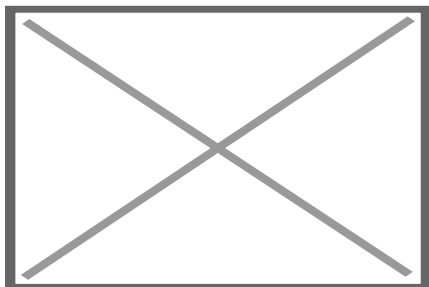




## 15Minute Market Update

### Description



Our *15Minute Market Update* is a powerful tool designed to teach about global finance, business economics, and individual stock investing .

Here's an example of what our subscribers are excited about

**“ The Stock Market Companion ”**

***15Minute Market Update***

**December 19, 2011**

**“ Stock Market Investing since the 1980's ”**

Published 3 Days / Week  
Monday, Wednesday, Friday  
Monthly Subscription \$49.95

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## -Executive Summary-

- Down. The markets are simply falling by their own weight back inside a broad lateral zone.
- Market Overview = The market is in a confirmed uptrend since the October 4th pivot point that we identified at its inception and profited from. The broader market, represented by the S&P 500 ETF SPY " is heading back into the lateral range established since August. [Click here for today's SMC S&P 500 \(ETF\) chart.](#) A move below 118 on the SPY will again put this rally in jeopardy.
- SMC holding Gentiva Health (GTIV) pushed nicely higher today in a "divergent move" to the overall market. Divergence is represented here by the GTIV's strong move HIGHER vs. the overall market's move LOWER. Good.
- After the close, AT&T announced that they were discontinuing their efforts to acquire T-Mobile. The terms of the contract require that AT&T pay \$4 billion to Deutsche Telekom (who owns T-Mobile) for failing to close the deal. The FCC and others were not in favor of the deal and it was an up-hill battle that AT&T lost. We will look to see if there are opportunities here.
- North Korea's dictator Kim Jong-Il died yesterday of natural causes (heart attack) and this put Asian markets in a bit of a downward spin today. We'll see what tomorrow brings.
- The peaceful fall of the Iron Curtain in Eastern Europe occurred AFTER a series of leadership changes in Moscow. It was a miracle that happened in our lifetime. We can hope for that on the Korean Peninsula. There is a lot at stake. The people of North Korea have suffered terribly. We provide some stats on North Korea, below (with a contrast with South Korea).
- National Association of Home Builders issued their index today. See below.
- Please click here to send us your feedback. Let us know how we are doing " We are here to serve you. [Support@Stockmarketcompanion.com](mailto:Support@Stockmarketcompanion.com)
- [Here is a video interview of a father and son using the Stock Market Companion successfully together " as a teaching and investing tool.](#)

## " Stock Market Companion " Current Holdings "

| Nr. | Co.            | Ticker | Action  | Entry Date | Current Gain (Loss) |
|-----|----------------|--------|---------|------------|---------------------|
| 1   | Gentiva Health | GTIV   | Holding | 11/15/2011 | +12%                |

GTIV, below \$6.20 and above \$5.10 we believe is in a buying range. If the market falls off the planet some time soon due to a credit freeze-up in Europe, GTIV will sink too. On this as well as all our other ideas, please see our disclaimer below.

## “ Markets œAt a Glance• “

(Please scroll down to the end of the report to see your favorite benchmarks “ Dollar, Oil, Gold “ closing prices and daily direction.)

(AS of 15:00 EST on Wednesday, December 7, 2011)

| Market | Price (Today’s Close) | Unit of Measure | Today’s Direction     |
|--------|-----------------------|-----------------|-----------------------|
| SP-500 | 1,205.35              | Index           | Down = -14.31 points  |
| DOW-30 | 11,766.26             | Index           | Down = -100.13 points |
| NASDAQ | 2,523.14              | Index           | Down = -32.19 points  |

## “ Market Trends “

| Trend        | SP-500  | DJ-30   | NASDAQ  |
|--------------|---------|---------|---------|
| Short Term   | Down    | Down    | Down    |
| Intermediate | Flat    | Flat    | Flat    |
| Long Term    | Lateral | Lateral | Lateral |

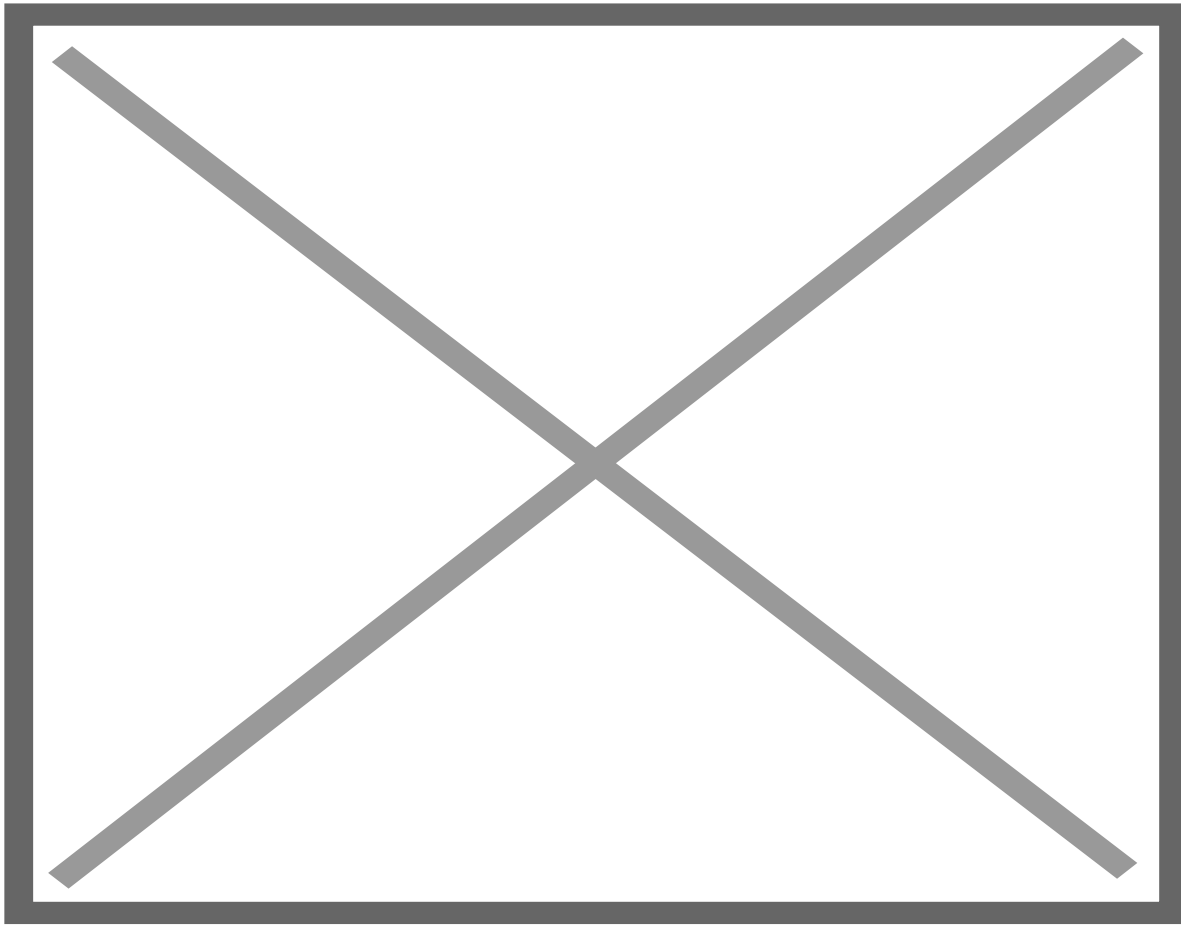
\*Summary of terms from Trader Vic II-Principles of Professional Speculation (pg. 140-141)

\* \_\_\_\_\_ \* Represents a change in trend rating.

## “ Market Perspectives “

For your added perspective, we’ve included this chart of the broader market (Successful stock investors develop and start with a minds-eye view of the broader market and keep it clear) “ SMC SP-500 ETF Daily Chart

Please click on the chart to view it in a larger size.



## “ Today’s Highlights ”

From a perspective that we can measure in terms of weeks vs. quarters, months, or days, what has happened is that market participants have given up on a Christmas rally. It DOESN’T currently matter that earnings are good at U.S. corporations or that insiders are buying shares at open market prices. It DOESN’T matter that unemployment data or manufacturing data in the U.S. may be improving. What DOES matter is the uncertainty that is with us concerning Europe, and NOT whether Europe’s own economic slowdown is going to impact the U.S. and world economy, but to what degree.

Adding to this uncertainty “ People around the world were caught by surprise this morning with news that North Korea’s dictator Kim Jong Il died over the weekend of a heart-attack. His youngest son Kim Jong Un, is his father’s chosen successor, and is in his “elate 20’s”. No one knows what is going to happen next, so the Asian markets were weak. North Korea “

- Impoverished nation of 25 million people (South Korea has 48 million). This means that approx. 73 million people live on the Korean Peninsula.

- Annual per capita income = \$1,000 (South Korea = \$20,000) = an amazingly stark contrast that points clearly to the absolute abysmal failure of socialism.
- North Korea has nuclear weapons.
- 5 million men in the North Korean military.
- [Please click here for an excellent article on the North Korean Economy, courtesy of the BBC Business News.](#)

The regular monthly survey of single family residence home builders is called the National Association of Home Builders Index. December's index was released today and showed 3 months of improvement in the sentiment of home builders, although the index value itself is still at very low levels. It is the best reading for the index since May of 2010. [Here's a good article covering a balanced view of this index.](#)

Of particular note today, the stock performance of U.S. financial companies "like Bank of America (BAC \$4.98) and Goldman Sachs (GS \$87.70) " was terrible. Shares of Bank of America sank below \$5/share for the first time since the spring of 2009. As investors, we use the relative strength of financial company stock performance to help us gauge the strength of the broader markets. Weak financial company stocks are not a good sign for equities investors. In any given rally, you want to always know how financial stocks are doing. If they are in the top 3rd or so of the sectors increasing in value, everything is fine. Right now, they are sinking by their own weight and the uncertainty around what would happen if credit freezes up in Europe.

Just like any other sector in the markets, financial stocks too can "turn on a dime" and head back north with furvor, giving strong investment opportunities to investors who are waiting for such moments. In today's regulatory climate however, its hard to say what catalyst would act as a turning point and point to a brighter future for these companies. Here are some ideas "

- Improvements in the housing market. (SMC says " Slow, but possible).
- A more "bank friendly" White House. (Forget it).
- Resolution of the immediate financial crisis in Europe. (Unlikely)
- Evidence that bank earnings are stabilizing and not shrinking. (Someday; Not now)

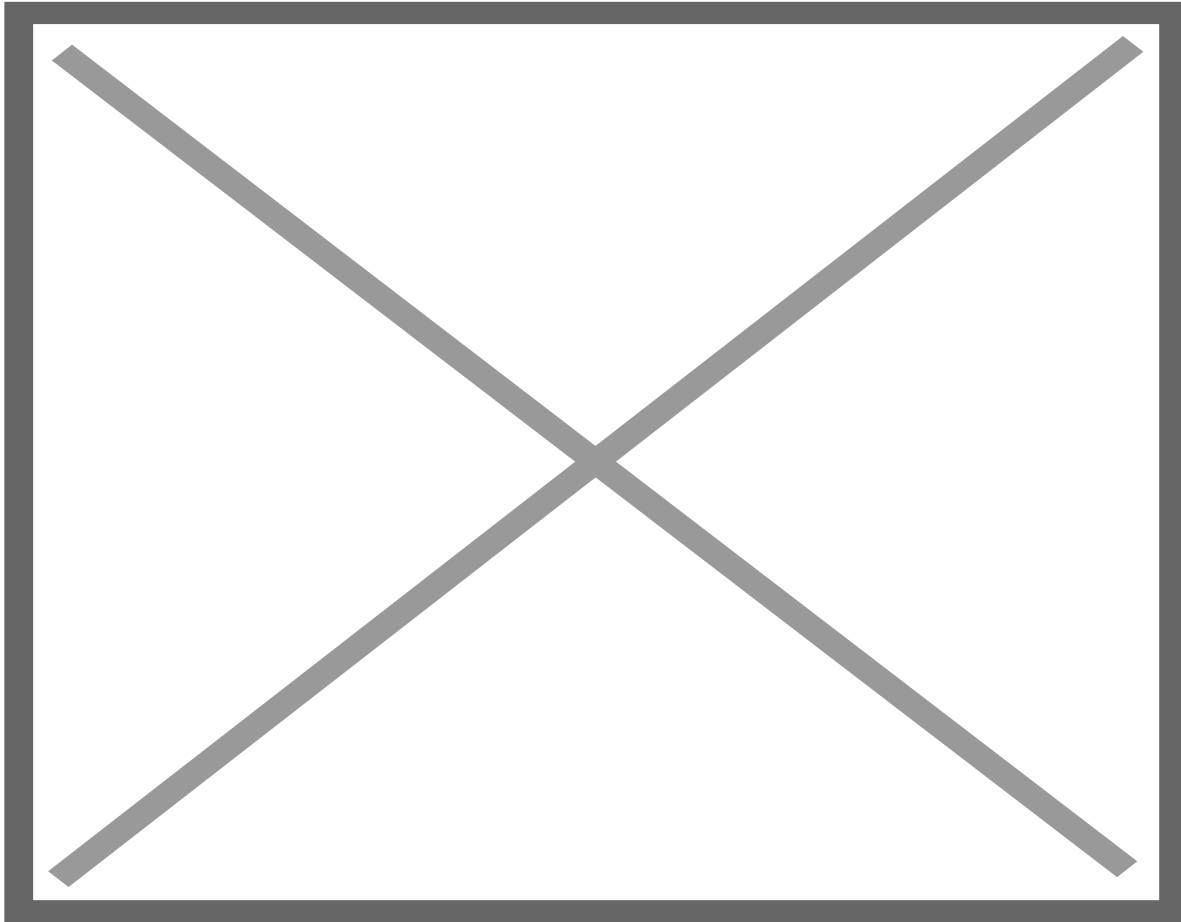
" Story-Stock Investing "

The overall market is simply falling by its own weight in the absence of interested investors as Christmas approaches and uncertainty in Europe remains high.

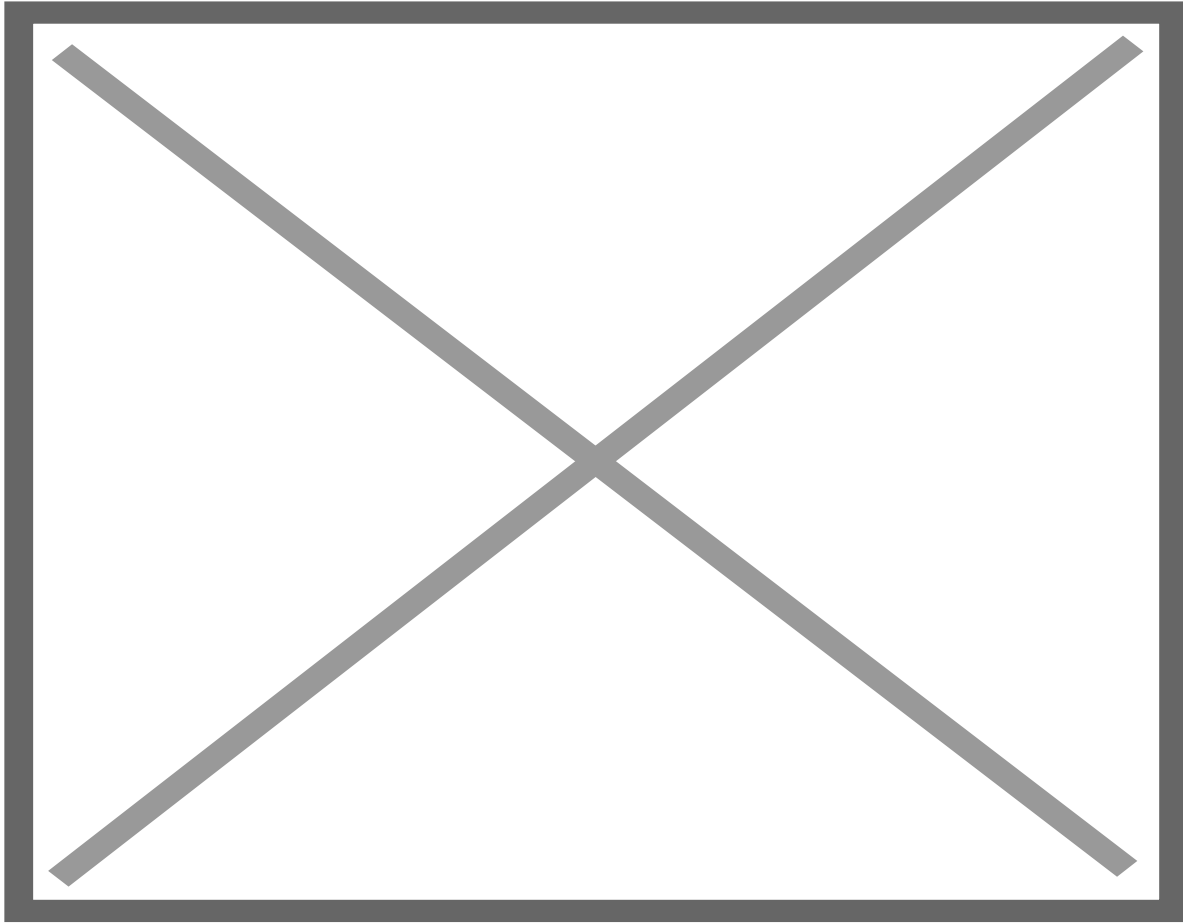
An unusually bright spot today was SMC's own holding Gentiva Health Sciences, Inc. (GTIV \$6.57). We purchased the shares on November 15th, on evidence of strong insider buying by higher level operational management (CEO, Chief Financial Officer (CFO), VP's, as well as by Directors) AND with the understanding that the share price had simply been terribly beaten down, due to uncertainties surrounding changes in re-imbursement for hospice care from the US government AND due to questions concerning increased indebtedness, due to a recent expensive acquisition the company made. The company still has positive earnings, the adjustments in re-imbursement by the US government were less than feared, and it appears for the moment that the company can handle its increased debt load.

Shares of GTIV were up +8.2% today alone. At \$6.57, our investment is UP +12% total. Sure beats a one year CD on a modest portion of money.

Here's the SMC Daily Chart of Gentiva Health. Please click on the chart to open it larger, in a separate browser tab.



Here is our original SMC Daily Chart of GTIV from November 16th, following our initial investment "â€"



## “ Benchmarks “At a Glance” • “

|           |                     |                           |                         |
|-----------|---------------------|---------------------------|-------------------------|
| US Dollar | 1.3001 USD = 1 Euro | USD / EUR                 | Dollar = a bit stronger |
| Gold      | \$1,601.80          | Ounce                     | Gold = Up a bit.        |
| Oil       | \$94.38             | Barrel (West Texas Crude) | Oil = Down              |

|                              |              |                |             |
|------------------------------|--------------|----------------|-------------|
| <b>30 Yr. Fixed Mortgage</b> | <b>4.04%</b> | <b>Percent</b> | <b>Flat</b> |
| <b>10 Yr. Bond Yield</b>     | <b>1.83%</b> | <b>Percent</b> | <b>Down</b> |
| <b>1 Yr. CD</b>              | <b>1.16</b>  | <b>Percent</b> | <b>Flat</b> |

-Data Source : Financial Visualizations Inc.

Please help us by sending your valuable feedback to " [Support@stockmarketcompanion.com](mailto:Support@stockmarketcompanion.com)

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**\*\* Stock Market Companion Disclaimer \*\***

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