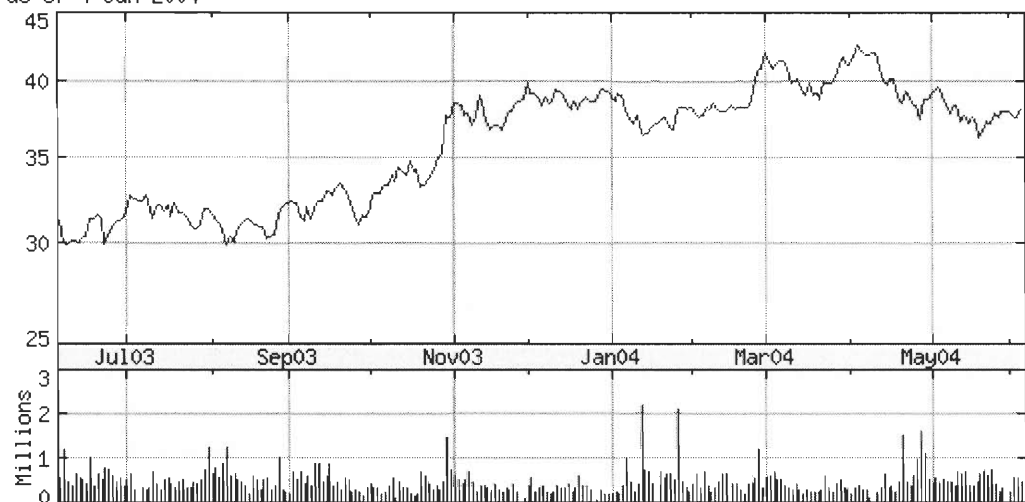
For the 13 weeks ended 3/28/04, revenues rose 16% to \$277.4 million. Net income rose 20% to \$29.5 million. Revenues reflect the opening of new restaurants and higher guest traffic. Net income also reflects improved gross profit margins, and lower interest expenses.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
23-Dec-03	\$ 0.07 Cash Dividend					
Dec-03	38.80	40.19	37.50	39.34	335,681	39.34
Nov-03	37.83	39.05	36.35	38.70	393,084	38.63
Oct-03	31.41	38.15	31.40	37.51	462,134	37.44
Sep-03	32.26	33.47	30.80	31.48	525,147	31.42
Aug-03	31.61	32.24	29.74	32.14	575,057	32.08
Jul-03	31.49	33.16	30.21	31.90	547,145	31.84
Jun-03	30.84	31.75	29.35	31.43	605,319	31.37
May-03	28.13	30.82	27.15	30.66	645,976	30.60
Apr-03	28.05	28.90	26.75	27.41	614,252	27.36
Mar-03	25.77	28.30	24.90	28.04	793,952	27.99
Feb-03	26.11	26.40	23.09	25.64	1,332,547	25.59
Jan-03	23.28	26.95	23.26	26.00	628,600	25.95

Table 4.3.2 Monthly table for APPB a whole year (03-04)

APPLEBEE'S INTL INC
as of 4-Jun-2004

Splits: ▼



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<http://finance.yahoo.com/>

Last Trade:	38.04
Trade Time:	Jun 4
Change:	↑0.51 (1.36%)
Prev Close:	37.53
Open:	37.91
Bid:	0.01 x 100
Ask:	9,000.00 x 100
1y Target Est:	44.83

Day's Range:	37.74 - 38.30
52wk Range:	29.35 - 42.83
Volume:	483,552
Avg Vol (3m):	464,045
Market Cap:	2.09B
P/E (ttm):	21.94
EPS (ttm):	1.734
Div & Yield:	0.07 (0.19%)

FIGURE 4.3.2: Chart for trade stock investment for a whole year (03-04) for APPB

4.3.3 Actual Process

I bought 500 shares of Applebee's stock on January 4, 2004 for \$39.60 because it was having a conference call to review its third quarter 2003 results and the current business outlook. I spent \$ 19800 I was taking a chance that it would come out with good financial results. On March 2, 2004 Raymond James upgraded it to strong buy from outperform. The company, which operates the moderately priced Applebee's Neighborhood Grill & Bar chain, said net income in the quarter ending March. 29 raised to \$21 million, or 37 cents a diluted share, from \$16.8 million, or 30 cents a diluted share, a year earlier. I sold for 40.91\$ I made profit of 3.3%. I know I did by and sell in a rush because I was afraid from what happen with me from Krispy Kreme Donuts Corporation., but at least I didn't lose.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	41.36	41.48	40.90	41.08	421,200	41.08
Mar-04	41.05	42.06	38.55	41.28	402,065	41.28
Feb-04	38.04	41.30	37.36	40.91	498,357	40.91
Jan-04	39.33	39.60	35.70	38.11	685,985	38.11

Table 4.3.3 for stock investment three month period when I invest my money with APPB

4.3.4 Chart for My Actual Process

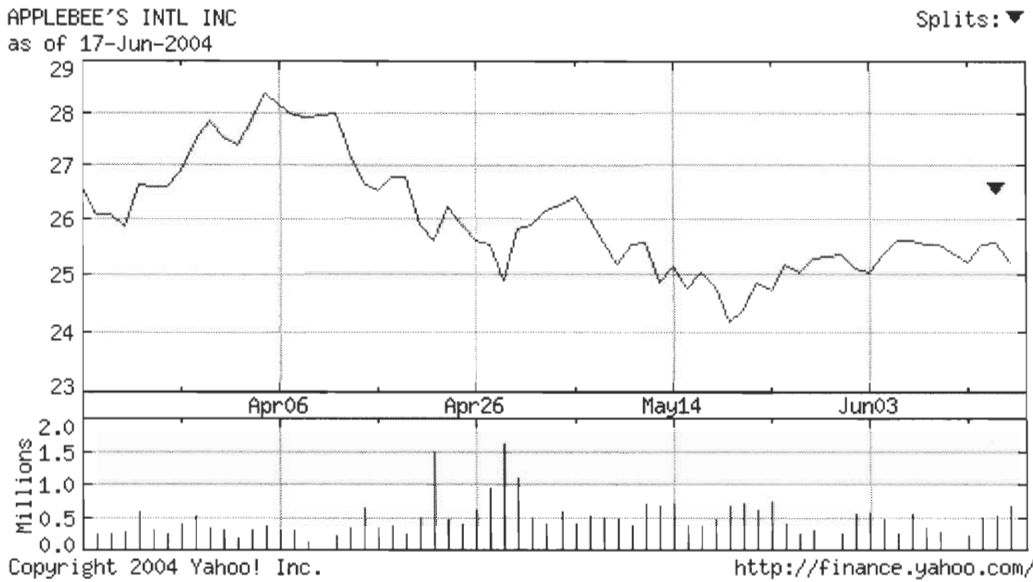


FIGURE 4.3.4 chart for three month period of my investment with APPB

4.4 Kellogg Company (K)

4.4.1 Who is the company and why I choose this company?

PRICE APPRECIATED BASED ON INCREASE OF HOME BUILDING
STOCKS GOOD OUTLOOK DUE TO LOW INTEREST RATES AND STRONG
EARNINGS.

Kellogg Company and its subsidiaries are engaged in the manufacture and marketing of ready-to-eat cereals and convenience foods, such as cookies, crackers, toaster pastries, cereal bars, frozen waffles and meat alternatives. In the fiscal year ended December 27, 2003 (fiscal 2003), these products were manufactured by the Company in 17 countries and marketed in more than 180 countries. Its cereal products are generally marketed under the Kellogg's name, and are sold principally to the grocery trade. It uses broker and distribution arrangements for certain products. It also generally uses these, or similar

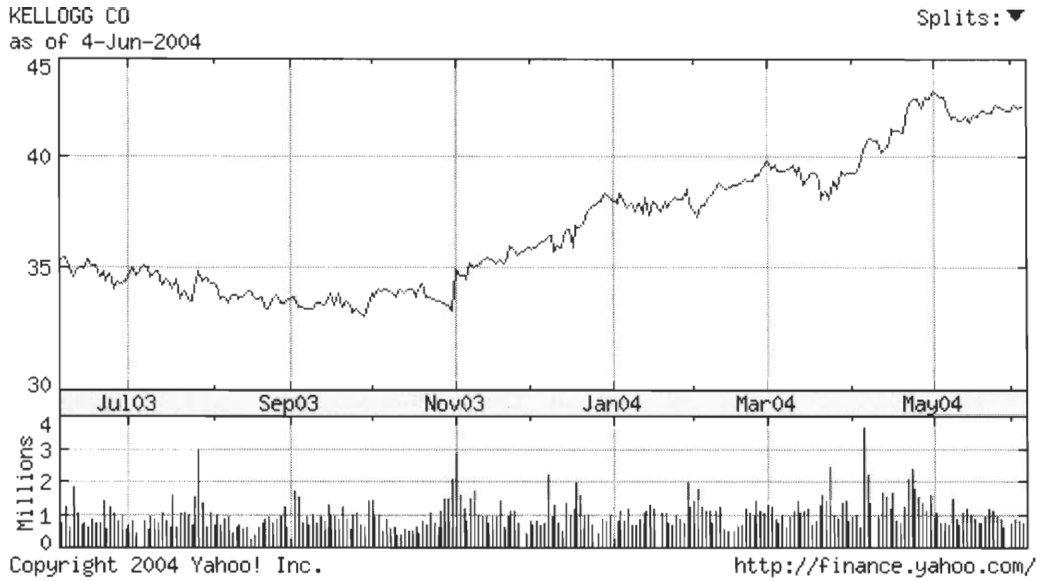
arrangements, in less-developed market areas or in those market areas outside of its focus. Kellogg also markets cookies, crackers and other convenience foods, under brands such as Kellogg's, Keebler, Cheez-It, Murray, Austin and Famous Amos, to supermarkets in the United States through a direct store-door delivery system, although other distribution methods are also used.

4.4.2 History

Kellogg Company, incorporated in 1922, is a producer of ready-to-eat cereal and convenience foods such as cookies, crackers, toaster pastries, cereal bars, frozen waffles, meat alternatives, piecrusts and ice cream cones. The Company's products were, as of December 31, 2001, manufactured in 19 countries and distributed in more than 160 countries. The Company's cereal products are generally marketed under the Kellogg's name. For the three months ended 3/27/04, net sales rose 11% to \$2.39 billion. Net income rose 34% to \$219.8 million. Revenues reflect volume growth and pricing/mix improvement and favorable exchange rates. Net income reflects higher margins due to increased productivity and reduced interest cost on borrowings.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	35.50	38.57	35.29	38.08	1,070,759	37.61
25-Nov-03	\$ 0.253 Cash Dividend					
Nov-03	33.95	35.95	33.88	35.77	1,166,668	35.33
Oct-03	33.30	34.45	32.60	33.13	946,247	32.49
Sep-03	33.51	33.96	32.60	33.35	1,064,823	32.71
27-Aug-03	\$ 0.253 Cash Dividend					
Aug-03	34.25	34.44	32.98	33.53	767,523	32.89
Jul-03	34.05	35.90	33.38	34.33	1,051,290	33.42
Jun-03	35.35	35.49	33.62	34.37	959,776	33.46
28-May-03	\$ 0.253 Cash Dividend					
May-03	32.51	35.25	31.90	35.20	1,245,395	34.27
Apr-03	30.64	33.05	30.27	32.74	970,828	31.63
Mar-03	30.00	30.97	27.85	30.65	1,323,714	29.61
27-Feb-03	\$ 0.253 Cash Dividend					
Feb-03	33.40	33.41	29.44	29.57	1,175,578	28.57
Jan-03	34.28	35.20	31.48	33.40	1,334,776	32.00

Table 4.4.2 Monthly table for K a whole year (03-04)



Last Trade:	42.46
Trade Time:	Jun 4
Change:	↑0.06 (0.14%)
Prev Close:	42.40
Open:	42.45
Bid:	N/A
Ask:	N/A
1y Target Est:	45.00

Day's Range:	42.40 - 42.85
52wk Range:	32.60 - 43.41
Volume:	739,800
Avg Vol (3m):	1,156,090
Market Cap:	17.44B
P/E (ttm):	20.74
EPS (ttm):	2.047
Div & Yield:	1.01 (2.38%)

FIGURE 4.4.2: Chart for trade stock investment for a whole year (03-04) for K

4.4.3 Actual Process

I bought 300 shares of the Kellogg stock on January 25, 2004 for \$37.00 because on November 28th was coming out with its earnings report. I spent \$ 11100. I was taking a chance that they would come out with good earnings making the stock price go up. On

February 11, 2004 CSFB upgraded it to Outperform from Neutral. I decided to hold on to it to see what the good news would do to the stock. Kellogg reported net earnings were \$203.5 million, or \$0.49 per diluted share, compared to last year's \$150.3 million, or \$0.37 per share. I held on to the stock from January 25th to April 4th. I bought 300 and sold it for \$39.03 and I made a profit of 5.4 %.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	39.03	39.37	39.03	39.18	1,834,000	38.95
2-Mar-04	\$ 0.253 Cash Dividend					
Mar-04	39.15	39.88	37.70	39.24	1,188,469	39.01
Feb-04	37.30	39.66	37.00	39.49	1,100,210	39.01
Jan-04	37.98	38.73	37.01	37.81	1,075,730	37.35

Table 4.4.3 for stock investment three month period when I invest my money with K

4.4.4 Chart for My Actual Process

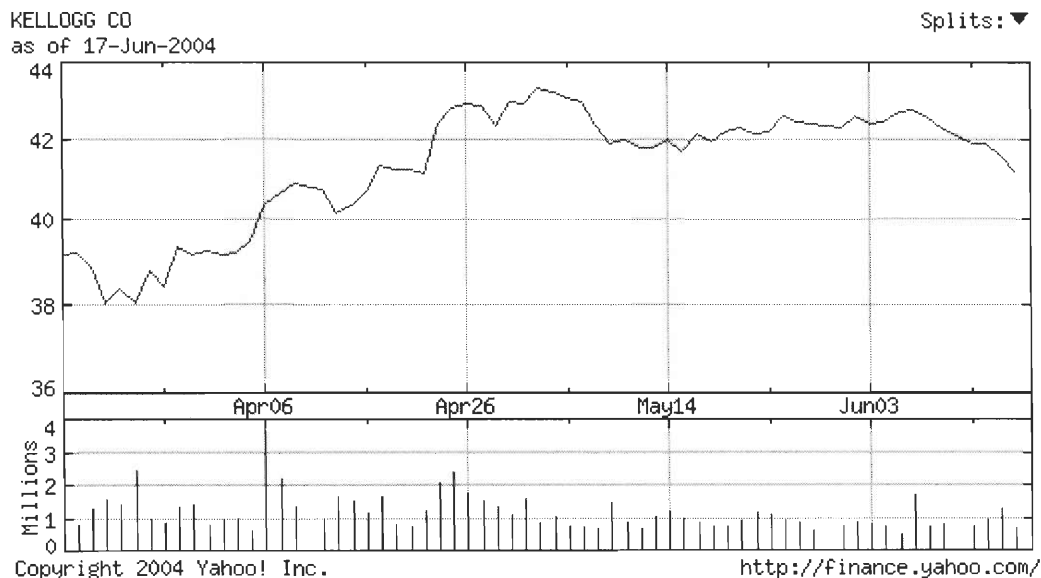


FIGURE 4.4.4 chart for three month period of my investment with K

4.5 Outback Steak house (OSI)

4.5.1 Who is the company and why I choose this company?

ON 10/23 THE COMPANY ANNOUNCED RECORD EPS OF \$1.75 FOR THE 3Q AND STOCK PR18% TO CLOSE AT \$37.99 ON 10/29ICED JUMPED. Outback Steakhouse, Inc., formerly Multi-Venture Partners, Inc., is an international casual dining restaurant company with seven restaurant concepts and over 1,000 system-wide restaurants. The seven restaurant concepts are Outback Steakhouse, Carrabba's Italian Grill, Fleming's Prime Steakhouse and Wine Bar, Lee Roy Selmon's, Roy's, Bonefish Grill and Cheeseburger in Paradise. The Company operates in all 50 states in the United States and in 21 countries internationally, predominantly through Company-owned stores, but also operates under a variety of partnerships and franchises.

4.5.2 History

Outback Steakhouse, Inc., incorporated in October 1987 as Multi-Venture Partners Inc., operates full-service restaurants under the Outback Steakhouse, Carrabba's Italian Grill, Fleming's Prime Steakhouse & Wine Bar, Roy's and Bonefish Grill brand names. As of December 31, 2001, the Company operated 667 domestic and 72 international Outback Steakhouse, 103 Carraba's Italian Grill, 11 Flemings Prime Steakhouse, 12 Roy's and four Bonefish Grill restaurants. In addition, Outback owned one Lee Roy Selmon's and one Zazarac restaurant under development. For the three months ended 3/04, revenues rose 25% to \$816.6 million. Net income rose 14% to \$48.3M. Revenues reflect the opening of new restaurants, the consolidation of 33 joint

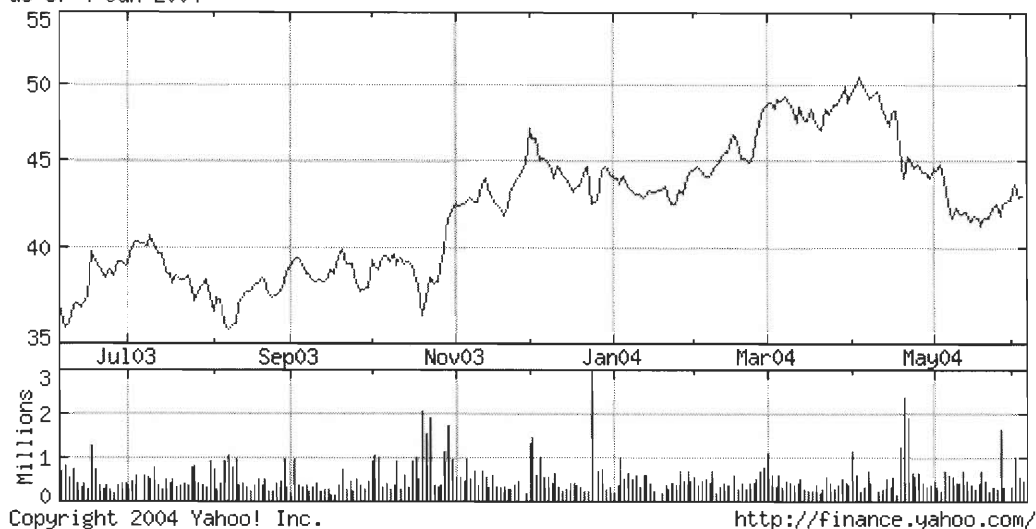
venture stores and acquisitions. Net income was partially offset by higher labor and restaurant operating expenses.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	45.50	47.32	42.30	44.21	681,059	43.95
19-Nov-03	\$ 0.13 Cash Dividend					
Nov-03	41.80	44.95	41.49	44.75	490,742	44.49
Oct-03	37.88	42.02	36.38	42.00	894,256	41.62
Sep-03	38.85	39.89	37.20	37.87	408,947	37.53
20-Aug-03	\$ 0.12 Cash Dividend					
Aug-03	37.25	38.68	35.52	38.65	548,109	38.30
Jul-03	38.88	40.83	36.69	37.35	557,472	36.90
Jun-03	37.00	39.95	35.50	39.00	517,466	38.53
21-May-03	\$ 0.12 Cash Dividend					
May-03	35.70	37.71	34.60	36.95	706,490	36.50
Apr-03	35.23	38.05	34.33	35.74	637,257	35.19
Mar-03	32.50	35.95	31.15	35.38	586,500	34.83
19-Feb-03	\$ 0.12 Cash Dividend					
Feb-03	32.65	33.56	30.05	32.20	508,505	31.70
Jan-03	34.50	35.75	31.65	32.65	353,933	32.02

Table 4.5.2 Monthly table for OSI a whole year (03-04)

OUTBACK STEAKHOUSE INC.
as of 4-Jun-2004

Splits: ▼



Last Trade:	42.87
Trade Time:	Jun 4
Change:	↑0.08 (0.19%)
Prev Close:	42.79
Open:	43.09
Bid:	N/A
Ask:	N/A
1y Target Est:	49.55

Day's Range:	42.68 - 43.25
52wk Range:	35.50 - 50.55
Volume:	466,800
Avg Vol (3m):	521,363
Market Cap:	3.19B
P/E (ttm):	19.10
EPS (ttm):	2.244
Div & Yield:	0.52 (1.21%)

FIGURE 4.5.2: Chart for trade stock investment for a whole year (03-04) for OSI

4.5.3 Actual Process

I bought 700 shares of Outback Steak House stock on January 21, 2004 for \$44.60 because it was conducted a conference call to discuss its financial results for the third quarter ended December 30, 2004. I spent \$ 31220. I was taking a chance that it

would come out with good financial results. On April 4, 2004 CIBC World Markets upgraded it to Sector Perform from Sector Under perform. I held on to the stock from January 21st to April 12th. I bought 700 shares and sold it for \$48.62. I made a profit of 9.0 %.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	48.70	49.43	48.62	49.43	2,311,600	49.28
Mar-04	48.04	50.24	46.40	48.70	446,017	48.55
18-Feb-04	\$ 0.13 Cash Dividend					
Feb-04	44.25	48.85	43.66	48.39	515,905	48.24
Jan-04	44.19	44.60	42.26	44.34	523,585	44.08

. Table 4.5.3 for stock investment three month period when I invest my money with OSI

4.5.4 Chart for my Actual Process

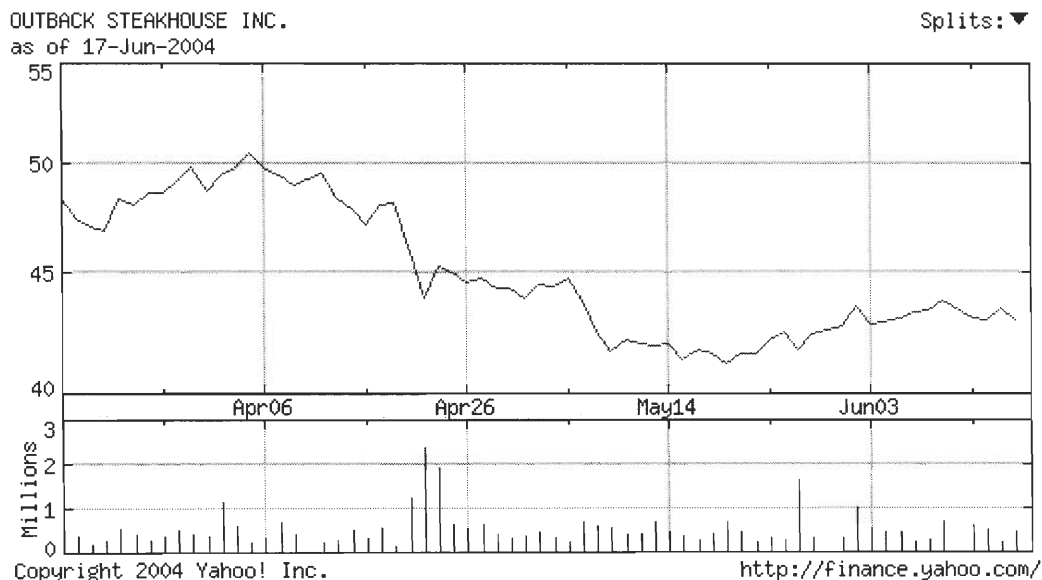


FIGURE 4.5.4 chart for three month period of my investment with OSI

4.6 PepsiCo (PEP)

4.6.1 Who is the company and why I choose this company?

BASED ON 10/6 NEWS THAT THEY WERE AWARDED "BOB THE BUILDER™" LICENSE FROM HIT ENTERTAINMENT. PepsiCo, Inc. is a global snack and beverage company. The Company manufactures markets and sells a variety of salty, convenient, sweet and grain-based snacks, carbonated and non-carbonated beverages and foods. It is organized in four divisions: Frito-Lay North America, PepsiCo Beverages North America, PepsiCo International and Quaker Foods North America. Its North American divisions operate in the United States and Canada. Its international divisions operate in nearly 200 countries, with its largest operations in Mexico and the United Kingdom

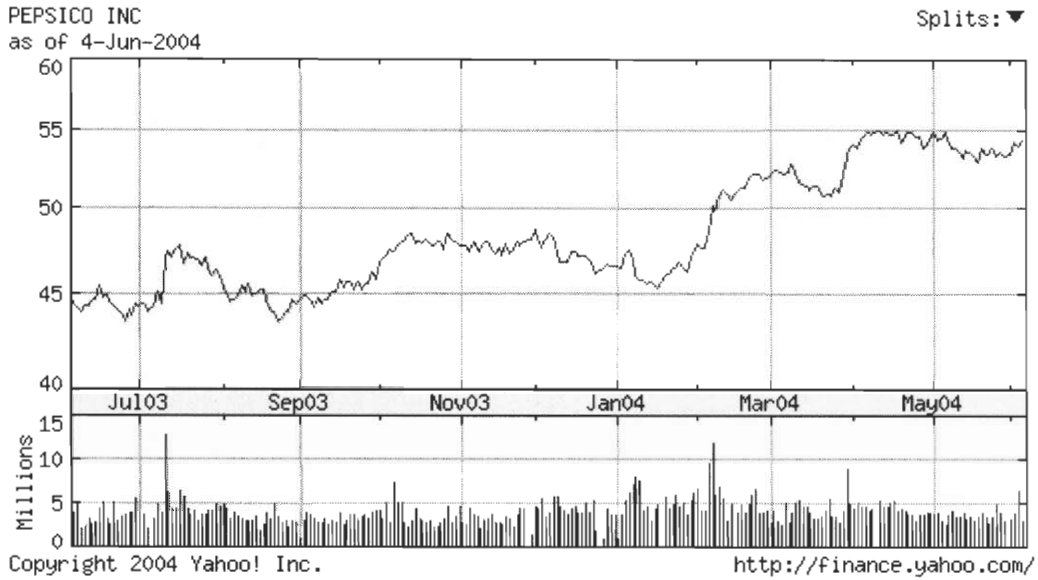
4.6.2 History

PepsiCo is a world leader in convenient foods and beverages, with revenues of about \$27 billion and over 143,000 employees. The company consists of the snack businesses of Frito-Lay North America and Frito-Lay International; the beverage businesses of Pepsi-Cola North America, Gatorade/Tropicana North America and PepsiCo Beverages International; and Quaker Foods North America, manufacturer and marketer of ready-to-eat cereals and other food products. PepsiCo brands are available in nearly 200 countries and territories. Many of PepsiCo's brand names are over 100-years-

old, but the corporation is relatively young. PepsiCo was founded in 1965 through the merger of Pepsi-Cola and Frito-Lay. Tropicana was acquired in 1998 and PepsiCo merged with The Quaker Oats Company, including Gatorade, in 2001. For the 12 weeks ended 3/20/04, net sales increased 11% to \$6.13 billion. Net income applicable to Common increased 15% to \$803 million. Revenues reflect strong volume gains across all divisions and favorable foreign currency movements. Net income also reflects a higher operating profit margin.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
10-Dec-03	\$ 0.16 Cash Dividend					
Dec-03	48.01	48.87	46.11	46.62	4,379,100	46.48
Nov-03	47.81	48.24	46.69	48.12	3,289,721	47.81
Oct-03	46.37	48.88	46.19	47.82	3,863,913	47.51
10-Sep-03	\$ 0.16 Cash Dividend					
Sep-03	44.34	46.52	44.10	45.83	3,553,595	45.54
Aug-03	45.50	45.98	43.35	44.54	3,494,300	44.10
Jul-03	44.25	47.98	43.76	46.07	4,899,227	45.61
11-Jun-03	\$ 0.16 Cash Dividend					
Jun-03	44.72	45.50	43.10	44.50	3,907,085	44.06
May-03	43.17	44.60	42.38	44.20	3,790,009	43.60
Apr-03	40.00	43.62	38.06	43.28	5,533,709	42.69
12-Mar-03	\$ 0.15 Cash Dividend					
Mar-03	38.47	41.50	36.24	40.00	4,953,357	39.46
Feb-03	40.28	41.90	37.85	38.32	4,909,363	37.65
Jan-03	42.12	44.06	38.58	40.48	4,571,904	39.77

Table 4.6.2 Monthly table for PEP a whole year (03-04)



Last Trade:	54.34
Trade Time:	Jun 4
Change:	↑0.37 (0.69%)
Prev Close:	53.97
Open:	53.97
Bid:	N/A
Ask:	N/A
1y Target Est:	59.64

Day's Range:	53.89 - 54.68
52wk Range:	43.10 - 55.48
Volume:	3,013,500
Avg Vol (3m):	4,034,818
Market Cap:	92.76B
P/E (ttm):	26.28
EPS (ttm):	2.068
Div & Yield:	0.92 (1.69%)

FIGURE 4.6.2: Chart for trade stock investment for a whole year (03-04) for PEP

4.6.3 Actual Process

I bought 1000 shares of Pepsi Cola stock on January 8, 2004 for \$45.30 because it was having a conference call to review its third quarter 2004 results and the current

business outlook on, January 8, 2004, at 11:00 a.m. Eastern Time. I spent \$ 45300. I was taking a chance that it would come out with good earnings. On January 9, 2004 Goldman Sachs upgraded it to Market Outperform from Market Perform. It came out with better earnings the expected. PepsiCo continued to deliver consistent solid double-digit earnings growth, with fully diluted earnings per share for the third quarter of 2004 up 14% to 56 cents. I held on to the stock from January 8th to April 12th. I bought 1000 shares and sold it for \$54.15. I made a profit of 19.53%.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	53.71	54.37	53.69	54.15	8,677,000	54.15
10-Mar-04	\$ 0.16 Cash Dividend					
Mar-04	51.91	54.00	50.28	53.85	4,432,365	53.85
Feb-04	47.50	52.42	47.07	51.90	5,772,668	51.74
Jan-04	46.94	48.01	45.30	47.26	5,588,445	47.12

Table 4.6.3 for stock investment three month period when I invest my money with PEP

4.6.4 A Chart For my Actual process

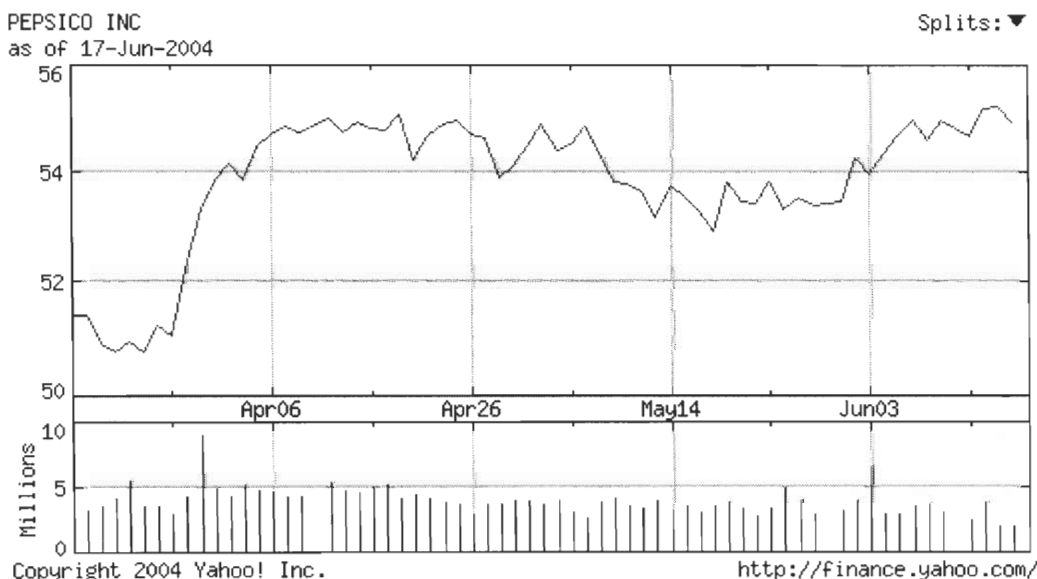


FIGURE 4.6.4 chart for three month period of my investment with PEP

4.6.5 Table of action (SEOND DROUP).

DATE	ACTION	STOCK	SHARES	SHARE PRICE	AMOUNT OF BUYING	AMOUNT OF SELLING	PERCENTAGE OF THE PROFIT
4-APR	SELL	KKD	2000	34.35		68700	- 6.3%
3-JAN	BUY	KKD	2000	36.66	73320		
4-APR	SELL	APPB	500	40.91		20455	3.3%
3-JAN	BUY	APPB	500	39.60	19800		
4-APR	SELL	K	300	39.03		11709	5.4%
21-JAN	BUY	K	300	37.00	11100		
4-APR	SELL	OSI	700	48.62		34034	9.0%
3-JAN	BUY	OSI	700	44.60	31220		
4-APR	SELL	PEP	1000	54.15		54150	19.53%
3-JN	BUY	PEP	1000	45.30	45300		

2004

TOTAL OF BUYING: \$ 180740

TOTAL OF SELLING:\$ 189048

Chapter 5 Investment with calculated risk companies.

5.1 Stocks Chosen

I left these five companies to the end because I know for sure that I will not have a god profit and it has a big risk for my money. So I follow my strategy. Once I make a profit I will sell the stock even if the profit is not that big. The company that I choose it's all high tech companies and you know few years ago when Clinton was the president any one would love to invent his money in theses kind of companies because for sure you will make a good profit that is because the economic of the country was flourishes. But know we all know the economic is down and all high tech companies in a series trouble and some of them are out of business. The prove for that that most of my friends (CS and DD) came back from California because most of the company third out of business and we know that California is the biggest state of high tech companies. So I said to my self I will try, but I have to be careful, watching the market. I choose these companies (Apple Computer, Inc, Dell Computer Corporation, American Power Conversion Corporation, Microsoft Corporation, and Energy COMPANIES INC)

5.2 Apple Computer, Inc (AAPL)

5.2.1 Who is the company and why I choose this company?

RATED 4 STARS OUT OF 5 BY RAYMOND JAMES AND ASSOCIATES.

Apple Computer, Inc. designs, manufactures and markets personal computers (PCs) and related software, peripherals and personal computing and communicating solutions. Its products include the Macintosh line of desktop and notebook computers, the Mac OS X operating system, the iPod digital music player and a portfolio of software and peripheral products for education, creative, consumer and business customers. The Company sells its products through its online stores, direct sales force, third-party wholesalers and resellers and its own retail stores. As of September 30, 2003, Apple operated 65 retail stores. In addition to its own hardware and software products, the Company's retail stores carry a variety of third-party hardware and software products.

5.2.2 History

Apple Computer, Inc. designs, manufactures and markets personal computers and related personal computing and communicating solutions for sale primarily to education, creative, consumer and business customers. Substantially all of the Company's net sales over the last five years have been derived from the sale of its Apple Macintosh line of personal computers and related software and peripherals. The Company offers a range of personal computing products including desktop and notebook personal computers, related devices and peripherals, networking and connectivity products, and various third-party

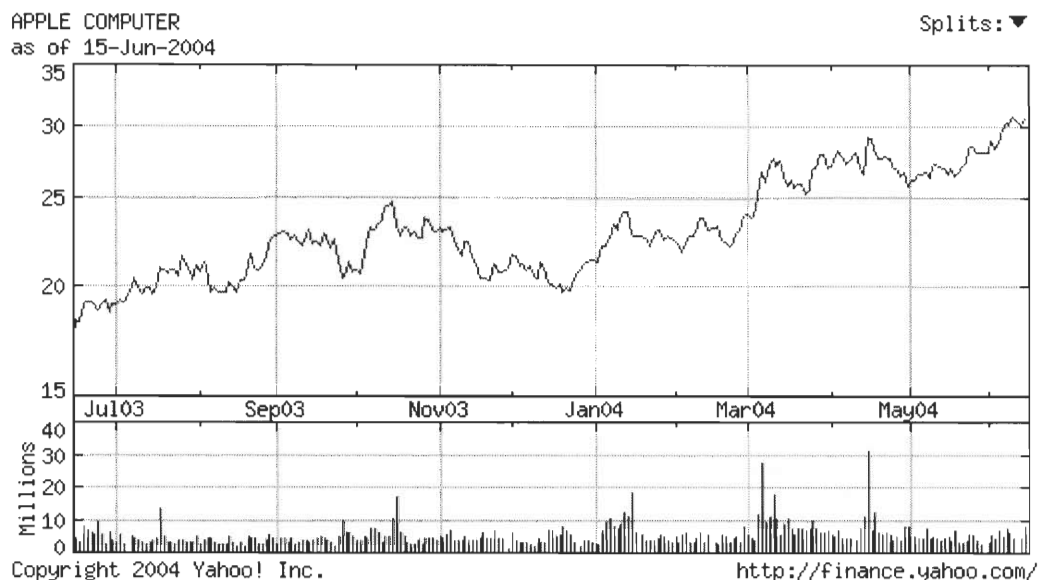
hardware products. All of the Company's Macintosh products utilize PowerPC RISC-based microprocessors.

AAPL designs, manufactures and markets personal computers and related personal computing and communicating solutions for the sale primarily to education, creative, consumer, and business customers. For the three months ended 12/28/02, revenues rose 7% to \$1.47 billion. Net loss before acct. change totaled \$6 million vs. an income of \$38 million. Revenues reflect an increase in shipments of Macintosh units. Net loss reflects higher S/G/A expenses.

The Company's non-current debt and equity investments are in public companies whose security prices are subject to significant volatility. The fair value of two of these investments is less than the Company's cost basis by a combined total of approximately \$41 million as of June 29, 2002. The Company currently believes these declines in fair value to be temporary based on the relatively short time these investments' cost bases has exceeded their fair value and the financial condition and near-term prospects of both companies. However, should the fair value of these investments remain below the Company's cost bases and/or the financial condition or prospects of either company deteriorate, the Company may determine in a future period that this decline in fair value is other-than-temporary, requiring an impairment loss be recognized in the period such a determination is made. For the six months ended 3/04, revenues rose 33% to \$3.92 billion. Net income before acct. change totaled \$109 million, up from \$8 million. Revenues reflect an increase in sales of iPod and computer accessories. Net income also reflects a decrease in restructuring costs.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	21.04	21.90	19.25	21.37	4,568,445	21.37
Nov-03	22.83	23.30	19.85	20.91	4,746,431	20.91
Oct-03	20.71	25.01	20.19	22.89	5,635,360	22.89
Sep-03	22.66	23.32	20.15	20.72	4,789,890	20.72
Aug-03	21.00	22.85	19.42	22.61	3,886,666	22.61
Jul-03	18.87	21.57	18.51	21.08	4,480,304	21.08
Jun-03	18.10	19.69	16.63	19.06	5,387,319	19.06
May-03	14.25	19.01	14.00	17.95	9,518,957	17.95
Apr-03	14.20	14.95	12.72	14.22	7,001,290	14.22
Mar-03	15.01	15.16	14.04	14.14	3,643,761	14.14
Feb-03	14.41	15.30	13.80	15.01	4,050,189	15.01
Jan-03	14.36	15.38	13.56	14.36	5,431,171	14.36

Table 5.2.2 Monthly table for APPL a whole year (03-04)



Last Trade:	30.69
Trade Time:	Jun 15
Change:	↑0.57 (1.89%)
Prev Close:	30.12
Open:	30.26
Bid:	18.59 x 100
Ask:	42.88 x 100
1y Target Est:	31.45

Day's Range:	30.26 - 31.14
52wk Range:	17.45 - 30.97
Volume:	7,939,809
Avg Vol (3m):	6,175,681
Market Cap:	11.66B
P/E (ttm):	67.60
EPS (ttm):	0.454
Div & Yield:	N/A (N/A)

FIGURE 5.2.2: Chart for trade stock investment for a whole year (03-04) for AAPL

5.2.3 Actual process

I bought 200 shares on January 3 @ 24.84 for cost of 4968 and I sold it on March 4 for 28.14 and I made profit of 13.2%. Which I didn't expect. Very good.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Mar-04	24.10	24.30	23.87	24.02	11,488,600	24.02
Feb-04	22.46	24.10	21.70	23.92	5,066,605	23.92
Jan-04	21.55	24.84	21.18	22.56	7,243,840	22.56

Table 5.2.3 for stock investment three month period when I invest my money with AAPL

5.2.4 Chart for my Actual Process.

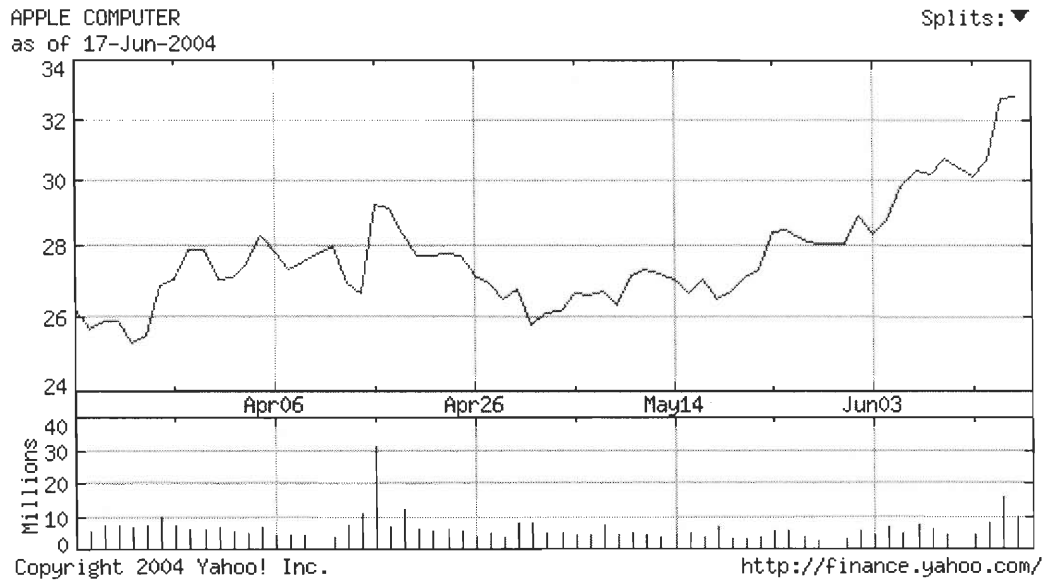


FIGURE 5.2.4 chart for three month period of my investment with AAPL

5.3 Dell Computer Corporation (DELL)

5.3.1 Who is the company and why I choose this company?

BASED ON 10/6 NEWS THAT THEY WERE AWARDED BOB THE BUILDER™ LICENSE FROM HIT ENTERTAINMENT. Dell Inc. designs, develops, manufactures, markets, sells and supports a range of computer systems and services that are customized to customer requirements. These include enterprise systems (servers, storage and networking products, and workstations), client systems (notebooks and desktops), software and peripherals, and service and support programs. Dell also offers a portfolio of services that help maximize information technology (IT), rapidly deploy systems and educate IT professionals and consumers. In addition, the Company provides financial services to its business and consumer customers in the United States. Dell markets and sells its products and services directly to its customers, which include large corporate, government, healthcare and education accounts, as well as small to medium-sized businesses and individual consumers.

5.3.2 History

Dell Computer Corporation is a computer systems company and a provider of computing products and services. The Company's primary product offerings include enterprise systems, notebook computers and desktop computer systems. The Dell line of high-performance computer systems includes Power Edge servers, PowerApp server appliances, PowerVault storage products, Power Connect networking products, Dell Precision workstations, Latitude and Inspiring notebook computers and OptiPlex,

Dimension and Smart Step desktop computers. The Company also markets and sells Dell/EMC storage products under a long-term strategic relationship with EMC Corporation. The Company provides targeted services for consulting, deployment and support, as well as an extensive selection of peripheral hardware, including hand-held products and computing software.

DELL designs, develops, manufactures, markets and services and supports a range of computer systems, including desktop, notebooks and enterprise systems (including servers and workstations). DELL also markets software, peripherals, and service and support programs. For the 39 weeks ended 11/1/02, revenues increased 11% to \$25.67 billion. Net income rose 92% to \$1.52 billion. Results reflect increased desktop sales, along with the absence of consolidation costs.

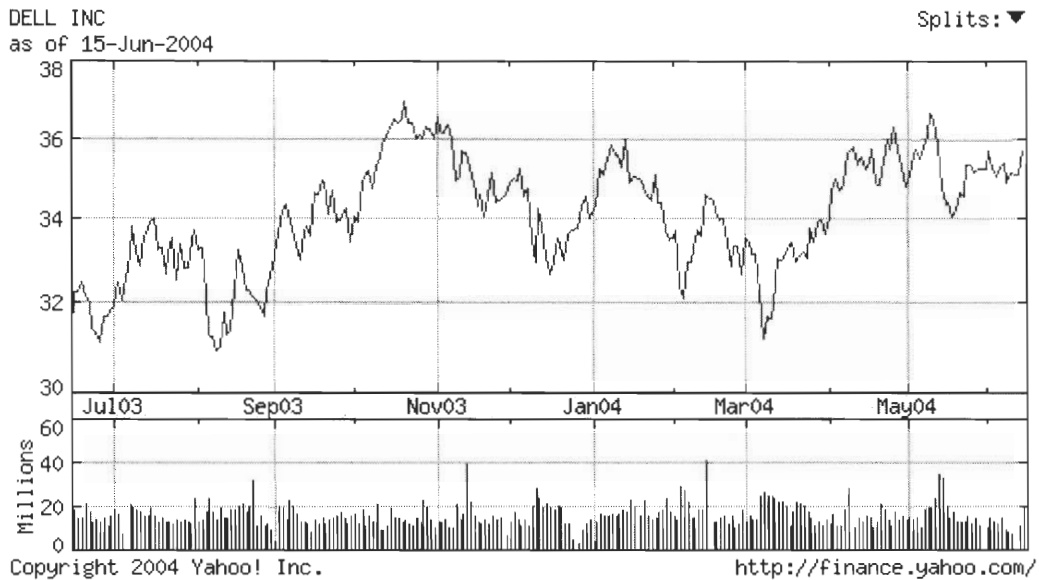
During the quarter, the Company further demonstrated the strength of its low-cost structure and efficient direct-to-customer model generating increased operating profitability. Gross margins for the quarter increased sequentially and year over year primarily as a result of a favorable shift in product mix toward enterprise and notebook computer systems and component cost declines resuming normal patterns. Additionally, the Company's continued focus on cost control resulted in Company record-low operating expenses as a percentage of revenue and improved operating margins. By maintaining its strategy of profitable market share growth with a focus on improving overall profitability, management currently expects to continue to capitalize on market opportunities as the industry consolidates.

In addition, cash flow from operations was \$1.4 billion for the first six months of fiscal 2003, and at August 2, 2002, the Company had cash and investments totaling

\$8.6 billion. The Company believes that going forward it will continue to generate strong cash flow relative to earnings, that it will grow market share even if the overall market does not grow, and that it is well positioned to capitalize on the economic upturn when it occurs. For the 13 weeks ended 4/30/04, revenues rose 21% to \$11.54 billion. Net income rose 22% to \$731 million. Revenues reflect increased product shipments in all geographic markets. Net income also reflects a leveling off of R&D expenses.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	34.70	35.63	32.30	33.98	16,319,140	33.98
Nov-03	36.20	36.85	33.80	34.57	15,932,436	34.57
Oct-03	33.71	37.18	33.15	36.00	15,098,234	36.00
Sep-03	33.24	35.04	32.77	33.42	16,165,461	33.42
Aug-03	33.43	33.75	30.70	32.62	17,613,866	32.62
Jul-03	31.71	34.52	31.16	33.68	16,779,818	33.68
Jun-03	31.27	33.00	30.48	31.84	17,152,071	31.84
May-03	28.96	32.78	28.74	31.37	24,844,161	31.37
Apr-03	27.40	30.04	27.15	28.98	20,561,495	28.98
Mar-03	27.10	28.81	25.14	27.31	23,232,214	27.31
Feb-03	24.07	27.70	22.59	26.96	26,803,815	26.96
Jan-03	27.10	29.00	23.25	23.86	30,824,533	23.86

Table 5.3.2 Monthly table for DELL a whole year (03-04)



Last Trade:	35.68
Trade Time:	Jun 15
Change:	↑0.63 (1.80%)
Prev Close:	35.05
Open:	35.399
Bid:	25.70 x 100
Ask:	45.74 x 100
1y Target Est:	42.88

Day's Range:	35.26 - 36.01
52wk Range:	30.70 - 37.18
Volume:	20,527,602
Avg Vol (3m):	15,382,681
Market Cap:	90.02B
P/E (ttm):	33.57
EPS (ttm):	1.063
Div & Yield:	N/A (N/A)

FIGURE 5.3.2: Chart for trade stock investment for a whole year (03-04) for DELL

5.3.3 Actual Process

I bought 100 shares on January 3 @ 36.16 for cost of 3616 and I sold it on February 4 for 33.35 and I lost 7.8% of my money. the reason that I sold it to early that I found the prices going low very fast every week so I thought if I solid it early I will avoid

a big lose of my money and I was right because later I went to check and I found the price wet down. I expect to lose in these company so theirs no big deal

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Feb-04	33.54	34.25	33.35	33.70	21,488,550	33.70
Jan-04	34.70	36.16	33.10	33.44	18,882,168	33.44

Table 5.3.3 for stock investment three month period when I invest my money with DELL

5.3.4 Chart of my Actual Process

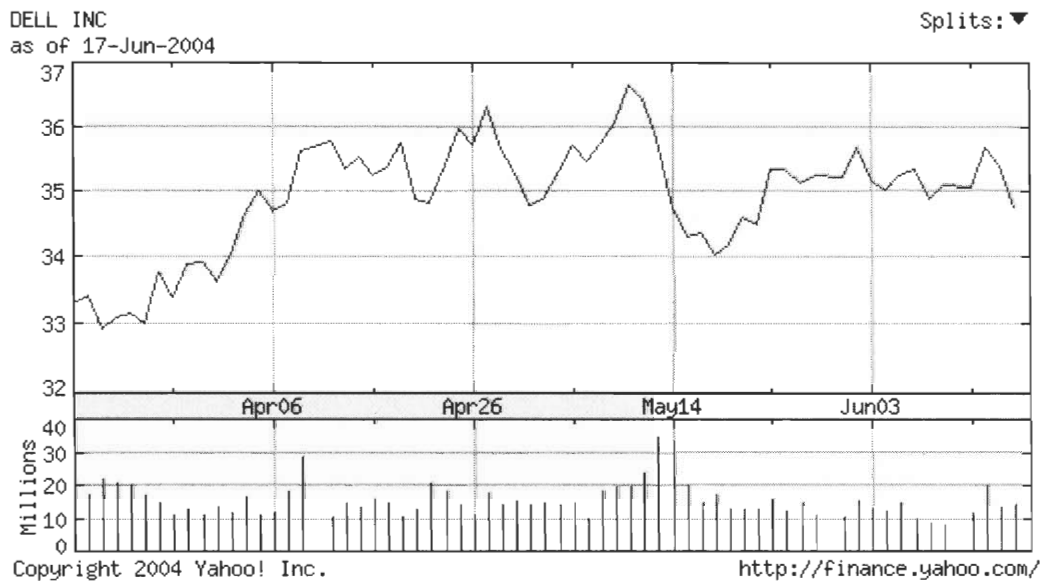


FIGURE 5.3.4 chart for three month period of my investment with DELL

5.4 American Power Conversion Corporation (APCC)

5.4.1 Who is the company and why I choose this company?

THE COMPANY HAS GOOD POTENTIAL AS IT JUST ADDED U.S PATENT TO SURFACTANT PATENT ESTATE. American Power Conversion Corporation designs, develops, manufactures and markets power protection and management solutions for computer, communications and electronic applications worldwide. The Company's products include uninterruptible power supply products; electrical surge protection devices (surge suppressors); power conditioning products; DC (direct current)-power systems; cooling equipment; power management software and tools; racks and enclosures; services, and various desktop and notebook personal computer (PC) and mobile accessories. These products are primarily used with sensitive electronic devices that rely on electric utility power, including home electronics, PCs, computer workstations, servers, networking equipment, communications equipment, internetworking equipment, data centers, mainframe computers and facilities.

5.4.2 History

American Power Conversion Corporation (APC), incorporated in March 1981, designs, develops, manufactures and markets power protection and management solutions for computer, communications and electronic applications worldwide. The Company's products include uninterruptible power supply products (UPS), direct current (DC)-power

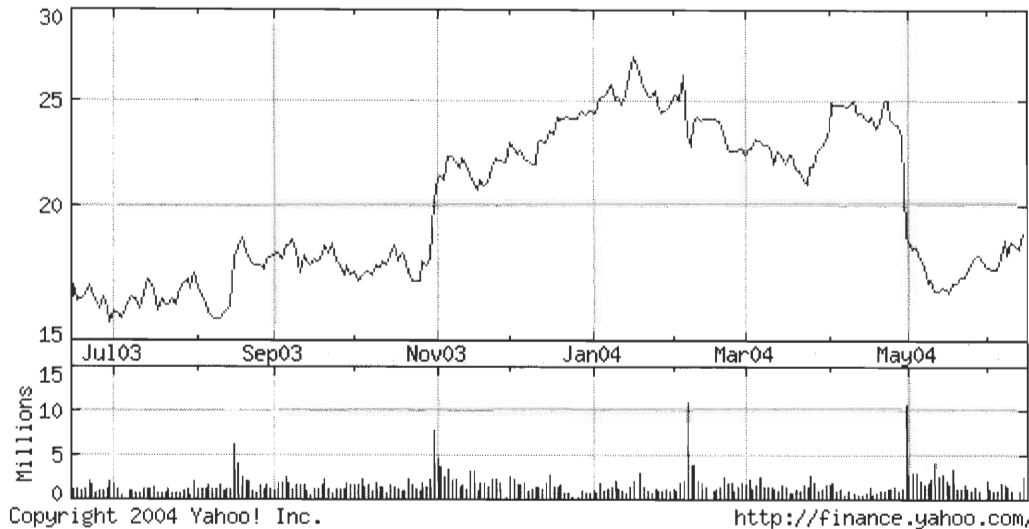
systems, electrical surge protection devices, power conditioning products, precision cooling equipment and associated software, services, and accessories. These products are used with sensitive electronic devices that rely on electric utility power, including, but not limited to, home electronics, personal computers (PCs), and high-performance computer workstations, servers, networking equipment, communications equipment, Internetworking equipment, data centers, mainframe computers and facilities. For the three months ended 3/28/04, revenues rose 14% to \$351.8 million. Net income rose 16% to \$34.7 million. Revenues reflect strong demand for InfraStruXureT products. Net income reflects improved gross profit margins due to favorable pricing.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	22.41	24.69	21.36	24.50	1,462,954	24.30
24-Nov-03	\$ 0.08 Cash Dividend					
Nov-03	20.32	22.63	20.22	21.96	2,331,342	21.78
Oct-03	17.14	21.08	16.65	20.29	2,180,852	20.05
Sep-03	18.00	18.77	17.02	17.30	1,617,276	17.10
21-Aug-03	\$ 0.08 Cash Dividend					
Aug-03	17.35	18.86	15.58	17.92	1,878,380	17.71
Jul-03	15.62	18.01	15.20	17.37	1,151,690	17.09
Jun-03	15.48	17.50	15.10	15.61	1,601,309	15.36
May-03	15.66	17.09	14.83	15.50	1,422,338	15.25
Apr-03	14.62	15.75	13.72	15.58	1,524,319	15.33
Mar-03	15.70	16.75	13.90	14.24	1,510,547	14.01
Feb-03	15.69	16.15	14.54	15.64	1,429,573	15.39
Jan-03	15.25	17.14	14.60	15.56	2,064,371	15.31

Table 5.4.2 Monthly table for APCC a whole year (03-04)

AMER POWER CONVERSION CP
as of 15-Jun-2004

Splits: ▼



Last Trade:	18.92
Trade Time:	Jun 15
Change:	↑0.64 (3.50%)
Prev Close:	18.28
Open:	18.18
Bid:	0.01 x 100
Ask:	9,000.00 x 100
1y Target Est:	23.13

Day's Range:	18.14 - 19.11
52wk Range:	15.20 - 27.42
Volume:	2,546,682
Avg Vol (3m):	1,650,772
Market Cap:	3.79B
P/E (ttm):	21.14
EPS (ttm):	0.895
Div & Yield:	0.40 (2.19%)

FIGURE 5.4.2: Chart for trade stock investment for a whole year (03-04) for APCC

5.4.3 Actual Process

I bought 300 shares of the American Power Conversion stock on January 3, 2004 for \$27.42 because it was coming out with its earnings. I spent \$ 8226. I was taking a chance that it would come out with the same or better earnings that was predicted. It

came out with the predicted earnings. On January 31, 2004 Adams Harkness upgraded it to strong buy from buy. American Power Conversion's third-quarter earnings rose, helped by higher sales of power systems and cooling products for data centers. Net income climbed to \$42 million or 21 cents a share, from \$22.3 million, or 11 cents, the year before. Total sales fell 5 percent to \$337.1 million. The company, based in West Kingston, Rhode Island, was expected to earn 17 cents a share, within a range of 16 cents to 17 cents. I held on to the stock from January 3rd to march 4th. I bought 300 shares and sold it for \$22.24. I lost again 18.9%. Big lost, but I know it might happen so I did bought just 300 shares.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Mar-04	22.46	22.68	22.24	22.36	3,262,600	22.26
23-Feb-04	\$ 0.08 Cash Dividend					
Feb-04	24.69	26.50	21.15	22.62	2,495,194	22.51
Jan-04	24.79	27.42	24.18	24.66	1,399,460	24.46

Table 5.4.3 for stock investment three month period when I invest my money with APCC

5.4.3 Chart for my process.

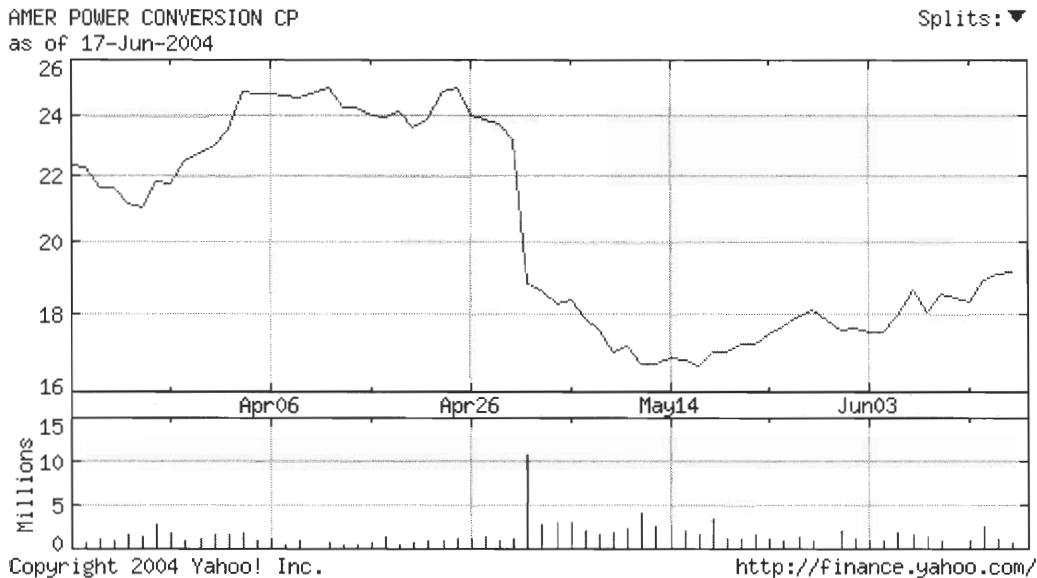


FIGURE 5.4.3 chart for three month period of my investment with APCC

5.5 Microsoft Corporation (MSFT)

5.5.1 Who is the company and why I choose this company?

APPRECIATED BASED ON INCREASE OF HOME BUILDING STOCKS
GOOD OUTLOOK DUE TO LOW INTEREST RATES AND STRONG EARNINGS.

Microsoft Corporation develops, manufactures, licenses and supports a wide range of software products for various computing devices. The Company's software products include scalable operating systems for servers, personal computers (PCs) and intelligent devices; server applications for client/server environments; information worker productivity applications; business solutions applications, and software development tools. Microsoft provides consulting services and product support services, and it trains

and certifies system integrators and developers. The Company sells the Xbox video game console, along with games and peripherals. Its online businesses include the MSN subscription and the MSN network of Internet products and services. The Company's seven product segments are: Client, Server and Tools, Information Worker, Microsoft Business Solutions, MSN, Mobile and Embedded Devices and Home and Entertainment.

5.5.2 History

Microsoft Corporation, incorporated in 1981, develops, manufactures, licenses and supports a wide range of software products for a multitude of computing devices. The Company's software products include scalable operating systems for servers, personal computers (PCs) and intelligent devices; server applications for client/server environments; information worker productivity applications; business solutions applications, and software development tools. During the year ended June 30, 2002, Microsoft launched Xbox, its next-generation video game system. For the nine months ended 3/31/04, revenues rose 14% to \$27.54 billion. Net income fell 9% to \$5.48 billion. Results reflect continued improvements in overall IT spending; offset by \$2.53 billion of Sun Microsystems and European Commission costs.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	25.90	27.55	25.50	27.37	69,030,008	27.37
Nov-03	26.35	26.75	24.84	25.71	77,670,488	25.71
15-Oct-03	\$ 0.16 Cash Dividend					
Oct-03	28.03	29.46	25.91	26.14	63,898,095	26.14
Sep-03	26.70	30.00	26.47	27.80	62,697,275	27.64
Aug-03	26.33	26.95	25.43	26.52	47,667,137	26.37
Jul-03	25.59	27.81	25.39	26.41	61,659,808	26.26
Jun-03	24.98	26.51	23.60	25.64	77,050,900	25.50
May-03	25.54	26.50	23.89	24.61	66,480,971	24.47
Apr-03	24.46	26.43	23.95	25.57	62,151,643	25.43
Mar-03	24.02	26.80	22.55	24.21	68,727,932	24.07
19-Feb-03	\$ 0.08 Cash Dividend					
18-Feb-03	2 : 1 Stock Split					
Feb-03	47.93	49.10	23.30	23.70	52,416,910	23.57
Jan-03	52.30	57.32	47.03	47.46	43,464,776	23.52

Table 5.5.2 Monthly table for MSFT a whole year (03-04)



Last Trade:	27.405
Trade Time:	Jun 15
Change:	↑0.505 (1.88%)
Prev Close:	26.90
Open:	26.98
Bid:	17.31 x 100
Ask:	37.32 x 100
1y Target Est:	33.75

Day's Range:	26.97 - 27.60
52wk Range:	24.01 - 30.00
Volume:	114,245,016
Avg Vol (3m):	65,103,136
Market Cap:	295.83B
P/E (ttm):	40.30
EPS (ttm):	0.68
Div & Yield:	0.16 (0.59%)

FIGURE 5.5.2: Chart for trade stock investment for a whole year (03-04) for MSFT

5.5.3 ACUAL PROCESS

I bought 198 shares of Microsoft stock on January 4, 2004 for \$27.26 because it was going to report better quarter growth than its competitors. I spent \$5397.48. I was taking a chance that the good news would increase its stock price. I only wanted to hold

on to this stock for a few days so I could take the risk. Microsoft's first-quarter profit of 50 cents per share, including a \$291 million write-off for investment losses, far exceeded analysts' forecasts of 43 cents per share. At the same time, revenue in the first quarter increased 27 percent to \$7.75 billion, up from \$6.1 billion a year earlier. I held on to the stock from January 4th to march 4th. I bought 198 shares and sold it for \$26.70 I lost 2.0 % which is not bad.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Mar-04	26.63	26.72	26.50	26.70	103,824,600	26.70
Feb-04	27.61	27.80	26.35	26.53	57,385,900	26.53
Jan-04	27.58	28.83	27.26	27.65	63,635,885	27.65

Table 5.5.3 for stock investment three month period when I invest my money with MSFT

5.5.4 Chart for my process.

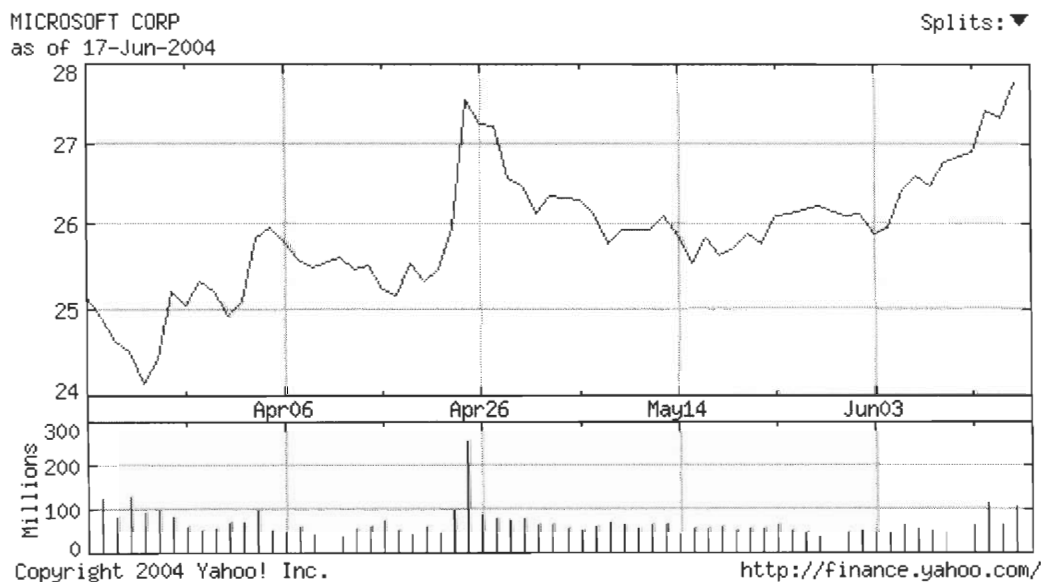


FIGURE 5.5.4 chart for three month period of my investment with MSFT

5.6 ENERGY COMPANIES INC (EPL)

5.6.1 Who is the company and why I choose this company?

THE COMPANY ANNOUNCED ON OCT 10 THE EXPLORATORY DISCOVERY AT SOUTH MARSH ISLAND AND ACQUIRED NEW STATE LEASES IN EAST BAY AREA. Energy Partners, Ltd. is an independent oil and natural gas exploration and production company focused on the shallow to moderate depth waters of the Gulf of Mexico Shelf. The Company engages in exploration, exploitation and development drilling and multi-year, multi-well, drill-to-earn programs, as well as strategic acquisitions of mature oil and natural gas fields. Energy Partners has interests in 24 producing fields and six fields under development, all of which are located in the Gulf of Mexico Shelf region. These fields fall into three focus areas identified as its Eastern, Central and Western areas. The Eastern area comprises of two fields, including the East Bay field. The Central area comprises of six fields, four of which are contiguous and together cover most of the Bay Marchand salt dome. The Western area comprises of 17 producing fields.

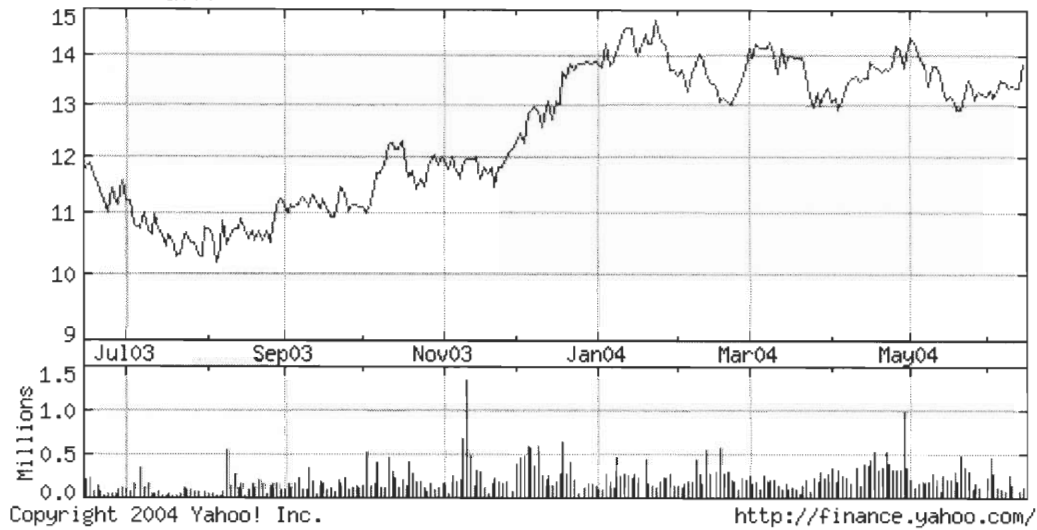
5.6.2 History

For the three months ended 3/31/04, revenues rose 11% to \$63.5 million. Net income applicable to Common and before accent. Change fell 41% to \$6.5 million. Results reflect higher energy prices and increased natural gas production, offset by a \$6.9 million charge to impair the East Cameron 378 field.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Dec-03	12.25	14.10	12.16	13.90	326,609	13.90
Nov-03	12.11	12.43	11.26	12.15	290,184	12.15
Oct-03	11.17	12.50	10.80	12.01	226,434	12.01
Sep-03	11.41	11.85	10.70	11.12	162,409	11.12
Aug-03	10.75	11.25	10.10	11.25	149,176	11.25
Jul-03	11.60	11.60	10.00	10.76	92,227	10.76
Jun-03	11.73	12.29	10.97	11.55	152,142	11.55
May-03	9.85	11.74	9.75	11.67	155,385	11.67
Apr-03	10.25	10.57	9.40	9.88	222,923	9.88
Mar-03	10.70	11.02	9.26	10.20	62,514	10.20
Feb-03	10.73	11.10	9.70	10.80	49,215	10.80
Jan-03	10.50	11.60	10.05	10.76	40,071	10.76

Table 5.6.2 Monthly table for EPL a whole year (03-04)

ENERGY PARTNERS LTD
as of 15-Jun-2004



Last Trade:	13.84
Trade Time:	Jun 15
Change:	↑0.50 (3.75%)
Prev Close:	13.34
Open:	13.30
Bid:	N/A
Ask:	N/A
1y Target Est:	16.80

Day's Range:	13.30 - 13.85
52wk Range:	10.00 - 14.81
Volume:	121,700
Avg Vol (3m):	246,363
Market Cap:	455.43M
P/E (ttm):	19.49
EPS (ttm):	0.71
Div & Yield:	N/A (N/A)

FIGURE 5.6.2: Chart for trade stock investment for a whole year (03-04) for EPL

5.6.3 ACUAL PROCESS

I bought 200 Shares on January 3 @ 13.30 for cost of 2660 and I sold it on March 4 for 13.35 and I made profit of .37% which is good.

Date	Open	High	Low	Close	Avg Vol	Adj Close*
Apr-04	13.30	13.55	13.04	13.07	694,000	13.07
Mar-04	13.81	14.48	12.60	13.35	192,804	13.35
Feb-04	13.61	14.25	12.81	13.74	274,963	13.74
Jan-04	13.83	14.81	13.30	13.71	241,385	13.71

Table 5.6.3 for stock investment three month period when I invest my money with EPL

5.6.4 Chart for my process.

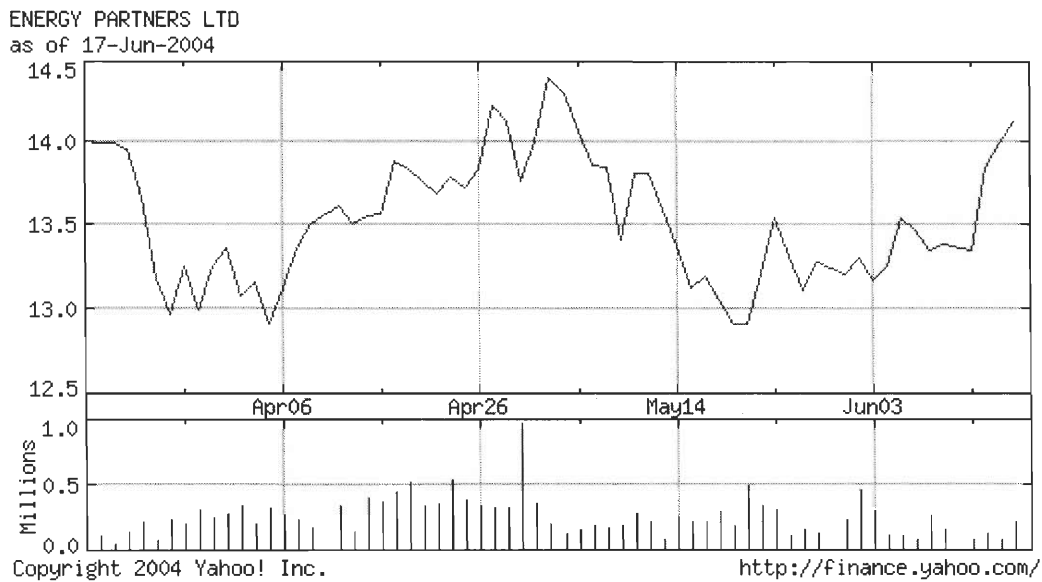


FIGURE 5.6.4 chart for three month period of my investment with EPL

5.6.5 TABLE OF ACTION (THIRD GROUP)

DATE	ACTION	STOCK	SHARES	SHARE PRICE	AMOUNT OF BUYING	AMOUNT OF SELLING	PERCENTAGE OF THE PROFIT
4-MAR	SELL	AAPL	200	28.14		5628	13.2 %
3-JAN	BUY	AAPL	200	24.84	4968		
4-FAB	SELL	DELL	100	33.35		3335	- 7.8 %
3-JAN	BUY	DELL	100	36.16	3616		
4-MAR	SELL	APCC	300	22.24		6672	- 18.9 %
3-JAN	BUY	APCC	300	27.42	8226		
4-MAR	SELL	MSFT	198	26.70		5286.6	- 2.0 %
3-JAN	BUY	MSFT	198	27.26	5397.48		
4-APR	SELL	EPL	200	13.35		2670	0.37 %
3-JN	BUY	EPL	200	13.30	2660		

2004

TOTAL OF BUYING: \$ 23591.6

TOTAL OF SELLING: \$ 19949.16

Chapter 6. Conclusions and Recommendations

The purpose of this analysis was to gain experience and insight into stock market trading. We believe that we accomplished this. The thing that we learned firsthand is the unpredictability of the market. Trades that we thought were highly likely to gain lost huge and vice versa. No matter how certain a trade looked, the market continuously surprised us. It is impossible to be perfect when trading in the stock market.

The short term markets are hotter than ever. Even buy-and-holders are devoting a portion of their trading dollars to investments that hold the promise of quick rewards. Angell first describes how to "measure, quantify and interpret market data so you can quickly figure out when the market will move - and which way it will go." Then, he introduces his own signature trading system.

We think after three month trading, we learned a lot from the stock market. This information will be useful for the future reference.

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