

NaabTrade

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Mideast Turmoil Roils Markets August 2006 Issue

AUGUST 1, 2006

VOLUME 3, NUMBER 8

2006 Performance

DJIA: +4.69%

S&P 500: +2.42%

NASDAQ: -5.04%

NaabTrade 2006

FAGP: +15.12%

STGP: +13.57%

LTGP: +17.81%

NaabTrade 2005

FAGP: +20.58%

STGP: +21.81%

LTGP: +63.34%

*Our short sale in
OraLabs yielded a 53%
gain in just 3 months.*

Mideast Turmoil the Latest Market Worry

The fierce fighting between Israel and Hezbollah weighed on the market in late July. The NASDAQ was the hardest hit during the month, losing almost 4%. Weak earnings reports from **Dell (DELL)**, **Yahoo (YHOO)**, **Intel (INTC)**, and **Amazon (AMZN)** led to the decline. Nearby crude contracts rallied to almost \$80.00, which also weighed on the general market sentiment. We expect August to be a typical slow summer month with light volume. All the action will likely be stock specific. We sound like a broken record in our prediction of a year in which the major indices are virtually flat to slightly positive, but through the end of July we are right on target for exactly that. Certain events, however, might lead us to change our convictions. We predict the major averages will spike if any of the following were to occur: fighting in Lebanon is resolved quickly and peacefully, Iran's uranium enrichment program is stifled, North Korea backs down from missile launches and voluntarily agrees to talks with neighboring countries, or the Fed definitively signals a halt to rate increases. If all these events were to occur in the remainder of 2006, we predict double digit gains for the major averages.

Our portfolio selections will remain concentrated in the following sectors: energy, mining, uranium, timber, land, coal, and selected merger candidates.

OraLabs Short Sale Closed Out

July 17, shares of **OraLabs (OLAB)** fell below our recommended level for buying back the shares. In our June issue, with the stock trading at \$3.60, we advised putting in an order to cover the short sale at \$3.01. The trade yielded a 53% profit in just 3 months.



The auction of Univision did not bring the \$40.00 we expected. A small chance exists that Televisa will submit a higher bid.

Univision Auction Apparently Concludes

The auction of **Univision (UVN)** was disappointing. June 27, Univision agreed to be purchased by a private equity group led by media mogul, Haim Saban, for \$36.25 a share in cash. The deal is expected to win regulatory approval and close in early 2007. **Televisa (TV)**, however, is mulling whether to make a higher bid and is stating publicly that it may do so. We advise holding Univision for a few more weeks in case a higher deal is reached. We will send a Flash Bulletin if action is warranted.



St Jude Medical Bottomed?

St. Jude Medical (STJ) acted strong the last few days of July. After bottoming out just above \$31.00, the stock has pushed back to \$37.40. The company recorded a solid second quarter, but guidance was below our expectations for the remainder of 2006. The stock, however, responded well to the news. St. Jude is undervalued and vulnerable to a bid. Johnson & Johnson, spurned by Guidant, would be the logical suitor. Whether it is Johnny John or someone else, we expect such a transaction in the next 12 months. St. Jude is a strong buy at current levels even if no takeover occurs soon. If you do not currently own shares, we advise buying under \$36.00 for long term capital appreciation with moderate risk.



St. Jude Medical may have found a bottom in the low 30's. We still expect the company to receive a buyout proposal in the next 12 months.

Oil & gas mergers will stay strong as producers look to secure reserves for future growth. It's cheaper to buy reserves from other companies than explore for them.

Energy Mergers Will Continue at Dizzying Pace

In June when **Anadarko (APC)** announced plans to pay just over \$21B to acquire both **Western Gas (WGR)** and **Kerr-McGee (KMG)**, a new bar was set for energy company valuations. The deal's premiums of 50% for Western Gas and 40% for Kerr-McGee surprised many industry analysts. The deal hit upon a major theme we have been saying for more than two years: buying reserves on the exchange is cheaper than exploring for them. Oil & gas companies are desperate to add reserves to their balance sheets to replace dwindling reserves. With many oil & gas companies still trading at 7 to 10 times earnings, the deals are just getting started. **Pioneer Natural Resources (PXD)** remains our favorite buyout candidate. We are heavily invested in Pioneer in our managed accounts and Model Portfolios. Other companies that may be in play are: **Devon Energy (DVN)**, **EOG Resources (EOG)**, **Cabot Oil & Gas (COG)**, **Chesapeake Energy (CHK)**, **Hess Corp (HES)**, **Talisman Energy (TLM)**, **Carrizo Oil & Gas (CRZO)**, **Houston Exploration (THX)**, **Southwestern Energy (SWN)**, **Murphy Oil (MUR)**, **Ultra Petroleum (UPL)**, and **ATP Oil & Gas (ATPG)**. Last month, we established positions in several of these buyout candidates. We still await what **Royal Dutch Shell (RDS/B)** is going to do to replace massive reserve write downs from politically unstable regions of the world. As we go to press, more violence is breaking out in Nigeria, a country Shell has long been counting on for future production. Shell has had to write-down their reserves in Nigeria several times and may have to do so again. They will wise up soon and do a major "reserve boosting" deal in politically stable Canada or the USA.

In the STGP and FAGP, we are adding a 2% weighted position in **PXD** under \$47.00. Both trades will be established at the opening price July 31.



Add to Short Position in Vertrue

We are increasing our short positions in **Vertrue (VTRU)**. In both the STGP and FAGP, add 5% weightings in VTRU above \$40.00 at the opening price July 31. In the LTGP, add a 2% weighting at the opening price July 31. See the June issue for commentary on Vertrue. Vertrue has gained slightly since our initial short sale, but our thoughts about the company have not changed. Over the long term, their business model will be challenging to sustain.



Add Exposure to Uranium For Long Term Gains

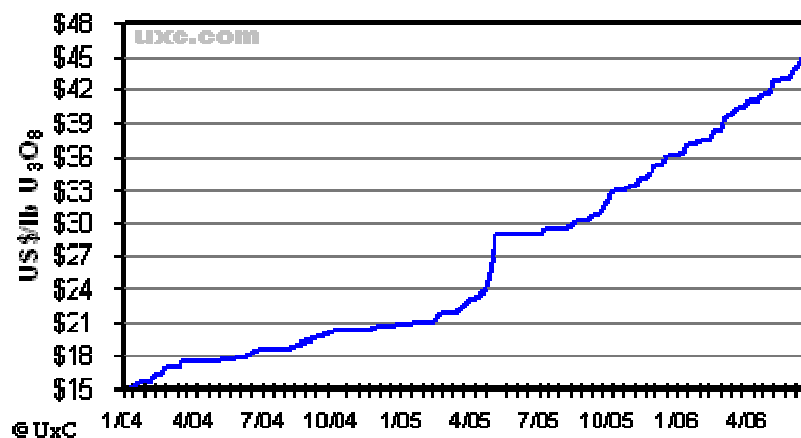
We have been commenting on the prospects for the global nuclear power industry for over two years. As more and more developing countries such as China and India plan to build nuclear power plants, the demand for uranium is expected to skyrocket from current levels. At present, annual demand for uranium is about 180 million pounds, while only 108 million pounds of ore were mined in 2005, according to estimates by industry watcher Ux Consulting. Output is not expected to increase materially until Cameco's Cigar Lake facility comes online in 2007 or 2008. Ux claims that mining output will be only about 130 million pounds by 2008. Currently, 140 new reactors, mostly in Asia, are in various stages of development, versus the 440 in existence today. More are being planned as crude prices remain at stratospheric levels. Against this backdrop, we do not expect any sustained decline in the spot price for uranium any time soon. The uranium spot price has been in a relentless uptrend since early 2001 (see chart page 5).

The four major players in uranium are **BHP Billiton (BHP)**, **Cameco (CCJ)**, **Rio Tinto (RTP)**, and **Areva (ARVCF.PK)**. Several months ago, in the LTGP we established small positions in the "four horsemen" of uranium, with Cameco garnering the most exposure. In the LTGP, we are going to increase uranium exposure at this time by adding another 2% weighting in each of the four horsemen at current prices. Trades will be established July 31 at the opening prices.

Uranium is one of our favorite long term sectors. Uranium usage will outstrip supply for several years.

You might wonder why we are not dabbling in uranium in the FAGP or STGP. Our feeling is that the uranium sector play is a long term phenomenon, with many years remaining of bullish fundamentals for both the physical product and companies involved in mining and processing uranium. In the future, we are expecting a merger and acquisition frenzy in the uranium sector, at which time we will begin to look at short term trading ideas within the sector.

Uranium Spot Price



Smaller Uranium Producers Ripe For Consolidation

We are going to profile some of the smaller uranium plays that we think may eventually become "mid major" players in the uranium industry. We also consider these smaller players as takeover targets for the bigger players in the industry. In the LTGP, we are going to establish 2% weightings in each of the profiled companies at the opening price July 31. The five junior uranium producers profiled should be purchased as a basket. We will be, and strongly suggest, purchasing the shares on the appropriate Canadian exchange rather than the Pink Sheets. We strive to avoid Pink Sheet trades when shares of a company are readily accessible via a local exchange. Most brokers should be able to acquire these shares on the appropriate Canadian exchange. Also, all prices quoted are in Canadian dollars except Fronteer Development Group.

Our first recommendation is **Mega Uranium Ltd. (MGA.V) (MGAFF.PK)**. Mega Uranium Ltd. is a Toronto-based mineral resources company with a focus on uranium properties in Australia, Argentina, Mongolia, and Canada. At its current price of \$7.99, we think the shares could trade much higher if any of their recently acquired properties prove rich in uranium. Recently, Mega significantly increased its uranium reserves in Australia through the acquisition of **Redport Limited**. Mega is poised to become a major player in the uranium industry. More due diligence can be performed via the company website at www.megauranium.com.

We feel it is time to begin establishing exposure to some smaller uranium players poised to be acquired in the future as they ramp up production.

Mega Uranium is one of our favorite junior uranium miners.

UEX Exploration has world class partners for its uranium projects.

We also like the long term prospects for **UEX Exploration (UEX.TO) (UEXCF.PK)**. UEX is a Canadian uranium exploration company formed under an agreement between **Pioneer Metals Corporation (PSM.TO)** and Cameco Corporation. Cameco, the world's largest supplier of uranium, is UEX's largest shareholder. UEX is actively involved in the exploration and development of 19 uranium projects, including seven that are 100% owned and operated by UEX, one joint ventured with COGEMA, an affiliate of Areva, ten under option from COGEMA and one under option from Japan-Canada Uranium Company, Limited, which are operated by COGEMA. The 19 projects, totaling 955,400 acres, are located in the Athabasca Basin, the world's richest uranium belt, which accounts for approximately 30% of global primary uranium production. By having two of the world's uranium leaders, Cameco and Areva, as partners, UEX has positioned itself for strong future growth. Currently trading for \$3.54, UEX presents an excellent opportunity to get in on a ground floor uranium miner with world class partners, each of which could easily bid for the company in future years. Place buy orders under \$4.00 per share. More details about the company can be found at their website www.ux-corporation.com.

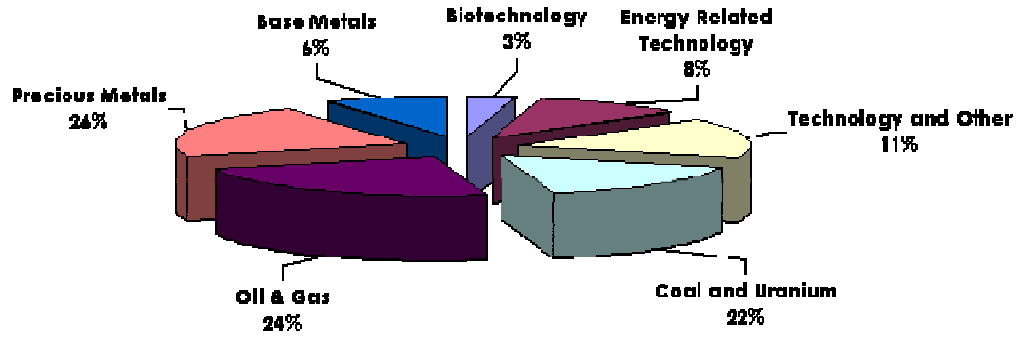
Next, we like **Fronteer Development Group (FRG)**. Fronteer is a development stage mining company with projects in Mexico, Turkey, and Canada. It holds a 49.3% interest in **Aurora Energy Resources (AXU.TO)**, a Canadian based uranium miner. Aurora is the 100% owner of one of the largest undeveloped uranium deposits in Canada. Currently, the Michelin deposit in Labrador has enough uranium to power over 40 million homes for an entire year. Aurora has only begun to tap the potential of the deposit. Fronteer trades on the Amex, so it won't be difficult to buy. At a recent price of \$4.34, the stock is down from \$7.00 in mid April. Place buy orders under \$5.00 per share. More can be learned about Aurora and Fronteer at www.fronteergroup.com and www.aurora-energy.ca.

Paladin Resources Limited (PDN.TO) (PALAF.PK) is our next choice in the junior uranium mining sector. Paladin operates with a focus on uranium and has projects in Australia and Africa. Construction has commenced on the Langer Heinrich Uranium Project in Namibia and a feasibility study has commenced on the company's Kayelekera Project in Malawi. These are believed to be the two most advanced uranium projects in Southern Africa. Start-up for the Langer Heinrich Project is expected in September with a targeted annual production of 2.6 million pounds of uranium and a minimum project life of 17 years. Paladin is down from \$4.50 in April to \$3.79. Place buy orders under \$4.00. More can be learned about Paladin at www.paladinresources.com.au.

Lastly, we are focusing on a company that is an amalgamation of equity interests in small mining companies around the globe. The company is **Pinetree Capital Limited (PNP.TO) (PNPFF.PK)**. It holds interests in companies focused on uranium, coal, oil & gas, base metals, precious metals, and energy related technology. The breakdown of the company's portfolio by market value is listed in the chart on page 7. Pinetree is trading \$8.87, down from its high of \$10.70 set back in late April. Place orders to buy Pinetree under \$10.00 per share.

Pinetree is like a natural resource mutual fund with a focus on development stage companies.

Pinetree Capital Limited
Portfolio Sector Breakout
 (Percentages Are Of Total Portfolio Fair Value)





We will send a Flash Bulletin with any urgent updates or new stock trades.

Thank you for reading NaabTrade, and may all your trades be good ones.

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NaabTrade Focused Aggressive Growth Portfolio (FAGP)

Date last updated: 6/29/06

Symbol	Action	Yield	Date Bought	Entry Price	Current Price	Return (w/o divs)	% of Portfolio	Current Advice (Latest updates in red)
JRCC	Long	N/A	5/30/06	\$32.21	\$27.10	-15.86%	10.00%	Coal company up for sale? Worth \$40.00 in a sale.
UVN	Long	N/A	5/30/06	\$35.75	\$33.60	-6.01%	10.00%	On the auction block. Should draw bids near \$40.00.
UVN	Long	N/A	4/28/06	\$35.35	\$33.60	-4.95%	10.00%	On the auction block. Should draw bids near \$40.00.
UVN	Long	N/A	3/31/06	\$34.56	\$33.60	-2.78%	10.00%	On the auction block. Should draw bids near \$40.00.
STJ	Long	N/A	2/16/06	\$49.50	\$32.44	-34.46%	10.00%	J&J to possibly buy company. Buy below \$38.00.
MRO	Long	2.34%	5/3/05	\$46.75	\$83.44	78.48%	10.00%	Core energy holding. Buy below \$80.00.
FITB	Long	2.94%	2/9/05	\$47.50	\$37.14	-21.81%	10.00%	Takeover bait for larger bank? Buy under \$40.00.
CVX	Long	2.85%	2/9/05	\$47.92	\$62.49	30.40%	10.00%	Bought Unocal assets cheaply. Buy below \$60.00.
GY	Long	0.64%	2/9/05	\$18.49	\$15.82	-14.44%	10.00%	We see \$25.00 potential as bidders emerge. HOLD.
FITB	Long	3.85%	10/18/05	\$38.66	\$37.14	-3.93%	10.00%	Takeover bait for larger bank? Buy under \$40.00.
UVN	Long	N/A	3/1/06	\$33.50	\$33.60	0.30%	10.00%	On the auction block. Should draw bids near \$40.00.
PXD	Long	0.47%	6/28/05	\$42.00	\$46.46	10.62%	7.00%	May be in play. Buy under \$47.00.
HSE.TO	Long	N/A	9/1/05	\$61.20	\$70.12	14.58%	5.00%	Strong Canadian energy company. Buy under \$65.00.
TLM	Long	0.60%	9/1/05	\$16.32	\$17.34	6.23%	5.00%	Strong Canadian energy company. Buy under \$20.00
TLM	Long	0.60%	12/1/05	\$16.33	\$17.34	6.16%	5.00%	Strong Canadian energy company. Buy under \$20.00
APC	Long	0.70%	2/1/06	\$53.91	\$46.02	-14.64%	5.00%	Went on Shopping spree. Buy under \$41.50.
TLM	Long	0.60%	2/1/06	\$20.00	\$17.34	-13.30%	5.00%	Strong Canadian energy company. Buy under \$20.00
PXD	Long	0.47%	4/28/06	\$42.24	\$46.46	9.99%	5.00%	May be in play. Buy under \$47.00.
THX	Long	N/A	6/30/06	\$62.00	\$62.00	0.00%	4.00%	May be in play. Buy under \$63.00.
EOG	Long	0.40%	6/30/06	\$68.44	\$68.44	0.00%	4.00%	May be in play. Buy under \$70.00.
ATPG	Long	N/A	6/30/06	\$40.93	\$40.93	0.00%	4.00%	May be in play. Buy under \$42.00.
SWN	Long	N/A	6/30/06	\$30.76	\$30.76	0.00%	4.00%	May be in play. Buy under \$34.00.
PXD	Long	0.47%	6/30/06	\$46.46	\$46.46	0.00%	4.00%	May be in play. Buy under \$47.00.
PXD	Long	0.47%	12/1/05	\$51.22	\$46.46	-9.29%	3.00%	May be in play. Buy under \$47.00.
Cash	N/A	N/A	N/A	N/A	N/A	N/A	-35.00%	We are now on 35% margin until we move Univision.
OLAB	Short	N/A	4/7/06	\$6.45	\$3.60	44.19%	7.00%	Shorted via Flash Bulletin 4/7. Cover short at \$3.01.
TRMP	Short	N/A	6/28/05	\$13.50	\$19.14	-41.78%	7.00%	Paired trade with AZR, AZR subsequently bought out.
VTRU	Short	N/A	5/30/06	\$38.60	\$42.96	-11.30%	6.00%	Company accused of cramming by Iowa Attorney General.
PPD	Short	N/A	5/30/06	\$35.54	\$35.03	1.44%	6.00%	Company uses MLM as business strategy. Short above 33.
SOLD	Short	N/A	1/3/06	\$13.02	\$7.48	42.55%	5.00%	Business model not sustainable. Short over \$10.00.
VTRU	Short	N/A	1/3/06	\$41.19	\$42.96	-4.30%	2.00%	Company accused of cramming by Iowa Attorney General.
PPD	Short	N/A	1/3/06	\$34.35	\$35.03	-1.98%	2.00%	Company uses MLM as business strategy. Short above 33.

NaabTrade Focused Aggressive Growth Portfolio (FAGP)

Recently closed out positions:

Symbol	Action	Date Bought	Date Sold	Entry Price	Exit Price	Return (w/o divs)	% of Portfolio	Current Advice (Latest updates in red)
EMC	Long	5/17/04	6/30/06	\$10.25	\$11.25	9.76%	15.00%	Better places to invest capital at this time.
RZ	Short	1/24/05	6/15/06	\$25.00	\$9.70	61.20%	10.00%	Took profits on this short as it fell below \$10.00.
ABIX	Short	12/7/04	5/30/06	\$14.30	\$8.65	39.51%	12.00%	Took profits on this short.
ABIX	Short	11/8/04	5/30/06	\$9.50	\$8.65	8.95%	8.00%	Took profits on this short.
XIDE	Short	5/19/05	5/30/06	\$5.35	\$4.40	17.76%	5.00%	Took profits on this short.
ESCL	Short	1/4/06	5/9/06	\$19.94	\$13.40	32.80%	5.00%	Fraud uncovered at company. Covered via Flash on 5/9.
EC	Long	3/1/06	4/28/06	\$39.75	\$38.40	-3.40%	5.00%	Sold to apply capital elsewhere.
EC	Long	2/1/06	4/28/06	\$40.25	\$38.40	-4.60%	5.00%	Sold to apply capital elsewhere.
FST	Short	6/28/06	4/28/06	\$26.96	\$35.86	-33.01%	4.40%	No longer meets our criteria for a strong short.
ME	Short	6/28/06	4/28/06	\$19.56	\$19.55	0.05%	2.60%	No longer meets our criteria for a strong short.
MYG	Long	6/15/05	3/31/06	\$15.23	\$21.40	40.51%	20.00%	Whirlpool to buy for approximately \$21.50 in cash/stock.
MYG	Long	1/3/06	3/31/06	\$18.85	\$21.40	13.53%	10.00%	Whirlpool to buy for approximately \$21.50 in cash/stock.
BEV	Long	5/3/05	3/15/06	\$11.68	\$12.50	7.02%	15.00%	Bought out for \$12.50 per share cash.
AZR	Long	6/28/05	3/13/06	\$34.35	\$38.20	11.21%	7.00%	Getting bought out for \$38.00 per share cash.
CMM	Long	3/15/05	1/26/06	\$20.72	\$20.00	-3.47%	15.00%	Bought out for \$20.00 per share cash.
HUG	Long	1/3/06	1/26/06	\$36.00	\$45.94	27.61%	5.00%	Sold to apply capital elsewhere. HD paying \$46.50 cash.
HD	Short	1/3/06	1/11/06	\$40.39	\$42.00	-3.99%	5.00%	Bought in because Hughes Supply deal announced.
KR	Short	10/26/06	1/3/06	\$19.80	\$18.89	4.60%	15.00%	Bought in because we got out of Albertson's paired trade.
ABS	Long	10/26/05	12/30/05	\$25.00	\$21.35	-14.60%	15.00%	Sold for tax purposes.
TVL	Long	7/8/04	12/1/05	\$20.02	\$13.15	-34.32%	5.00%	Sold for tax purposes.
PKZ	Long	7/28/05	10/27/05	\$41.00	\$55.00	34.15%	10.00%	CNPC bought for \$55.00 cash.
PKZ	Long	6/28/05	10/27/05	\$38.50	\$55.00	42.86%	5.00%	CNPC bought for \$55.00 cash.
MIX	Short	6/15/05	7/28/05	\$6.48	\$11.68	-80.25%	10.00%	To be acquired by News Corp for \$12.00.
ABRX	Short	5/20/05	5/24/05	\$7.07	\$4.00	43.42%	5.00%	Reached our target price in only 3 days.
WMC	Long	1/20/05	4/22/05	\$21.75	\$25.00	14.94%	15.00%	Merged with BHP Billiton.
USCA	Short	10/20/04	5/3/05	\$4.71	\$0.44	90.66%	10.00%	We need the margin for other trades.
UMSY	Short	6/28/04	5/3/05	\$5.30	\$0.68	87.17%	10.00%	We need the margin for other trades.
MAY	Long	2/22/05	3/15/05	\$33.93	\$37.27	9.84%	25.00%	Deal with Federated not as high as we anticipated.
FON	Long	2/1/05	2/22/05	\$24.38	\$23.10	-5.25%	10.00%	Verizon interested in MCI instead of Sprint.
RIGS	Long	7/8/04	2/9/05	\$20.75	\$20.23	-2.51%	5.00%	We are selling because the deal with PNC collapsed.
MGM	Long	5/17/04	1/20/05	\$12.00	\$11.89	-0.92%	20.00%	We sold to raise cash.
MGM	Long	6/10/04	1/20/05	\$12.30	\$11.89	-3.33%	15.00%	We sold to raise cash.
MGM	Long	6/2/04	1/20/05	\$11.80	\$11.89	0.76%	10.00%	We sold to raise cash.
AWE	Long	1/14/04	10/27/04	\$9.90	\$15.00	51.52%	20.00%	Acquired for \$15.00 per share October 27th.
TZOO	Short	10/20/04	11/1/04	\$60.00	\$77.00	-28.33%	10.00%	We were short squeezed out of position.
AWE	Long	1/14/04	10/20/04	\$9.90	\$14.84	49.90%	20.00%	Needed to sell to free up cash for two short sales.
GREY	Long	7/8/04	10/4/04	\$950.00	\$1,000	5.26%	5.00%	Achieved our \$1000 price target on October 4th.
ABIX	Short	4/22/04	5/20/04	\$9.83	\$3.75	61.85%	15.00%	Had to take quick gain handed to us by daytraders.
IMM	Short	4/12/04	5/13/04	\$22.50	\$14.10	37.33%	20.00%	Will look to short around \$20.00 again.
VAPH	Short	3/17/04	5/13/04	\$8.22	\$0.65	92.09%	15.00%	Company has little chance of survival.

NaabTrade Short Term Growth Portfolio (STGP)

Date last updated: 6/29/06

Symbol	Action	Yield	Date Bought	Entry Price	Current Price	Return (w/o divs)	% of Portfolio	Current Advice (Latest updates in red)
GY	Long	0.64%	2/9/05	\$18.49	\$15.94	-13.79%	15.00%	We see \$25.00 potential as bidders emerge. HOLD.
JRCC	Long	N/A	5/30/06	\$32.21	\$27.17	-15.65%	10.00%	Coal company up for sale? Worth \$40.00 in a sale.
UVN	Long	N/A	5/30/06	\$35.75	\$33.59	-6.04%	10.00%	On the auction block. Should draw bids near \$40.00.
UVN	Long	N/A	3/31/06	\$34.56	\$33.59	-2.81%	10.00%	On the auction block. Should draw bids near \$40.00.
UVN	Long	N/A	4/28/06	\$35.35	\$33.59	-4.98%	10.00%	On the auction block. Should draw bids near \$40.00.
PXD	Long	0.60%	4/28/06	\$42.24	\$46.64	10.42%	10.00%	May be in play. Buy under \$47.00
STJ	Long	N/A	2/16/06	\$49.50	\$32.52	-34.30%	10.00%	J&J to possibly buy company. Buy below \$38.00.
FITB	Long	2.94%	2/9/05	\$47.50	\$36.92	-22.27%	10.00%	Takeover bait for larger bank? Buy under \$40.00.
CVX	Long	2.85%	1/20/05	\$44.66	\$62.69	40.37%	10.00%	Bought Unocal assets cheaply. Buy below \$60.00.
FITB	Long	3.85%	10/18/05	\$38.66	\$36.92	-4.50%	10.00%	Takeover bait for larger bank? Buy under \$40.00.
UVN	Long	N/A	3/1/06	\$33.50	\$33.59	0.27%	10.00%	On the auction block. Should draw bids near \$40.00.
SIE	Long	N/A	4/21/04	\$18.00	\$44.43	146.83%	5.00%	Likely takeover target. Buy under \$45.00.
HSE.TO	Long	N/A	9/1/05	\$61.20	\$70.10	14.54%	5.00%	Strong Canadian energy company. Buy under \$65.00.
TLM	Long	0.60%	9/1/05	\$16.32	\$17.41	6.66%	5.00%	Strong Canadian energy company. Buy under \$20.00
TLM	Long	0.60%	12/1/05	\$16.33	\$17.41	6.59%	5.00%	Strong Canadian energy company. Buy under \$20.00
PXD	Long	0.47%	12/1/05	\$51.22	\$46.64	-8.94%	5.00%	May be in play. Buy under \$47.00
APC	Long	0.70%	2/1/06	\$53.91	\$46.06	-14.56%	5.00%	Went on Shopping spree. Buy under \$41.50.
TLM	Long	0.60%	2/1/06	\$20.00	\$17.41	-12.95%	5.00%	Strong Canadian energy company. Buy under \$20.00
PXD	Long	0.47%	4/28/06	\$46.64	\$46.64	N/A	3.00%	May be in play. Buy under \$47.00
THX	Long	N/A	6/30/06	\$61.99	\$61.99	N/A	3.00%	May be in play. Buy under \$63.00.
EOG	Long	0.40%	6/30/06	\$68.64	\$68.64	N/A	3.00%	May be in play. Buy under \$70.00.
ATPG	Long	N/A	6/30/06	\$40.97	\$40.97	N/A	3.00%	May be in play. Buy under \$42.00.
SWN	Long	N/A	6/30/06	\$30.86	\$30.86	N/A	3.00%	May be in play. Buy under \$34.00.
Cash	Long	0.47%	6/30/06	N/A	N/A	N/A	-41.00%	We are now on 41% margin until we move Univision.
OLAB	Short	N/A	4/7/06	\$6.45	\$3.60	44.19%	7.00%	Shorted via Flash Bulletin 4/7. Cover short at \$3.01.
VTRU	Short	N/A	5/30/06	\$38.60	\$43.05	-11.53%	6.00%	Company accused of cramming by Iowa Attorney General.
PPD	Short	N/A	5/30/06	\$35.54	\$35.33	0.59%	6.00%	Company uses MLM as business strategy. Short above 33.
VTRU	Short	N/A	1/3/06	\$43.05	\$43.05	0.00%	2.00%	Company accused of cramming by Iowa Attorney General.
PPD	Short	N/A	1/3/06	\$35.33	\$35.33	0.00%	2.00%	Company uses MLM as business strategy. Short above 33.
SOLD	Short	N/A	1/3/06	\$13.02	\$7.48	42.55%	5.00%	Business model not sustainable. Short over \$10.00.

NaabTrade Short Term Growth Portfolio (STGP)

Recently closed out positions:

Symbol	Action	Date Bought	Date Sold	Entry Price	Exit Price	Return (w/o divs)	% of Portfolio	Current Advice (Latest updates in red)
RZ	Short	1/24/05	6/15/06	\$25.00	\$9.70	61.20%	10.00%	Took profits on this short as it fell below \$10.00.
XIDE	Short	5/19/05	5/30/06	\$5.35	\$4.40	17.76%	5.00%	Took profits on this short.
ABIX	Short	11/5/04	5/30/06	\$6.93	\$8.65	-24.82%	8.00%	Took loss on this short.
ABIX	Short	12/7/04	5/30/06	\$14.30	\$8.65	39.51%	7.00%	Took profits on this short.
ESCL	Short	1/4/06	5/9/06	\$19.94	\$13.40	32.80%	5.00%	Fraud uncovered at company. Covered via Flash on 5/9.
ESCL	Short	4/28/06	5/9/06	\$28.75	\$13.40	53.39%	5.00%	Fraud uncovered at company. Covered via Flash on 5/9.
EC	Long	3/1/06	4/28/06	\$39.75	\$38.40	-3.40%	5.00%	Sold to apply capital elsewhere.
EC	Long	2/1/06	4/28/06	\$40.25	\$38.40	-4.60%	5.00%	Sold to apply capital elsewhere.
MYG	Long	6/15/05	3/31/06	\$15.23	\$21.40	40.51%	20.00%	Whirlpool to buy for approximately \$21.50 in cash/stock.
MYG	Long	1/3/06	3/31/06	\$18.85	\$21.40	13.53%	10.00%	Whirlpool to buy for approximately \$21.50 in cash/stock.
BEV	Long	3/23/05	3/15/06	\$12.45	\$12.50	0.40%	10.00%	Bought out for \$12.50 per share cash.
BEV	Long	5/3/05	3/15/06	\$11.68	\$12.50	7.02%	5.00%	Bought out for \$12.50 per share cash.
CMM	Long	3/15/05	1/26/06	\$20.72	\$20.00	-3.47%	15.00%	Bought out for \$20.00 per share cash.
HUG	Long	1/3/06	1/26/06	\$36.00	\$45.94	27.61%	5.00%	Sold to apply capital elsewhere. HD paying \$46.50 cash.
HD	Short	1/3/06	1/11/06	\$40.39	\$42.00	-3.99%	5.00%	Bought in because Hughes Supply deal announced.
KR	Short	10/26/06	1/3/06	\$19.80	\$18.89	4.60%	15.00%	Bought in because we got out of Albertson's paired trade.
ABS	Long	10/26/06	12/30/06	\$25.00	\$21.35	-14.60%	15.00%	Sold for tax purposes.
TVL	Long	7/8/04	12/1/05	\$20.02	\$13.15	-34.32%	5.00%	Sold for tax purposes.
PKZ	Long	7/28/05	10/27/05	\$41.00	\$55.00	34.15%	10.00%	CNPC bought for \$55.00 cash.
PKZ	Long	6/28/05	10/27/05	\$38.50	\$55.00	42.86%	5.00%	CNPC bought for \$55.00 cash.
USCA	Short	10/19/04	7/28/05	\$5.00	\$0.55	89.00%	5.00%	Time to take profits on this short sale.
MIX	Short	6/15/05	7/28/05	\$6.48	\$11.68	-80.25%	10.00%	To be acquired by News Corp for \$12.00.
UMSY	Short	6/28/04	6/29/05	\$5.30	\$0.67	87.36%	10.00%	Covered short sale on 6/29.
ABRX	Short	5/20/05	5/24/05	\$7.07	\$4.00	43.42%	5.00%	Reached our target price in only 3 trading days.
WMC	Long	1/20/05	4/22/05	\$21.75	\$25.00	14.94%	15.00%	Merged with BHP Billiton.
MAY	Long	2/22/05	3/15/05	\$33.93	\$37.27	9.84%	10.00%	Deal with Federated not as high as we anticipated.
FON	Long	2/1/05	2/22/05	\$24.38	\$23.10	-5.25%	10.00%	Verizon interested in MCI instead of Sprint.
RIGS	Long	7/8/04	2/9/05	\$20.75	\$20.23	-2.51%	5.00%	We sold because the deal with PNC collapsed.
MGM	Long	5/17/04	1/20/05	\$12.00	\$11.89	-0.92%	18.00%	We sold to raise cash.
MGM	Long	8/25/04	1/20/05	\$11.45	\$11.89	3.84%	8.00%	We sold to raise cash.
MGM	Long	6/1/04	1/20/05	\$11.80	\$11.89	0.76%	5.00%	We sold to raise cash.
EMC	Long	5/17/04	1/3/05	\$10.25	\$15.00	46.34%	15.00%	We sold to raise cash. Stock due for a pause.
TZOO	Short	10/19/04	11/1/04	\$55.00	\$77.00	-40.00%	5.00%	We were short squeezed out of our position.
AWE	Long	4/20/04	10/27/04	\$10.50	\$15.00	42.86%	12.00%	Acquired for \$15.00 per share October 27th.
GREY	Long	7/8/04	10/4/04	\$950.00	\$1,000	5.26%	5.00%	Achieved our \$1000 target on October 4th.
WHIS	Short	4/15/04	7/13/04	\$5.90	\$2.75	53.39%	5.00%	Dipped below our \$2.75 buy in price on July 13th.
AMTY	Short	4/23/04	7/9/04	\$12.00	\$7.99	33.42%	5.00%	Dipped below \$8.00 buy in price on July 9th.
ABIX	Short	4/22/04	5/20/04	\$9.83	\$3.75	61.85%	5.00%	Had to take quick gain handed to us by daytraders.
IMM	Short	4/12/04	5/13/04	\$22.50	\$14.10	37.33%	10.00%	Will look to short around \$20.00 again.
VAPH	Short	3/17/04	5/13/04	\$8.22	\$0.65	92.09%	8.00%	Company has little chance of survival.
EDS	Long	3/4/04	4/20/04	\$20.25	\$20.01	-1.19%	10.00%	A small winner after selling calls in consecutive months.

NaabTrade Long Term Growth Portfolio (LTGP)Date last updated: **6/29/06**

Symbol	Action	Yield	Date Bought	Entry Price	Current Price	Return (w/o divs)	% of Portfolio	Current Advice (Latest updates in red)
PFE	Long	2.34%	5/13/04	\$35.25	\$23.24	-34.07%	8.00%	Core LT healthcare holding. Buy under \$25.00.
COSWF	Long	4.00%	12/1/04	\$9.20	\$30.37	230.12%	8.00%	Core LT energy holding. Buy below 30.00.
TLM	Long	0.73%	6/28/05	\$12.87	\$17.33	34.69%	5.00%	Canadian based energy company. Buy below \$20.00.
TRP	Long	4.20%	11/5/04	\$22.70	\$28.65	26.21%	5.00%	Core LT pipeline holding. Buy below \$30.00.
SU	Long	0.72%	4/29/04	\$22.94	\$80.19	249.56%	5.00%	Core LT energy holding. Buy below \$80.00.
WMB	Long	0.38%	4/25/04	\$9.20	\$23.40	154.35%	5.00%	Turnaround story in energy industry. HOLD.
MRO	Long	2.95%	1/1/04	\$29.78	\$83.54	180.52%	5.00%	Core LT energy holding. Buy below \$80.00.
MO	Long	5.46%	11/6/00	\$34.00	\$73.97	117.56%	5.00%	Breakup value over \$100.00. Buy below \$75.00.
CP	Long	2.00%	6/2/04	\$22.40	\$50.31	124.60%	5.00%	Canadian RR. Buy below \$52.00 for LT appreciation.
PBR	Long	1.92%	5/3/05	\$42.70	\$87.77	105.55%	5.00%	Cheap Brazilian energy company. Buy below \$90.00.
JRCC	Long	N/A	5/30/06	\$32.21	\$27.21	-15.52%	3.00%	Coal company up for sale? Worth \$40.00 in a sale.
TM	Long	N/A	4/28/06	\$117.45	\$102.14	-13.04%	3.00%	Part of paired trade with General Motors.
TM	Long	N/A	5/30/06	\$108.75	\$102.14	-6.08%	3.00%	Part of paired trade with General Motors.
USGL	Long	N/A	10/31/05	\$2.10	\$7.49	256.67%	3.00%	Ground floor gold opportunity. Buy below \$6.00.
MRO	Long	2.34%	5/3/05	\$46.75	\$83.54	78.70%	3.00%	Core LT energy holding. Buy below \$80.00.
CCJ	Long	0.48%	5/3/05	\$20.00	\$39.85	99.25%	3.00%	Buy uranium mining giant under \$40.00 for LT gains.
CNQ	Long	0.38%	3/31/06	\$55.60	\$55.02	-1.04%	3.00%	Buy Canadian resources giant under \$57.00.
PXD	Long	0.47%	6/30/06	\$46.65	\$46.65	0.00%	3.00%	May be in play. Buy under \$47.00.
COSWF	Long	4.00%	3/31/06	\$28.89	\$30.37	5.13%	2.00%	Core LT energy holding. Buy below 30.00.
PFE	Long	1.90%	10/22/04	\$28.00	\$23.24	-17.00%	2.00%	Core LT healthcare holding. Buy under \$25.00.
CVX	Long	2.85%	1/20/05	\$44.62	\$62.48	40.03%	2.00%	Bought Unocal assets cheaply. Buy below \$60.00.
RIO	Long	4.51%	1/20/05	\$14.00	\$23.64	68.86%	2.00%	Buy below \$50.00 for LT appreciation.
BTU	Long	0.73%	1/20/05	\$20.50	\$55.08	168.68%	2.00%	Buy this coal mining giant <\$60 for LT appreciation.
YZC	Long	0.97%	1/20/05	\$43.75	\$37.15	-15.09%	2.00%	Buy this Chinese coal mining giant below \$40.00.
ACH	Long	2.11%	1/20/05	\$53.85	\$75.48	40.17%	2.00%	Buy this Chinese aluminum giant below \$85.00
HNP	Long	4.36%	1/20/05	\$27.40	\$26.06	-4.89%	2.00%	Buy this Chinese energy giant below \$29.00
CCJ	Long	0.48%	1/20/05	\$17.00	\$39.85	134.41%	2.00%	Buy uranium mining giant under \$40.00 for LT gains.
UPL	Long	N/A	1/20/05	\$24.75	\$58.56	136.61%	2.00%	Core LT energy. Buy below \$60.00.
COP	Long	2.24%	1/20/05	\$43.85	\$65.98	50.47%	2.00%	Core LT energy. Buy below \$65.00.
PCZ	Long	1.20%	1/20/05	\$25.00	\$46.24	84.96%	2.00%	Core LT energy. Buy below \$45.00.
PTR	Long	5.14%	1/20/05	\$54.40	\$107.15	96.97%	2.00%	Core LT Chinese energy. Buy below \$110.00.
SNP	Long	3.13%	1/20/05	\$38.29	\$56.91	48.63%	2.00%	Core LT Chinese energy. Buy below \$53.00.
PBR	Long	2.14%	1/20/05	\$37.77	\$87.77	132.38%	2.00%	Cheap Brazilian energy company. Buy below \$90.00.
TRMD	Long	2.27%	1/20/05	\$40.88	\$44.81	9.61%	2.00%	Buy this shipping giant below \$50 for LT appreciation.
FDG	Long	5.54%	1/20/05	\$24.82	\$31.92	28.62%	2.00%	Buy this coking coal behemoth under \$37.00
WTO.TO	Long	N/A	6/1/05	\$18.96	\$30.69	61.87%	2.00%	Buy this small oil sands firm under \$35.00.
OXY	Long	N/A	6/1/05	\$73.88	\$102.25	38.40%	2.00%	Cheap energy company. Buy below \$100.00.
HSE.TO	Long	N/A	9/1/05	\$61.20	\$70.16	14.64%	2.00%	Strong Canadian energy company. Buy under \$65.00.
TLM	Long	0.60%	9/1/05	\$16.32	\$17.33	6.17%	2.00%	Strong Canadian energy company. Buy under \$20.00
POPEZ	Long	2.90%	9/1/05	\$35.00	\$31.50	-10.00%	2.00%	Strong long term timber play. Buy under \$34.00
RYN	Long	4.44%	9/1/05	\$36.16	\$37.25	3.01%	2.00%	Core LT timber holding. Buy under \$38.00
PCL	Long	4.26%	9/1/05	\$36.75	\$35.73	-2.78%	2.00%	Strong long term timber play. Buy under \$40.00
DEL	Long	0.68%	9/1/05	\$41.60	\$53.99	29.78%	2.00%	Core LT timber holding with a takeover kicker.
TRC	Long	N/A	10/3/05	\$47.00	\$41.30	-12.13%	2.00%	Core LT land value holding. Buy below \$45.00.
OPC.TO	Long	N/A	12/1/05	\$35.80	\$22.79	-36.34%	2.00%	Small player in the Canadian oil sands. Buy < \$38.00.
BHP	Long	1.52%	4/28/06	\$44.45	\$42.38	-4.66%	2.00%	Buy uranium mining giant under \$48.00 for LT gains.

RTP	Long	1.48%	4/28/06	\$218.41	\$210.00	-3.85%	2.00%	Buy uranium mining giant under \$240.00 for LT gains.
ARVCF	Long	N/A	4/28/06	\$770.02	\$655.00	-14.94%	2.00%	Buy uranium mining giant under \$700.00 for LT gains.
Cash	N/A	N/A	N/A	N/A	N/A	N/A	-25.00%	We are now on 25% margin.
VTRU	Short	N/A	5/30/06	\$38.60	\$43.05	-11.53%	3.00%	Company accused of cramming by Iowa AG.
PPD	Short	N/A	5/30/06	\$35.54	\$35.32	0.62%	3.00%	Company uses MLM as business strategy.
GM	Short	N/A	4/28/06	\$23.20	\$27.43	-18.21%	3.00%	Part of paired trade with Toyota Motors.
GM	Short	N/A	5/30/06	\$27.05	\$27.43	-1.39%	3.00%	Part of paired trade with Toyota Motors.
MEK	Short	N/A	4/28/06	\$13.70	\$16.60	-21.17%	3.00%	Nothing proprietary about this company's technology.
SOLD	Short	N/A	1/3/06	\$13.02	\$7.47	42.63%	2.00%	Business model not sustainable. Short above \$10.00.

NaabTrade Long Term Growth Portfolio (LTGP)

Recently closed out positions:

Symbol	Action	Date Bought	Date Sold	Entry Price	Exit Price	Return (w/o divs)	% of Portfolio	Current Advice (Latest updates in red)
EMC	Long	5/17/04	6/30/06	\$10.25	\$11.25	9.76%	8.00%	Better places to invest capital at this time.
ESCL	Short	4/28/06	5/9/06	\$28.75	\$13.40	53.39%	3.00%	Fraud uncovered at company. Covered via Flash 5/9.
ESCL	Short	1/4/06	5/9/06	\$19.94	\$13.40	32.80%	2.00%	Fraud uncovered at company. Covered via Flash 5/9.
SGP	Long	5/12/04	3/31/06	\$16.30	\$19.29	18.34%	5.00%	Turnaround completed, stock never fully reflected it.
PKZ	Long	5/3/05	10/27/05	\$27.40	\$55.00	100.73%	5.00%	CNPC bought for \$55.00 cash.
PKZ	Long	1/20/05	10/27/05	\$36.50	\$55.00	50.68%	2.00%	CNPC bought for \$55.00 cash.
DCE.TO	Long	6/1/05	10/18/05	\$14.00	\$31.00	121.43%	2.00%	Total bought for \$31.00 cash.
USCA	Short	10/19/04	7/28/05	\$5.00	\$0.55	89.00%	5.00%	Time to take profits on this short sale.
UMSY	Short	6/28/04	6/29/05	\$5.30	\$0.67	87.36%	5.00%	Covered short sale on 6/29.
AMR	Short	9/20/01	5/3/05	\$19.00	\$10.65	43.95%	5.00%	We think capital can be allocated more wisely.
WMC	Long	1/20/05	4/22/05	\$21.75	\$25.00	14.94%	2.00%	Merged with BHP Billiton.
MGM	Long	5/17/04	1/20/05	\$12.00	\$11.89	-0.92%	15.00%	We sold to raise cash for the energy sector.
RAI	Long	8/24/00	1/20/05	\$36.35	\$80.07	120.28%	5.00%	We sold to raise cash for the energy sector.
NXTL	Long	5/12/04	1/20/05	\$23.70	\$29.00	22.36%	5.00%	We like other prospects Sprint.
TPL	Long	6/2/04	1/20/05	\$63.20	\$120.25	90.27%	5.00%	We think 2005 will be a year for TPL to take a breather.
AWE	Long	1/14/04	10/27/04	\$9.90	\$15.00	51.52%	5.00%	Acquired for \$15.00 per share October 27th.
TZOO	Short	10/19/04	11/1/04	\$55.00	\$77.00	-40.00%	5.00%	Continues to feel the short squeeze.
UAIR	Short	9/20/01	9/13/04	\$5.30	\$0.71	86.60%	5.00%	Probably as low as it will trade for awhile.
IMM	Short	4/12/04	8/4/04	\$22.50	\$9.15	59.33%	5.00%	Might short again at \$20.00.
VAPH	Short	3/17/04	5/13/04	\$8.22	\$0.65	92.09%	8.00%	Company has little chance of survival.
UALAQ	Short	9/20/01	5/26/04	\$18.00	\$1.00	94.44%	5.00%	Finally traded at our buy-in price.

