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Case Number: 13-2385-EL-SSO
13-2386-EL-AAM

Date Filed: 12/20/2013

Section 7 OF 9

Number of Pages: 179

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Part 1 of 3

FILE

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to §4928.143, Revised Code, in the Form of an Electric Security Plan	)))))	Case No. 13-2385-EL-SSO
In the Matter of the Application of Ohio Power Company for Approval of Certain Accounting Authority	)))	Case No. 13-2386-EL-AAM

OHIO POWER COMPANY'S

ELECTRIC SECURITY PLAN

WORKPAPERS

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BEFORE
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OHIO POWER COMPANY'S

ELECTRIC SECURITY PLAN

WORKPAPERS

For

William A. Allen

Projected Capacity Deferral Balance

Month	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16
Load	3,739.9	4,204.0	4,024.3	3,474.5	3,576.2	3,499.5	3,934.6	4,074.7	3,596.5	3,713.3	3,280.6	3,519.9
Beginning Balance	$ 462,690	$ 449,790	$ 434,975	$ 420,814	$ 408,788	$ 396,303	$ 384,068	$ 370,039	$ 355,387	$ 342,582	$ 329,254	$ 317,597
Collection	$ (14,960)	$ (16,816)	$ (16,097)	$ (13,898)	$ (14,305)	$ (13,998)	$ (15,738)	$ (16,299)	$ (14,386)	$ (14,853)	$ (13,122)	$ (14,079)
Carrying Cost	$ 2,059	$ 2,002	$ 1,936	$ 1,873	$ 1,819	$ 1,764	$ 1,709	$ 1,647	$ 1,581	$ 1,524	$ 1,465	$ 1,413
Ending Balance	$ 449,790	$ 434,975	$ 420,814	$ 408,788	$ 396,303	$ 384,068	$ 370,039	$ 355,387	$ 342,582	$ 329,254	$ 317,597	$ 304,930

Carrying Cost Rate	0.45%
Collection Rate	$4.00

Projected Capacity Deferral Balance

WP-WAA-2

Month	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Load	3,723.8	4,161.6	4,040.4	3,460.7	3,571.3	3,506.8	3,946.9	4,108.1	3,588.8	3,715.3	3,299.4	3,510.4
Beginning Balance	$ 304,930	$ 291,392	$ 276,043	$ 261,110	$ 248,429	$ 235,249	$ 222,269	$ 207,470	$ 191,961	$ 178,460	$ 164,393	$ 151,927
Collection	$ (14,895)	$ (16,646)	$ (16,161)	$ (13,843)	$ (14,285)	$ (14,027)	$ (15,787)	$ (16,432)	$ (14,355)	$ (14,861)	$ (13,198)	$ (14,041)
Carrying Cost	$ 1,357	$ 1,297	$ 1,228	$ 1,162	$ 1,106	$ 1,047	$ 989	$ 923	$ 854	$ 794	$ 732	$ 676
Ending Balance	$ 291,392	$ 276,043	$ 261,110	$ 248,429	$ 235,249	$ 222,269	$ 207,470	$ 191,961	$ 178,460	$ 164,393	$ 151,927	$ 138,562

Carrying Cost Rate	0.45%
Collection Rate	$4.00

Month	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18
Load	3,726.8	4,172.1	4,046.7	3,446.7	3,528.3	3,494.7	3,923.4	4,105.0	3,584.5	3,698.7	3,315.2	3,520.1
Beginning Balance	$ 138,562	$ 124,271	$ 108,136	$ 92,430	$ 79,054	$ 65,293	$ 51,605	$ 36,141	$ 19,882	$ 5,632	$ 0	$ 0
Collection	$ (14,907)	$ (16,688)	$ (16,187)	$ (13,787)	$ (14,113)	$ (13,979)	$ (15,693)	$ (16,420)	$ (14,338)	$ (5,657)	$ -	$ -
Carrying Cost	$ 617	$ 553	$ 481	$ 411	$ 352	$ 291	$ 230	$ 161	$ 88	$ 25	$ 0	$ 0
Ending Balance	$ 124,271	$ 108,136	$ 92,430	$ 79,054	$ 65,293	$ 51,605	$ 36,141	$ 19,882	$ 5,632	$ 0	$ 0	$ 0

Carrying Cost Rate	0.45%
Collection Rate	$4.00

GWH Sales	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016
Billed & Accrued GWH Sales Input												
CSP Residential	296.9	416.9	338.0	199.9	236.4	258.2	373.4	381.5	275.8	277.7	170.8	231.8
CSP Commercial	171.7	195.0	134.7	56.2	206.2	156.8	128.5	97.5	84.2	143.7	106.2	202.4
CSP Industrial	157.0	158.6	155.8	133.4	177.5	167.3	146.8	134.3	147.2	156.1	150.4	173.9
CSP Street Lighting	2.2	2.5	1.9	1.7	3.0	2.3	1.7	2.0	2.0	2.5	2.6	2.3
CSP Cust Choice (OAD) Residential	258.5	323.8	339.0	308.4	230.4	228.7	310.1	368.0	329.0	292.9	247.1	217.1
CSP Cust Choice (OAD) Commercial	574.7	612.1	616.4	604.2	549.5	510.1	558.9	591.9	539.7	517.6	509.8	526.9
CSP Cust Choice (OAD) Industrial	240.4	239.0	245.9	241.8	236.6	225.6	231.2	224.0	226.4	221.5	226.4	229.6
CSP Cust Choice (OAD) Street Lighting	2.2	2.2	2.2	2.1	2.2	2.3	2.1	2.2	2.2	2.3	2.3	2.3
OPCO Residentials	263.6	374.1	336.2	200.2	183.7	247.9	390.9	416.9	252.9	293.2	179.0	201.5
OPCO Commercial	122.4	139.9	97.0	50.9	106.0	81.2	86.2	67.6	24.1	104.7	67.4	107.9
OPCO Industrial	280.3	287.4	272.4	232.3	310.1	287.8	228.6	227.4	223.5	292.2	264.5	305.6
OPCO Street Lighting	2.6	2.6	2.7	3.1	3.6	4.0	4.3	4.0	3.5	4.1	3.0	2.7
OPCO Municipals	0.6	0.8	0.8	0.6	0.5	0.6	0.8	0.9	0.6	0.7	0.5	0.6
OPCO Cust Choice (OAD) Residential	232.6	287.0	314.5	275.6	207.6	219.7	321.1	397.3	355.2	286.5	244.0	208.6
OPCO Cust Choice (OAD) Commercial	356.9	383.7	387.8	384.0	340.6	322.8	362.2	377.9	349.0	336.1	326.7	327.1
OPCO Cust Choice (OAD) Industrial	775.6	776.7	777.3	778.0	780.0	781.5	784.9	778.8	778.5	778.8	777.9	777.8
OPCO Cust Choice (OAD) Street Lighting	1.7	1.7	1.8	2.1	2.2	2.6	2.8	2.7	2.6	2.7	2.0	1.8
Total	3739.9	4204.0	4024.3	3474.5	3576.2	3499.5	3934.6	4074.7	3596.5	3713.3	3280.6	3519.9

GWH Sales	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017
Billed & Accrued GWH Sales Input												
CSP Residential	292.2	412.6	339.5	196.7	221.7	262.5	368.5	385.9	265.4	278.1	181.3	226.4
CSP Commercial	169.2	194.5	140.2	57.1	193.6	163.9	127.6	103.7	78.4	144.8	116.3	198.1
CSP Industrial	155.7	158.1	156.8	133.2	173.5	168.6	146.0	135.4	144.9	155.8	152.6	171.9
CSP Street Lighting	2.2	2.6	1.9	1.7	3.0	2.3	1.8	2.1	2.0	2.5	2.7	2.3
CSP Cust Choice (OAD) Residential	257.2	321.1	335.5	305.3	228.7	227.5	308.1	367.1	328.1	292.1	246.4	216.6
CSP Cust Choice (OAD) Commercial	580.3	616.7	620.2	608.1	553.8	514.4	563.1	597.0	543.7	521.5	513.6	530.4
CSP Cust Choice (OAD) Industrial	240.0	238.3	244.9	240.5	235.2	223.9	229.3	222.0	224.2	219.1	223.7	226.7
CSP Cust Choice (OAD) Street Lighting	2.3	2.2	2.2	2.1	2.3	2.3	2.1	2.3	2.2	2.3	2.3	2.3
OPCO Residentials	257.6	356.1	338.2	195.7	194.6	244.2	396.5	425.4	257.1	291.6	174.7	199.8
OPCO Commercial	119.1	129.4	102.9	49.2	115.4	81.1	95.1	74.6	28.1	106.3	67.8	110.2
OPCO Industrial	278.0	279.7	276.9	230.8	316.8	286.8	237.1	232.5	226.5	293.6	265.0	308.1
OPCO Street Lighting	2.5	2.5	2.7	3.1	3.6	4.0	4.3	4.0	3.5	4.0	2.9	2.7
OPCO Municipals	0.6	0.8	0.8	0.6	0.5	0.6	0.8	0.9	0.6	0.7	0.5	0.6
OPCO Cust Choice (OAD) Residential	230.3	283.8	310.4	272.2	205.2	217.3	316.8	394.6	352.8	284.4	242.1	207.0
OPCO Cust Choice (OAD) Commercial	358.2	384.3	387.9	384.3	341.4	323.8	362.9	379.4	350.2	337.3	328.0	328.5
OPCO Cust Choice (OAD) Industrial	776.6	777.3	777.5	777.9	779.7	780.9	784.0	778.6	778.3	778.4	777.4	777.1
OPCO Cust Choice (OAD) Street Lighting	1.7	1.7	1.8	2.1	2.2	2.6	2.8	2.7	2.6	2.7	2.0	1.8
Total	3723.8	4161.6	4040.4	3460.7	3571.3	3506.8	3946.9	4108.1	3588.8	3715.3	3299.4	3510.4

GWH Sales	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018
Billed & Accrued GWH Sales Input												
CSP Residential	292.8	414.7	341.9	195.6	222.7	256.6	366.2	385.9	265.5	275.3	184.1	230.1
CSP Commercial	*171.2*	*197.6*	*143.0*	*56.9*	*196.3*	*158.6*	*126.8*	*104.5*	*78.8*	*142.7*	*118.5*	*201.8*
CSP Industrial	155.7	158.3	157.0	132.6	173.7	166.6	145.2	135.1	144.5	154.7	152.7	172.6
CSP Street Lighting	2.2	2.6	2.0	1.7	3.0	2.3	1.8	2.1	2.0	2.5	2.7	2.3
CSP Cust Choice (OAD) Residential	256.7	320.7	335.1	304.9	228.2	226.9	307.2	367.2	328.2	292.2	246.6	216.7
CSP Cust Choice (OAD) Commercial	583.4	618.8	621.6	609.6	555.5	516.2	564.6	599.0	545.3	523.1	515.4	532.0
CSP Cust Choice (OAD) Industrial	236.9	235.2	241.7	237.4	232.0	220.8	226.1	219.1	221.4	216.5	221.1	224.3
CSP Cust Choice (OAD) Street Lighting	2.3	2.3	2.2	2.1	2.3	2.3	2.2	2.3	2.2	2.3	2.4	2.3
OPCO Residentials	257.4	359.7	339.8	190.4	175.4	244.6	389.3	422.9	254.5	286.2	178.9	199.6
OPCO Commercial	120.9	132.2	104.4	47.4	101.8	83.0	91.1	74.1	27.4	103.4	70.9	110.3
OPCO Industrial	278.2	280.8	278.2	229.2	305.6	288.5	233.0	232.0	225.9	291.1	267.4	308.1
OPCO Street Lighting	2.5	2.4	2.7	3.0	3.5	4.0	4.2	4.0	3.5	4.0	2.9	2.7
OPCO Municipals	0.6	0.8	0.8	0.6	0.5	0.6	0.8	0.9	0.6	0.7	0.5	0.6
OPCO Cust Choice (OAD) Residential	228.8	282.3	308.9	270.7	203.8	215.6	314.4	393.6	351.9	283.6	241.4	206.5
OPCO Cust Choice (OAD) Commercial	359.5	385.2	388.5	385.1	342.4	324.7	363.7	380.5	351.1	338.2	329.1	329.7
OPCO Cust Choice (OAD) Industrial	776.0	776.9	777.1	777.6	779.4	780.7	783.8	779.2	779.1	779.4	778.7	778.9
OPCO Cust Choice (OAD) Street Lighting	1.7	1.6	1.8	2.1	2.2	2.6	2.8	2.7	2.6	2.6	2.0	1.8
Total	3726.8	4172.1	4046.7	3446.7	3528.3	3494.7	3923.4	4105.0	3584.5	3698.7	3315.2	3520.1

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OHIO POWER COMPANY'S

ELECTRIC SECURITY PLAN

WORKPAPERS

For

William E. Avera

DR. WILLIAM E. AVERA WORK PAPERS

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WP-2	The Value Line Investment Survey, *Selection and Opinion* at 905 (Jun. 14, 2013)
WP-3	Hilsenrath, Jon, "Fed Maps Exit from Stimulus, *Wall Street Journal* at A1 (May 11, 2013)
WP-4	Talley, Ian, "IMF Urges 'Improved' U.S. Fed Policy Transparency as It Mulls Easy Money Exit," *The Wall Street Journal* (July 26, 2013)
WP-5	Gordon, Myron J., "The Cost of Capital to a Public Utility," *MSU Public Utilities Studies* at 89 (1974).
WP-6	Morin, Roger A., "New Regulatory Finance," *Public Utilities Reports* at 71 (2006)
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WP-10	*Morningstar*, "Ibbotson SBBI 2013 Valuation Yearbook," at p. 85
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WP-12	Brigham, E.F., Shome, D.K., and Vinson, S.R., "The Risk Premium Approach to Measuring a Utility's Cost of Equity," *Financial Management* (Spring 1985)
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WP-14	Brigham, E.F., Aberwald, D.A., and Gapenski, L.C., "Common Equity Flotation Costs and Rate Making," *Public Utilities Fortnightly,* May, 2, 1985
WP-15	Morin, Roger A., "New Regulatory Finance," *Public Utilities Reports, Inc.* (2006) at 335
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Investors Bracing for More Sharp Swings in Stocks, Commodities and Currencies

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By ALEXANDRA SCAGGS

Investors are bracing for a stormy summer, as steady asset-price gains fueled by bottomless central-bank liquidity have given way to sharp swings jolting stocks, currencies and commodities alike.

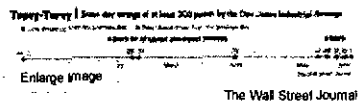
Many investors breathed a sigh of relief after Friday's U.S. employment report signaled that the Federal Reserve isn't likely to immediately pull back on $85 billion of monthly bond purchases. Together with ultralow interest rates, the purchases are widely seen as powering rallies this year in markets as diverse as low-rated corporate bonds and dividend-paying stocks.



Enlarge Image

Getty Images

Even after Friday's jobs report eased fears, many investors say they expect more volatility. Above, NYSE traders



Enlarge Image

The Wall Street Journal

Even so, few investors are expecting to see an end to the volatility that has rocked all corners of financial markets in the past month. Many market participants say the shift is healthy, but warn investors to expect sudden reversals that were largely absent during the placid start to 2013.

"It's a little early to put your bottle of Maalox back in the drawer," says Alan Gayle, senior investment strategist at RidgeWorth Investments, an Atlanta firm that manages $48 billion. He is bracing for continued swings in the stock market by holding more cash.

Since Federal Reserve meeting minutes released May 22 indicated the central bank would consider as soon as this month cutting back on bond purchases, the Dow Jones Industrial Average has swung more than 200 points in a day six times. There were only four such moves during the first 20 weeks of the year.

To be sure, 200 points isn't what it used to be. Four years ago, 200 points was 2.3% of the Dow. As of Friday's close, it is 1.3% of the average's value.

The moves in the U.S. have been dwarfed by those in Japan. The Nikkei Stock Average had rallied 76% from Nov. 13 through its peak on May 22 as the country's government and Bank of Japan undertook new efforts to revive Japan's economy. Since then, the Nikkei has tumbled 18% and traders have regularly been rocked by



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large intraday price swings.

Stocks aren't alone in their bumpy trading. Gold, once an investor favorite amid questions about the long-term impact of easy central-bank policy, dropped seven consecutive days last month in its biggest losing streak in four years. The yen, after slumping 26.5% against the dollar between November and May, last week rose 3%.

"Positions that were built up over many months are coming under fire," says Shahab Jalinoos, a currency strategist at UBS UBSN VX -0.53% .

Mr. Jalinoos said the price swings show that investors are re-evaluating their wagers after months in which the dominant market theme—recovering economic growth aided by expansive central-bank policy—went essentially unchallenged. A May selloff in the debt markets, mixed economic data and comments by central-bank officials about the limits of easing have changed all that. "If you start to see underlying markets become more volatile, it means market participants have to think more deeply about where to place their bets," says Mr. Jalinoos.

There have been big reversals among dividend-paying stocks that had posted big gains as investors hunted for yields in a zero-interest-rate environment. For example, utilities shares in the Standard & Poor's 500-stock index, often seen as worthy alternatives to bonds at a time of low rates, rose 14.4% this year through May 21. But since then, the group has fallen 5.7% while the S&P 500 has dropped 1.5%.

As stocks have seen more pronounced moves, the Chicago Board Options Exchange's Volatility Index has risen. The VIX—often called the fear index because it tends to rise at times of market anxiety—spent much of the first four months of the year near a six-year low, before climbing 39% over three weeks.

Before May, "people were solely focused on the potential of a rally in the equities market," says Nelson Saiers, chief investment officer at New York-based hedge fund Saiers Capital LLC, which has about $600 million under management. "Now people have realized that we could head lower before we head north again."

Friday's report showing the U.S. economy gained 175,000 jobs in May has eased the anxiety, for now. The Dow Jones Industrial Average gained 1.38% Friday to 15248.1, leaving the index just 1.05% below its all-time high. hit on May 28. The VIX notched its largest one-day drop in seven weeks, closing at 15.14.

The solid jobs number could slow the flight from high-yielding assets like junk bonds, says Rick Rieder, BlackRock's BLK +0.59% co-head of Americas Fixed Income. U.S. Treasury yields have risen over the past month amid investor optimism about the strength of the economic recovery and talk of the Fed cutting back on stimulus. That shift helped propel junk-bond yields back above 6% last week following a brief, record-breaking foray below 5%. "The sense after today is that rising rates will be moderate," Mr. Rieder says. "I've been surprised that the market has had such an extreme reaction over the past few weeks."

But many observers say volatility likely is back, and that investors should embrace it. Charles Kantor, who manages the $740 million Neuberger Berman Long Short Fund, says the return of volatility serves as "a reminder that investors could lose money" regardless of what investment they choose. That makes the recent market swings "quite healthy."

—Matt Jarzemsky, Matthew Walter and Chris Dieterich contributed to this article.

Write to Alexandra Scaggs at alexandra.scaggs@dowjones.com

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THE VALUE LINE Investment Survey®

PAGES 905-916
File in page order in the *Selection & Opinion* binder.

PART 2 — *Selection & Opinion* — JUNE 14, 2013

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As part of our ongoing efforts to keep *The Value Line Investment Survey* the most valuable investment resource for our subscribers, all updated Ranks are now being released on the Value Line Web Site at 8:00 A.M. Eastern Time on Mondays. You can access all the Ranks each week at www.valueline.com by entering your user name and password. We look forward to continuing to provide you with accurate and timely investment research. Thank you.

The Value Line View

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The *Selection & Opinion* Index appears on page 934 (May 31, 2013).

In Three Parts: Part 1 is the Summary & Index. This is Part 2, Selection & Opinion. Part 3 is Ratings & Reports. Volume LXVIII, Number 43.

Published weekly by VALUE LINE PUBLISHING LLC
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ECONOMIC AND STOCK MARKET COMMENTARY

The economy is limping to the first-half finish line. To wit, after a modest recovery in the first quarter, with the U.S. gross domestic product rising by 2.4%, growth appears to be slipping again, with personal income, consumer spending, manufacturing, and the international trade figures denoting enough overall sluggishness to produce growth of no more than 1%-2% in the fast-ending period.

However, we expect a selective pick-up in business activity after mid-year. In part, this presumptive improvement probably will reflect the lesser impact of the sequestrations (or government spending cuts), as well as gains in non-manufacturing and home prices. Such a combination is likely to lead to more liberalized spending by consumers. In that more constructive setting, growth could edge back above 2% over the closing six months of this year.

Unfortunately, our economy will get no help from abroad, which is why we are assuming a conservative posture for the second half. For now, any fallout on our shores from the spreading recessions in Europe, the moderating pace of growth in China, and the ill-defined growth strategies in Japan figure to be limited—unless there is a more substantial winding down in activity overseas than we now suspect.

Meanwhile, the focus is on the Federal Reserve, as it may well be until the start of earnings reporting season, which is still about a month away. The worry is that the Fed might soon start slowing down the pace of bond buying, on the belief that the economy is now better able to stand on its own. We think such concerns are premature, and sense that it may be a while before the central bank opts to materially ease off on the stimulus pedal.

Investors are becoming more wary, as they speculate on whether or not the Fed is about to shift policy gears. With the economy in a holding pattern over here, with things in flux overseas, and with the central bank unclear regarding its intentions, the recent rise in volatility on Wall Street may be here to stay for a while.

Conclusion: We are still positive on equities, but note that valuations remain elevated even after the stock market's recent stumble. Please refer to the inside back cover of *Selection & Opinion* for our statistically-based Asset Allocation Model's current reading.

CLOSING STOCK MARKET AVERAGES AS OF PRESS TIME

	5/29/2013	6/5/2013	%Change 1 week	%Change 12 months
Dow Jones Industrial Average	15302.80	14960.59	-2.2%	+23.4%
Standard & Poor's 500	1648.36	1608.90	-2.4%	+25.2%
N.Y. Stock Exchange Composite	9422.49	9178.42	-2.6%	+25.1%
NASDAQ Composite	3467.52	3401.48	-1.9%	+22.4%
NASDAQ 100	2994.82	2937.14	-1.9%	+18.1%
Amex Major Market Index	2398.97	2347.24	-2.2%	+6.1%
Value Line (Geometric)	426.75	417.40	-2.2%	+27.6%
Value Line (Arithmetic)	3733.96	3654.62	-2.1%	+33.7%
London (FT-SE 100)	6627.17	6419.31	-3.1%	+22.0%
Tokyo (Nikkei)	14326.46	13014.87	-9.2%	+55.3%
Russell 2000	986.97	968.16	-1.9%	+29.8%

Model Portfolios: Recent Developments

PORTFOLIO I

The Federal Reserve's policy of quantitative easing has certainly been supportive of stocks. For its part, Wall Street had until recently bid up share prices to the point that valuations had become somewhat extended, in our view. That said, the market's recent pullback, primarily reflecting worries over when Chairman Bernanke may decide to reduce the rate of the Fed's buy bonding, has not been too pleasant for Portfolio I. It does not hold high dividend yielding stocks, and so was not on the receiving end of the severe punishment meted out to that class of equities, but its performance orientation tends to leave it somewhat vulnerable on the downside. Indeed, six of our 20 positions are currently showing modest losses versus their cost. Nonetheless, the portfolio, as a whole, remains on the plus side for the second quarter, benefiting from a good showing in the month of May.

Meanwhile, we bid adieu to Flowers Foods shares this week. The Timeliness rank for FLO stock, which has been a respectable performer since being purchased in mid-March, is now 3 (Average) and can no longer be held. The open slot will be taken by *G&K Services*. The prospects for *GK* shares look good, based on recent earnings trends and cash flow valuation.

PORTFOLIO II

Portfolio II took it on the chin in May. Its monthly return of 1.1% underperformed the S&P 500 Index by about 100 basis points. An abrupt rise in interest rates in the final week of May caused a sharp sell-off in dividend-paying consumer staple issues, of which we own a handful, as well as limited partnerships and REITs. One of each (*Kinder Morgan Energy* and *Weyerhaeuser*, respectively) is held by the portfolio.

We considered taking profits in these companies while waiting for the Federal Reserve, which has been holding down rates, to better define its future course of action. However, the sell-off became more broad-based in early June. Shifting to cash is an option, but we think the Fed will continue buying securities for a while.

We are selling Sanofi, though. The company pulled the plug on two experimental drugs that failed in late-stage testing and will record a $285-million after-tax charge. The decision should have minimal impact on future earnings, but we think it helped form resistance to this high-flying stock. To fill the void, we are buying shares of *Johnson & Johnson*. Although not a pure drug play, *JNJ* is a defensive healthcare stock. We also like the fact that it is a candidate for a breakup or spin-off, which would likely extract value.

PORTFOLIO III

Enthusiasm for U.S. equities appears to be waning a bit as we approach midyear, partially due to lingering concerns about the still-weak labor market and investor uncertainty about when the Federal Reserve will begin to curb its monthly bond purchases. But a serious correction has yet to materialize. In fact, Portfolio III and the broader S&P 500 Index are both still sitting on solid double-digit gains for the year.

Our group, which focuses on attractively valued issues that have good long-term appeal, had a strong May, appreciating roughly 4% in value, versus a more modest advance of around 2% for the S&P 500. The relative strength was attributable to further momentum from our auto parts plays, *Magna International* and *Tenneco*, both of which are trading near their 52-week highs. *Dycom Industries* shares also rallied nicely after the company, a top infrastructure provider serving the telecom space, posted better-than-expected results for its April period.

And *Guess* stock, which had long been one of the group's laggards, had an impressive bounce-back month, rising almost 15% in price. The apparel maker is still being hampered by softness in its North American retail business and by its large exposure to Southern Europe. Nonetheless, it got off to a surprisingly decent start in fiscal 2013 (year ends next January), thanks to aggressive measures to rein in expenses. And we envision far better times ahead, as margins recover and new clothing designs spur demand. Inroads in the booming Asia/Pacific region should also be a major plus. Portfolio III is unaltered this week.

PORTFOLIO IV

The U.S. stock market weakened in late May and has found little support in the first days of June. Portfolio IV still has a respectable performance for the June quarter thus far, but has suffered some declines, particularly in our utility and real estate holdings. These issues run up in price, but concerns about a shifting interest-rate environment have likely contributed to some selling. We are taking some action at this point to lock in our profits and prevent further weakness. We are selling shares of Health Care REIT and W.P Carey, and should realize gains of roughly 20% and 65%, respectively.

To fill the gap, we are buying shares of *Microchip*, a leading manufacturer of semiconductor products. The company recently purchased SMCS and has managed the integration process well. The Timeliness rank on its stock has just moved up to a 2 (Above Average), and the issue offers investors an almost 4% dividend yield, which is unusual for a quality technology company.

We are also establishing a position in *Paychex*, one of the nation's leading providers of payroll-accounting services. The overall environment for payroll processors should strengthen, as the nation's employment situation picks up and new business formation and expansion takes hold. This issue, while neutrally ranked for Timeliness, carries our Highest rank (1) for Safety mark and offers a decent dividend yield.

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PORTFOLIO I: STOCKS WITH ABOVE-AVERAGE YEAR-AHEAD PRICE POTENTIAL

(primarily suitable for more aggressive investors)

Ratings & Reports Page	Ticker	Company	Recent Price	Time-liness	Safety	P/E	Yield%	Beta	Financial Strength	Industry Name
706	BEAV	B/E Aerospace	63.02	2	3	18.0	Nil	1.60	B++	Aerospace/Defense
2542	BRO	Brown & Brown	31.72	2	2	21.1	1.1	0.70	A	Financial Svcs. (Div.)
2171	CAB	Cabela's Inc.	67.57	2	3	20.5	Nil	1.30	B++	Retail (Hardlines)
2580	CDNS	Cadence Design Sys.	14.99	2	3	21.4	Nil	1.25	B+	Computer Software
1233	CBI	Chicago Bridge & Iron	61.63	2	3	16.0	0.3	1.70	B+	Engineering & Const
2605	DST	DST Systems	67.31	2	2	15.0	1.8	1.00	A	IT Services
392	GK	G&K Services	48.00	1	3	17.3	1.6	0.90	B+	Industrial Services
2308	HOG	Harley-Davidson	54.07	2	3	15.9	1.6	1.50	B++	Recreation
1237	JEC	Jacobs Engineering	56.90	2	3	16.7	Nil	1.35	A	Engineering & Const
334	KEX	Kirby Corp.	76.65	2	3	18.3	Nil	1.15	B+	Maritime
719	MOGA	Moog Inc. 'A'	50.49	2	3	13.8	Nil	1.20	B++	Aerospace/Defense
326	R	Ryder System	61.76	1	3	12.9	2.0	1.30	B+	Trucking
2614	SEIC	SEI Investments	30.23	2	2	20.2	1.3	1.05	A	IT Services
1182	SEE	Sealed Air	24.56	1	3	21.4	2.1	0.95	B+	Packaging & Container
312	LUV	Southwest Airlines	13.92	1	3	14.7	1.1	1.00	B+	Air Transport
2523	STT	State Street Corp.	66.15	1	3	14.4	1.6	1.50	B++	Bank
†416	SYNA	Synaptics	41.74	2	3	14.5	Nil	0.95	B++	Computers/Peripherals
134	TMO	Thermo Fisher Sci.	88.27	2	2	16.3	0.7	0.95	A	Precision Instrument
1344	VSH	Vishay Intertechnology	14.52	2	3	10.4	Nil	1.35	B+	Electronics
979	WAG	Walgreen Co.	48.03	1	1	17.5	2.3	0.80	A+	Pharmacy Services

To qualify for purchase in the above portfolio, a stock must have a Timeliness Rank of 1 or 2 and a Financial Strength Rating of at least B+. If a stock's Timeliness rank falls to 3, or lower, it will be automatically removed. Stocks in the above portfolio are selected and monitored by Charles Clark, Associate Research Director.

PORTFOLIO II: STOCKS FOR INCOME AND POTENTIAL PRICE APPRECIATION

(primarily suitable for more conservative investors)

Ratings & Reports Page	Ticker	Company	Recent Price	Time-liness	Safety	P/E	Yield%	Beta	Financial Strength	Industry Name
2600	ADP	Automatic Data Proc.	68.97	3	1	23.3	2.6	0.80	A++	IT Services
1189	CLX	Clorox Co.	84.22	3	2	19.1	3.4	0.60	B++	Household Products
1190	CL	Colgate-Palmolive	58.87	3	1	22.8	2.3	0.60	A++	Household Products
2399	COP	ConocoPhillips	61.68	NR	1	10.5	4.3	NMF	A++	Petroleum (Producing)
1975	DEO	Diageo plc	119.16	3	1	19.5	2.7	0.85	A	Beverage
991	ETN	Eaton Corp. plc	65.59	3	2	15.4	2.6	1.15	A+	Auto Parts
1751	HON	Honeywell Int'l	77.74	3	1	15.7	2.1	1.15	A++	Diversified Co.
224	JNJ	Johnson & Johnson	84.10	2	1	15.5	3.1	0.65	A++	Med Supp Non-Invasive
1193	KMB	Kimberly-Clark	97.58	2	1	19.1	3.3	0.55	A++	Household Products
620	KMP	Kinder Morgan Energy	83.91	3	2	34.2	6.4	0.75	B+	Pipeline MLPs
1951	KRFT	Kraft Foods Group	54.40	NR	2	19.8	3.7	NMF	A	Retail/Wholesale Food
1626	PFE	Pfizer, Inc.	27.66	3	1	16.8	3.5	0.75	A++	Drug
2522	RY.TO	Royal Bank of Canada	61.19	2	2	11.5	4.2	0.80	A	Bank
1729	SNA	Snap-on Inc.	91.61	3	2	16.0	1.7	1.10	A+	Machinery
1766	MMM	3M Company	110.02	3	1	16.4	2.3	0.85	A++	Diversified Co.
346	UNP	Union Pacific	155.72	3	2	16.4	1.8	1.15	A	Railroad
316	UPS	United Parcel Serv.	85.96	3	1	17.4	2.9	0.90	A	Air Transport
941	VZ	Verizon Communic.	48.84	2	1	18.3	4.2	0.65	A++	Telecom. Services
418	WM	Waste Management	41.77	2	2	19.2	3.5	0.80	A	Environmental
1170	WY	Weyerhaeuser Co.	29.23	3	3	26.3	2.7	1.10	B+	Paper/Forest Products

To qualify for purchase in the above portfolio, a stock must have a yield that is in the top half of the Value Line universe, a Timeliness Rank of at least 3 (unranked stocks may be selected occasionally), and a Safety Rank of 3 or better. If a stock's Timeliness Rank falls below 3, that stock will be automatically removed. (Occasionally a stock will be unranked (NR), usually because of a short trading history or a major corporate reorganization.) Stocks are selected and monitored by Craig Sirois, Editorial Analyst.

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PORTFOLIO III: STOCKS WITH LONG-TERM PRICE GROWTH POTENTIAL

(primarily suitable for investors with a 3- to 5-year horizon)

Ratings & Reports Page	Ticker	Company	Recent Price	Time-liness	Safety	P/E	Yield%	Beta	3- to 5-yr Appreciation Potential	Industry Name
1549	AFL	Aflac Inc.	55.81	3	3	8.9	2.5	1.25	25 - 90%	Insurance (Life)
1573	ATI	Allegheny Techn.	27.48	4	3	20.1	2.6	1.55	100 - 190	Metals & Mining (Div.)
1398	AAPL	Apple Inc.	449.31	5	2	9.8	3.3	1.00	145 - 225	Computers/Peripherals
972	CVS	CVS Caremark Corp.	57.49	3	1	14.2	1.6	0.85	30 - 65	Pharmacy Services
1605	CELG	Celgene Corp.	117.77	3	2	29.9	Nil	0.80	-20 - 5	Drug
2329	DIS	Disney (Walt)	64.35	3	1	18.7	1.2	1.05	0 - 25	Entertainment
927	DY	Dycom Inds.	23.24	2	3	18.0	Nil	1.40	30 - 95	Telecom. Services
2626	GOOG	Google, Inc.	859.10	3	2	22.0	Nil	0.90	20 - 65	Internet
2106	GES	Guess Inc.	31.40	3	3	17.0	2.5	1.25	60 - 125	Apparel
2308	HOG	Harley-Davidson	54.07	2	3	15.9	1.6	1.50	20 - 75	Recreation
1922	HRL	Hormel Foods	39.80	3	1	19.1	1.8	0.65	15 - 40	Food Processing
1001	MGA	Magna Int'l 'A'	67.39	2	3	11.9	1.9	1.25	20 - 80	Auto Parts
1592	MOS	Mosaic Company	61.80	3	3	13.5	1.7	1.55	30 - 95	Chemical (Basic)
2421	NOV	National Oilwell Varco	69.90	5	3	11.8	1.5	1.50	55 - 135	Oilfield Svcs/Equip.
1979	PEP	PepsiCo, Inc.	81.63	3	1	18.8	2.8	0.60	40 - 70	Beverage
413	RSG	Republic Services	34.15	2	3	18.0	2.9	0.90	15 - 75	Environmental
965	QCOM	Qualcomm Inc.	63.71	4	2	13.8	2.2	0.80	25 - 75	Telecom. Equipment
1007	TEN	Tenneco Inc.	44.59	1	3	12.6	Nil	2.40	25 - 115	Auto Parts
754	X	U.S. Steel Corp.	17.64	3	3	NMF	1.1	1.75	70 - 155	Steel
815	UNH	UnitedHealth Group	62.36	4	2	11.4	1.8	1.00	35 - 85	Medical Services

To qualify for purchase in the above portfolio, a stock must have worthwhile appreciation potential. Among the factors considered for selection are a stock's Timeliness and Safety Rank and its 3- to 5-year appreciation potential. (Occasionally a stock will be unranked (NR), usually because of a short trading history or a major corporate reorganization.) Stocks in the above portfolio are selected and monitored by Justin Hellman, Editorial Analyst.

PORTFOLIO IV: STOCKS WITH ABOVE-AVERAGE DIVIDEND YIELDS

(primarily suitable for investors interested in current income)

Ratings & Reports Page	Ticker	Company	Recent Price	Time-liness	Safety	P/E	Yield%	Beta	Financial Strength	Industry Name
922	T	AT&T Inc.	35.67	2	1	13.9	5.1	0.70	A++	Telecom. Services
903	LNT	Alliant Energy	49.06	3	2	14.8	3.9	0.70	A	Electric Util. (Central)
1041	BT	BT Group ADR	45.21	1	3	11.5	3.4	1.00	B+	Telecom. Utility
1604	BMY	Bristol-Myers Squibb	46.83	4	1	26.8	3.0	0.70	A++	Drug
1991	BTI	Brit. Amer Tobac. ADR	111.18	3	2	14.8	4.0	0.70	B++	Tobacco
142	ED	Consol. Edison	56.49	3	1	14.7	4.4	0.60	A+	Electric Utility (East)
1590	DD	Du Pont	55.79	3	1	14.5	3.2	1.15	A++	Chemical (Basic)
1163	IP	Int'l Paper	45.51	2	3	22.8	2.6	1.45	B+	Paper/Forest Products
1193	KMB	Kimberly-Clark	97.58	2	1	19.1	3.3	0.55	A++	Household Products
2313	MAT	Mattel, Inc.	44.81	3	2	16.3	3.2	0.90	A	Recreation
367	MCD	McDonald's Corp.	98.37	4	1	17.3	3.1	0.60	A++	Restaurant
1370	MCHP	Microchip Technology	37.09	2	3	19.0	3.8	1.00	B++	Semiconductor
720	NOC	Northrop Grumman	82.42	3	1	11.5	3.0	0.90	A++	Aerospace/Defense
1620	NVS	Novartis AG ADR	71.86	3	1	18.0	3.5	0.65	A++	Drug
2613	PAYX	Paychex, Inc.	37.10	3	1	22.2	3.6	0.85	A	IT Services
1994	RAI	Reynolds American	48.89	3	2	15.4	5.2	0.55	B+	Tobacco
513	RDSA	Royal Dutch Shell 'A'	66.38	2	1	7.6	5.4	1.05	A++	Petroleum (Integrated)
1184	SON	Sonoco Products	34.76	3	2	14.8	3.6	0.95	A	Packaging & Container
153	SO	Southern Co.	43.95	3	1	16.3	4.7	0.55	A	Electric Utility (East)
418	WM	Waste Management	41.77	2	2	19.2	3.5	0.80	A	Environmental

To qualify for purchase in the above portfolio, a stock must have a yield that is at least 1% above the median for the Value Line universe, a Timeliness Rank of at least 3, and a Financial Strength Rating of at least B+. If a stock's Timeliness Rank falls below 4, that stock will be automatically removed. Stocks are selected and monitored by Adam Rosner, Editorial Analyst.

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Model Portfolios: Company Snapshots

Some of the holdings in the Model Portfolios, though integral to each group of 20 stocks, may have held their positions for some time without receiving attention. To bring interested subscribers up to date, a handful of these less visible contributors are now featured in the Model Portfolios: Company Snapshots page, which appears on an occasional basis in *Selection & Opinion*.

The rationale for making any trades in the portfolios, along with a brief analysis of the salient factors that are currently affecting each group's performance, continues to be found in the Model Portfolios: Recent Developments page included in this and every issue of *Selection & Opinion*.

Southwest Airlines (LUV)
Held In: Portfolio I
Purchase Date: April 15, 2013
Purchase Price: $12.67
Recent Price: $13.92

Southwest Airlines, doing business since 1971, is among the largest passenger airlines in the U.S., with nearly 700 aircraft, over 45,000 employees, and annual revenues topping the $17 billion mark. The company, operating both Southwest Airlines and AirTran Airways (acquired in mid-2011), provides primarily short-haul, point-to-point, low-fare flights to frequent travelers, and is known for its first-rate customer service and friendly work environment. It offers flights to 97 destinations in 41 states, the District of Columbia, Puerto Rico, and six near-international countries, though its focus has historically been on the western portion of the country.

Southwest shares have been strong performers in 2013, and are currently up around 35% year to date. Part of this is due to strength across the broader airline sector, which is benefiting from lower fuel costs and increased bookings. But the company has plenty more going for it, it seems, including aircraft and employee-related productivity gains. The integration of AirTran also continues to garner considerable cost and revenue synergies. And *Southwest* maintains one of the industry's best balance sheets, which is supporting stock buybacks and healthy dividend growth. (The quarterly dividend has gone from $0.01 to $0.04 a share in the past year.)

We currently hold 20,700 shares of *Southwest*. The stock has done well since being added to the portfolio in April, and our latest earnings estimates for 2013 and 2014 suggest that prospects for the equity are good for at least the year ahead. At this writing, our holdings in *LUV* stock account for some 5.2% of the portfolio's market value. Adding it all up, we're still keen on the company, and plan to hold on to this large-cap issue for the time being.

Allegheny Technologies (ATI)
Held In: Portfolio III
Purchase Date: December 17, 2012
Purchase Price: $28.50
Recent Price: $27.48

Allegheny Technologies, headquartered in Pittsburgh, Pennsylvania, is one of the largest specialty metals producers in the world, with annual sales of more than $5 billion and a diverse product mix including titanium, alloys, precision strip, and stainless and grain-oriented electrical steels. Its major markets include aerospace and defense, chemical process industry/oil and gas, electrical energy, medical, automotive, food equipment and appliance, machine and cutting tools, and construction and mining.

The stock, like many commodity issues, has been a disappointing laggard over the past couple of years, hampered by slack product demand against an uneven macroeconomic backdrop. But long-term prospects here still appear bright, particularly given recent cost-cutting initiatives and the likelihood of a lengthy upcycle in the aerospace industry. And the equity now looks to be a genuine bargain for patient, buy-and-hold investors. We are currently down a bit (approximately 3.5%) on the 9,100 *ATI* shares that we purchased this past December. We intend to sit tight, however, as we believe this turnaround play will prove quite rewarding over time.

Sonoco Products (SON)
Held In: Portfolio IV
Purchase Date: March 4, 2013
Purchase Price: $32.04
Recent Price: $34.76

Sonoco Products is a leading manufacturer of consumer and industrial packaging goods. It offers a wide assortment of paper and cardboard tubing, plastic bottles, jars, jugs, cups, and other packaging materials, and its customers include some of the world's largest consumer products outfits. The company currently operates around 347 manufacturing facilities located in 34 countries. It remains committed to expanding its reach by entering new markets, however, and will likely be in the hunt for strategic acquisitions going forward.

Sonoco Products put in a somewhat sluggish showing in the first quarter of 2013. The top line dipped slightly, as weakness at the larger Consumer Packaging segment and at the Paper and Industrial Converted Products unit was only partially offset by advances at the company's smaller divisions. This, along with higher maintenance, labor, and other expenses, weighed on adjusted profits during the period. Nonetheless, we think the situation is temporary, and look for a better performance during the second half of the year, followed by progress in 2014.

We currently hold 3,230 shares of *Sonoco Products* and have a slight unrealized gain on our position. While neutrally ranked for Timeliness, the stock carries our highest (1) Safety mark. Most importantly, the issue provides a respectable dividend yield, making it suitable for defensive, income investors.

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Timely Stocks with Healthy Price Appreciation Potential

This screen focuses on stocks that are ranked to outperform the market both in the next six to 12 months and for the pull to 2016-2018. For stocks to be included on this elite list, they had to be ranked either 1 (Highest) or 2 (Above Average) for Timeliness. Next, capital appreciation potential over the next three to five years, as derived from our analysts' earnings projections, had to be at least 100%, compared with the median of 45% for all stocks under our review. Additionally, the minimum annual total return potential was pegged at 19%, versus a 11.8% median for *Value Line*'s universe. Meanwhile, to eliminate issues that entail more than normal risk, we called for Safety ranks of no less than 3 (Average). Finally, any stock that had recently traded at a price of less than $10 a share was dropped from the list.

The result is a group of stocks that, based on their recent strong earnings growth and relative price performance, seem likely to outpace the average equity under our review in the year ahead. Better yet, our analysts feel that these stocks appear to be good long-term holdings.

Consistent with what has been the case for the last year, or so, most of the stocks in this screen are trading at valuations below the current market median (17.1). In fact, only two of the stocks in this particular group are trading at better than a 10% premium to the market, as measured by the median P/E for the *Value Line* universe. Moreover, it seems that stocks in this particular screen do not fit well with the historical norm. That is, equities that have usually screened well for the criteria outlined above have usually tended to trade at a marked premium to the market, given their excellent price-appreciation prospects.

As usual, we encourage readers to consult the full-page analyses and supplementary reports of each stock in *Ratings & Reports* before committing any funds.

Ratings & Reports Page	Ticker	Company Name	Recent Price	Timeliness	Safety	3-5 Year Appreciation Potential	P/E	Industry
702	AIR	AAR Corp.	20.23	2	3	135%	10.3	Aerospace/Defense
207	ALR	Alere Inc.	25.98	2	3	100	11.5	Med Supp Non-Invasive
948	ARRS	Arris Group	14.93	2	3	100	12.4	Telecom. Equipment
2507	BK	Bank of New York Mellon	29.90	2	3	125	13.3	Bank
305	BRS	Bristow Group	62.01	2	3	110	14.7	Air Transport
1045	DTEGY	Deutsche Telekom ADR	11.39	2	2	120	13.4	Telecom. Utility
1589	DOW	Dow Chemical	34.62	2	3	100	14.5	Chemical (Basic)
2560	LM	Legg Mason	34.38	2	3	105	10.8	Financial Svcs. (Div.)
721	ORB	Orbital Sciences	17.81	2	3	110	14.2	Aerospace/Defense
511	PBR	Petroleo Brasileiro ADR	17.77	2	3	140	7.7	Petroleum (Integrated)
2016	ROVI	Rovi Corp.	26.02	2	3	100	12.4	Entertainment Tech
372	SONC	Sonic Corp.	13.43	1	3	105	18.9	Restaurant
725	SPR	Spirit AeroSystems	21.71	2	3	130	9.4	Aerospace/Defense
2020	SNCR	Synchronoss Techn.	31.44	2	3	140	23.3	Entertainment Tech
404	TTEC	TeleTech Holdings	23.51	1	3	115	15.2	Industrial Services

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Timely Growth Stocks

To be sure, earnings growth is one of the most important criteria in equity investment. On point, relative earnings performance is one of the key components of *Value Line*'s Timeliness Ranking System. Even greater emphasis was placed on profits when we conducted this screen. We focused on timely shares that have recorded good per-share earnings gains in recent years and that should continue to do so in the future.

We first screened for stocks that were ranked at least 2 (Above Average) for Timeliness. Each equity also needed to score 3 (Average) or better for Safety. Moreover, all of these companies have managed to grow earnings at a 10% or better compound annual rate over the past five years, which is no easy feat considering that this time span included varying rates of economic growth. We also required at least 10% earnings growth in the current fiscal year and a minimum of 10% projected three- to five-year profit growth. Additionally, in terms of price, these stocks needed to have risen in price by at least 10% in the last 13 weeks.

The resulting list is a diverse group of companies that not only performed well even as economic growth slowed, but are projected by our analysts to have worthwhile earnings growth prospects in the year ahead. Stocks that meet the rigorous test outlined above often trade at a meaningful premium to the market multiple. This list supplies some degree of support for the historical norm, with five stocks trading above the current market median of 17.1. Still, most of the stocks in this roster are trading below the current market median, possibly offering investors a favorable entry point. As always, subscribers should carefully review the analyses in *Ratings & Reports* before committing funds to any particular equity.

Ratings & Reports Page	Ticker	Company Name	Earnings Growth			Recent Price	Time-liness	Safety	P/E
			Est'd FY	Past 5 Yrs.	Proj. 3-5 Yrs.				
1180	PKG	Packaging Corp.	68%	13%	15%	48.77	2	3	17.3
2108	ICON	Iconix Brand Group	38	16	14	30.10	2	3	14.3
2107	HBI	Hanesbrands, Inc.	33	19	13	49.52	2	3	14.4
1181	RKT	Rock-Tenn 'A'	32	34	14	99.88	2	3	15.8
1948	GMCR	Green Mtn. Coffee	26	73	27	73.70	2	3	25.9
1233	CBI	Chicago Bridge & Iron	25	20	15	61.63	2	3	16.0
306	CPA	Copa Holdings, S.A.	25	18	15	130.78	2	3	14.2
706	BEAV	B/E Aerospace	24	10	18	63.02	2	3	18.0
2641	YHOO	Yahoo! Inc.	24	12	10	26.26	2	3	21.9
406	UNF	UniFirst Corp.	20	13	11	94.88	2	3	16.5
404	TTEC	TeleTech Holdings	13	13	14	23.51	1	3	15.2
1192	JAH	Jarden Corp.	11	25	19	45.81	2	3	19.1
1007	TEN	Tenneco Inc.	10	11	20	44.59	1	3	12.6

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Income Stocks with Worthwhile Total Return Potential

This screen focuses on stocks with good current dividend yields that have at least average prospects for relative price performance over the next three to five years. This combination should result in a group of stocks with worthwhile total return potential.

In the first two steps of the selection process, we limited the field to equities with Timeliness ranks of 3 (Average), or better, and Safety ranks of at least 3 (Average). Next, we pared our universe with respect to income generation. We selected issues with current dividend yields of at least 3.5%, 140 basis points (1.4%) above the current median of 2.1% for all dividend-paying stocks under *Value Line*'s review; projected 2016-2018 dividend yields were pegged to be at least 2.5%. We then required that equities with three- to five-year projected price appreciation of less than 60% to be cast aside (the current median is 45%). From this group, we selected issues with a projected average annual total return to 2016-2018 (price gains plus dividends) of at least 13%, which is quite favorable in light of the fact that we may experience a period of lower economic growth with a reduction in available investment returns. Finally, to be included in our list, a company had to have a financial strength rating of no lower than B, and a recent stock price of at least $10 a share.

Investors seeking above-average current income, along with worthwhile three- to five-year total return potential, may find these equities of interest. Nonetheless, we would encourage subscribers to consult each company's most recent review in *Rating & Reports* before making new commitments.

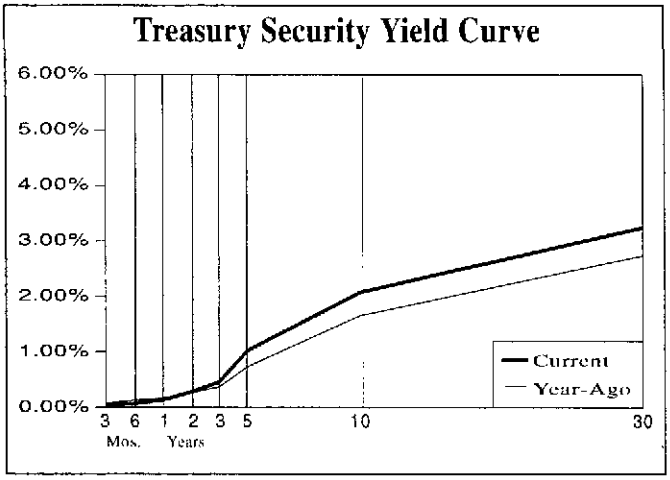
Ratings & Reports Page	Ticker	Company	Recent Price	Timeliness	Safety	Current Yield	3-5 Year Est. Yield	3-5 Year Appreciation Potential	3-5 Year Avg. Total Return
2534	AB	AllianceBernstein Hldg.	24.31	1	3	6.6%	6.0%	65%	19%
502	BP	BP PLC ADR	43.24	3	3	5.0	3.7	75	18
2646	BX	Blackstone Group LP	21.05	2	3	5.7	4.1	80	20
823	CPSI	Computer Prog. & Sys.	50.15	3	3	4.1	2.5	100	21
102	DDAIF	Daimler AG	63.34	3	3	4.5	3.1	85	20
1045	DTEGY	Deutsche Telekom ADR	11.39	2	2	8.1	3.6	120	26
2368	RRD	Donnelley (R.R) & Sons	12.73	3	3	8.2	5.3	60	18
1589	DOW	Dow Chemical	34.62	2	3	4.0	2.9	100	22
1370	MCHP	Microchip Technology	37.09	2	3	3.8	3.3	80	19
1028	SJRB.TO	Shaw Commun. 'B'	23.37	3	3	4.4	3.1	60	16
516	TOT	Total ADR	50.61	3	1	6.1	4.4	80	20
1229	TA.TO	TransAlta Corp.	14.60	3	3	7.9	4.8	70	19

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Selected Yields

	Recent (6/05/13)	3 Months Ago (3/06/13)	Year Ago (6/06/12)
TAXABLE			
Market Rates			
Discount Rate	0.75	0.75	0.75
Federal Funds	0.00-0.25	0.00-0.25	0.00-0.25
Prime Rate	3.25	3.25	3.25
30-day CP (A1/P1)	0.17	0.20	0.30
3-month LIBOR	0.27	0.28	0.47
Bank CDs			
6-month	0.08	0.10	0.21
1-year	0.10	0.13	0.32
5-year	0.64	0.70	1.11
U.S. Treasury Securities			
3-month	0.05	0.09	0.08
6-month	0.07	0.11	0.13
1-year	0.13	0.15	0.17
5-year	1.02	0.81	0.73
10-year	2.08	1.95	1.66
10-year (inflation-protected)	-0.10	-0.64	-0.52
30-year	3.24	3.16	2.74
30-year Zero	3.49	3.42	2.95
Mortgage-Backed Securities			
GNMA 5.5%	2.31	1.77	1.37
FHLMC 5.5% (Gold)	2.68	2.25	2.16
FNMA 5.5%	2.27	1.88	1.97
FNMA ARM	2.13	2.12	2.29
Corporate Bonds			
Financial (10-year) A	3.27	3.03	3.40
Industrial (25/30-year) A	4.26	4.08	4.05
Utility (25/30-year) A	4.19	4.07	3.98
Utility (25/30-year) Baa/BBB	4.60	4.42	4.38
Foreign Bonds (10-Year)			
Canada	2.05	1.85	1.81
Germany	1.51	1.46	1.34
Japan	0.85	0.65	0.85
United Kingdom	2.01	1.96	1.66
Preferred Stocks			
Utility A	5.55	5.40	5.30
Financial BBB	5.06	5.93	6.52
Financial Adjustable A	5.53	5.53	5.53



	Recent (6/05/13)	3 Months Ago (3/06/13)	Year Ago (6/06/12)
TAX-EXEMPT			
Bond Buyer Indexes			
20-Bond Index (GOs)	3.84	3.74	3.77
25-Bond Index (Revs)	4.39	4.29	4.73
General Obligation Bonds (GOs)			
1-year Aaa	0.16	0.19	0.21
1-year A	0.88	0.78	0.93
5-year Aaa	1.01	0.80	0.78
5-year A	1.94	1.78	1.74
10-year Aaa	2.21	2.01	1.95
10-year A	3.21	2.89	2.98
25/30-year Aaa	3.36	3.13	3.47
25/30-year A	5.11	4.82	4.81
Revenue Bonds (Revs) (25/30-Year)			
Education AA	4.38	4.21	4.32
Electric AA	4.53	4.34	4.63
Housing AA	4.87	4.64	4.69
Hospital AA	4.62	4.45	4.54
Toll Road Aaa	4.56	4.37	4.38

Source: Bloomberg Finance L.P.

Federal Reserve Data

BANK RESERVES

(Two-Week Period; in Millions, Not Seasonally Adjusted)

	Recent Levels			Average Levels Over the Last...		
	5/29/13	5/15/13	Change	12 Wks.	26 Wks.	52 Wks.
Excess Reserves	1897054	1823318	73736	1762549	1632938	1544745
Borrowed Reserves	410	422	-12	403	547	1866
Net Free/Borrowed Reserves	1896644	1822896	73748	1762146	1632390	1542879

MONEY SUPPLY

(One-Week Period; in Billions, Seasonally Adjusted)

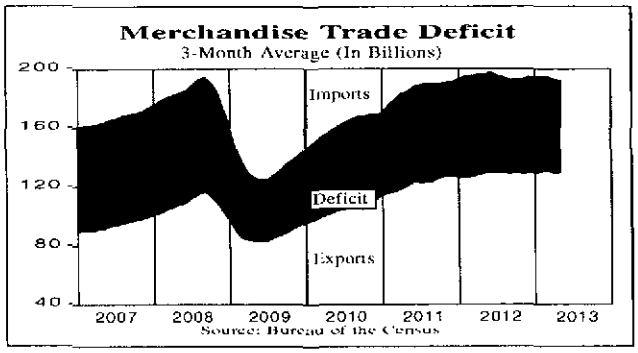
	Recent Levels			Ann'l Growth Rates Over the Last...		
	5/20/13	5/13/13	Change	3 Mos.	6 Mos.	12 Mos.
M1 (Currency+demand deposits)	2533.8	2540.0	-6.2	8.0%	10.1%	12.0%
M2 (M1+savings+small time deposits)	10541.5	10553.4	-11.9	4.6%	5.2%	6.7%

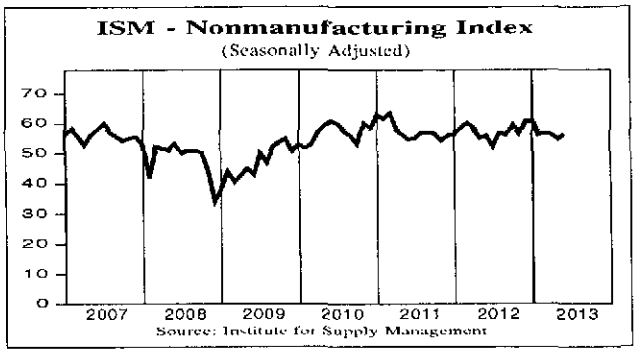
Source. United States Federal Reserve Bank

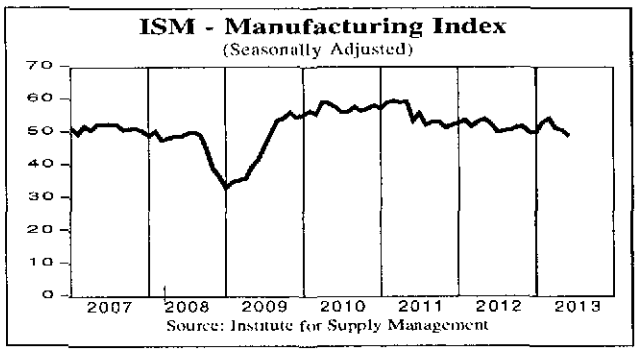
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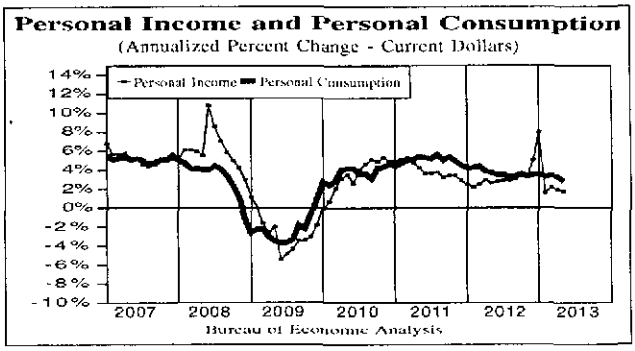
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Tracking the Economy









Major Insider Transactions†

PURCHASES

Latest Full-Page Report	Timeliness Rank	Company	Insider, Title	Date	Shares Traded	Shares Held	Price Range	Recent Price
2617	3	AOL, Inc.	F.G. Reynolds, Dir.	5/29/13	28,000	101,900	$34.26	34.63
1990	3	Altria Group	D.S. Devitre, Dir.	5/22/13	26,700	191,700	$37.04	36.21
2171	2	Cabela's Inc.	R. Mark, Dir.	5/28/13-5/30/13	15,000	1,262,413	$66.98-$67.67	67.57
2305	3	Carnival Corp.	R. Weisenburger, Dir.	5/24/13	40,000	78,477	$32.95	32.36
1813	2	Carriage Services	M.C. Payne, Chair.	5/24/13	15,000	1,385,499	$16.85	18.14
1221	2	EnerNOC, Inc.	A.W. Coviello, Dir.	5/29/13	12,500	72,925	$14.47	13.19
783	3	Fifth Third Bancorp	J.J. Schiff Jr., Dir.	5/22/13	40,000	551,832	$18.35	17.92

SALES

Latest Full-Page Report	Timeliness Rank	Company	Insider, Title	Date	Shares Traded	Shares Held	Price Range	Recent Price
1604	4	Bristol-Myers Squibb	J.M. Cornelius, Chair.	5/28/13	100,000	641,824	$47.61	46.83
587	3	Level 3 Communic.	J.Q. Crowe, Dir.	5/23/13	118,373	1,099,325	$21.65	21.18
1138	2	Lowe's Cos.	R.F. Hull Jr., CFO	5/28/13	56,086	183,601	$43.25	40.99
2129	3	Monro Muffler Brake	D. Glickman, Dir.	5/23/13	48,192	259,233	$48.11	47.22
2404	3	Pioneer Natural Res.	R.H. Gardner, Dir.	5/29/13	14,858	21,527	$144.26	140.00
2337	2	Time Warner	J.L. Bewkes, Chair.	5/29/13	205,681	48,010	$59.27	58.34
1133	3	*Toll Brothers*	*P.E. Shapiro, Dir.*	*5/24/13*	*47,765*	*109,555*	*$37.00*	*32.92*

* *Beneficial owner of more than 10% of common stock.*

† *Includes only large transactions in U.S.-traded stocks; excludes shares held in the form of limited partnerships, excludes options & family trusts.*

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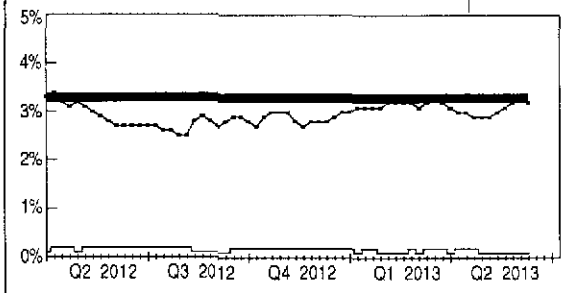
Market Monitor

Valuations and Yields	6/5	5/29	13-week range	50-week range	Last market top (7-13-2007)	Last market bottom (3-9-2009)
Median price-earnings ratio of VL stocks	17.1	17.4	16.7 - 17.5	14.1 - 17.5	19.7	10.3
P/E (using 12-mo. est'd EPS) of DJ Industrials	13.6	13.9	13.4 - 14.1	11.6 - 14.1	16.1	17.3
Median dividend yield of VL stocks	2.1%	2.1%	2.1 - 2.2%	2.1 - 2.5%	1.6%	4.0%
Div'd yld. (12-mo. est.) of DJ Industrials	2.6%	2.5%	2.5 - 2.6%	2.5 - 2.9%	2.2%	4.0%
Prime Rate	3.3%	3.3%	3.3 - 3.3%	3.3 - 3.3%	8.3%	3.3%
Fed Funds	0.1%	0.1%	0.1 - 0.2%	0.1 - 0.2%	5.3%	0.2%
91-day T-bill rate	0.1%	0.0%	0.0 - 0.1%	0.0 - 0.1%	5.0%	0.3%
AAA Corporate bond yield	4.1%	4.1%	3.7 - 4.1%	3.2 - 4.1%	5.8%	5.5%
30-year Treasury bond yield	3.2%	3.3%	2.9 - 3.3%	2.5 - 3.3%	5.1%	3.7%
Bond yield minus average earnings yield	-1.7%	-1.7%	-2.3 - -1.7%	-3.8 - -1.7%	0.7%	-4.3%
Market Sentiment						
Short interest/avg. daily volume (5 weeks)	18.5	19.2	17.3 - 19.2	17.1 - 23.0	8.1	8.6
CBOE put volume/call volume	1.06	1.01	.83 - 1.06	.67 - 1.31	.91	.93

VALUE LINE ASSET ALLOCATION MODEL

(Based only on economic and financial factors)

	Current (last adjusted at market open 4/2/12)	Previous (before 4/2/12)
Common Stocks	60%-70%	65%-75%
Cash and Treasury Issues	40%-30%	35%-25%



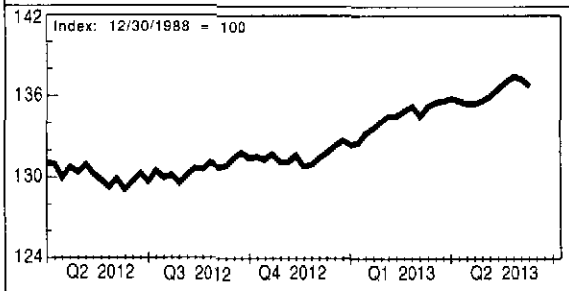
INTEREST RATES

Prime Rate

30-Year Treasury Bond

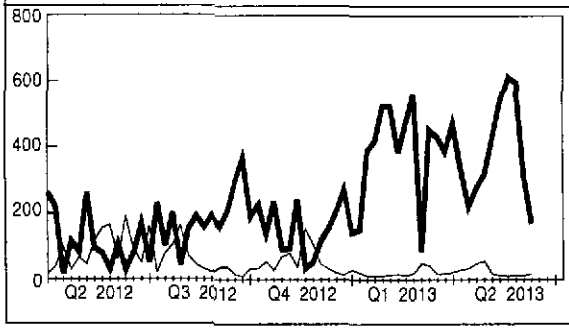
Federal Funds

	Recent	Previous Week
Prime Rate	3.3%	3.3%
30-Yr. Treasury	3.2%	3.3%
Fed Funds	0.1%	0.1%



VALUE LINE UNIVERSE

	Recent	Previous Week
Advances	428	669
Declines	1267	1015
Issues Covered	1706	1705
Market Value ($ Trillion)	22.249	22.666



VALUE LINE UNIVERSE

New Highs

New Lows

	Recent	Previous Week
New Highs	172	314
New Lows	17	15

INDUSTRY PRICE PERFORMANCE LAST SIX WEEKS ENDING 6/4/2013

7 Best Performing Industries

Auto Parts	+18.4%
Power	+15.5%
Insurance (Life)	+13.0%
Semiconductor Equip	+12.9%
Entertainment Tech	+12.9%
Trucking	+12.7%
Retail (Softlines)	+12.3%

7 Worst Performing Industries

Electric Utility (East)	-7.9%
Electric Util. (Central)	-6.3%
Beverage	-3.9%
Natural Gas Utility	-3.8%
Oil/Gas Distribution	-3.5%
Electric Utility (West)	-3.4%
Pipeline MLPs	-3.1%

The corresponding change in the Value Line Arithmetic Average* is +5.8%

CHANGES IN FINANCIAL STRENGTH RATINGS

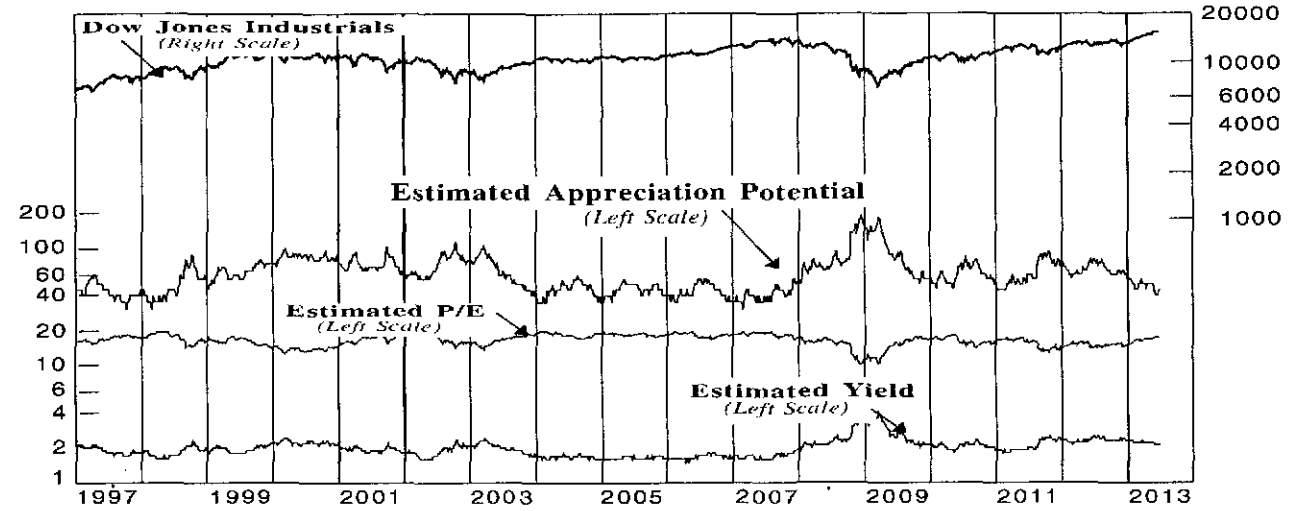
Company	Prior Rating	New Rating	Ratings & Reports Page
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Chart Ind's	B+	A	731
Esterline Tech.	B+	B++	712
MEDNAX, Inc.	B++	A	811
Tenet Healthcare	C	C++	814
U.S. Steel Corp.	B+	B	754

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Stock Market Averages

VALUE LINE ESTIMATED P/E, YIELD, APPRECIATION POTENTIAL VERSUS DOW JONES INDUSTRIALS *(JANUARY 2, 1997 - JUNE 4, 2013)*



THE VALUE LINE GEOMETRIC AVERAGES

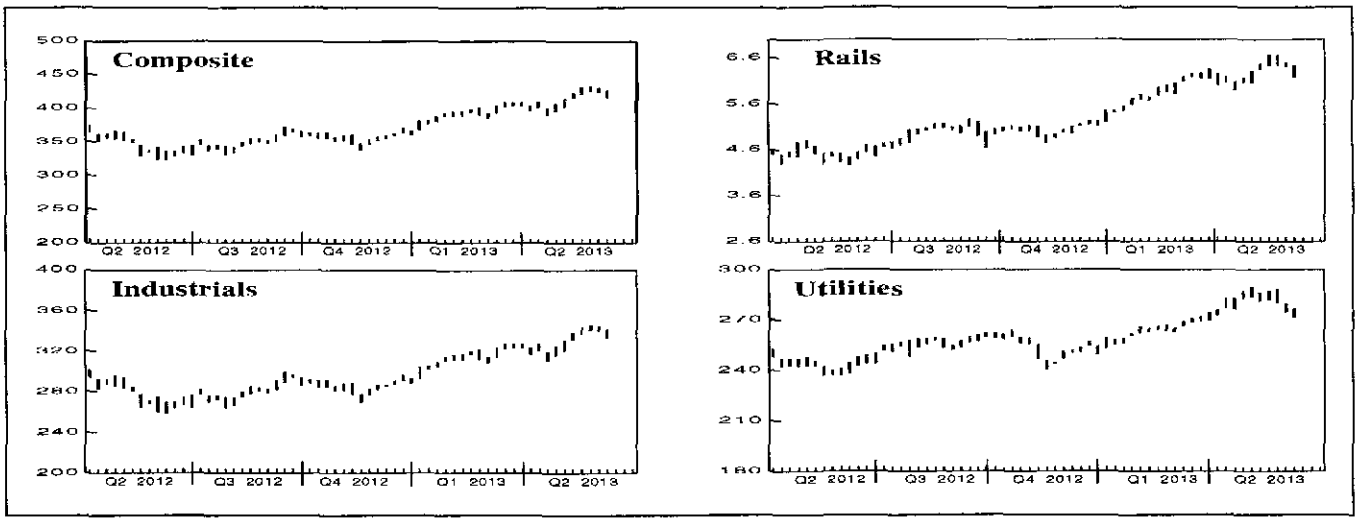
	Composite 1675 stocks	Industrials 1572 stocks	Rails 7 stocks	Utilities 96 stocks
5/30/2013	429.46	343.39	6494.57	277.21
5/31/2013	425.00	339.79	6410.46	274.89
6/3/2013	426.43	340.88	6419.78	276.38
6/4/2013	423.41	338.48	6347.74	274.34
6/5/2013	417.40	333.46	6176.85	271.70
%Change last 4 weeks	-0.7%	-0.5%	-4.4%	-4.9%

Arithmetic* Composite 1671 stocks
3758.29
3719.72
3732.76
3706.81
3654.62
-0.4%

THE DOW JONES AVERAGES

Composite 65 stocks	Industrials 30 stocks	Transportation 20 stocks	Utilities 15 stocks
5148.15	15324.53	6341.88	485.12
5093.15	15115.57	6290.18	482.16
5118.08	15254.03	6288.27	482.71
5094.43	15177.54	6257.29	481.33
5019.02	14960.59	6138.36	477.09
-3.3%	-1.0%	-4.3%	-8.3%

WEEKLY VALUE LINE GEOMETRIC AVERAGES* *(APRIL 2, 2012 - JUNE 5, 2013)*



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U.S. NEWS Updated May 11, 2013 11:16 a.m. ET

Fed Maps Exit From Stimulus

Timing of Wind-Down Is Uncertain, but Focus Is on Managing Unpredictable Market Expectations

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By JON HILSENRATH

Federal Reserve officials have mapped out a strategy for winding down an unprecedented $85 billion-a-month bond-buying program meant to spur the economy—an effort to preserve flexibility and manage highly unpredictable market expectations.

Officials say they plan to reduce the amount of bonds they buy in careful and potentially halting steps, varying their purchases as their confidence about the job market and inflation evolves. The timing on when to start is still being debated.

The Fed's strategy for how and when to wind down the program is of intense interest in financial markets. While the strategy being debated leaves the Fed plenty of flexibility, it might not be the clear and steady path markets expect based on past experience.

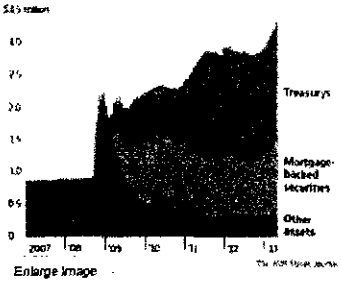
Officials are focusing on clarifying the strategy so markets don't overreact about their next moves. For example, officials want to avoid creating expectations that their retreat will be a steady, uniform process like their approach from 2003 to 2006, when they raised short-term interest rates in a series of quarter-percentage-point increments over 17 straight policy meetings.

"I don't want to go from wild turkey to cold turkey," Richard Fisher, president of the Federal Reserve Bank of Dallas, said in an interview Friday. "I think we

Jon Hilsenrath explains the thinking behind the Federal Reserve's plan to wind down its economic stimulus program, and how the issue is likely to be tackled by chairman Ben Bernanke's successor Photo: Getty Images

Heavily Laden

Assets on the Federal Reserve balance sheet



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ought to dial it back." Mr. Fisher is part of a contingent of Fed hawks who are wary of the central bank's easy-money policies.

Stocks and bond markets have taken off since the Fed announced in September that it would ramp up the bond-buying program, and major indexes closed at another record Friday. An abrupt or surprising end to it could send stocks and bonds in the other direction, but a delayed end could allow markets to overheat. And some officials feel they've ended other programs too soon and don't want to repeat the mistake.

The Fed's strategy on how to unwind the program has emerged as a source of some uncertainty in markets in the wake of its policy meeting earlier this month. The Fed said in its postmeeting statement that it was "prepared to increase or reduce the pace of its purchases" as the economic outlook evolved.

The suggestion that the Fed might boost its bond buying was a change in the policy statement that seemed to some an acknowledgment that more aid for the economy might be needed. Employment data in April were weak and inflation has fallen well *below the Fed's 2% inflation objective, both points that allow leeway for more* stimulus.

But many officials believe the recovery is on track and aren't yet concerned about the inflation slowdown. Instead, the most recent statement seems more aimed at signaling the Fed's broader flexibility in managing the programs.

Charles Plosser, president of the Philadelphia Fed, said in an interview Friday that *the change in the statement was meant "to remind everybody" that the Fed has "a* dial that can move either way."

The dial can also pause. Fed officials could shrink the size of their purchases and hold it at that level for a while as they assess the effects, or they could make several moves in a row if that seemed right. They could also boost their buying if they lose confidence about the economic outlook. The strategy is meant in part to ensure flexibility in an uncertain economy.

Yet while officials appear increasingly settled on a strategy for how to dial back the program, they haven't decided when to start.

Mr. Fisher said he advocated starting right away at the last Fed meeting. Some officials can envision taking a first step this summer, if strong data show the economy is weathering the tax increases and federal spending cuts that appear to be weighing on growth. But they might wait longer, especially if the economy disappoints, as it has for several years during the spring and summer months.

A Wall Street Journal survey of private economists this week showed that 55% expect the Fed to start shrinking its bond purchases in the third or fourth quarter this year, while 45% expect the Fed to wait until next year or later. None expected the Fed to increase its purchases as its next step.

The bond-buying programs are aimed at pushing down long-term interest rates and boosting financial markets to encourage more borrowing, spending and hiring in the broader economy. The Fed's securities holdings have increased from $2.58 trillion to $3.04 trillion since September.

Clearer signals about the Fed's plans could emerge next week. Five regional Fed bank presidents, including Mr. Fisher and Mr. Plosser, and Fed governor Sarah

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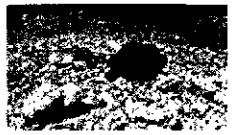
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Bloom Raskin are scheduled to speak. Fed Chairman Ben Bernanke will discuss economic prospects for the long-run in a commencement address at Bard College at Simon's Rock next Saturday.

Central bank officials want to see substantial improvements in the job-market outlook before the programs are ended all together. And then, efforts to boost short-term interest rates might not occur for months or even years later.

The unemployment rate has fallen to 7.5% from 8.1% since August, both because of hiring and people leaving the workforce. Payroll employment has increased on average by 193,000 per month during the eight months since the program was launched, compared with average gains of 157,000 before it began. "It is pretty hard to say we haven't seen an improvement in the labor market," Mr. Plosser said.

Many economists believe economic growth will slow in the second quarter—in part because of fiscal drags—from a 2.5% annualized rate in the first quarter, but then accelerate in the second half. If growth remains firm in the weeks ahead that could give officials more confidence about starting to pull back.

Fed officials aren't very concerned about the annual rate of inflation falling toward 1% in recent months, well below their 2% objective. Because expectations of future inflation have remained steady, many Fed officials expect inflation readings to move back up toward 2% in the second half of the year. "I'm not too worried about it," Mr. Plosser said. "Expectations remain pretty stable."

The Fed has policy meetings in June, July and September, and Mr. Bernanke will have a chance to explain its actions at news conferences in June and September.

Some of the bond-buying program's most vocal proponents have signaled more optimism about the outlook and a willingness to consider pulling back from the programs. John Williams, president of the Federal Reserve Bank of San Francisco, said in an interview last month that he anticipated pulling back this summer.

"I'm looking for continuing signs of improvement in the economy," he said, "sustained, ongoing improvement in the economy."

Corrections & Amplifications
Federal Reserve Chairman Ben Bernanke will discuss economic prospects for the long-run in a commencement address at Bard College at Simon's Rock in Massachusetts next Saturday. An earlier version of this article incorrectly said the address would be at Bard College of New York.

Write to Jon Hilsenrath at jon.hilsenrath@wsj.com

A version of this article appeared May 11, 2013, on page A1 in the U.S. edition of The Wall Street Journal, with the headline: Fed Maps Exit From Stimulus.

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July 26, 2013, 10:45 a.m. ET

IMF Urges 'Improved' U.S. Fed Policy Transparency as It Mulls Easy Money Exit

By Ian Talley

WASHINGTON--The International Monetary Fund Friday urged greater clarity from the U.S. Federal Reserve as the central bank considers its exit strategy from a long period of easy money policies

A lack of Fed clarity could cause a major spike in borrowing costs that could cause severe damage to the U.S. recovery and send destructive shockwaves around *the global economy, the IMF said in its annual assessment of the American economy.*

"Improved transparency" and "enhanced policy communications with the public are vitally important prior to and during the exit," IMF staff, including a former New York Fed economist, said in the report.

The fund estimated that investor fears of a premature Fed exit from easy money policies could cause a spike of at least 125 basis points in 10-year Treasury bonds, especially if markets are uncertain about the central bank's plans. The estimate was based on markets mistakenly assuming the Fed would start scaling back its easy money policies two quarters sooner than the IMF assumes is healthy

IMF chief Christine Lagarde said in recent weeks the fund advises the Fed maintain its $85 billion-a-month bond-buying until at least the end of 2013 That is in contrast to the Fed, which has said it is considering an earlier wind-down of its buying, if the economy shows improvement

Still, central bank officials are expected at their meeting next week to discuss whether to refine or revise their guidance to the public on their future plans

The IMF's comments come as the world's top finance officials last week said stimulating growth was the highest priority, trumping the need in some advanced economies to cut debt levels in the near term It also follows fears, particularly from emerging markets, about sudden market moves sparked by the Fed's guidance that hurt their economies.

The fund warned in its review of the euro-zone economy Thursday that an early Fed exit could create more headwinds for the currency union already bogged *down in a deepening recession.*

The IMF also said the U.S. dollar is mildly overvalued, up to 10% higher than fundamentals suggest it should be.

After years of extraordinarily low interest rates meant to spur a weak economy, the Fed is considering how and when to start returning its policies back to normal. Signals of that policy course change earlier this year prompted investors around the globe to reshuffle their portfolios. That sudden shift in capital created volatility in currency, bond and equity markets around the globe.

The IMF said clearer Fed guidance can give markets time to adjust.

But, it added, "A smooth and gradual upward shift in the yield curve might be difficult to engineer, and there could be periods of higher volatility when longer yields jump sharply--as recent events suggest."

Fed officials told the fund they have beefed up surveillance of potential risks from the exit and low interest rates, telling the IMF they are prepared to boost their buying if needed and can use their financial regulation tools to nip problems in the bud.

Write to Ian Talley at ian.talley@wsj.com

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THE COST OF CAPITAL TO A PUBLIC UTILITY

Myron J. Gordon

1974
MSU Public Utilities Studies

Division of Research
Graduate School of Business Administration
Michigan State University
East Lansing, Michigan

so that the current value can be widely off the mark as a measure of the expected future value.

5.4 Other Measures of Growth

The measure of expected growth in the dividend established in the previous two sections, the intrinsic growth rate, is not the only possible measure of the variable. Another plausible measure is some average of the past rates of growth in the dividend. Under our model of security valuation, dividend, earnings, and price per share all are expected to grow at the same rate. Hence, the rates of growth in the dividend, earnings, and price also are candidates for estimates of the expected rate of growth in the dividend.

Let us consider first the rate of growth in earnings per share. The earnings per share during T adjusted for stock splits and stock dividends to make interperiod comparisons valid is

$$\text{AYPS}(T) = \text{AFC}(T)/.5\,[\text{ANS}(T) + \text{ANS}(T-1)], \qquad (5.4.1)$$

where $\text{ANS}(T)$ is the number of shares outstanding at the end of T adjusted for stock splits and dividends. The rate of growth in earnings per share during T is

$$\text{YGR}(T) = [\text{AYPS}(T) - \text{AYPS}(T-1)]/\text{AYPS}(T-1). \qquad (5.4.2)$$

For reasons to be given shortly, the smoothed rate of growth in earnings is superior to the current rate as a forecast of the expected rate. The smoothed rate of earnings growth is obtained from

$$Ln[1 + \text{YGRS}(T)] = \lambda Ln[1 + \text{YGR}(T)] + (1-\lambda)Ln[1 + \text{YGRS}(T-1)], \qquad (5.4.3)$$

with $\lambda = .15$ and $\text{YGRS}(1953) = .04$.

The primary reason for a difference between YGR and GRTH is a change in the rate of return on the common equity. To illustrate, assume a firm that has been earning a return on common of .10 and retaining one-half of its income to finance its investment. The rate of growth under both measures will be .05. If the firm's rate

of return on common rises from .10 to .11, the retention growth rate will rise from .05 to (.5)(.11) = .055. However, the earnings growth rate will rise from .05 to .155.[5] Furthermore, the earnings growth rate in subsequent periods will be .055 if the return on common remains .11. This example suggests that the intrinsic growth rate is superior to the earnings growth rate as a measure of expected growth. Investors nonetheless may look to past data on earnings growth for information on expected future growth, and it is the growth investors expect that should be used to measure share yield.

A number of considerations suggest that investors may, in fact, use earnings growth as a measure of expected future growth. First, the intrinsic growth rate includes stock financing growth as well as retention growth. The former is difficult for us to measure and may be even more difficult for investors. Consequently, investors may use past earnings growth to forecast the future since it incorporates in one statistic growth from all sources. Second, we saw that inflation will result in a rise in the allowed rate of return on equity for a regulated company. If this response to inflation takes place with a lag, that is, the regulatory agency raises RRC over time, earnings growth will reflect the forecast rate of growth better than intrinsic growth. Finally, it appears that security analysts use past growth in earnings more than any other variable to forecast future growth.

Given that earnings growth is used by investors to forecast future growth, the smoothed value of the variable YGRS is superior to the current value. The previous illustration revealed that YGR overreacts to changes in the allowed rate of return and therefore is subject to large random fluctuations. The data on YGR confirm this conclusion.

The use of dividend growth as a forecast of future growth is subject to the same limitations as earnings if the firm pays a constant fraction of its earnings in dividends. That is, under this assumption the dividend growth rate in any period is the same as the earnings growth rate. Firms tend to change their dividend rate from one

[5] Let the book value per share at the start of T be $\text{BVS}(T-1) = \$50.00$. With $\text{RRC}(T) = .10$, $\text{AYP}(T) = \$5.00$, and with $\text{RETR}(T) = .5$, $\text{BVS}(T) = \$52.50$. If $\text{RRC}(T+1) = .10$, $\text{AYP}(T+1) = \$5.25$, and $\text{YGR}(T+1) = \text{RTGR}(T+1) = .05$. However, if $\text{RRC}(T+1) = .11$, $\text{RTGR}(T+1) = (.11)(.5) = .055$, while $\text{AYP}(T+1) = \$5.775$, and $\text{YGR}(T+1) = (\$5.775 - \$5.00)/\$5.00 = .155$.

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Roger A. Morin, PhD

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5. Standard & Poor's
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Value Line is the largest and most widely circulated independent investment advisory service, and influences the expectations of a large number of institutional and individual investors. The Value Line data are commercially available on a timely basis to investors in paper format or electronically. Value Line betas are derived from a least-squares regression analysis between weekly percent changes in the price of a stock and weekly percent changes in the New York Stock Exchange Average over a period of 5 years. In the case of shorter price histories, a smaller time period is used, but 2 years is the minimum. Value Line betas are computed on a theoretically sound basis using a broadly based market index, and they are adjusted for the regression tendency of betas to converge to 1.00. This necessary adjustment to beta is discussed below.

Practical and Conceptual Difficulties

Computational Issues. Absolute estimates of beta may vary over a wide range when different computational methods are used. The return data, the time period used, its duration, the choice of market index, and whether annual, monthly, or weekly return figures are used will influence the final result.

Ideally, the returns should be total returns, that is, dividends and capital gains. In practice, beta estimates are relatively unaffected if dividends are excluded. Theoretically, market returns should be expressed in terms of total returns on a portfolio of all risky assets. In practice, a broadly based value-weighted market index is used. For example, Merrill Lynch betas use the Standard & Poor's 500 market index, while Value Line betas use the New York Stock Exchange Composite market index. In theory, unless the market index used is the true market index, fully diversified to include all securities in their proportion outstanding, the beta estimate obtained is potentially distorted. Failure to include bonds, Treasury bills, real estate, etc., could lead to a biased beta estimate. But if beta is used as a relative risk ranking device, choice of the market index may not alter the relative rankings of security risk significantly.

To enhance statistical significance, beta should be calculated with return data going as far back as possible. But the company's risk may have changed if the historical period is too long. Weighting the data for this tendency is one possible remedy, but this procedure presupposes some knowledge of how risk changed over time. A frequent compromise is to use a 5-year period with either weekly or monthly returns. Value Line betas are computed based on weekly returns over a 5-year period, whereas Merrill Lynch betas are computed with monthly returns over a 5-year period. In an empirical study of utility

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The average growth rate estimate from all the analysts that follow the company measures the consensus expectation of the investment community for that company. In most cases, it is necessary to use earnings forecasts rather than dividend forecasts due to the extreme scarcity of dividend forecasts compared to the widespread availability of earnings forecasts. Given the paucity and variability of dividend forecasts, using the latter would produce unreliable DCF results. In any event, the use of the DCF model prospectively assumes constant growth in both earnings and dividends. Moreover, as discussed below, there is an abundance of empirical research that shows the validity and superiority of earnings forecasts relative to historical estimates when estimating the cost of capital.

The uniformity of growth projections is a test of whether they are typical of the market as a whole. If, for example, 10 out of 15 analysts forecast growth in the 7%–9% range, the probability is high that their analysis reflects a degree of consensus in the market as a whole. As a side note, the lack of uniformity in growth projections is a reasonable indicator of higher risk. Chapter 3 alluded to divergence of opinion amongst analysts as a valid risk indicator.

Because of the dominance of institutional investors and their influence on individual investors, analysts' forecasts of long-run growth rates provide a sound basis for estimating required returns. Financial analysts exert a strong influence on the expectations of many investors who do not possess the resources to make their own forecasts, that is, they are a cause of g. The accuracy of these forecasts in the sense of whether they turn out to be correct is not at issue here, as long as they reflect widely held expectations. As long as the forecasts are typical and/or influential in that they are consistent with current stock price levels, they are relevant. The use of analysts' forecasts in the DCF model is sometimes denounced on the grounds that it is difficult to forecast earnings and dividends for only one year, let alone for longer time periods. This objection is unfounded, however, because it is present investor expectations that are being priced; it is the consensus forecast that is embedded in price and therefore in required return, and not the future as it will turn out to be.

Empirical Literature on Earnings Forecasts

Published studies in the academic literature demonstrate that growth forecasts made by security analysts represent an appropriate source of DCF growth rates, are reasonable indicators of investor expectations and are more accurate than forecasts based on historical growth. These studies show that investors rely on analysts' forecasts to a greater extent than on historic data only.

Academic research confirms the superiority of analysts' earnings forecasts over univariate time-series forecasts that rely on history. This latter category

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mendation that is different than the expected ROE that the method assumes the utility will earn forever. For example, using an expected return on equity of 11% to determine the growth rate and using the growth rate to recommend a return on equity of 9% is inconsistent. It is not reasonable to assume that this regulated utility company is expected to earn 11% forever, but recommend a 9% return on equity. The only way this utility can earn 11% is that rates be set by the regulator so that the utility will in fact earn 11%. One is assuming, in effect, that the company will earn a return rate exceeding the recommended cost of equity forever, but then one is recommending that a different rate be granted by the regulator. In essence, using an ROE in the sustainable growth formula that differs from the final estimated cost of equity is asking the regulator to adopt two different returns.

The circularity problem is somewhat dampened by the self-correcting nature of the DCF model. If a high equity return is granted, the stock price will increase in response to the unanticipated favorable return allowance, lowering the dividend yield component of market return in compensation for the high g induced by the high allowed return. At the next regulatory hearing, more conservative forecasts of r would prevail. The impact on the dual components of the DCF formula, yield and growth, are at least partially offsetting.

Third, the empirical finance literature discussed earlier demonstrates that the sustainable growth method of determining growth is not as significantly correlated to measures of value, such as stock price and price/earnings ratios, as other historical growth measures or analysts' growth forecasts. Other proxies for growth, such as historical growth rates and analysts' growth forecasts, outperform retention growth estimates. See for example Timme and Eiseman (1989).

In summary, there are three proxies for the expected growth component of the DCF model: historical growth rates, analysts' forecasts, and the sustainable growth method. Criteria in choosing among the three proxies should include ease of use, ease of understanding, theoretical and mathematical correctness, and empirical validation. The latter two are crucial. The method should be logically valid and consistent, and should possess an adequate track record in predicting and explaining security value. The retention growth method is the weakest of the three proxies on both conceptual and empirical grounds. The research in this area has shown that the first two growth proxies do a better job of explaining variations in market valuation (M/B and P/E ratios) and are more highly correlated to measures of value than is the retention growth proxy.

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The model is analogous to the standard CAPM, but with the return on a minimum risk portfolio that is unrelated to market returns, R_Z, replacing the risk-free rate, R_F. The model has been empirically tested by Black, Jensen, and Scholes (1972), who find a flatter than predicted SML, consistent with the model and other researchers' findings. An updated version of the Black-Jensen-Scholes study is available in Brealey, Myers, and Allen (2006) and reaches similar conclusions.

The zero-beta CAPM cannot be literally employed to estimate the cost of capital, since the zero-beta portfolio is a statistical construct difficult to replicate. Attempts to estimate the model are formally equivalent to estimating the constants, a and b, in Equation 6-2. A practical alternative is to employ the Empirical CAPM, to which we now turn.

6.3 Empirical CAPM

As discussed in the previous section, several finance scholars have developed refined and expanded versions of the standard CAPM by relaxing the constraints imposed on the CAPM, such as dividend yield, size, and skewness effects. These enhanced CAPMs typically produce a risk-return relationship that is flatter than the CAPM prediction in keeping with the actual observed risk-return relationship. The ECAPM makes use of these empirical findings. The ECAPM estimates the cost of capital with the equation:

$$K = R_F + \acute{\alpha} + \beta \times (MRP - \acute{\alpha}) \qquad (6\text{-}5)$$

where $\acute{\alpha}$ is the "alpha" of the risk-return line, a constant, and the other symbols are defined as before. All the potential vagaries of the CAPM are telescoped into the constant $\acute{\alpha}$, which must be estimated econometrically from market data. Table 6-2 summarizes[10] the empirical evidence on the magnitude of alpha.[11]

[10] The technique is formally applied by Litzenberger, Ramaswamy, and Sosin (1980) to public utilities in order to rectify the CAPM's basic shortcomings. Not only do they summarize the criticisms of the CAPM insofar as they affect public utilities, but they also describe the econometric intricacies involved and the methods of circumventing the statistical problems. Essentially, the average monthly returns over a lengthy time period on a large cross-section of securities grouped into portfolios are related to their corresponding betas by statistical regression techniques; that is, Equation 6-5 is estimated from market data. The utility's beta value is substituted into the equation to produce the cost of equity figure. Their own results demonstrate how the standard CAPM underestimates the cost of equity capital of public utilities because of utilities' high dividend yield and return skewness.

[11] Adapted from Vilbert (2004).

TABLE 6-2
EMPIRICAL EVIDENCE ON THE ALPHA FACTOR

Author	Range of alpha
Fischer (1993)	−3.6% to 3.6%
Fischer, Jensen and Scholes (1972)	−9.61% to 12.24%
Fama and McBeth (1972)	4.08% to 9.36%
Fama and French (1992)	10.08% to 13.56%
Litzenberger and Ramaswamy (1979)	5.32% to 8.17%
Litzenberger, Ramaswamy and Sosin (1980)	1.63% to 5.04%
Pettengill, Sundaram and Mathur (1995)	4.6%
Morin (1989)	2.0%

For an alpha in the range of 1%–2% and for reasonable values of the market risk-premium and the risk-free rate, Equation 6-5 reduces to the following more pragmatic form:

$$K = R_F + 0.25\,(R_M - R_F) + 0.75\,\beta(R_M - R_F) \qquad (6\text{-}6)$$

Over reasonable values of the risk-free rate and the market risk premium, Equation 6-6 produces results that are indistinguishable from the ECAPM of Equation 6-5.[12]

An alpha range of 1%–2% is somewhat lower than that estimated empirically. The use of a lower value for alpha leads to a lower estimate of the cost of capital for low-beta stocks such as regulated utilities. This is because the use of a long-term risk-free rate rather than a short-term risk-free rate already incorporates some of the desired effect of using the ECAPM. That is, the

[12] Typical of the empirical evidence on the validity of the CAPM is a study by Morin (1989) who found that the relationship between the expected return on a security and beta over the period 1926–1984 was given by:

$$\text{Return} = 0.0829 + 0.0520\,\beta$$

Given that the risk-free rate over the estimation period was approximately 6% and that the market risk premium was 8% during the period of study, the intercept of the observed relationship between return and beta exceeds the risk-free rate by about 2%, or 1/4 of 8%, and that the slope of the relationship is close to 3/4 of 8%. Therefore, the empirical evidence suggests that the expected return on a security is related to its risk by the following approximation:

$$K = R_F + x(R_M - R_F) + (1 - x)\beta(R_M - R_F)$$

where x is a fraction to be determined empirically. The value of x that best explains the observed relationship Return $= 0.0829 + 0.0520\,\beta$ is between 0.25 and 0.30. If $x = 0.25$, the equation becomes:

$$K = R_F + 0.25(R_M - R_F) + 0.75\beta(R_M - R_F)$$

long-term risk-free rate version of the CAPM has a higher intercept and a flatter slope than the short-term risk-free version which has been tested. Thus, it is reasonable to apply a conservative alpha adjustment. Moreover, the lowering of the tax burden on capital gains and dividend income enacted in 2002 may have decreased the required return for taxable investors, steepening the slope of the ECAPM risk-return trade-off and bring it closer to the CAPM predicted returns.[13]

To illustrate the application of the ECAPM, assume a risk-free rate of 5%, a market risk premium of 7%, and a beta of 0.80. The Empirical CAPM equation (6-6) above yields a cost of equity estimate of 11.0% as follows:

$$\begin{aligned} K &= 5\% + 0.25\,(12\% - 5\%) + 0.75 \times 0.80\,(12\% - 5\%) \\ &= 5.0\% + 1.8\% + 4.2\% \\ &= 11.0\% \end{aligned}$$

As an alternative to specifying alpha, see Example 6-1.

Some have argued that the use of the ECAPM is inconsistent with the use of adjusted betas, such as those supplied by Value Line and Bloomberg. This is because the reason for using the ECAPM is to allow for the tendency of betas to regress toward the mean value of 1.00 over time, and, since Value Line betas are already adjusted for such trend, an ECAPM analysis results in double-counting. This argument is erroneous. Fundamentally, the ECAPM is not an adjustment, increase or decrease, in beta. This is obvious from the fact that the expected return on high beta securities is actually lower than that produced by the CAPM estimate. The ECAPM is a formal recognition that the observed risk-return tradeoff is flatter than predicted by the CAPM based on myriad empirical evidence. The ECAPM and the use of adjusted betas comprised two separate features of asset pricing. Even if a company's beta is estimated accurately, the CAPM still understates the return for low-beta stocks. Even if the ECAPM is used, the return for low-beta securities is understated if the betas are understated. Referring back to Figure 6-1, the ECAPM is a return (vertical axis) adjustment and not a beta (horizontal axis) adjustment. Both adjustments are necessary. Moreover, recall from Chapter 3 that the use of adjusted betas compensates for interest rate sensitivity of utility stocks not captured by unadjusted betas.

[13] The lowering of the tax burden on capital gains and dividend income has no impact as far as non-taxable institutional investors (pension funds, 401K, and mutual funds) are concerned, and such investors engage in very large amounts of trading on security markets. It is quite plausible that taxable retail investors are relatively inactive traders and that large non-taxable investors have a substantial influence on capital markets.

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Chapter 7

Firm Size and Return

The Firm Size Phenomenon

One of the most remarkable discoveries of modern finance is that of a relationship between firm size and return. The relationship cuts across the entire size spectrum but is most evident among smaller companies, which have higher returns on average than larger ones. Many studies have looked at the effect of firm size on return.[1] In this chapter, the returns across the entire range of firm size are examined.

Size and Liquidity

Capitalization is not necessarily the underlying cause of the higher returns for smaller companies. While smaller companies are usually less liquid, with fewer shares traded on any given day, not all companies of the same size have the same liquidity. Stocks that are more liquid have higher valuations for the same cash flows because they have a lower cost of capital and commensurately lower returns on average. Stocks that are less liquid have a higher cost of capital and higher returns on average.[2]

While it would be very useful to estimate the equity cost of capital of companies that are not publicly traded, there is not a direct measure of liquidity for these companies because there are no public trades. Thus, there is usually no share turnover, no bid/ask spreads, etc. in which to measure liquidity. Even though liquidity is not directly observable, capitalization is; thus the size premium can serve as a partial measure of the increased cost of capital of a less liquid stock.

Size premiums presented in this book are measured from publicly traded companies of various sizes and therefore do not represent the full cost of capital for non-traded companies. The valuation for a non-publicly traded company should also reflect a discount for the very fact that it is not traded. This would be an liquidity discount and could be applied to the valuation directly, or alternatively reflected as an liquidity premium in the cost of capital.

This chapter does not tell you how to estimate this incremental liquidity valuation discount (or cost of capital liquidity premium) that is not covered by the size premium. At the end of this chapter, we show some empirical results on the impact of liquidity on stock returns.

Construction of the Decile Portfolios

The portfolios used in this chapter are those created by the Center for Research in Security Prices (CRSP) at the University of Chicago's Graduate School of Business. CRSP has refined the methodology of creating size-based portfolios and has applied this methodology to the entire universe of NYSE/AMEX/NASDAQ-listed securities going back to 1926.

The New York Stock Exchange universe excludes closed-end mutual funds, preferred stocks, real estate investment trusts, foreign stocks, American Depository Receipts, unit investment trusts, and Americus Trusts. All companies on the NYSE are ranked by the combined market capitalization of their eligible equity securities. The companies are then split into 10 equally populated groups, or deciles. Eligible companies traded on the NYSE, the NYSE Amex (AMEX), and the Nasdaq National Market (NASDAQ) are then assigned to the appropriate deciles according to their capitalization in relation to the NYSE breakpoints. The portfolios are rebalanced, using closing prices for the last trading day of March, June, September, and December. Securities added during the quarter are assigned to the appropriate portfolio when two consecutive month-end prices are available. If the final NYSE price of a security that becomes delisted is a month-end price, then that month's return is included in the quarterly return of the security's portfolio. When a month-end NYSE price is missing, the month-end value of the security is derived from merger terms, quotations on regional exchanges, and other sources. If a month-end value still is not determined, the last available daily price is used.

In October 2008, NYSE Euronext acquired the American Stock Exchange (AMEX) and rebranded the index as NYSE Amex. To ease confusion, we will continue to refer to this index as AMEX throughout this chapter.

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Table C-1

Key Variables in Estimating the Cost of Capital

	Value
Yields (Riskless Rates)[1]	
Long-term (20-year) U.S. Treasury Coupon Bond Yield	2.41%
Equity Risk Premium[2]	
Long-horizon expected equity risk premium (historical): large company stock total returns minus long-term government bond income returns	6.70
Long-horizon expected equity risk premium (supply side): historical equity risk premium minus price-to-earnings ratio calculated using three-year average earnings	6.11

Size Premium[3]

Decile	Market Capitalization of Smallest Company (in millions)		Market Capitalization of Largest Company (in millions)	Size Premium (Return in Excess of CAPM)
Mid-Cap (3–5)	$1,912.240	–	$7,686.611	1.12%
Low-Cap (6–8)	514.459	–	1,909.051	1.85
Micro-Cap (9–10)	1.139	–	514.209	3.81
Breakdown of Deciles 1-10				
1-Largest	17,557.706	–	626,550.334	-0.37
2	7,747.951	–	17,541.302	0.76
3	4,250.360	–	7,686.611	0.92
4	2,772.831	–	4,227.668	1.14
5	1,912.240	–	2,759.391	1.70
6	1,346.619	–	1,909.051	1.72
7	822.077	–	1,346.528	1.73
8	514.459	–	818.065	2.46
9	254.604	–	514.209	2.70
10-Smallest	1.139		253.761	6.03
Breakdown of the 10th Decile				
10a	166.154	–	253.761	4.23
10w	212.292	–	253.761	3.66
10x	166.154	–	212.031	4.66
10b	1.139	–	165.600	9.74
10y	96.483	–	165.600	8.90
10z	1.139	–	96.164	11.65

[1] As of December 31, 2012. Maturity is approximate.

[2] See Chapter 5 for complete methodology.

[3] See Chapter 7 for complete methodology.

Note Examples on how these variables can be used are found in Chapters 3 and 4.



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Financial Management, Vol. 14, No. 1. (Spring, 1985), pp. 33-45.

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Mon Oct 15 17:21:15 2007

Cost of Capital Estimation

The Risk Premium Approach to Measuring a Utility's Cost of Equity

Eugene F. Brigham, Dilip K. Shome, and Steve R. Vinson

Eugene F. Brigham and Dilip K. Shome are faculty members of the University of Florida and the Virginia Polytechnic Institute and State University, respectively; Steve R. Vinson is affiliated with AT&T Communications.

■ In the mid-1960s, Myron Gordon and others began applying the theory of finance to help estimate utilities' costs of capital. Previously, the standard approach in cost of equity studies was the "comparable earnings method," which involved selecting a sample of unregulated companies whose investment risk was judged to be comparable to that of the utility in question, calculating the average return on book equity (ROE) of these sample companies, and setting the utility's service rates at a level that would permit the utility to achieve the same ROE as comparable companies. This procedure has now been thoroughly discredited (see Robichek [15]), and it has been replaced by three market-oriented (as opposed to accounting-oriented) approaches: (i) the DCF method, (ii) the bond-yield-plus-risk-premium method, and (iii) the CAPM, which is a specific version of the generalized bond-yield-plus-risk-premium approach.

Our purpose in this paper is to discuss the risk-premium approach, including the market risk premium that is used in the CAPM. First, we critique the various procedures that have been used in the past to estimate risk premiums. Second, we present some data on estimated risk premiums since 1965. Third, we examine the relationship between equity risk premiums and the level of interest rates, because it is important, for purposes of estimating the cost of capital, to know just how stable the relationship between risk premiums and interest rates is over time. If stability exists, then one can estimate the cost of equity at any point in time as a function of interest rates as reported in *The Wall Street Journal*, the *Federal Reserve Bulletin*, or some similar source.[1] Fourth, while we do not discuss the CAPM directly, our analysis does have some important implications for selecting a market risk premium for use in that model. Our focus is on utilities, but the methodology is applicable to the estimation of the cost of

[1]For example, the Federal Energy Regulatory Commission's Staff recently proposed that a risk premium be estimated every two years and that, between estimation dates, the last-determined risk premium be added to the current yield on ten-year Treasury bonds to obtain an estimate of the cost of equity to an average utility (Docket RM 80–36). Subsequently, the FCC made a similar proposal ("Notice of Proposed Rulemaking," August 13, 1984, Docket No. 84–800). Obviously, the validity of such procedures depends on (i) the accuracy of the risk premium estimate and (ii) the stability of the relationship between risk premiums and interest rates. Both proposals are still under review.

equity for any publicly traded firm, and also for non-traded firms for which an appropriate risk class can be assessed, including divisions of publicly traded corporations.[2]

Alternative Procedures for Estimating Risk Premiums

In a review of both rate cases and the academic literature, we have identified three basic methods for estimating equity risk premiums: (i) the *ex post*, or historic, yield spread method; (ii) the survey method; and (iii) an *ex ante* yield spread method based on DCF analysis.[3] In this section, we briefly review these three methods.

Historic Risk Premiums

A number of researchers, most notably Ibbotson and Sinquefield [12], have calculated historic holding period returns on different securities and then estimated risk premiums as follows:

$$\text{Historic Risk Premium} = \left\{\begin{array}{c}\text{Average of the}\\ \text{annual returns on}\\ \text{a stock index for}\\ \text{a particular}\\ \text{past period}\end{array}\right\} - \left\{\begin{array}{c}\text{Average of the}\\ \text{annual returns on}\\ \text{a bond index for}\\ \text{the same}\\ \text{past period}\end{array}\right\} \quad (1)$$

Ibbotson and Sinquefield (I&S) calculated both arithmetic and geometric average returns, but most of their risk-premium discussion was in terms of the geometric averages. Also, they used both corporate and Treasury bond indices, as well as a T-bill index, and they analyzed all possible holding periods since 1926. The I&S study has been employed in numerous rate cases in two ways: (i) directly, where the I&S historic risk premium is added to a company's bond yield to obtain an estimate of its cost of equity, and (ii) indirectly, where I&S data are used to estimate the market risk premium in CAPM studies.

There are both conceptual and measurement problems with using I&S data for purposes of estimating the cost of capital. Conceptually, there is no compelling reason to think that investors expect the same relative returns that were earned in the past. Indeed, evidence presented in the following sections indicates that relative expected returns should, and do, vary significantly over time. Empirically, the measured historic premium is sensitive both to the choice of estimation horizon and to the end points. These choices are essentially arbitrary, yet they can result in significant differences in the final outcome. These measurement problems are common to most forecasts based on time series data.

The Survey Approach

One obvious way to estimate equity risk premiums is to poll investors. Charles Benore [1], the senior utility analyst for Paine Webber Mitchell Hutchins, a leading institutional brokerage house, conducts such a survey of major institutional investors annually. His 1983 results are reported in Exhibit 1.

Exhibit 1. Results of Risk Premium Survey, 1983*

Assuming a double A, long-term utility bond currently yields 12½%, the common stock for the same company would be fairly priced relative to the bond if its expected return was as follows:

Total Return	Indicated Risk Premium (basis points)	Percent of Respondents
over 20½%	over 800	
20½%	800	
19½%	700	
18½%	600	10%
17½%	500	8%
16½%	400	29%
15½%	300	35%
14½%	200	16%
13½%	100	0%
under 13½%	under 100	1%
Weighted average	358	100%

*Benore's questionnaire included the first two columns, while his third column provided a space for the respondents to indicate which risk premium they thought applied. We summarized Benore's responses in the frequency distribution given in Column 3. Also, in his questionnaire each year, Benore adjusts the double A bond yield and the total returns (Column 1) to reflect current market conditions. Both the question above and the responses to it were taken from the survey conducted in April 1983.

[2]The FCC is particularly interested in risk-premium methodologies, because (i) only eighteen of the 1,400 telephone companies it regulates have publicly-traded stock, and hence offer the possibility of DCF analysis, and (ii) most of the publicly-traded telephone companies have both regulated and unregulated assets, so a *corporate DCF cost might* not be applicable to the regulated units of the companies.

[3]In rate cases, some witnesses also have calculated the differential between the yield to maturity (YTM) of a company's bonds and its concurrent ROE, and then called this differential a risk premium. In general, this procedure is unsound, because the YTM on a bond is a *future expected* return on the bond's *market value*, while the ROE is the *past realized* return on the stock's *book value*. Thus, comparing YTMs and ROEs is like comparing apples and oranges.

Benore's results, as measured by the average risk premiums, have varied over the years as follows:

Year	Average RP (basis points)
1978	491
1979	475
1980	423
1981	349
1982	275
1983	358

The survey approach is conceptually sound in that it attempts to measure investors' expectations regarding risk premiums, and the Benore data also seem to be carefully collected and processed. Therefore, the Benore studies do provide one useful basis for estimating risk premiums. However, as with most survey results, the possibility of biased responses and/or biased sampling always exists. For example, if the responding institutions are owners of utility stocks (and many of them are), and if the respondents think that the survey results might be used in a rate case, then they might bias upward their responses to help utilities obtain higher authorized returns. Also, Benore surveys large institutional investors, whereas a high percentage of utility stocks are owned by individuals rather than institutions, so there is a question as to whether his reported risk premiums are really based on the expectations of the "representative" investor. Finally, from a pragmatic standpoint, there is a question as to how to use the Benore data for utilities that are not rated AA. The Benore premiums can be applied as an add-on to the own-company bond yields of any given utility only if it can be assumed that the premiums are constant across bond rating classes. *A priori*, there is no reason to believe that the premiums will be constant.

DCF-Based *Ex Ante* Risk Premiums

In a number of studies, the DCF model has been used to estimate the *ex ante* market risk premium, RP_M. Here, one estimates the average expected future return on equity for a group of stocks, k_M, and then subtracts the concurrent risk-free rate, R_F, as proxied by the yield to maturity on either corporate or Treasury securities:[4]

$$RP_M = k_M - R_F. \tag{2}$$

Conceptually, this procedure is exactly like the I&S approach except that one makes direct estimates of future expected returns on stocks and bonds rather than assuming that investors expect future returns to mirror past returns.

The most difficult task, of course, is to obtain a valid estimate of k_M, the expected rate of return on the market. Several studies have attempted to estimate DCF risk premiums for the utility industry and for other stock market indices. Two of these are summarized next.

Vandell and Kester. In a recently published monograph, Vandell and Kester [18] estimated *ex ante* risk premiums for the period from 1944 to 1978. R_F was measured both by the yield on 90-day T-bills and by the yield on the Standard and Poor's AA Utility Bond Index. They measured k_M as the average expected return on the S&P's 500 Index, with the expected return on individual securities estimated as follows:

$$k_i = \left(\frac{D_1}{P_0}\right)_i + g_i, \tag{3}$$

where,

D_1 = dividend per share expected over the next twelve months,
P_0 = current stock price,
g = estimated long-term constant growth rate, and
i = the i^{th} stock.

To estimate g_i, Vandell and Kester developed fifteen forecasting models based on both exponential smoothing and trend-line forecasts of earnings and dividends, and they used historic data over several estimating horizons. Vandell and Kester themselves acknowledge that, like the Ibbotson-Sinquefield premiums, their analysis is subject to potential errors associated with trying to estimate expected future growth purely from past data. We shall have more to say about this point later.

---

[4] In this analysis, most people have used yields on long-term bonds rather than short-term money market instruments. It is recognized that long-term bonds, even Treasury bonds, are not risk free, so an RP_M based on these debt instruments is smaller than it would be if there were some better proxy to the long-term riskless rate. People have attempted to use the T-bill rate for R_F, but the T-bill rate embodies a different average inflation premium than stocks, and it is subject to random fluctuations caused by monetary policy, international currency flows, and other factors. Thus, many people believe that for cost of capital purposes, R_F should be based on long-term securities.

We did test to see how debt maturities would affect our calculated risk premiums. If a short-term rate such as the 30-day T-bill rate is used, measured risk premiums jump around widely and, so far as we could tell, randomly. The choice of a maturity in the 10- to 30-year range has little effect, as the yield curve is generally fairly flat in that range.

Malkiel. Malkiel [14] estimated equity risk premiums for the Dow Jones Industrials using the DCF model. Recognizing that the constant dividend growth assumption may not be valid, Malkiel used a nonconstant version of the DCF model. Also, rather than rely exclusively on historic data, he based his growth rates on Value Line's five-year earnings growth forecasts plus the assumption that each company's growth rate would, after an initial five-year period, move toward a long-run real national growth rate of four percent. He also used ten-year maturity government bonds as a proxy for the riskless rate. Malkiel reported that he tested the sensitivity of his results against a number of different types of growth rates, but, in his words, "The results are remarkably robust, and the estimated risk premiums are all very similar." Malkiel's is, to the best of our knowledge, the first risk-premium study that uses analysts' forecasts. A discussion of analysts' forecasts follows.

Security Analysts' Growth Forecasts

Ex ante DCF risk premium estimates can be based either on expected growth rates developed from time series data, such as Vandell and Kester used, or on analysts' forecasts, such as Malkiel used. Although there is nothing inherently wrong with time series-based growth rates, an increasing body of evidence suggests that primary reliance should be placed on analysts' growth rates. First, we note that the observed market price of a stock reflects the consensus view of investors regarding its future growth. Second, we know that most large brokerage houses, the larger institutional investors, and many investment advisory organizations employ security analysts who forecast future EPS and DPS, and, to the extent that investors rely on analysts' forecasts, the consensus of analysts' forecasts is embodied in market prices. Third, there have been literally dozens of academic research papers dealing with the accuracy of analysts' forecasts, as well as with the extent to which investors actually use them. For example, Cragg and Malkiel [7] and Brown and Rozeff [5] determined that security analysts' forecasts are more relevant in valuing common stocks and estimating the cost of capital than are forecasts based solely on historic time series. Stanley, Lewellen, and Schlarbaum [16] and Linke [13] investigated the importance of analysts' forecasts and recommendations to the investment decisions of individual and institutional investors. Both studies indicate that investors rely heavily on analysts' reports and incorporate analysts' forecast information in the formation of their expectations about stock returns. A representative listing of other work supporting the use of analysts' forecasts is included in the References section. Thus, evidence in the current literature indicates that (i) analysts' forecasts are superior to forecasts based solely on time series data, and (ii) investors do rely on analysts' forecasts. Accordingly, we based our cost of equity, and hence risk premium estimates, on analysts' forecast data.[5]

Risk Premium Estimates

For purposes of estimating the cost of capital using the risk premium approach, it is necessary either that the risk premiums be time-invariant or that there exists a predictable relationship between risk premiums and interest rates. If the premiums are constant over time, then the constant premium could be added to the prevailing interest rate. Alternatively, if there exists a stable relationship between risk premiums and interest rates, it could be used to predict the risk premium from the prevailing interest rate.

To test for stability, we obviously need to calculate risk premiums over a fairly long period of time. Prior to 1980, the only consistent set of data we could find came from Value Line, and, because of the work involved, we could develop risk premiums only once a year (on January 1). Beginning in 1980, however, we began collecting and analyzing Value Line data on a monthly basis, and in 1981 we added monthly estimates from Merrill Lynch and Salomon Brothers to our data base. Finally, in mid-1983, we expanded our analysis to include the IBES data.

Annual Data and Results, 1966–1984

Over the period 1966–1984, we used Value Line data to estimate risk premiums both for the electric utility industry and for industrial companies, using the companies included in the Dow Jones Industrial and Utility averages as representative of the two groups. Value Line makes a five-year growth rate forecast, but it also gives data from which one can develop a longer-term forecast. Since DCF theory calls for a truly long-term (infinite horizon) growth rate, we concluded that it was better to develop and use such a forecast than to

[5]Recently, a new type of service that summarizes the key data from most analysts' reports has become available. We are aware of two sources of such services, the Lynch, Jones, and Ryan's Institutional Brokers Estimate System (IBES) and Zack's Icarus Investment Service. IBES and the Icarus Service gather data from both buy-side and sell-side analysts and provide it to subscribers on a monthly basis in both a printed and a computer-readable format.

Exhibit 2. Estimated Annual Risk Premiums, Nonconstant (Value Line) Model, 1966–1984

January 1 of the Year Reported	Dow Jones Electrics			Dow Jones Industrials			
	k_{Avg}	R_F	RP	k_{Avg}	R_F	RP	(3) ÷ (6)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1966	8.11%	4.50%	3.61%	9.56%	4.50%	5.06%	0.71
1967	9.00%	4.76%	4.24%	11.57%	4.76%	6.81%	0.62
1968	9.68%	5.59%	4.09%	10.56%	5.59%	4.97%	0.82
1969	9.34%	5.88%	3.46%	10.96%	5.88%	5.08%	0.68
1970	11.04%	6.91%	4.13%	12.22%	6.91%	5.31%	0.78
1971	10.80%	6.28%	4.52%	11.23%	6.28%	4.95%	0.91
1972	10.53%	6.00%	4.53%	11.09%	6.00%	5.09%	0.89
1973	11.37%	5.96%	5.41%	11.47%	5.96%	5.51%	0.98
1974	13.85%	7.29%	6.56%	12.38%	7.29%	5.09%	1.29
1975	16.63%	7.91%	8.72%	14.83%	7.91%	6.92%	1.26
1976	13.97%	8.23%	5.74%	13.32%	8.23%	5.09%	1.13
1977	12.96%	7.30%	5.66%	13.63%	7.30%	6.33%	0.89
1978	13.42%	7.87%	5.55%	14.75%	7.87%	6.88%	0.81
1979	14.92%	8.99%	5.93%	15.50%	8.99%	6.51%	0.91
1980	16.39%	10.18%	6.21%	16.53%	10.18%	6.35%	0.98
1981	17.61%	11.99%	5.62%	17.37%	11.99%	5.38%	1.04
1982	17.70%	14.00%	3.70%	19.30%	14.00%	5.30%	0.70
1983	16.30%	10.66%	5.64%	16.53%	10.66%	5.87%	0.96
1984	16.03%	11.97%	4.06%	15.72%	11.97%	3.75%	1.08

use the five-year prediction.[6] Therefore, we obtained data as of January 1 from Value Line for each of the Dow Jones companies and then solved for k, the expected rate of return, in the following equation:

$$P_0 = \sum_{t=1}^{n} \frac{D_t}{(1+k)^t} + \left(\frac{D_n(1+g_n)}{k-g_n}\right)\left(\frac{1}{1+k}\right)^n. \quad (4)$$

Equation (4) is the standard nonconstant growth DCF model; P_0 is the current stock price; D_t represents the forecasted dividends during the nonconstant growth period; n is the years of nonconstant growth; D_n is the first constant growth dividend; and g_n is the constant, long-run growth rate after year n. Value Line provides D_t values for t = 1 and t = 4, and we interpolated to obtain D_2 and D_3. Value Line also gives estimates for ROE and for the retention rate (b) in the terminal year, n, so we can forecast the long-term growth rate as $g_n = b(ROE)$. With all the values in Equation (4) specified except k, we can solve for k, which is the DCF rate of return that would result if the Value Line forecasts were met, and, hence, the DCF rate of return implied in the Value Line forecast.[7]

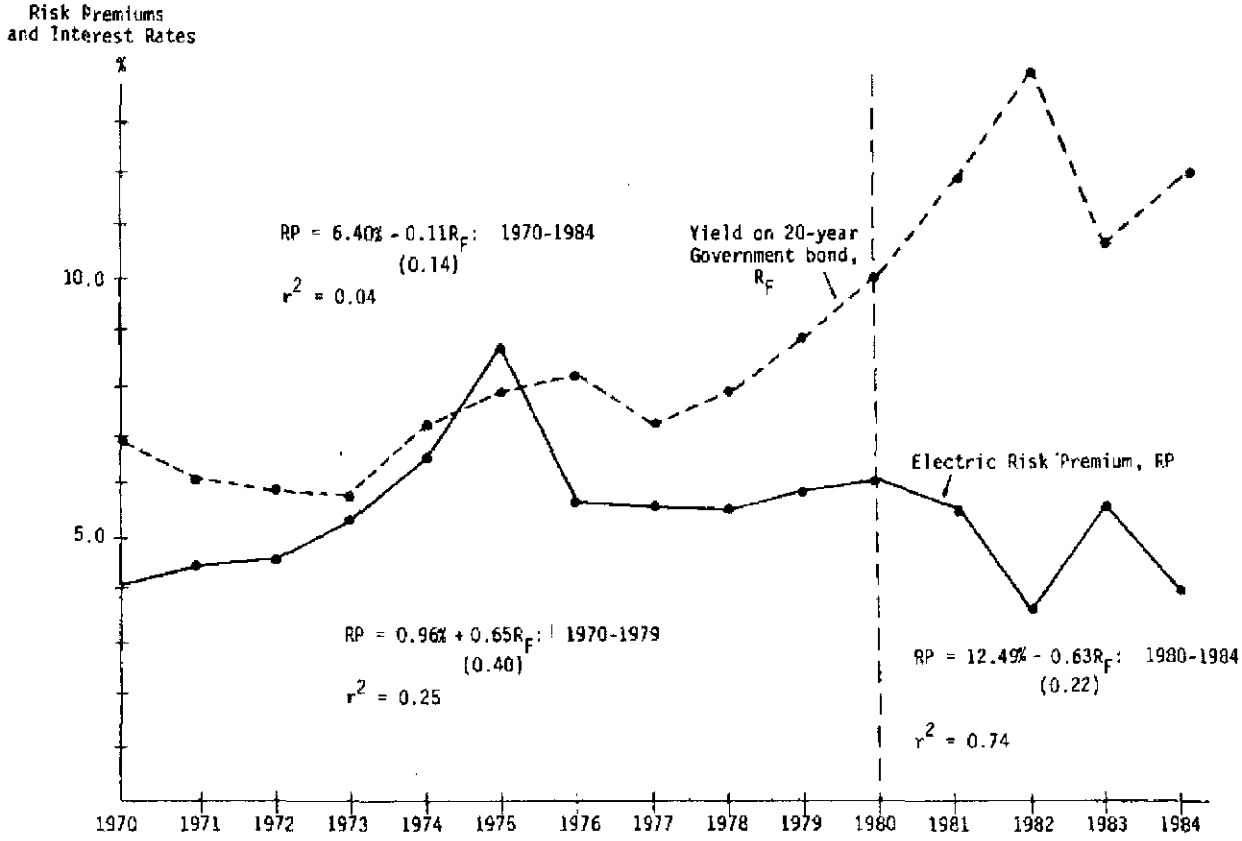
Having estimated a k value for each of the electric and industrial companies, we averaged them (using market-value weights) to obtain a k value for each group, after which we subtracted R_F (taken as the December 31 yield on twenty-year constant maturity Treasury bonds) to obtain the estimated risk premiums shown in Exhibit 2. The premiums for the electrics are plotted in Exhibit 3, along with interest rates. The following points are worthy of note:

1. Risk premiums fluctuate over time. As we shall see *in the next section, fluctuations are even wider* when measured on a monthly basis.
2. The last column of Exhibit 2 shows that risk premi-

[6] This is a debatable point. Cragg and Malkiel, as well as many practicing analysts, feel that most investors actually focus on five-year forecasts. Others, however, argue that five-year forecasts are too heavily influenced by base-year conditions and/or other nonpermanent conditions for use in the DCF model. We note (i) that most published forecasts do indeed cover five years, (ii) that such forecasts are typically "normalized" in some fashion to alleviate the base-year problem, and (iii) that for relatively stable companies like those in the Dow Jones averages, it generally does not matter greatly if one uses a normalized five-year or a longer-term forecast, because these companies meet the conditions of the constant-growth DCF model rather well.

[7] Value Line actually makes an explicit price forecast for each stock, and one could use this price, along with the forecasted dividends, to develop an expected rate of return. However, Value Line's forecasted stock price builds in a forecasted *change* in k. Therefore, the forecasted price is inappropriate for use in estimating current values of k.

Exhibit 3. Equity Risk Premiums for Electric Utilities and Yields on 20-Year Government Bonds, 1970–1984*



*Standard errors of the coefficients are shown in parentheses below the coefficients.

ums for the utilities increased relative to those for the industrials from the mid-1960s to the mid-1970s. Subsequently, the perceived riskiness of the two groups has, on average, been about the same.

3. Exhibit 3 shows that, from 1970 through 1979, utility risk premiums tended to have a positive association with interest rates: when interest rates rose, so did risk premiums, and vice versa. However, beginning in 1980, an inverse relationship appeared: rising interest rates led to declining risk premiums. We shall discuss this situation further in the next section.

Monthly Data and Results, 1980–1984

In early 1980, we began calculating risk premiums on a monthly basis. At that time, our only source of analysts' forecasts was Value Line, but beginning in 1981 we also obtained Merrill Lynch and Salomon Brothers' data, and then, in mid-1983, we obtained IBES data. Because our focus was on utilities, we restricted our monthly analysis to that group.

Our 1980–1984 monthly risk premium data, along with Treasury bond yields, are shown in Exhibits 4 and 5 and plotted in Exhibits 6, 7, and 8. Here are some comments on these Exhibits:

1. Risk premiums, like interest rates and stock prices, are volatile. Our data indicate that it would not be appropriate to estimate the cost of equity by adding the current cost of debt to a risk premium that had been estimated in the past. Current risk premiums should be matched with current interest rates.
2. Exhibit 6 confirms the 1980–1984 section of Exhibit 3 in that it shows a strong inverse relationship between interest rates and risk premiums; we shall discuss shortly why this relationship holds.
3. Exhibit 7 shows that while risk premiums based on Value Line, Merrill Lynch, and Salomon Brothers

Exhibit 4. Estimated Monthly Risk Premiums for Electric Utilities Using Analysts' Growth Forecasts, January 1980–June 1984

Beginning of Month	Value Line	Merrill Lynch	Salomon Brothers	Average Premiums	20-Year Treasury Bond Yield, Constant Maturity Series
Jan 1980	6.21%	NA	NA	6.21%	10.18%
Feb 1980	5.77%	NA	NA	5.77%	10.86%
Mar 1980	4.73%	NA	NA	4.73%	12.59%
Apr 1980	5.02%	NA	NA	5.02%	12.71%
May 1980	4.73%	NA	NA	4.73%	11.04%
Jun 1980	5.09%	NA	NA	5.09%	10.37%
Jul 1980	5.41%	NA	NA	5.41%	9.86%
Aug 1980	5.72%	NA	NA	5.72%	10.29%
Sep 1980	5.16%	NA	NA	5.16%	11.41%
Oct 1980	5.62%	NA	NA	5.62%	11.75%
Nov 1980	5.09%	NA	NA	5.09%	12.33%
Dec 1980	5.65%	NA	NA	5.65%	12.37%
Annual Avg.	5.35%			5.35%	11.31%
Jan 1981	5.62%	4.76%	5.63%	5.34%	11.99%
Feb 1981	4.82%	4.87%	5.16%	4.95%	12.48%
Mar 1981	4.70%	3.73%	4.97%	4.47%	13.10%
Apr 1981	4.24%	3.23%	4.52%	4.00%	13.11%
May 1981	3.54%	3.24%	4.24%	3.67%	13.51%
Jun 1981	3.57%	4.04%	4.27%	3.96%	13.39%
Jul 1981	3.61%	3.63%	4.16%	3.80%	13.32%
Aug 1981	3.17%	3.05%	3.04%	3.09%	14.23%
Sep 1981	2.11%	2.24%	2.35%	2.23%	14.99%
Oct 1981	2.83%	2.64%	3.24%	2.90%	14.93%
Nov 1981	2.08%	2.49%	3.03%	2.53%	15.27%
Dec 1981	3.72%	3.45%	4.24%	3.80%	13.12%
Annual Avg.	3.67%	3.45%	4.07%	3.73%	13.62%
Jan 1982	3.70%	3.37%	4.04%	3.70%	14.00%
Feb 1982	3.05%	3.37%	3.70%	3.37%	14.37%
Mar 1982	3.15%	3.28%	3.75%	3.39%	13.96%
Apr 1982	3.49%	3.61%	4.29%	3.80%	13.69%
May 1982	3.08%	4.25%	3.91%	3.75%	13.47%
Jun 1982	3.16%	4.51%	4.72%	4.13%	13.53%
Jul 1982	2.57%	4.21%	4.21%	3.66%	14.48%
Aug 1982	4.33%	4.83%	5.27%	4.81%	13.69%
Sep 1982	4.08%	5.14%	5.58%	4.93%	12.40%
Oct 1982	5.35%	5.24%	6.34%	5.64%	11.95%
Nov 1982	5.67%	5.95%	6.91%	6.18%	10.97%
Dec 1982	6.31%	6.71%	7.45%	6.82%	10.52%
Annual Avg	4.00%	4.54%	5.01%	4.52%	13.09%
Jan 1983	5.64%	6.04%	6.81%	6.16%	10.66%
Feb 1983	4.68%	5.99%	6.10%	5.59%	11.01%
Mar 1983	4.99%	6.89%	6.43%	6.10%	10.71%
Apr 1983	4.75%	5.82%	6.31%	5.63%	10.84%
May 1983	4.50%	6.41%	6.24%	5.72%	10.57%
Jun 1983	4.29%	5.21%	6.16%	5.22%	10.90%
Jul 1983	4.78%	5.72%	6.42%	5.64%	11.12%
Aug 1983	3.89%	4.74%	5.41%	4.68%	11.78%
Sep 1983	4.07%	4.90%	5.57%	4.85%	11.71%
Oct 1983	3.79%	4.64%	5.38%	4.60%	11.64%
Nov 1983	2.84%	3.77%	4.46%	3.69%	11.90%
Dec 1983	3.36%	4.27%	5.00%	4.21%	11.83%
Annual Avg	4.30%	5.37%	5.86%	5.17%	11.22%
Jan 1984	4.06%	5.04%	5.65%	4.92%	11.97%
Feb 1984	4.25%	5.37%	5.96%	5.19%	11.76%
Mar 1984	4.73%	6.05%	6.38%	5.72%	12.12%
Apr 1984	4.78%	5.33%	6.32%	5.48%	12.51%
May 1984	4.36%	5.30%	6.42%	5.36%	12.78%
Jun 1984	3.54%	4.00%	5.63%	4.39%	13.60%

Exhibit 5. Monthly Risk Premiums Based on IBES Data

Beginning of Month	Average of Merrill Lynch, Salomon Brothers, and Value Line Premiums for Dow Jones Electrics	IBES Premiums for Dow Jones Electrics	IBES Premiums for Entire Electric Industry
Aug 1983	4.68%	4.10%	4.16%
Sep 1983	4.85%	4.43%	4.27%
Oct 1983	4.60%	4.31%	3.90%
Nov 1983	3.69%	3.36%	3.36%
Dec 1983	4.21%	3.86%	3.54%
Jan 1984	4.92%	4.68%	4.18%
Feb 1984	5.19%	5.00%	4.36%
Mar 1984	5.72%	5.35%	4.45%
Apr 1984	5.48%	5.33%	4.23%
May 1984	5.36%	5.26%	4.30%
Jun 1984	4.39%	4.47%	3.40%
Average Premiums	4.83%	4.56%	4.01%

Exhibit 6. Utility Risk Premiums and Interest Rates, 1980–1984

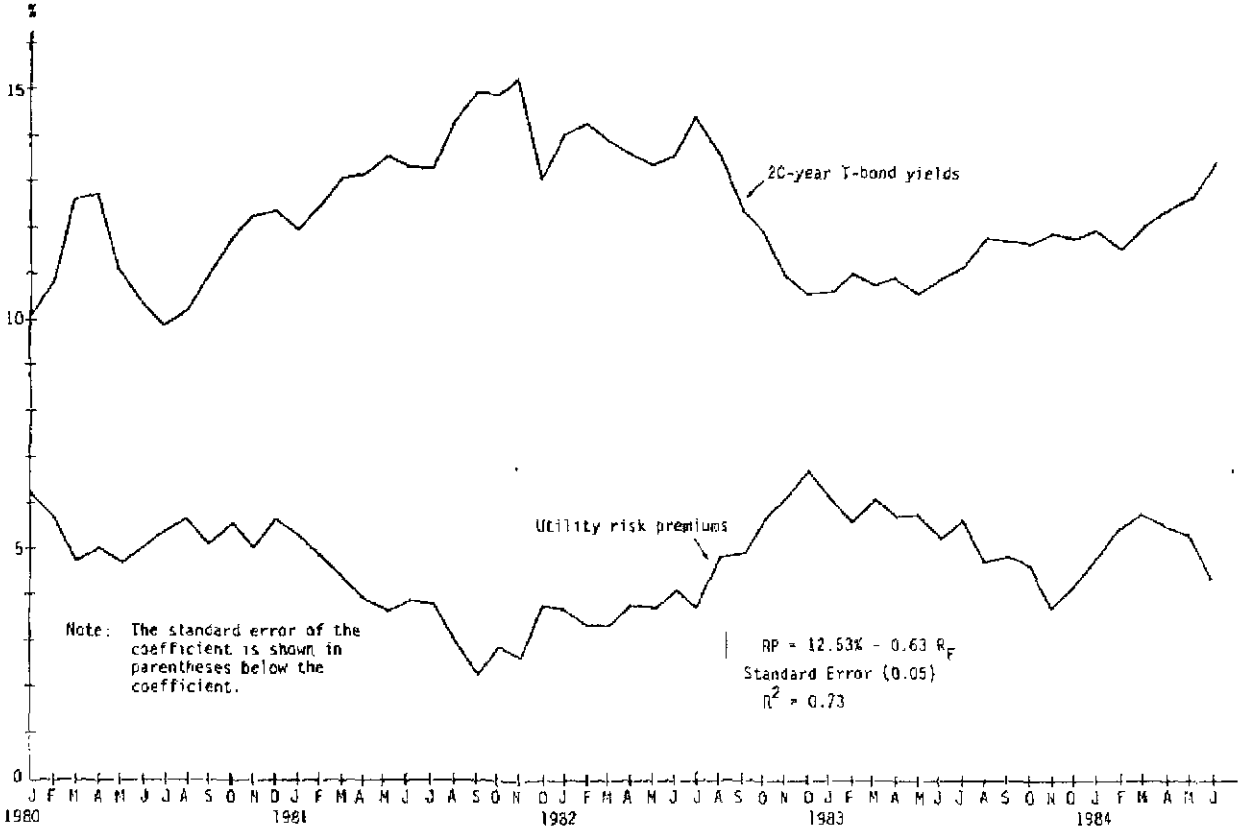


Exhibit 7. Monthly Risk Premiums, Electric Utilities, 1981–1984 (to Date)

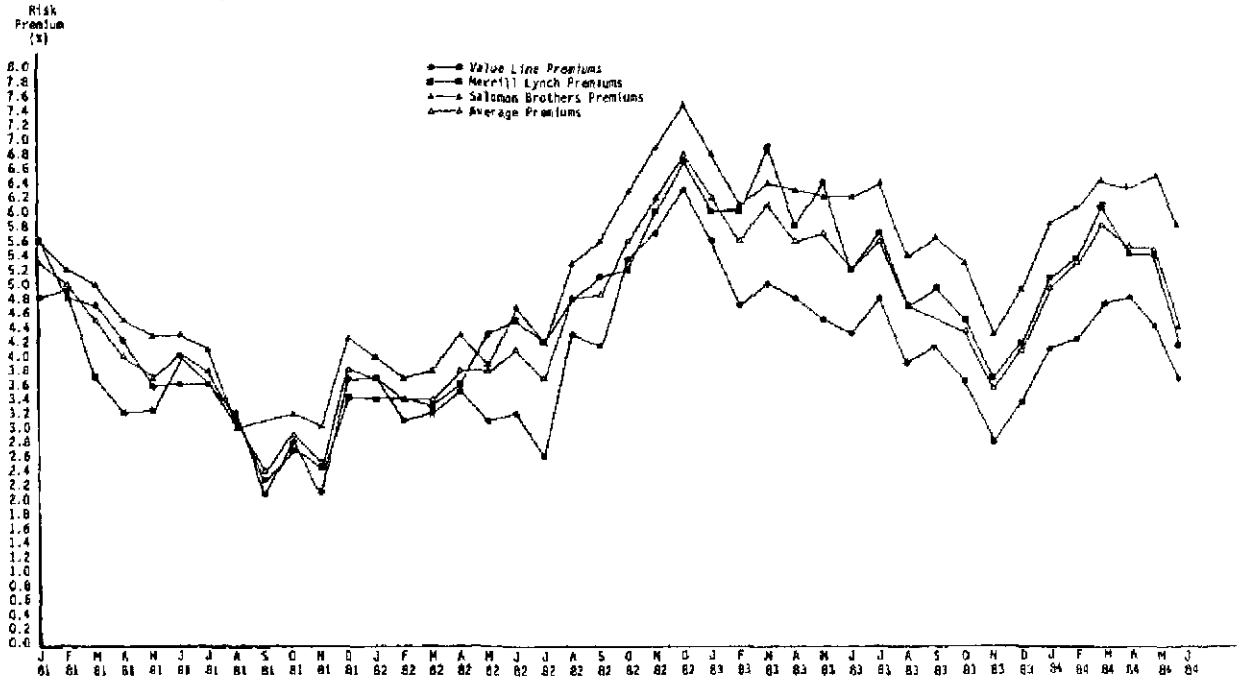
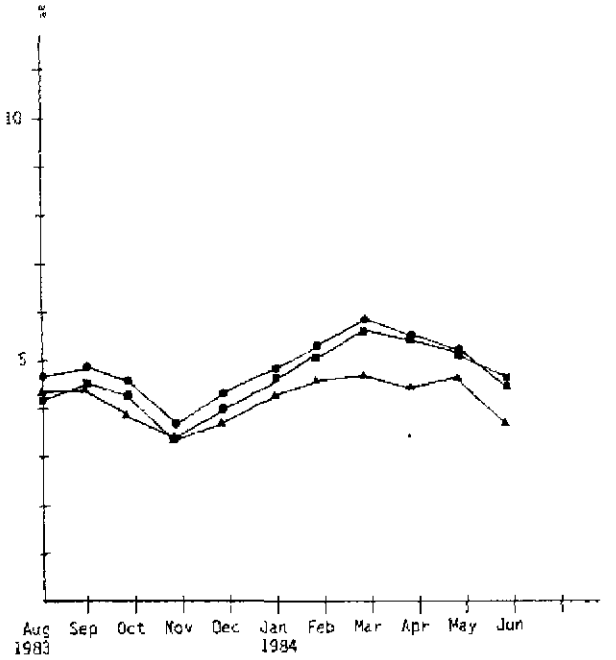


Exhibit 8. Comparative Risk Premium Data



do differ, the differences are not large given the *nature of the estimates, and the premiums follow* one another closely over time. Since all of the analysts are examining essentially the same data and since utility companies are not competitive with one another, and hence have relatively few secrets, the similarity among the analysts' forecasts is not surprising.

4. The IBES data, presented in Exhibit 5 and plotted in Exhibit 8, contain too few observations to enable us to draw strong conclusions, but (i) the Dow Jones Electrics risk premiums based on our three-analyst data have averaged 27 basis points above premiums based on the larger group of analysts surveyed by IBES and (ii) the premiums on the 11 Dow Jones Electrics have averaged 54 basis points higher than premiums for the entire utility industry followed by IBES. Given the variability in the data, we are, at this point, inclined to attribute these differences to random fluctuations, but as more data become available, it may turn out that the differences are statistically significant. In particular, the 11 electric utilities included in the Dow Jones Utility Index all have large nuclear investments, and this may cause them to be regarded as riskier than the industry average, which includes both nuclear and non-nuclear companies.

Tests of the Reasonableness of the Risk Premium Estimates

So far our claims to the reasonableness of our risk-premium estimates have been based on the reasonableness of our variable measures, particularly the measures of expected dividend growth rates. Essentially, we have argued that since there is strong evidence in the literature in support of analysts' forecasts, risk premiums based on these forecasts are reasonable. In the spirit of positive economics, however, it is also important to demonstrate the reasonableness of our results more directly.

It is theoretically possible to test for the validity of the risk-premium estimates in a CAPM framework. In a cross-sectional estimate of the CAPM equation,

$$(k - R_F)_i = \alpha_0 + \alpha_1 \beta_i + u_i, \qquad (5)$$

we would expect

$$\hat{\alpha}_0 = 0 \text{ and } \hat{\alpha}_1 = k_M - R_F = \text{Market risk premium.}$$

This test, of course, would be a joint test of both the CAPM and the reasonableness of our risk-premium estimates. There is a great deal of evidence that questions the empirical validity of the CAPM, especially when applied to regulated utilities. Under these conditions, it is obvious that no unambiguous conclusion can be drawn regarding the efficacy of the premium estimates from such a test.[8]

A simpler and less ambiguous test is to show that the risk premiums are higher for lower rated firms than for higher rated firms. Using 1984 data, we classified the

[8]We carried out the test on a monthly basis for 1984 and found positive but statistically insignificant coefficients. A typical result (for April 1984) follows

$$(k - R_F)_i = \underset{(0.91)}{3.1675} + \underset{(1.44)}{1.8031}\ \beta_i$$

The figures in parentheses are standard errors. Utility risk premiums do increase with betas, but the intercept term is not zero as the CAPM would predict, and α_1 is both less than the predicted value and not statistically significant. Again, the observation that the coefficients do not conform to CAPM predictions could be as much a problem with CAPM specification for utilities as with the risk premium estimates.

A similar test was carried out by Friend, Westerfield, and Granito [9]. They tested the CAPM using expectational (survey) data rather than *ex post* holding period returns. They actually found their coefficient of β_i to be negative in all their cross-sectional tests.

Exhibit 9. Relationship between Risk Premiums and Bond Ratings, 1984*

Month	Aaa/AA	AA	Aa/A	A	A/BBB	BBB	Below BBB
January†	—	2.61%	3.06%	3.70%	5.07%	4.90%	9.45%
February	2.98%	3.17%	3.36%	4.03%	5.26%	5.14%	7.97%
March	2.34%	3.46%	3.29%	4.06%	5.43%	5.02%	8.28%
April	2.37%	3.03%	3.29%	3.88%	5.29%	4.97%	6.96%
May	2.00%	2.48%	3.42%	3.72%	4.72%	6.64%	8.81%
June	0.72%	2.17%	2.46%	3.16%	3.76%	5.00%	5.58%
Average	2.08%	2.82%	3.15%	3.76%	4.92%	5.28%	7.84%

*The risk premiums are based on IBES data for the electric utilities followed by both IBES and Salomon Brothers. The number of electric utilities followed by both firms varies from month to month. For the period between January and June 1984, the number of electrics followed by both firms ranged from 96 to 99 utilities.
†In January, there were no Aaa/AA companies. Subsequently, four utilities were upgraded to Aa2/AA.

utility industry into risk groups based on bond ratings. For each rating group, we estimated the average risk premium. The results, presented in Exhibit 9, clearly show that the lower the bond rating, the higher the risk premiums. Our premium estimates therefore would appear to pass this simple test of reasonableness.

Risk Premiums and Interest Rates

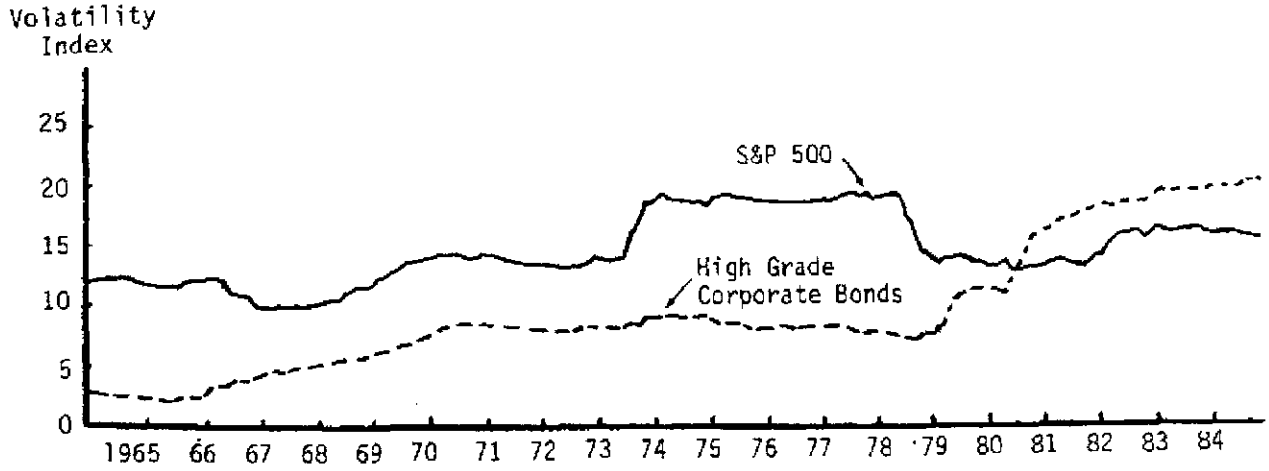
Traditionally, stocks have been regarded as being riskier than bonds because bondholders have a prior claim on earnings and assets. That is, stockholders stand at the end of the line and receive income and/or assets only after the claims of bondholders have been satisfied. However, if interest rates fluctuate, then the holders of long-term bonds can suffer losses (either realized or in an opportunity cost sense) even though they receive all contractually due payments. Therefore, if investors' worries about "interest rate risk" versus "earning power risk" vary over time, then perceived risk differentials between stocks and bonds, and hence risk premiums, will also vary.

Any number of events could occur to cause the perceived riskiness of stocks versus bonds to change, but probably the most pervasive factor, over the 1966–1984 period, is related to inflation. Inflationary expectations are, of course, reflected in interest rates. Therefore, one might expect to find a relationship between risk premiums and interest rates. As we noted in our discussion of Exhibit 3, risk premiums were positively correlated with interest rates from 1966 through 1979, but, beginning in 1980, the relationship turned negative. A possible explanation for this change is given next.

1966–1979 Period. During this period, inflation heated up, fuel prices soared, environmental problems surfaced, and demand for electricity slowed even as expensive new generating units were nearing completion. These cost increases required offsetting rate hikes to maintain profit levels. However, political pressure, combined with administrative procedures that were not designed to deal with a volatile economic environment, led to long periods of "regulatory lag" that caused utilities' earned ROEs to decline in absolute terms and to fall far below the cost of equity. These factors combined to cause utility stockholders to experience huge losses: S&P's Electric Index dropped from a mid-1960s high of 60.90 to a mid-1970s low of 20.41, a decrease of 66.5%. Industrial stocks also suffered losses during this period, but, on average, they were only one third as severe as the utilities' losses. Similarly, investors in long-term bonds had losses, but bond losses were less than half those of utility stocks. Note also that, during this period, (i) bond investors were able to reinvest coupons and maturity payments at rising rates, whereas the earned returns on equity did not rise, and (ii) utilities were providing a rising share of their operating income to debtholders versus stockholders (interest expense/book value of debt was rising, while net income/common equity was declining). This led to a widespread belief that utility commissions would provide enough revenues to keep utilities from going bankrupt (barring a disaster), and hence to protect the bondholders, but that they would not necessarily provide enough revenues either to permit the expected rate of dividend growth to occur or, perhaps, even to allow the dividend to be maintained.

Because of these experiences, investors came to regard inflation as having a more negative effect on utility stocks than on bonds. Therefore, when fears of inflation increased, utilities' measured risk premiums

Exhibit 10. Relative Volatility* of Stocks and Bonds, 1965–1984



*Volatility is measured as the standard deviation of total returns over the last 5 years
Source: Merrill Lynch, *Quantitative Analysis*, May/June 1984.

also increased. A regression over the period 1966–1979, using our Exhibit 2 data, produced this result:

$$RP = 0.30\% + 0.73\ R_F; \qquad r^2 = 0.48.$$
$$(0.22)$$

This indicates that a one percentage point increase in the Treasury bond rate produced, on average, a 0.73 percentage point increase in the risk premium, and hence a 1.00 + 0.73 = 1.73 percentage point increase in the cost of equity for utilities.

1980–1984 Period. The situation changed dramatically in 1980 and thereafter. Except for a few companies with nuclear construction problems, the utilities' financial situations stabilized in the early 1980s, and then improved significantly from 1982 to 1984. Both the companies and their regulators were learning to live with inflation; many construction programs were completed; regulatory lags were shortened; and in general the situation was much better for utility equity investors. In the meantime, over most of the 1980–1984 period, interest rates and bond prices fluctuated violently, both in an absolute sense and relative to common stocks. Exhibit 10 shows the volatility of corporate bonds very clearly. Over most of the eighteen-year period, stock returns were much more volatile than returns on bonds. However, that situation changed in October 1979, when the Fed began to focus on the money supply rather than on interest rates.[9]

In the 1980–1984 period, an increase in inflationary expectations has had a more adverse effect on bonds than on utility stocks. If the expected rate of inflation increases, then interest rates *will increase* and bond prices *will fall*. Thus, uncertainty about inflation translates directly into risk in the bond markets. The effect of inflation on stocks, including utility stocks, is less clear. If inflation increases, then utilities should, in theory, be able to obtain rate increases that would offset increases in operating costs and also compensate for the higher cost of equity. Thus, with "proper" regulation, utility stocks would provide a better hedge against unanticipated inflation than would bonds. This hedge did not work at all well during the 1966–1979 period, because inflation-induced increases in operating and capital costs were not offset by timely rate increases. However, as noted earlier, both the utilities and their regulators seem to have learned to live better with inflation during the 1980s.

Since inflation is today regarded as a major investment risk, and since utility stocks now seem to provide a better hedge against unanticipated inflation than do

[9]Because the standard deviations in Exhibit 10 are based on the last five years of data, even if bond returns stabilize, as they did beginning in 1982, their reported volatility will remain high for several more years. Thus, Exhibit 10 gives a rough indication of the current relative riskiness of stocks versus bonds, but the measure is by no means precise or necessarily indicative of future expectations.

bonds, the interest-rate risk inherent in bonds offsets, to a greater extent than was true earlier, the higher operating risk that is inherent in equities. Therefore, when inflationary fears rise, the perceived riskiness of bonds rises, helping to push up interest rates. However, since investors are today less concerned about inflation's impact on utility stocks than on bonds, the utilities' cost of equity does not rise as much as that of debt, so the observed risk premium tends to fall.

For the 1980–1984 period, we found the following relationship (see Exhibit 6):

$$RP = 12.53\% - \underset{(0.05)}{0.63}\ R_F; \qquad r^2 = 0.73.$$

Thus, a one percentage point increase in the T-bond rate, on average, caused the risk premium to fall by 0.63%, and hence it led to a 1.00 − 0.63 = 0.37 percentage point increase in the cost of equity to an average utility. This contrasts sharply with the pre-1980 period, when a one percentage point increase in interest rates led, on average, to a 1.73 percentage point increase in the cost of equity.

Summary and Implications

We began by reviewing a number of earlier studies. From them, we concluded that, for cost of capital estimation purposes, risk premiums must be based on expectations, not on past realized holding period returns. Next, we noted that expectational risk premiums may be estimated either from surveys, such as the ones Charles Benore has conducted, or by use of DCF techniques. Further, we found that, although growth rates for use in the DCF model can be either developed from time-series data or obtained from security analysts, analysts' growth forecasts are more reflective of investors' views, and, hence, in our opinion are preferable for use in risk-premium studies.

Using analysts' growth rates and the DCF model, we estimated risk premiums over several different periods. From 1966 to 1984, risk premiums for both electric utilities and industrial stocks varied widely from year to year. Also, during the first half of the period, the utilities had smaller risk premiums than the industrials, but after the mid-1970s, the risk premiums for the two groups were, on average, about equal.

The effects of changing interest rates on risk premiums shifted dramatically in 1980, at least for the utilities. From 1965 through 1979, inflation generally had a more severe adverse effect on utility stocks than on bonds, and, as a result, an increase in inflationary expectations, as reflected in interest rates, caused an increase in equity risk premiums. However, in 1980 and thereafter, rising inflation and interest rates increased the perceived riskiness of bonds more than that of utility equities, so the relationship between interest rates and utility risk premiums shifted from positive to negative. Earlier, a 1.00 percentage point increase in interest rates had led, on average, to a 1.73% increase in the utilities' cost of equity, but after 1980 a 1.00 percentage point increase in the cost of debt was associated with an increase of only 0.37% in the cost of equity.

Our study also has implications for the use of the CAPM to estimate the cost of equity for utilities. The CAPM studies that we have seen typically use either Ibbotson-Sinquefield or similar historic holding period returns as the basis for estimating the market risk premium. Such usage implicitly assumes (i) that *ex post* returns data can be used to proxy *ex ante* expectations and (ii) that the market risk premium is relatively stable over time. Our analysis suggests that neither of these assumptions is correct; at least for utility stocks, *ex post* returns data do not appear to be reflective of *ex ante* expectations, and risk premiums are volatile, not stable.

Unstable risk premiums also make us question the FERC and FCC proposals to estimate a risk premium for the utilities every two years and then to add this premium to a current Treasury bond rate to determine a utility's cost of equity. Administratively, this proposal would be easy to handle, but risk premiums are simply too volatile to be left in place for two years.

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Financial Management *Summer 1992 v21 n2 p63(8)*

Estimating shareholder risk premia using analysts' growth forecasts.

by Robert S. Harris and Felicia C. Marston

This paper presents estimates of shareholder required rates of return and risk premia which are derived using forward-looking analysts' growth forecasts. We update through 1991 earlier work which, due to data availability, was restricted to the period 1982-1984. Using stronger tests, we also reexamine the efficacy of using such an expectational approach as an alternative to the use of historical averages. Using the S&P 500 as a proxy for the market portfolio, we find an average market risk premium (1982-1991) of 6.47% above yields on long-term U.S. government bonds and 5.13% above yields on corporate bonds. We also find that required returns for individual stocks vary directly with their risk (as proxied by beta) and that the market risk premium varies over time. These findings show that, in addition to fitting the theoretical requirement of being forward-looking, use of analysts' forecasts in estimating return requirements provides reasonable empirical results that can be useful in practical applications. (Reprinted by permission of the publisher.)

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One of the most widely used concepts in finance is that shareholders require a risk premium over bond yields to bear the additional risk of equity investments. While models such as the two-parameter capital asset pricing model (CAPM) or arbitrage pricing theory offer explicit methods for varying risk premia across securities, the models are invariably linked to some underlying market (or factor-specific) risk premium. Unfortunately, the theoretical models provide limited practical advice on establishing empirical estimates of such a benchmark market risk premium. As a result, the typical advice to practitioner is to estimate the market risk premium based on historical realizations of share and bond returns (see Brealey and Myers !3^).

In this paper, we present estimates of shareholder required rates of return and risk premia which are derived using forward-looking analysts' growth forecasts. We update, through 1991, earlier work which, due to data availability, was restricted to the period 1982-1984 (Harris !12^). Using stronger tests, we also reexamine the efficacy of using such an expectation approach as an alternative to the use of historical averages. Using the S&P 500 as a proxy for the market portfolio, we find an average market risk premium (1982-1911) of 6.47% above yields on long-term U.S. government bonds and 5.13% above yields on corporate bonds. We also find that required returns for individual stocks vary directly with their risk (as proxied by beta) and that market risk premium varies over time. In particular, the equity market premium over government bond yields is higher in low interest rate environments and when there is a larger spread between corporate and government bond yields. Thee findings show that, in addition to fitting the theoretical requirement of being forward-looking, the utilization of analysts' forecasts in estimating return requirements provides reasonable empirical results that can be useful in practical applications.

Section I provides background on the estimation of equity required returns and a brief discussion of related literature on financial analysts' forecasts (FAF). In Section II models and data are discussed. Following a comparison of the results to historical risk premia, the estimates are subjected to economic tests of both their time-series and cross-sectional characteristics in Section III. Finally, conclusions are offered in Section IV.

I. Background and Literature Review

In establishing economic criteria for resource allocation, it is often convenient to use the notion of a shareholder's required rate of return. Such a rate (k) is the minimum level of expected return necessary to compensate the investor for bearing risks and receiving dollars in the future rather than in the present. In general, k will depend on returns available on alternative investments (e.g., bonds or other equities) and the riskiness of the stock. To isolate the effects of risk, it is useful to work in terms of a risk premium (rp), defined as

$$rp = k - 1, \quad (1)$$

where i = required return for a zero risk investment.(1)

Lacking a superior alternative, investigators often use averages of historical realizations to estimate a benchmark "market"

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risk of individual stocks (e.g., using the CAPM or a variant). The historical studies of Ibbotson Associates !13^ have been used frequently to implement his approach.(2) This historical approach requires the assumptions that past realizations are a good surrogate for future expectations and, as typically applied, that risk premia are constant over time. Carleton and Lakonishok !5^ demonstrate empirically some of the problems with such historical premia when they disaggregated for different time periods or groups of firms.

As an alternative to historical estimates, the current paper derives estimates of k, and hence, implied values of rp, using publicly available expectational data. This expectational approach employs the dividend growth model (hereafter referred to as the discounted cash flow or DCF model) in which a consensus measure of financial analysts' forecasts (FAF) of earnings is used as a proxy for investor expectations. Earlier works by Malkiel !17^, Brigham, Vinson, and Shome !4^, and Harris !12^ have used FAF in DCF models, and this approach has been employed in regulatory settings (see Harris !12^) and suggested by consultants as an alternative to use of historical data (e.g., Ibbotson Associates !13, pp. 127, 128^). Unfortunately, the published studies use data extending to 1984 at the latest. Our paper draws on this earlier work but extends it through 1991.(3) Our work is closest to that done by Harris !12^, who reviews literature showing a strong link between equity prices and FAF and supporting the use of FAF as a proxy for investor expectations. Using data from 1982 to 1984, Harris' results suggest that this expectational approach to estimating equity risk premia is an encouraging alternative to the use of historical averages. He also demonstrates that such risk premia vary both cross-sectionally with the riskiness of individual stocks and over time with financial market conditions.

II. Models and Data

A. Model for Estimation

The simplest and most commonly used version of the DCF model to estimate shareholders' require rate of return, k, is shown in Equation (2):

!Mathematical Expression Omitted^

where !D.sub.1^ = dividend per share expected to be received at time one, !P.sub.o^ = current price per share (time 0), ad g = expected growth rate in dividends per share. The limitations of this model are well known, and it is straightforward to derive expressions for k based on more general specifications of the DCF model.(4) The primary difficulty in using the DCF model is obtaining an estimate of g, since it should reflect market expectations of future performance. Without a ready source for measuring such expectations, application of the DCF model is fraught with difficulties. This paper uses published FAF of long-run growth in earnings as a proxy for g.

B. Data

FAF for this research come from IBES (Institutional Broker's Estimate System), which is a product of Lynch, Jones, and Ryan, a major brokerage firm.(5) Representative of industry practice, IBES contains estimates of (i) EPS for the upcoming fiscal years (up to five separate years), and (ii) a five-year growth rate in EPS. Each item is available at monthly intervals.

The mean value of individual analysts' forecasts of five-year growth rate in EPS will e used as a proxy for g in the DCF model.(6) The five-year horizon is the longest horizon over which such forecasts are available from IBES and often is the longest horizon used by analysts. IBES requests "normalized" five-year growth rates from analysts in order to remove short-term distortions that might stem from using an unusually high or low earnings year as a base.

Dividend and other firm-specific information come from COMPUTSTAT. Interests rates (both government and corporate) are gathered from Federal Reserve Bulletins and Moody's Bond Record. Exhibit 1 describes key variables used in the study. Data collected cover all dividend paying stocks in the Standard & Poor's 500 stock (S&P 500) index, plus approximately 100 additional stocks of regulated companies. Since five-year growth rates are first available from IBES beginning in 1982, the analysis covers the 113-month period from January 1982 to May 1991.

Exhibit 1. Variable Definitions

k = Equity required rate of return.

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!P.sub.0^ = Average daily price per share.

!D.sub.1^ = Expected dividend per share measured as current indicated annual divided from COMPUSTAT multiplied by (1 + g).(a)

g = Average financial analysts' forecast of five-year growth rate in earnings per share (from IBES).

!i.sub.it^ = Yield to maturity on long-term U.S. government obligations (source: Federal Reserve Bulletin, constant maturity series).

!i.sub.c^ = Yield to maturity on long-term corporate bonds: Moody's average.(b)

rp = Equity risk premium calculated as rp = k - i.

!beta^ = beta, calculated from CRSP monthly data over 60 months.

Notes:

a See footnote 7 for a discussion of the (1 + g) adjustment.

b The average corporate bond yield across bond rating categories as reported by Moody's. See Moody's Bond Survey for a brief description and the latest published list of bonds included in the bond rating categories.

III. Risk Premia and Required Rates of Return

A. Construction of Risk Premia

For each month, a "market" required rate of return is calculated using each divided paying stock in the S&P 500 index for which data are available. The DCF model in Equation (2) is applied to each stock and the results weighted by market value of equity to produce the market required return.(7) The return is converted to a risk premium TABULAR DATA OMITTED over government bonds by subtracting !i.sub.lt^, the yield to maturity on long-term government bonds. A risk premium over corporate bond yields is also constructed by subtracting !i.sub.c^, the yield on long-term corporate bonds. Exhibit 2 reports the results by year (averages of monthly data).

The results are quite consistent with the patterns reported earlier (i.e., Harris !12^). The estimated risk premia in Exhibit 2 are positive, consistent with equity owners demanding additional rewards over an above returns on debt securities. The average expectational risk premium (1982 to 1991) over government bonds is 6.47%, only slightly higher than the 6.16% average for 1982 to 1984 reported earlier (Harris !12^). Furthermore, Exhibit 2 shows the estimated risk premia change over time, suggesting changes in the market's perception of the incremental risk of investing in equity rather than debt securities.

For comparison purposes, Exhibit 3 contains historical returns and risk premia. The average expectational risk premium reported in Exhibit 2 falls roughly midway between the arithmetic (7.5%) and geometric (5.7%) long-term differentials between returns on stocks and long-term government bonds. Note, however, that the expectational risk premia appear to change over time. In the following sections, we examine the estimated risk premia to see if they vary cross-sectionally with the risk of individual stocks and over time with financial market conditions.

Exhibit 3: Average Historical Returns on Bonds, Stocks, Bills, and Inflation in the U.S., 1926-1989

Historical Realizations	Geometric	Arithmetic
Common stock	10.3%	12.4%
Long-term government bonds	4.6%	4.9%
Long-term corporate bonds	5.2%	5.5%
Treasury bills	3.6%	3.7%
Inflation rate	3.1%	3.2%

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Source: Ibbotson Associates, Inc., 1990 Stocks, Bonds, Bills and Inflation, 1990 Yearbook.

B. Cross-Sectional Tests

Earlier, Harris !12^ conducted crude tests of whether expectational equity risk premia varied with risk proxied by bond ratings and the dispersion of analysts' forecasts and found that required returns increased with higher risk. Here we examine the link between these premia and beta, perhaps the most commonly used measure of risk for equities.(8) In keeping with traditional work in this area, we adopt the methodology introduced by Fama and Macbeth !9^ but replace realized returns with expected returns from Equation (2) as the variable to be explained. For this portion of our tests, we restrict our sample to 1982-1987 and in ny month include firms that have at least three forecasts of earnings growth to reduce measurement error associated with individual forecasts.(9) This restricted sample still consists of, on average, 399 firms for each of the 72 months (or 28,744 company months).

For a given company in a given month, beta is estimated via the market model (using ordinary least squares) on the prior 60 months of return data taken from CRSP. Beta estimates are updated monthly and are calculated against an equally weighted index of all NYSE securities. For each month, we aggregate firms into 20 portfolios (consisting of approximately 20 securities each). The advantage of grouped data is the reduction in potential measurement error inherent in independent variables at the company level. Portfolios are formed based on a ranking of beta estimated from a prior time period (t = -61 to t = -120). Portfolio expected returns and beta are calculated as the simple averages for the individual securities.

Using these data, we estimate the following model for each of the 72 months:

!R.sub.p^ = !!alpha^.sub.0^ + !!alpha^.sub.1^ !!beta^.sub.p^ + !u.sub.p^, p = 1...20, (3)

where:

!R.sub.p^ = Expected return for portfolio p in the given month,

!!beta^.sub.p^ = Portfolio beta, estimated over 60 prior months, and

!u.sub.p^ = A random error term with mean zero.

As a result of estimating regression (3) for each month, 72 estimates of each coefficient (!!alpha.sub.0^ and !!alpha^.sub.1^^ are obtained. Using realized returns as the dependent variable, the traditional approach (e.g., Fama and Macbeth !9^) is to assume that realized returns are a fair game. Given this assumption, the mean of the 72 values of each coefficient is an unbiased estimate of the mean over that same time period if one could have actually used expected returns as the dependent variable. Note that if expected returns are used as the dependent variable the fair-game assumption is not required. Making the additional assumption that the true value of the coefficient is constant over the 72 months, a test of whether the mean coefficient is different from zero is performed using a t-statistic where the denominator is the standard error of the 72 values of the coefficient. This is the technique employed by Fama and Macbeth !9^. If one assumes the CAPM is correct, the coefficient !!alpha^.sub.1^ is an empirical estimate of the market risk premium, which should be positive.

To test the sensitivity of the results, we also repeat our procedures using individual security return rather than portfolios. To account, at least in part, for differences in precision of coefficient estimates in different months we also report results in which monthly parameter estimates are weighted inversely by the standard error of the coefficient estimate rather than being weighed equally (following Chan, Hamao, and Lakonishok !6^).

Exhibit 4 shows that there is a significant positive link between expectational required returns and beta. For instance, in Panel A, the mean coefficient of 2.78 on beta is significantly different from zero at better than the 0.001 level (t = 35.31), and each of the 72 monthly coefficients going into this average is positive (as shown by that 100% positive figure). Using individual stock returns, the significant positive link between beta and expected return remains, though it is smaller in magnitude than for portfolios.(10) Comparison of Panels A and B shows that the results are not sensitive to the weighing of monthly coefficients.

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While the findings in Exhibit 4 TABULAR DATA OMITTED suggest a strong positive link between beta and risk premia (a result often not supported when realized returns are used as a proxy for expectations; e.g., see Tinic and West !22^), the results do not support the predictions of a simple CAPM. In particular, the intercept is higher than a proxy for the risk-free rate over the sample period and the coefficient of beta is well below estimates of a market risk premium obtained from either expectational (Exhibit 2) or historical data (Exhibit 3).(11) Nonetheless, the results show that the estimated risk premia conform to the general theoretical relationship between risk and required return that is expected when investors are risk-averse.

C. Time Series Tests -- Changes in Market Risk Premia

A potential benefit of using ex ante risk premia is the estimation of changes in market risk premia over time. With changes in the economy and financial markets, equity investments may be perceived to change in risk. For instance, investor sentiment about future business conditions likely affects attitudes about the riskiness of equity investments compared to investments in the bond markets. Moreover, since bonds are risky investments themselves, equity risk premia (relative to bonds) could change due to changes in perceived riskiness of bonds, even if equities displayed no shifts in risk. For example, during the high interest rate period of the early 1980s, the high level of interest rate volatility made fixed income investment more risky holdings than they were in a world of relatively stable rates.

Studying changes in risk premia for utility stocks, Brigham, et al !4^ conclude that, prior to 1980, utility risk premia increased with the level of interest rates, but'that this pattern reversed thereafter, resulting in an inverse correlation between risk premia and interest rates. Studying risk premia for both utilities and the equity market generally, Harris !12^ also reports that risk premia appear to change over time. Specifically, he finds that equity risk premia decreased with the level of government interest rates, increased with the increases in the spread between corporate and government bond yields, and increased with increases in the dispersion of analysts' forecasts. Harris' study is, however, restricted to the 36-month period, 1982 to 1984.

Exhibit 5 *TABULAR DATA OMITTED* reports results of analyzing the relationship between equity risk premia, interest rates, and yield spreads between corporate and government bonds. Following Harris !12^, these bond yield spreads are used as a time series proxy for equity risk. As the perceived riskiness of corporate activity increases, the difference between yields on corporate bonds and government bonds should increase. One would expect the sources of increased riskiness to corporate bonds to also increase risks to shareholders. All regressions in Exhibit 5 are corrected for serial correlation.(12)

For the entire sample period, Panel A shows that risk premia re negatively related to the level of interest rate -- as proxied by yields on government bonds, !i.sub.lt^. ThiPortfolios are formed based on a ranking of beta estimated from a pompany level. uity investments compared to investments in may result from increases in the perceived riskiness of investment in government debt at high levels of interest rates. A direct measure of uncertainty about investments in government bonds would be necessary to test this hypothesis directly.

For the entire 1982 to 1991 period, the addition of the yield spread risk proxy to the regression dramatically lowers the magnitude of the coefficient on government bond yields, as can be seen by comparing Equation 1 and 2 of Panel A. Furthermore, the coefficient of the yield spread (0.666) is itself significantly positive. This pattern suggests that a reduction in the risk differential between investment in government bonds and in corporate activity is translated into a lower equity market risk premium. Further examination of Panels B through D, however, suggests that the yield spread variable is much more important in explaining changes in equity risk premia in the early portion of the 1980s than in the 1988 to 1991 period.

In summary, market equity risk premia change over time and appear inversely related to the level of government interest rates but positively related to the bond yield spread, which proxies for the incremental risk of investing in equities as opposed to government bonds.

IV. Conclusions

Shareholder required rates of return and risk premia are based on theories about investors' expectations for the future. In practice, however, risk premia are often estimated using averages of historical returns. This paper applies an alternative

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approach to estimating risk premia that employs publicly available expectational data. At least for the decade studied (1982 to 1991), the resultant average marek equity risk premium over government bonds is comparable in magnitude to long-term differences (1926 to 1989) in historical returns between stocks and bonds. There is strong evidence, however, that market risk premia change over time and, as a result, use of a constant historical average risk premium is not likely to mirror changes in investor return requirements. The results also show that the expectational risk premia vary cross-sectionally with the relative risk (beta) of individual stocks.

The approach offers a straightforward and powerful aid in establishing required rates of return either for corporate investment decisions or in the regulatory arena. Since data are readily available on a wide range of equities, an investigator can analyze various proxy groups (e.g., portfolios of utility stocks) appropriate for a particular decision as well as analyze changes in equity return requirements over time.

Robert S. Harris is the C. Stewart Sheppard Professor of Business at the Darden Graduate School of Business at the University of Virginia, Charlottesville, Virginia. Felicia C. Marston is an Assistant Professor of Commerce at the McIntire School of Commerce, University of Virginia, Charlottesville, Virginia.

1 Theoretically, i is a risk-free rate, though empirically its proxy (e.g., yield to maturity on a government bond) is only a "least risk" alternative that is itself subject to risk. In this development, the effects of tax codes on required returns are ignored.

2 Many leading texts in financial management use such historical risk premia to estimate a market return. See, for example, Brealey ad Myers !3^. Often a market risk premium is adjusted for the observed relative risk of a stock.

3 See Harris !12^ for a discussion of the earlier work and a detailed discussion of the approach employed here.

4 As stated, Equation (2) requires expectations of either an infinite horizon of dividend growth at a rate g or a finite horizon of dividend growth at rate g and special assumptions about the price of the stock at the end of that horizon. Essentially, the assumption must ensue that the stock price grows at a compound rate of g over the finite horizon. One could alternatively estimate a nonconstant growth models. These findings illustrate empirical difficulties in finding empirical proxies for multistage growth models for large samples.

5 Harris !12^ provides a discussion of IBES data and its limitations. In more recent years, IBES has begun collecting forecasts for each of the next five years. Since this work was completed, the FAF used here have become available from IBES Inc., now a subsidiary of CitiBank.

6 While the model calls for expected growth in dividends, no source of data on such projections is readily available. In addition, in the long run, dividend growth is sustainable only via growth in earnings. As long as payout ratios are not expected to change, the two growth rates will be the same.

7 The construction of !D.sub.1^ is controversial since dividends are paid quarterly and may be expected to change during the year; whereas, Equation(2), as is typical, is being applied to annual data. Both the quarterly payment of dividends (due to investors' reinvestment income before year's end, see Linke and Zumwalt !15^) and any growth during the year require an upward adjustment of the current annual rate of dividends to construct !D.sub.1^. If quarterly dividends grow at a constant rate, both factors could be accommodated straightforwardly by applying Equation (2) to quarterly data with a quarterly growth rate and then annualizing the estimated quarterly required return. Unfortunately, with lumpy changes in dividends, the precise nature of the adjustment depends on both an individual company's pattern of growth during the calendar year and an individual company's required return (and hence reinvestment income in the risk class).

In this work, !D.sub.1^ is calculated as !D.sub.0^ (1 + g). The full g adjustment is a crude approximation to adjust for both growth and reinvestment income. For example, if one expected dividends to have been raised on average, six months ago, a "1/2 g" adjustment would allow for growth, and the remaining "1/2 g" would be justified on the basis of reinvestment income. Any precise accounting for both reinvestment income and growth would require tracking each company's divided change history and making explicit judgments about the quarter of the next change. Since no organized "market" forecast of such a detailed nature exists, such a procedure is not possible. To get a feel for the magnitudes involved, during the sample period the divided yield (!D.sub.1^/!P.sub.0^ and growth (market value weighted) for the S&P 500 were typically

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4% to 6% and 11% to 13%, respectively. As a result, a "full g" adjustment on average increases the required return by 60 to 70 basis points (relative to no g adjustment).

8 For other efforts using expectational data in the context of the two-parameter CAPM, see Friend, Westerfield, and Granito !10^, Cragg and Malkiel !7^, Marston, Crawford, and Harris !19^, Marston and Harris !20^, and Linke, Kannan, Whitford, and Zumwalt !16^. For a more complete treatment of the subject, see Marston and Harris !20^ from which we draw some of these results. Marston and Harris !20^ also investigate the role of unsystematic risk and the difference in estimates found when using expected versus realized returns.

9 Firms for which the standard deviation of individual EAF exceeded 20 in any month were excluded since we suspect some of these involve errors in data entry. This screen eliminated very few companies in any month. The 1982-1987 period was chosen due to the availability of data on betas.

10 The smaller coefficients on beta using individual stock portfolio returns are likely due in part to the higher measurement error in measuring individual stock versus portfolio betas.

11 Estimation difficulties confound precise interpretation of the intercept as the risk-free rate and the coefficient on beta as the market risk premium (see Miller and Scholes !21^, and Black, Jensen, and Scholes !2^). The higher than expected intercept and lower than expected slope coefficient on beta are consistent with the prior studies of Black, Jensen, and Scholes !2^, and Fama and MacBeth !9^ using historical returns. Such results are consistent with Black's !1^ zero beta model, although alternative explanations for these findings exist as well (as noted by Black, Jensen, and Scholes !2^).

12 Ordinary least squares regressions showed severe positive autocorrelation in many cases, with Durbin Watson statistics typically below one. Estimation used the Prais-Winsten method. See Johnston !14, pp. 321-325^.

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Common Equity Flotation Costs and Rate Making

By EUGENE F. BRIGHAM, DANA ABERWALD, and LOUIS C. GAPENSKI

The proper treatment of common stock flotation costs is an issue in almost every utility rate case, and becomes increasingly important – for reasons shown in this article – as new stock offerings decline. The article provides clarification of the issue and offers a reasonable solution.

Incorrect statements have been made about the proper treatment of common equity flotation costs in the financial literature, and this has contributed to incorrect rate case testimony and to several improper decisions. The problem seems to have arisen for two reasons. (1) During the 1970s, when most utilities were raising large amounts of equity, the case for an equity cost adjustment was generally based on the need to sell common stock at prices greater than book value so as to avoid dilution when new stock was sold, but the proper rationale for the adjustment, and the argument that should have been made, is that an adjustment is necessary to recover actual incurred costs. (2) A number of academic writers [1, 2, 3, 6, 7, 8, 11][1] have attempted to deal with the problem algebraically, and while a mathematical approach has merit, the different authors based their models on different and somewhat obscure assumptions, with the result that the academic research has actually done more to confuse than to clarify the issue.

As we see it, there are two questions which need answers:

1) Is an adjustment needed even if a company has no plans to sell new common stock in the foreseeable future?
2) If an adjustment is required, should it be applied to common stock only or to total common equity (common stock plus retained earnings)?

The answers are "yes" to the first question and "total common equity" to the second. Specifically, the market-determined cost of equity should be adjusted (increased) to reflect issuance costs associated with past issues regardless of whether a company plans to issue stock in the future or not, and the adjustment should be applied to the total common equity, including retained earnings. The reasons for these conclusions are set forth in the balance of this article.

Background and Approach

The flotation cost adjustment – whether for bonds, preferred stocks, or common equity – is designed to convert a market rate of return into a fair rate of return on accounting book values. Prior to the 1970s, most utilities were regulated on the basis of the comparable earnings approach. With that method no market return was involved, and hence there was no need for a common equity flotation adjustment. However, as use of market-oriented equity cost approaches, especially the discounted cash flow (DCF) method, became prevalent during the 1970s, a specific flotation adjustment became necessary. The first use of DCF, to the authors' knowledge, was by Professor Myron J. Gordon as a staff witness in an American Telephone and Telegraph Company rate case before the Federal Communications Commission in the mid-1960s. Professors Alexander A. Robichek and Ezra Solomon of Stanford University, testifying for AT&T, proved that if a commission correctly identifies and then allows a *company* to earn its DCF cost of equity, k, on book equity, then *investors* will never be able to earn k on their investment, because the capital that investors have put up will exceed the company's book equity as a result of issuance (or flotation) costs. Thus, in the very first

[1]Numbers in brackets correspond to numbers in the list of references at the end of the article.

Eugene F. Brigham is graduate research professor of finance and director of the Public Utility Research Center at the University of Florida. He is the author of numerous journal articles and textbooks, and he testifies regularly concerning rate of return. **Dr. Brigham** received his PhD degree from the University of California at Berkeley.

Dana A. Aberwald is a research associate at the Public Utilities Research Center at the University of Florida. **Ms. Aberwald** received a BSBA degree in accounting and an MBA degree from the University of Florida and is a certified public accountant.

Louis C. Gapenski teaches at the University of Florida, where he is a research associate at the Public Utilities Research Center. **Mr. Gapenski** holds degrees from the Virginia Military Institute, the Naval Postgraduate School, and the University of Florida.

case where DCF methodology was used, Robichek and Solomon proved, and Gordon accepted, the idea that the allowed return on equity should exceed the DCF cost. Unfortunately, only the need for an adjustment not the proper adjustment mechanism itself, was identified in that rate case.

The DCF method's great increase in popularity occurred during the 1970s, just when the companies were raising unprecedented amounts of new equity capital. Witnesses who used the DCF method recognized the need for an adjustment, and they had to provide a rationale to commissioners. Most witnesses gave this explanation:

1) If a company were allowed to earn only its DCF cost of equity, then its stock would normally sell at book value.
2) When new stock was issued, flotation expenses plus market pressure would drive the price of the stock below book value.
3) The issuance of stock at below book value would dilute the book value of the existing shares, and since future earnings and dividends are dependent upon book value, the market value of existing stock would also be diluted.
4) This dilution would obviously harm current stockholders, indeed, it would amount to economic confiscation.
5) Therefore, fair regulation requires commissioners to set authorized returns high enough to cause utility stocks to sell at prices that exceed book value by an amount sufficient to prevent below-book sales.

This argument was correct, although incomplete, and it was generally accepted during the 1970s, when most utilities were selling new stock every year or two. There were, of course, arguments about the level of flotation costs and the extent of market pressure, and hence about the proper market-to-book ratio, but the logic of some type of adjustment was rarely questioned.

However, as many utilities' construction programs neared completion in the early 1980s, and, accordingly, as new stock offerings slowed, the issue of the need for a flotation adjustment resurfaced. Patterson [6, 7] applied standard corporate finance techniques and concluded that a flotation adjustment is needed irrespective of current equity sales. Richter [11] supported Patterson's position. Arzac and Marcus [1, 2] also concluded that a flotation adjustment is always needed, but their formula produces an almost trivial adjustment factor unless the company is selling very large amounts of stock every year. Patterson and Arzac-Marcus debated in the finance journals, but they reached no reconciliation. Finally, in the latest article, Professors Bierman and Hass [3] derived yet another formula, one which produces an adjustment factor between those recommended by Patterson and Arzac-Marcus.

The issue is important, so it is necessary that we resolve the conflict. Further, since utility executives and regulators, not financial economists, must make decisions in this area, the resolution must be understandable to these decision makers. After studying the problem, we concluded that the best way to approach a clear resolution is to set up some hypothetical, but reasonable, situations and then to test the alternative theories, asking the following question: What results do the several methods produce, and are those results fair to both consumers and investors?

Bonds and Preferred Stocks

Because the proper treatment of flotation costs on bonds and preferred stocks is well known and not controversial, it helps to begin by examining that treatment as a lead-in to the analysis of common stock. First, note that debt flotation costs can be recovered in either of two ways: (1) They can be expensed and recovered from customers during the year the securities are sold, or (2) They can be capitalized and recovered over the life of the securities. The second method, which is consistent with the theory that those customers who benefit from a cost should pay for it, is generally used. Under this theory, bond flotation expenses are reflected in the embedded cost of the bond and are recovered over the life of the bond. For example, if flotation costs of 5 per cent were incurred on a $100 million, ten-year, 15 per cent coupon bond issue, they would be handled in the following manner by most federal and state regulators:

$$\text{Cost to company} = \frac{\text{Interest expense} + \text{Amortization of flotation costs}}{\text{Principal value} - \text{Unamortized flotation costs}} \quad (1)$$

$$= \frac{\$15{,}000{,}000 + (\$5{,}000{,}000/10)}{\$100{,}000{,}000 - \$5{,}000{,}000}$$

$$= \frac{\$15{,}500{,}000}{\$95{,}000{,}000} = 16.3158\% \text{ for the first year}$$

Return requirements would be calculated as follows:

$$\text{Return requirements} = \text{Cost rate}(\text{Principal value} - \text{Unamortized flotation costs}) \quad (2)$$

$$= 0.163158(\$100{,}000{,}000 - \$5{,}000{,}000)$$

$$= \$15{,}500{,}000.$$

In this example, the company received $95 million of cash, which it used to purchase $95 million of operating assets. To meet its interest expense and flotation amortization requirements, the company must have $15.5 million in return dollars. This return will only be generated if the company earns 16.3158 per cent on its $95 million of operating assets. Under this procedure, the percentage cost as calculated in Equation 1 declines each year, but the return dollar amount remains constant.[2]

[2]An alternative procedure that produces exactly the same result is to divide interest charges plus flotation amortization by the principal value of the issue, and then to multiply this cost rate by the principal value of the issue:

$$\text{Embedded cost rate} = \frac{\$15{,}500{,}000}{\$100{,}000{,}000} = 0.155 = 15.5\%$$

$$\textit{Return requirements} = 0.155(\$100{,}000{,}000) = \$15{,}500{,}000$$

This procedure in effect includes both flotation costs and operating assets in the rate base.

Preferred stocks are handled similarly. Actually, utilities issue two types of preferred stocks, those with sinking funds and those that are perpetual. The adjustment formula for sinking fund preferred is exactly like that for bonds, but a difference arises in the case of perpetual preferreds. Perpetual preferred stock represents permanent capital; hence its flotation costs are not amortized.[3] Assuming again a $100 million issue and a 5 per cent flotation cost, this formula applies:

$$\text{Cost to company} = \frac{\text{Dividend requirements}}{\text{Net proceeds}} = \frac{\$15{,}000{,}000}{\$95{,}000{,}000} \quad (3)$$

$$= 15.7895\%$$

Alternatively, we could write the formula as follows:

$$\text{Cost to company} = \frac{\text{Dividend rate}}{1.0 - \text{Flotation}} = \frac{15\%}{0.95} = 15.7895\% \quad (3a)$$

The return dollars can then be calculated as follows:[4]

$$\text{Dollars of return} = 0.157895(\$95{,}000{,}000)$$
$$= \$15{,}000{,}000.$$

In this example, the preferred stockholders expect and require a return of 15 per cent on *their investment* ($100 million), but the company must earn 15.7895 per cent on *its operating assets* ($95 million) to provide this required return.[5] If the company earned only 15 per cent on the $95 million, then the company would have after-tax revenues of only $14,250,000 to meet investors' preferred dividend requirements of $15 million. Obviously, then, the 15 per cent market value cost of preferred must be adjusted upward to a 15.7895 per cent return on the company's operating assets if investors are to receive the reasonable rate of return they contracted for.

Common Stock

From a conceptual standpoint, it has long been recognized that the situation with common stock is similar to that for bonds and preferred stocks: Issuance costs are incurred; they should not be and are not expensed at the time the stock is sold; and therefore recovery must occur in subsequent years. Further, just as with bonds and preferred stock, the authorized rate of return on rate base equity must be above the rate of return to the investor; that is, the cost to the utility is above the return to the investor. The standard textbook formula, which Patterson [6] used, is as follows:[6]

$$r = \frac{\text{Expected dividend yield}}{1.0 - F} + g \quad (5)$$

Here:

r = authorized rate of return on book equity, if stockholders are to earn their required rate of return, k,
F = percentage flotation cost associated with common stock offerings, and
g = the expected growth rate in earnings and dividends.

The percentage flotation factor, F, consists of two elements: (1) underwriting costs and (2) "market pressure," which is the decline in the stock price that results when the supply of shares is suddenly increased. Historically, utility underwriting expenses have averaged from 3 to 4 per cent of gross proceeds [9]. Market pressure varies over time, depending on the size of the issue, the condition of the market, and the degree to which investors were surprised by the announcement of the stock sale. Moreover, stock prices change for reasons other than new offerings, so it is difficult to obtain an exact measure of market pressure. However, several careful studies have been reported, and they indicate that market pressure is in the range of one to 3 per cent [10]. Thus, for most utilities, flotation expenses plus pressure have totaled about 5.5 per cent.

To illustrate the flotation cost adjustment process, and following Bierman and Hass for consistency, we assume that a new, start-up utility has the following characteristics:

1) Our hypothetical company can sell stock in the market at $10 per share, and investors expect it to pay a dividend of one dollar and to grow at a rate of 5 per cent. Thus, its DCF cost of equity is k = D/P + g = 10% + 5% = 15%, investors' required rate of return.
2) To raise initial capital, the company plans to sell an issue of stock, incurring flotation costs of F = 5 per cent.
3) Applying Equation 5, we obtain a flotation-adjusted cost of equity (r) of 15.5263 per cent:

$$r = \frac{\text{Expected dividend yield}}{1 - F} + g$$

$$= \frac{10.0\%}{0.95} + 5\%$$

$$= 10.5263\% + 5\% = 15.5263\%$$

Thus, the illustrative utility's fair rate of return on book equity according to Equation 5 is approximately 53 basis points above its 15 per cent unadjusted "bare bones DCF cost of equity."
4) The company will sell one share of stock and obtain net proceeds of $9.50. This $9.50 is also the initial book value, B, and rate base. (Obvi-

[3] In effect, the flotation costs of the preferred are amortized over an infinite period, which is to say the amortization per year is zero. Investors have made a *permanent* investment, so the original investors or those who purchase the stock in the secondary market must receive a return on that investment in perpetuity.

[4] Of course, preferred stock dividends are not deductible, so the total revenues required to produce the return dollars is higher for preferred stock than for debt.

[5] Note that the return dollars for the bond exceed those for the perpetual preferred stock – $15.5 million versus $15 million. However, these are first-year costs only. The bond's cost rate declines over time due to the amortization of its flotation costs, whereas the cost rate associated with the preferred stock remains constant, and the rates of return to the bondholders and the preferred stockholders are identical.

[6] This formula is developed in reference citation 5, Chapter 7, as well as in most other corporate finance textbooks.

ously, this amount, which we use for simplicity, could be scaled up without altering the conclusions.)

5) After its inception and initial stock offering, all of the company's equity is expected to come from retained earnings. In a later case, we will examine the situation when more stock is sold.
6) The company operates in a reasonable and prudent manner, such that by any fairness criteria, investors should be allowed to earn their 15 per cent cost of capital return, no more and no less. For simplicity, we also assume that regulation operates properly, without lags.
7) Initially, we assume that the market cost of capital remains constant at 15 per cent, and that the company maintains a constant payout ratio so as to keep the dividend yield and growth components at 10 per cent and 5 per cent, respectively. These assumptions are consistent with the DCF model, but later in the article we expand the analysis by relaxing both of these.

Now these questions may be asked:

Should the flotation adjustment be applied to all common equity or, once retained earnings appear on the balance sheet, only to common stock?
For how many years should an adjustment be applied: One, two, ten, twenty, or forever?

When we applied Equation 5, the textbook formula which Patterson recommended, we found that it produces results that satisfy the fairness criterion; namely, it permits investors to earn exactly their 15 per cent cost of capital, no more and no less. This result for our initial case is demonstrated in Table 1, which was produced by a simple computer model, and it is analyzed below:

Table 1

Case 1: Company Earns Flotation-adjusted Cost of Equity (r) on All Common Equity

Year	Beginning of Year: Common Stock (1)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout (8)
1	$9.50	$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.50	0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.50	0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.50	1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.50	2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.50	2.6247	12.1247	12.7628	1.0526	1.8825	1.2763	67.7966
7	9.50	3.2309	12.7309	13.4010	1.0526	1.9766	1.3401	67.7966
8	9.50	3.8675	13.3675	14.0710	1.0526	2.0755	1.4071	67.7966
9	9.50	4.5358	14.0358	14.7746	1.0526	2.1792	1.4775	67.7966
10	9.50	5.2376	14.7376	15.5133	1.0526	2.2882	1.5513	67.7966

NOTES
1) Assumptions made in this case are as follows:
   a) Issue price = $10
   b) Flotation cost = 5%
   c) k = D/P + g = 10% + 5% = 15%
   d) r = 15.5263%
2) The data in this case, and also the more complex cases, were developed with a Lotus 1-2-3 computer program.

1) The company's balance sheet item common stock is shown in Column 1.
2) Retained earnings are shown in Column 2. Initially, they are zero, but they build up over time.
3) Total equity as shown in Column 3 is the sum of common stock and retained earnings. Total equity grows as retained earnings build up.
4) Column 4 shows the stock price as determined by the basic DCF formula. It starts at $10 and grows at a rate of 5 per cent per year, which is necessary to produce the 5 per cent capital gains yield that investors expect and should receive.[7]
5) Column 5 shows the market-to-book (M/B) ratio. Notice that the M/B always exceeds one. The only way the M/B ratio could go to one would be for the stock price to fall below the value shown in Column 4, but if that were to happen, then investors would not receive the capital gains to which they are entitled. Thus, the M/B will exceed one if investors are being treated fairly.
6) Earnings per share (EPS) as shown in Column 6 is the product of total equity times 0.155263, the fair rate of return as determined by Equation 5.
7) Dividends per share (DPS) as shown in Column 7 begin at one dollar and grow at a rate of 5 per cent per year. This growth rate is a requirement if investors are to earn their DCF cost of capital.
8) The payout ratio is shown in Column 8. Under

[7] The DCF valuation equation is

$$P_0 = \frac{D_1}{k - g}$$

This equation, solved for k, produces the standard DCF cost of capital equation, $k = D_1/P_0 + g$. See reference citation 5, Chapter 5, for a derivation and discussion.

the assumptions of the standard DCF constant growth model, the payout must be constant, and it is if r as determined by Equation 5 is used as the allowed return on equity

9) Note also that book value per share as shown in Column 3 is growing at a constant rate, 5 per cent. The retention growth rate, g = br, where r is the return on book equity and b is the fraction of earnings, is

$$g = br = (1.0 - 0.677966)(15.5263) = 0.322(15.5263) = 5.0\%, \text{ just as it should be}$$

Case 1 proves that Equation 5 produces the desired results, namely, returns that exactly cover the cost of equity, no more and no less. Any return on book equity different from that established by Equation 5 would produce inconsistent results. For example, suppose the authorized rate of return were cut from 15.5263 to the DCF return, 15 per cent, in Year 2. This would cause the stock price to drop from $10.50 to the $9.9750 book value. Thus, stockholders would suffer a loss, and they would not obtain the capital gains yield to which they are entitled. Any other type of experimentation will show exactly the same thing: If the company is not allowed to earn the cost of equity as determined by Equation 5 on total common equity, stockholders will not receive a 15 per cent return on their invested capital.

Sale of Additional Equity

While the only-one-equity-sale conditions used to develop Case 1 are consistent with Bierman and Hass's example, and also with some actual companies such as Comsat and the Yankee Atomic Power companies, most utilities sell additional common stock from time to time. Therefore, we modified the computer model to analyze stock sales subsequent to the initial offering, and we report the results in Table 2 as Case 2, in which the company raises an additional share of new common equity for $12.1247 at the beginning of Year 6. (Note that the $12.1247 is calculated as the price of the stock at the beginning of Year 6 less flotation costs.) Earnings, dividends, and common equity all increase in Year 6 as a result of the sale, but investors continue to earn exactly 15 per cent on their investment so long as the company is allowed to earn 15.5263 per cent on its total book equity.

In Case 3, reported in Table 3, we present the results for a company that issues new equity at a flotation cost different from the cost of its original stock issue. Case 3 is similar to Case 2. Just as in Case 2, the company issues new equity at the beginning of Year 6. However, in Case 3, the equity sold at the beginning of Year 6 has a different flotation cost (3 per cent) from that of the original issue (5 per cent). With lower flotation costs, the company nets more common equity in Case 3 than in Case 2. (The dollar amount of new equity raised is calculated as the price of the share of stock at the beginning of Year 6 less the 3 per cent flotation costs incurred.)

In this example, because the new equity is sold at a different flotation cost than the old equity, a new value of r must be calculated and used to determine net income. The new r is a weighted average of r as determined by Equation 5 for each equity issue, with the weights being the fraction of total equity attributable to the new and old stock at the time the new stock is issued. Because of the lower flotation costs on the new equity, there is a corresponding drop in the market-to-book ratio in Year 6. Note, however, that after the transitional Year 6, earnings and dividends continue to grow at the required 5 per cent rate, which is neces-

Table 2

Case 2: Company Sells Additional Stock at the Beginning of Year 6

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
	Beginning of Year								
1	$ 9.50		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.50		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.50		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.50		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.50		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.50	$12.1247	2.6247	24.2493	12.7628	1.0526	1.8825	1.2763	67.7966
7	21.6247		3.8371	25.4618	13.4010	1.0526	1.9766	1.3401	67.7966
8	21.6247		5.1102	26.7349	14.0710	1.0526	2.0755	1.4071	67.7966
9	21.6247		6.4470	28.0717	14.7746	1.0526	2.1792	1.4775	67.7966
10	21.6247		7.8506	29.4752	15.5133	1.0526	2.2882	1.5513	67.7966

NOTES
Assumptions made in this case are as follows
a) Original issue price = $10
b) Flotation cost = 5%
c) k = D/P + g = 10% + 5% = 15%
d) r = 15.5263%
e) Year 6 issue price = $12.7628
f) Year 6 new common stock = $12.7628(1 − F)
= $12.7628(0.95)
= $12.1247

Table 3

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Case 3: Company Sells Additional Stock at the Beginning of Year 6 Incurring Different Flotation Costs

Beginning of Year

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
1	$ 9.5000		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.5000		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.5000		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.5000		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.5000		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.5000	$12.3799	2.6247	24.5046	12.7628	1.0526	1.8889	1.2763	67.7566
7	21.8799		3.8499	25.7298	13.4010	1.0526	1.9833	1.3401	67.5676
8	21.8799		5.1364	27.0163	14.0710	1.0526	2.0825	1.4071	67.5676
9	21.8799		6.4872	28.3671	14.7746	1.0526	2.1866	1.4775	67.5676
10	21.8799		7.9056	29.7855	15.5133	1.0526	2.2960	1.5513	67.5676

NOTES
Assumptions made in this case are as follows
a) Original issue price = $10
b) Year 1 Flotation cost = 5%
c) k = D/P + g = 10% + 5% = 15%
d) r_1 = 15.5263%
e) Year 6 issue price = $12.7628
f) Year 6 flotation cost = 3%
g) Year 6 new common stock = $12.7628(1 - F)
= $12.7628(0.97)
= $12.3799
h) Additional issue r = 15.3093%

sary if investors are to receive the 15 per cent DCF return on their investment. The stock price grows at 5 per cent throughout the ten-year period.

The fact that the company must continue to earn the flotation-adjusted cost of equity, even as retained earnings build up to a larger and larger proportion of total common equity, is counterintuitive, and so it deserves further discussion. Here are two comments:

1) *Demonstration that a weighted average cost rate is inappropriate.* It has been suggested that the authorized return on equity should be a weighted average of the flotation-adjusted cost rate, r = 15.5263 per cent, and the DCF cost rate, k = 15 per cent, with the weights being based on common equity and accumulated retained earnings, respectively. When we programmed our model to reflect these conditions, we obtained the results shown in Table 4. A problem obviously exists – if dividends are to grow at the 5 per cent rate that investors expect, and if earnings are based on a weighted average of k and r, then a higher and higher percentage of earnings will have to paid out. Thus, the payout ratio will rise. In Year 34 the payout ratio will exceed 100 per cent, so retained earnings will start to decline. Retained earnings actually go negative in Year 45, and Total Common Equity goes negative in Year 46, which means the company is officially bankrupt. This example demonstrates, in yet another way, that the flotation-adjusted cost of equity must be earned on all common equity if investors are to receive the DCF return to which they are entitled under prudent management. The example also demonstrates that, if investors were informed that the regulatory treatment implied in Table 4 were going to be employed, they would not invest in the company in the first place.

2) *Logical explanation.* To understand *why* the Equation 5 value must be applied to all common equity, retained earnings as well as equity raised by selling stock, one must trace through the valuation process. Notice that, in Year 1, investors require a return of 15 per cent on their $10 investment, or $1.50. However, the company earns only $1.4750, of which it pays out one dollar as a dividend and retains 47.5 cents. To give the investor the fifty-cent increase in market value (or capital gain) needed to add to the one dollar dividend to produce the $1.50, or 15 per cent, total DCF return, the 47.5 cents must earn more than 15 per cent. Specifically, it must earn the flotation adjusted cost of equity, r = 15.5263 per cent. This same thought process can be continued in other years, ad infinitum, and the ultimate conclusion is that both the original common equity and all retained earnings must earn r = 15.5263 per cent.

If the preceding paragraph is not clear, we can put it another way. The investor expects and is entitled to earn, under prudent management, a return of 15 per cent on his or her investment. Thus, dividends plus capital gains must total 15 per cent, or $1.50 in the first year. Ten per cent, or one dollar, will come from dividends, so 5 per cent, or 50 cents, must come from capital gains. To obtain a capital gain yield of 50 cents from 47.5 cents of retained earnings, the retained earnings must earn a return greater than k = 15 per cent; specifically, the retained earnings must be allowed to earn r = 15.5263 per cent. (If the 47.5 cents earned 15 per cent, then it would be worth exactly 47.5 cents, not 50 cents.) In Year 2, retained earnings will rise by

5 per cent from 47.5 cents to 49.875 cents; the capital gains then must rise from 50 cents to .50(1.05) = 52.5 cents; the only way this can happen is for the second-year retained earnings to be allowed to earn r = 15.5263 per cent; and so on.

The Effect of the Payout Ratio on the Flotation Cost Adjustment

Even though fair regulation requires that retained earnings be allowed to earn the flotation adjusted cost of equity, the level of retained earnings as affected by the payout ratio does have a material effect on the size of the adjustment.

To illustrate this point, assume (1) that two utilities both have a 15 per cent market cost of equity, that is, k = 15 per cent; (2) that both companies sell at a price of $20; but (3) that one company has a policy of paying out 25 per cent of its earnings and retaining 75 per cent, while the other has the reverse dividend policy. Assume further that both companies earn 15 per cent on their $20 market value, so earnings per share are .15($20) = $3. The high payout company has a dividend of .75($3) = $2.25, while the low payout company has a dividend of .25($3) = 75 cents. At the same time, the low payout company, which plows most of its earnings back into the business, will have a growth rate of g = .75(15 per cent) = 11.25 per cent, while the high payout company will have g = .25(15 per cent) = 3.75 per cent.

Under these conditions, the following situation would exist for the two illustrative companies:

Low payout Company: $k = \frac{D_1}{P_0} + g = \frac{\$\ 0.75}{\$20} + 11.25\%$

$= 3.75\% + 11.25\% = 15\%$

High payout Company: $k = \frac{D_1}{P_0} + g = \frac{\$\ 2.25}{\$20} + 3.75\%$

$= 11.25\% + 3.75\% = 15\%$

Applying the adjustment formula,

$$r = \frac{\text{Expected dividend yield}}{1 - F} + g,$$

we find this situation, assuming that issuance costs are 5 per cent:

High payout Company: $r = \frac{11.25\%}{0.95} + 3.75\%$

$= 11.842\% + 3.75\% = 15.592\%$

Low payout Company: $r = \frac{3.75\%}{0.95} + 11.25\%$

$= 3.947 + 11.25\% = 15.197\%$

Difference = 0.395%

Thus, we see that the company which retains most of its earnings, and which consequently has more retained

Table 4

Case 4: Company Earns Weighted Average k

Year	Common Stock (1)	Retained Earnings (2)	Total Equity (3)	EPS (4)	DPS (5)	Payout Rate (6)	Weighted k (7)
1	$9.5000	$ 0.0000	$ 9.5000	$1.4750	$1.0000	67.7966%	0.1553
2	9.5000	0.4750	9.9750	1.5463	1.0500	67.9062	0.1550
3	9.5000	0.9713	10.4713	1.6207	1.1025	68.0267	0.1548
4	9.5000	1.4894	10.9894	1.6984	1.1576	68.1591	0.1545
5	9.5000	2.0302	11.5302	1.7795	1.2155	68.3047	0.1543
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
33	9.5000	23.2219	32.7219	4.9583	4.7649	96.1006	0.1515
34	9.5000	23.4152	32.9152	4.9873	5.0032	100.3188	0.1515
35	9.5000	23.3993	32.8993	4.9849	5.2533	105.3852	0.1515
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
45	9.5000	−2.3443	7.1557	1.1234	8.2791	736.9935	0.1570
46	The company goes bankrupt						

NOTES:
1) Assumptions made in this case are as follows:
   a) Issue price = $10
   b) Flotation cost = 5%
   c) k = D/P + g = 10% + 5% = 15%
   d) r = 15.5263%
2) The dividend in Year 45 cannot grow by the 5 per cent growth rate, because if it did total equity would become negative. Therefore, the Year 45 dividend is calculated as the remaining portion of total equity + earnings in Year 45: $7.1557 + $1.1234 = $8.2791.

Table 5

Case 5: Company Sells Additional Stock and k Changes

Beginning of Year

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
1	$ 9.5000		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.5000		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.5000		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.5000		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.5000		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.5000	$12.3799	2.6247	24.5046	12.7628	1.0526	1.8889	1.2763	67.5676
7	21.8799		3.8499	25.7298	13.4010	1.0526	1.9833	1.3401	67.5676
8	21.8799		5.1364	27.0163	14.0710	1.0526	1.8123	1.4071	77.6398
9	21.8799		5.9469	27.8268	14.4931	1.0526	1.8667	1.4493	77.6398
10	21.8799		6.7817	28.6616	14.9279	1.0526	1.9227	1.4928	77.6398

NOTES

Assumptions made in this case are as follows:

a) *Original issue price = $10*

b) Year 1 flotation cost = 5%

c) Issue 1 r = 15.5263%

d) Year 6 issue price = $12.7628

e) Year 6 flotation cost = 3%

f) Year 6 new common stock = $12.7628(1 − F)
= $12.7628(0.97)
= $12.3799

g) Additional issue r = 15.3093%

h) Years 1-7, k = D/P + g = 10% + 5% = 15%

i) Years 8-10, k = D/P + g = 10% + 3% = 13%

Table 6

Case 6: Company Sells Additional Stock and k Changes

Beginning of Year

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
1	$ 9.5000		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.5000		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.5000		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.5000		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.5000		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.5000	$12.3799	2.6247	24.5046	12.7628	1.0526	1.8889	1.2763	67.5676
7	21.8799		3.8499	25.7298	13.4010	1.0526	1.9833	1.3401	67.5676
8	21.8799		5.1364	27.0163	14.0710	1.0526	1.8011	1.1257	62.5000
9	21.8799		5.9469	27.3671	14.7746	1.0526	1.8911	1.1820	62.5000
10	21.8799		6.7817	29.7855	15.5133	1.0526	1.9857	1.2411	62.5000

NOTES.

Assumptions made in this case are as follows:

a) Original issue price = $10

b) *Year 1 flotation cost* = 5%

c) Issue 1 r = 15.5263%

d) Year 6 issue price = $12.7628

e) Year 6 flotation cost = 3%

f) Year 6 new common stock = $12.7628(1 − F)
= $12.7628(0.97)
= $12.3799

g) Additional issue r = 15.3093%

h) Years 1-7, k = D/P + g = 10% + 5% = 15%

i) Years 8-10, k = D/P + g = 10% + 3% = 13%

earnings and a smaller dollar amount of flotation costs, also has the lower flotation-adjusted cost of equity. This demonstrates that the issuance cost adjustment formula is itself adjusted to reflect the extent to which a company finances by retaining earnings rather than by selling new common stock.

Changes In the DCF Cost of Equity

We also analyzed the effects of changes in the DCF cost of equity over time. While a change in the DCF k causes a change in earnings, dividends, and the growth rate, the flotation adjustment *process* is not affected – Equation 5 still produces a fair rate of return on book value. This is demonstrated in Tables 5 and 6. It should be noted that the effects of the adjustment as derived by Equation 5 do vary with the level of the DCF cost and with the split between dividend yield and growth. In Case 5, we analyze the effects of a change in the growth rate with the dividend yield held constant, while in Case 6, reversing them, we analyze the effects of a change in the dividend yield with the growth rate held constant. Both cases use Case 3 as their base case. In each instance, a new value for r, based on Equation 5, can be established, and this return on book value permits investors to earn their new DCF cost of equity.

Capitalizing Flotation Costs

Bierman and Hass, almost as an afterthought toward the end of their article, suggested that utilities should be allowed to record the *gross amount* of equity sales and to earn a DCF return on gross equity capital. This would amount to capitalizing flotation costs. These capitalized costs could then be amortized over some prescribed period or else be kept on the books indefinitely.

To show this, we set up computer models using our various cases but capitalizing flotation costs. You can see that earnings, dividends, and stock prices all exactly like those shown in our tables. Thus, capitalizing flotation costs produces exactly the same results as Equation 5.

Capitalizing flotation costs has much to recommend it, for it would eliminate the confusion that has existed. However, a fundamental problem exists for any company that has incurred flotation costs in the past, that is, for virtually the entire utility industry. How would the fact that past flotation costs were not capitalized be dealt with? In other words, capitalizing flotation costs would be an excellent procedure for a new, start-up, company, but such a plan would not be feasible for an existing company without somehow adjusting for past costs. Such an adjustment could be made, but a discussion of it goes beyond the scope of this article.

Conclusion

The proper treatment of equity flotation costs has caused much confusion. Had such costs been either capitalized in the past or else expensed on an as-incurred basis, there would be no problem, but since neither of these practices has generally been followed, the DCF return must be adjusted to produce a fair rate of return on book equity.

Further, the adjustment is always required, irrespective of whether or not a company has plans to sell new stock in the future, and the adjusted return must be earned on total equity, including retained earnings. Otherwise, it would be impossible for investors to earn the cost of equity, even under prudent and efficient management.

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NEW
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Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
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Alternative Sources of Equity

A second controversy is whether a flotation cost allowance should be allowed because a company can always obtain equity from sources other than a public issue of common stock, such as a rights issue for example. There are several sources of equity capital available to a firm, including: public common stock issues, conversions of convertible preferred stock, dividend reinvestment plans, employees' savings plans, warrants, and stock dividend programs. Each carries its own set of administrative costs and flotation cost components, including discounts, commissions, corporate expenses, offering spread, and market pressure.

Equity capital raised through a public issue is typically more expensive than alternate sources of equity. Rights issues, when available, are less expensive, but direct costs still would be incurred. Of course, a rights issue assumes that a willing underwriter and a willing market could be found for such offerings in the first place, an unlikely event in public capital markets for small unproven companies. Internal sources of equity, including dividend reinvestment and/or employee stock option plans, are also typically less expensive, unless a discount on the purchase price is inherent in the plan, in which case they are often equivalent to a public issue. Direct costs are also incurred in an employee stock savings plan and/or a shareholder dividend reinvestment plan.

The flotation cost allowance is still warranted, however, because it is a composite factor that reflects the historical mix of all these sources of equity. The flotation cost allowance applicable to all the company's book equity is actually a weighted average of the current allowances required for each past financing, that is, the flotation cost allowance factor is a build-up of historical flotation cost adjustments associated and traceable to each component of equity source. However, it is impractical and prohibitive to start from the inception of a company and source all present equity from various equity vintages and types of equity capital raised by the company. One way of circumventing the problem of vintaging each form of equity is to source book equity by broad categories of equity, such as dividend reinvestment plan equity, stock option equity, and public issue equity, and calculate a weighted average flotation factor. That is also onerous and cumbersome. A practical solution is to rely on the results of the empirical studies discussed earlier that quantify the average flotation cost factor of a large sample of utility stock offerings.

Efficient Markets

A third controversy centers around the argument that the omission of flotation cost is justified on the grounds that, in an efficient market, the stock price already reflects any accretion or dilution resulting from new issuances of securities and that a flotation cost adjustment results in a double counting effect. The simple fact of the matter is that whatever stock price is set by the

market, the company issuing stock will always net an amount less than the stock price due to the presence of intermediation and flotation costs. As a result, the company must earn slightly more on its reduced rate base in order to produce a return equal to that required by shareholders.

Existing shareholders are made worse off when a company issues new stock below the market price, irrespective of how "efficient" that stock price may be. As seen in an earlier example, the new issue results in a transfer of wealth from existing to new shareholders. This is true regardless of the degree of efficiency of the market.

It has also been argued that a flotation cost allowance is inequitable since it results in a windfall gain to shareholders. This argument is erroneous. As stated previously, the company's common equity account is credited by an amount less than the market value of the issue, so that the company must earn slightly more on its reduced rate base in order to produce a return equal to that required by shareholders. Moreover, existing shareholders are made worse off when a company issues new stock below the market price.

The suggestion that the flotation cost allowance is unwarranted because investors factor this shortcoming in the stock price implies that it is appropriate to use a deficient model because such a deficiency is reflected in stock prices. In other words, it is appropriate to use a deficient model because investors are aware of this. Such circular reasoning could be used to justify any regulatory policy. For example, under this reasoning, it would be appropriate to authorize a return on equity of 1% because investors reflect this fact in the stock price. This is clearly illogical and erroneous. Any regulatory policy, as irrational as it may be, can be justified using this argument.

Absence of Imminent Stock Issues

Another controversy is whether the flotation cost allowance should still be applied when the utility is not contemplating an imminent common stock issue. Some argue that flotation costs are real and should be recognized in calculating the fair return on equity, but only at the time when the expenses are incurred. In other words, the flotation cost allowance should not continue indefinitely, but should be made in the year in which the sale of securities occurs, with no need for continuing compensation in future years. This argument implies that the company has already been compensated for these costs and/or the initial contributed capital was obtained freely, devoid of any flotation costs, which is an unlikely assumption, and certainly not applicable to most utilities. If the flotation costs of past stock issues have been fully recovered, the argument has merit. If that assumption is not met, the argument is without merit. The flotation cost adjustment cannot be strictly forward-looking unless all past flotation costs associated with past issues have been recovered.

REGULATORY FINANCE:

UTILITIES' COST OF CAPITAL

Roger A. Morin, PhD

in collaboration with
Lisa Todd Hillman

1994
PUBLIC UTILITIES REPORTS, INC.
Arlington, Virginia

common equity to obtain the final cost of equity financing.[1] This incremental return is referred to as the "flotation cost allowance," and is the sum total of direct flotation expenses, market pressure, and market break.

To demonstrate the need for adjusting the market-determined return on equity for flotation costs, consider the following simple example. Shareholders invest $100 of capital on which they expect to earn a return of 10%, or $10, but the company nets $95 because of issuance costs. It is obvious that the company will have to earn more than 10% on its net book investment (rate base) of $95 to provide investors with a $10 return on the money actually invested. To provide the same earnings of $10 on a reduced capital base of $95 clearly requires a return higher than the shareholder expected return of 10%, namely $10/$95 = 10.53%. This is because only the net proceeds from an equity issue are used to add to the rate base on which the investor earns.

6.2 Magnitude of Flotation Costs

The flotation cost allowance requires an estimated adjustment to the return on equity of approximately 5% to 10%, depending on the size and risk of the issue. A more precise figure can be obtained by surveying empirical studies on utility security offerings.

According to empirical studies by Borum and Malley (1986) and Logue and Jarrow (1978), underwriting costs and expenses average 4% - 5.5% of gross proceeds for utility stock offerings in the U.S. Eckbo and Masulis (1987) found an average flotation cost of 4.175% for utility common stock offerings, and found that flotation costs increased progressively for smaller size issues.

As far as the market pressure effect is concerned, empirical studies clearly show that the market pressure effect is real, tangible, and measurable. Appendix 6-A describes one method of measuring the market pressure effect. Logue and Jarrow (1978) found that the absolute magnitude of the relative price decline due to market pressure was less than 1.5%. Bowyer and Yawitz (1980) examined 278 public utility stock issues and found an average market pressure of 0.72%. In a classic and monumental study published in the *Journal of Financial Economics*, which reviewed the aggregate empirical evidence on market pressure from several studies, Smith (1986) found a market pressure effect of 3.14% for industrial stock

[1] An alternate way of stating this requirement is that the utility's stock must be maintained at some minimum market-to-book ratio in such a way that the proceeds from new stock issues will not decline below book value per share.

Application of Yankee Gas Services Company for a Rate Increase, DPUC Docket No. 04-06-01
Direct Testimony of George J. Eckenroth (Jul. 2, 2004) at Exhibit GJE-11.1

All Secondary Utility Equity Offerings Since 1/1/2001 $100MM to $500MM

Stock Ticker Symbol	Filing date	Pricing date	Issuer	Amount ($MM)	Gross Spread (%)	Industry	Bookrunner
GXP	04 Jun 2004	08 Jun 2004	Great Plains Energy Inc	150.0	3.50	Utility-Electric Power	ML
WR	17 Mar 2004	25 Mar 2004	Westar Energy Inc	249.3	3.50	Utility-Electric Power	SSB, LEHMAN, WCHV
UGI	22 Jan 2004	18 Mar 2004	UGI Corp	249.7	4.38	Utility-Diversified	CSFB
HE	09 Mar 2004	10 Mar 2004	Hawaiian Electric Industries Inc	103.7	4.00	Utility-Electric Power	ML
PNY	*12 Jan 2004*	*20 Jan 2004*	*Piedmont Natural Gas Co Inc*	*180.6*	*3.51*	*Utility-Gas Distribution*	ML
WPS	13 Nov 2003	19 Nov 2003	WPS Resources Corp	173.1	3.50	Utility-Diversified	AGEDW
SRE	07 Oct 2003	08 Oct 2003	Sempra Energy	462.0	3.00	Utility-Diversified	SSB, JPMHQ, MS
PEG	30 Sep 2003	01 Oct 2003	Public Service Enterprise Group Inc - PSEG	367.1	3.00	Utility-Electric Power	SSB, MS
OGE	19 Aug 2003	21 Aug 2003	OGE Energy Corp	115.0	3.66	Utility-Electric Power	LEHMAN
VVC	31 Jul 2003	07 Aug 2003	Vectren Corp	169.7	3.50	Utility-Diversified	GS
LNT	25 Jun 2003	01 Jul 2003	Alliant Energy Corp	332.1	4.00	Utility-Diversified	BOFA, ML
ATO	17 Jun 2003	18 Jun 2003	Atmos Energy Corp	103.8	4.00	Utility-Gas Distribution	ML
AES	16 Jun 2003	17 Jun 2003	AES Corp	346.2	3.25	Utility-Electric Power	BOFA, LEHMAN
SUG	30 May 2003	05 Jun 2003	Southern Union Co	174.8	3.50	Utility-Gas Distribution	JPMHQ, ML
PPL	14 May 2003	15 May 2003	PPL Corp	270.0	3.25	Utility-Electric Power	MS, SSB, JPMHQ
BKH	21 Apr 2003	24 Apr 2003	Black Hills Corp	124.2	4.75	Utility-Electric Power	CSFB, LEHMAN
ATG	31 Jan 2003	11 Feb 2003	AGL Resources Inc	141.7	3.50	Utility-Gas Distribution	MS, BOFA
AEE	13 Jan 2003	14 Jan 2003	Ameren Corp	222.8	3.26	Utility-Electric Power	GS
PNW	16 Dec 2002	17 Dec 2002	Pinnacle West Capital Corp	206.5	3.50	Utility-Electric Power	SSB, CSFB
POM	09 Dec 2002	09 Dec 2002	Pepco Holdings Inc	110.0	3.90	Utility-Electric Power	ML
GXP	14 Nov 2002	21 Nov 2002	Great Plains Energy Inc	151.8	3.75	Utility-Electric Power	ML
PEG	11 Nov 2002	12 Nov 2002	Public Service Enterprise Group Inc - PSEG	456.0	3.25	Utility-Electric Power	JPMHQ, ML, MS
TE	08 Oct 2002	10 Oct 2002	TECO Energy Inc	213.2	3.00	Utility-Electric Power	MS
SCG	30 Sep 2002	09 Oct 2002	SCANA Corp	150.6	3.25	Utility-Electric Power	UBSW, BOFA
PSC	08 Jul 2002	19 Sep 2002	Philadelphia Suburban Corp	180.4	4.27	Utility-Water Supply	ALEX, UBSW
AEE	03 Sep 2002	04 Sep 2002	Ameren Corp	338.1	3.26	Utility-Electric Power	GS
ILA	19 Jun 2002	27 Jun 2002	Aquila Inc	281.3	3.25	Utility-Electric Power	CSFB
DQE	12 Jun 2002	20 Jun 2002	Duquesne Light Holdings Inc	232.9	3.75	Utility-Electric Power	LEHMAN
DTE	14 Jun 2002	19 Jun 2002	DTE Energy Co	273.6	3.25	Utility-Electric Power	SSB, UBSW
FPL	03 Jun 2002	06 Jun 2002	FPL Group Inc	325.5	3.00	Utility-Electric Power	GS, ML
TE	30 May 2002	04 Jun 2002	TECO Energy Inc	357.1	3.00	Utility-Electric Power	UBSW, CSFB
AEE	19 Feb 2002	26 Feb 2002	Ameren Corp	227.1	3.49	Utility-Electric Power	GS
ILA	22 Jan 2002	24 Jan 2002	Aquila Inc	287.5	3.25	Utility-Electric Power	SSB, UBSW
LNT	25 Oct 2001	08 Nov 2001	Alliant Energy Corp	273.7	3.75	Utility-Diversified	ML
SRP	*24 Jul 2001*	*09 Aug 2001*	*Sierra Pacific Resources*	*353.6*	*3.75*	*Utility-Electric Power*	ML
ORN	11 May 2001	31 May 2001	Orion Power Holdings Inc	355.6	4.25	Utility-Electric Power	GS
ALE	09 May 2001	23 May 2001	ALLETE Inc	153.9	4.00	Utility-Electric Power	UBSW
BKH	22 Mar 2001	18 Apr 2001	Black Hills Corp	175.9	5.50	Utility-Electric Power	CSFB
NRG	16 Feb 2001	07 Mar 2001	NRG Energy Inc	496.8	4.52	Utility-Electric Power	CSFB, ML
TE	20 Feb 2001	06 Mar 2001	TECO Energy Inc	239.3	3.00	Utility-Electric Power	CSFB
ILA	23 Feb 2001	05 Mar 2001	Aquila Inc	342.2	2.76	Utility-Electric Power	ML
VVC	19 Jan 2001	08 Feb 2001	Vectren Corp	134.5	3.48	Utility-Diversified	ML
			Mean	**244.16**	**3.60**		
			Median	230.00	3.50		

Notes
1. Source: Equidesk
2. Excludes Block Trades
3. Includes all utility marketed offerings between $100MM - $500MM. Offering amount includes proceeds raised through exercise of greenshoe (where applicable)
4. U.S. offerings only

Application of Yankee Gas Services Company for a Rate Increase, DPUC Docket No. 04-06-01
Direct Testimony of George J. Eckenroth (Jul. 2, 2004) at Exhibit GJE-11.1
Updated Through April 2005
All Secondary Utility Equity Offerings Since 1/1/2001 $100MM to $500MM

Stock Ticker Symbol	Filing date	Pricing date	Issuer	Amount ($MM)	Gross Spread (%)	Industry	Bookrunner
VVC	19 Jan 2001	08 Feb 2001	Vectren Corp	134.5	3.48	Utility-Diversified	ML
ILA	23 Feb 2001	05 Mar 2001	Aquila Inc	342.2	2.76	Utility-Electric Power	ML
TE	20 Feb 2001	06 Mar 2001	TECO Energy Inc	239.3	3.00	Utility-Electric Power	CSFB
NRG	16 Feb 2001	07 Mar 2001	NRG Energy Inc	496.8	4.52	Utility-Electric Power	CSFB, ML
BKH	22 Mar 2001	18 Apr 2001	Black Hills Corp	175.9	5.50	Utility-Electric Power	CSFB
ALE	09 May 2001	23 May 2001	ALLETE Inc	153.9	4.00	Utility-Electric Power	UBSW
ORN	11 May 2001	31 May 2001	Orion Power Holdings Inc	355.6	4.25	Utility-Electric Power	GS
SRP	24 Jul 2001	09 Aug 2001	Sierra Pacific Resources	353.6	3.75	Utility-Electric Power	ML
LNT	25 Oct 2001	08 Nov 2001	Alliant Energy Corp	273.7	3.75	Utility-Diversified	ML
ILA	22 Jan 2002	24 Jan 2002	Aquila Inc	287.5	3.25	Utility-Electric Power	SSB, UBSW
AEE	19 Feb 2002	26 Feb 2002	Ameren Corp	227.1	3.49	Utility-Electric Power	GS
TE	30 May 2002	04 Jun 2002	TECO Energy Inc	357.1	3.00	Utility-Electric Power	UBSW, CSFB
FPL	03 Jun 2002	06 Jun 2002	FPL Group Inc	325.5	3.00	Utility-Electric Power	GS, ML
DTE	14 Jun 2002	19 Jun 2002	DTE Energy Co	273.6	3.25	Utility-Electric Power	SSB, UBSW
DQE	12 Jun 2002	20 Jun 2002	Duquesne Light Holdings Inc	232.9	3.75	Utility-Electric Power	LEHMAN
ILA	19 Jun 2002	27 Jun 2002	Aquila Inc	281.3	3.25	Utility-Electric Power	CSFB
AEE	03 Sep 2002	04 Sep 2002	Ameren Corp	338.1	3.26	Utility-Electric Power	GS
PSC	08 Jul 2002	19 Sep 2002	Philadelphia Suburban Corp	180.4	4.27	Utility-Water Supply	ALEX, UBSW
SCG	30 Sep 2002	09 Oct 2002	SCANA Corp	150.6	3.25	Utility-Electric Power	UBSW, BOFA
TE	08 Oct 2002	10 Oct 2002	TECO Energy Inc	213.2	3.00	Utility-Electric Power	MS
PEG	11 Nov 2002	12 Nov 2002	Public Service Enterprise Group Inc - PSEG	458.0	3.25	Utility-Electric Power	JPMHQ, ML, MS
GXP	14 Nov 2002	21 Nov 2002	Great Plains Energy Inc	151.8	3.75	Utility-Electric Power	ML
POM	09 Dec 2002	09 Dec 2002	Pepco Holdings Inc	110.0	3.90	Utility-Electric Power	ML
PNW	16 Dec 2002	17 Dec 2002	Pinnacle West Capital Corp	206.5	3.50	Utility-Electric Power	SSB, CSFB
AEE	13 Jan 2003	14 Jan 2003	Ameren Corp	222.8	3.26	Utility-Electric Power	GS
ATG	31 Jan 2003	11 Feb 2003	AGL Resources Inc	141.7	3.50	Utility-Gas Distribution	MS, BOFA
BKH	21 Apr 2003	24 Apr 2003	Black Hills Corp	124.2	4.75	Utility-Electric Power	CSFB, LEHMAN
PPL	14 May 2003	15 May 2003	PPL Corp	270.0	3.25	Utility-Electric Power	MS, SSB, JPMHQ
SUG	30 May 2003	05 Jun 2003	Southern Union Co	174.8	3.50	Utility-Gas Distribution	JPMHQ, ML
AES	16 Jun 2003	17 Jun 2003	AES Corp	346.2	3.25	Utility-Electric Power	BOFA, LEHMAN
ATO	17 Jun 2003	18 Jun 2003	Atmos Energy Corp	103.8	4.00	Utility-Gas Distribution	ML
LNT	25 Jun 2003	01 Jul 2003	Alliant Energy Corp	332.1	4.00	Utility-Diversified	BOFA, ML
VVC	31 Jul 2003	07 Aug 2003	Vectren Corp	169.7	3.50	Utility-Diversified	GS
OGE	19 Aug 2003	21 Aug 2003	OGE Energy Corp	115.0	3.66	Utility-Electric Power	LEHMAN
PEG	30 Sep 2003	01 Oct 2003	Public Service Enterprise Group Inc - PSEG	367.1	3.00	Utility-Electric Power	SSB, MS
SRE	07 Oct 2003	08 Oct 2003	Sempra Energy	462.0	3.00	Utility-Diversified	SSB, JPMHQ, MS
WPS	13 Nov 2003	19 Nov 2003	WPS Resources Corp	173.1	3.50	Utility-Diversified	AGEDW
PNY	12 Jan 2004	20 Jan 2004	Piedmont Natural Gas Co Inc	180.6	3.51	Utility-Gas Distribution	ML
PNY	12 Jan 2004	20 Jan 2004	Piedmont Natural Gas Co Inc	180.6	3.51	Utility - Gas Distribution	ML
HE	09 Mar 2004	10 Mar 2004	Hawaiian Electric Industries Inc	103.7	4.00	Utility-Electric Power	ML
HE	09 Mar 2004	10 Mar 2004	Hawaiian Electric Industries Inc	103.7	4.00	Utility - Electric Power	ML
UGI	22 Jan 2004	18 Mar 2004	UGI Corp	249.7	4.38	Utility-Diversified	CSFB
UGI	22 Jan 2004	18 Mar 2004	UGI Corp	249.7	4.38	Utility - Diversified	CSFB
WR	17 Mar 2004	25 Mar 2004	Westar Energy Inc	249.3	3.50	Utility-Electric Power	SSB, LEHMAN, WCHV
WR	17 Mar 2004	25 Mar 2004	Westar Energy Inc	249.3	3.50	Utility - Electric Power	CITI, LEH, WCHV
GXP	04 Jun 2004	08 Jun 2004	Great Plains Energy Inc	150.0	3.50	Utility-Electric Power	ML
GXP	04 Jun 2004	08 Jun 2004	Great Plains Energy Inc	150.0	3.50	Utility - Electric Power	ML
AEE	30 Jun 2004	30 Jun 2004	Ameren Corp	458.9	3.00	Utility - Electric Power	GS
ATO	07 Jul 2004	13 Jul 2004	Atmos Energy Corp	246.2	4.00	Utility - Gas Distribution	ML
SUG	20 Jul 2004	26 Jul 2004	Southern Union Co	237.2	3.50	Utility - Gas Distribution	JPM, ML
ILA	16 Aug 2004	18 Aug 2004	Aquila Inc	117.3	3.88	Utility - Electric Power	LEH
POM	07 Sep 2004	09 Sep 2004	Pepco Holdings Inc	287.8	3.50	Utility - Electric Power	ML, CSFB
CMS	04 Oct 2004	07 Oct 2004	CMS Energy Corp	298.3	3.50	Utility - Electric Power	CITI, JPM, ML
ATO	14 Oct 2004	21 Oct 2004	Atmos Energy Corp	398.5	4.00	Utility - Gas Distribution	ML
ATG	15 Nov 2004	18 Nov 2004	AGL Resources Inc	342.4	3.00	Utility - Gas Distribution	MS, JPM
IDA	07 Dec 2004	09 Dec 2004	Idacorp Inc	120.8	4.00	Utility - Electric Power	MS
SUG	07 Feb 2005	07 Feb 2005	Southern Union Co	343.0	3.04	Utility - Gas Distribution	ML, JPM
PNM	18 Mar 2005	23 Mar 2005	PNM Resources Inc	104.6	3.25	Utility - Electric Power	MS, BOFA, WCHV
CMS	28 Mar 2005	30 Mar 2005	CMS Energy Corp	281.8	3.50	Utility - Electric Power	CITI, JPM, DB, WCHV
PNW	26 Apr 2005	27 Apr 2005	Pinnacle West Capital Corp	256.0	3.25	Utility - Electric Power	LEH
			Mean	**244.68**	**3.59**		

Notes
1. Source: Exhibit GJE-11.1, Equidesk
2. Excludes Block Trades
3. Includes all utility marketed offerings between $100MM - $500MM. Offering amount includes proceeds raised through exercise of greenshoe (where applicable)
4. U.S. offerings only

Blue Chip Financial Forecasts®

Top Analysts' Forecasts Of U.S. And Foreign Interest Rates, Currency Values And The Factors That Influence Them

Vol. 32, No. 6, June 1, 2013

Wolters Kluwer
Law & Business

BLUE CHIP FINANCIAL FORECASTS®

EXECUTIVE EDITOR:
RANDELL E. MOORE
3663 Madison Ave.
Kansas City, MO 64111
Phone (816) 931-0131
Fax (816) 931-0430
E-mail: *randy.moore@wolterskluwer.com*

Publisher: Richard Rubin
Marketing Director: Dom Cervi

Blue Chip Financial Forecasts® (ISSN: 0741-8345) is published monthly by Aspen Publishers, 76 Ninth Avenue, New York, NY 10011. Printed in the U.S.A.

Subscriptions: $1109 per year for print or e-mail delivery of 12 monthly issues. $1325 per year for both print and e-mail delivery of 12 monthly issues. For multiple-copy rates and site-license agreements call Terry Watkins in the U.S. toll free at 888-200-2984 or use 212-740-2976 and 786-216-7699. You may also contact her at: *terry.watkins@wolterskluwer.com*

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More Upbeat About Growth, More Worried About Tapering

Domestic Commentary Based on signs of greater-than-expected resiliency on the part of the private sector in the face of federal fiscal drag consensus forecasts of U.S. economic growth in Q2 and Q3 of this year rebounded slightly over the past month, according to our May 22nd-23rd survey. Nonetheless, the pace of the expansion this quarter and next still is expected to fall somewhat short of the 2.5% (saar) growth in real GDP seen in Q1. The consensus currently anticipates the economy will grow 1.9% (saar) in the current quarter and 2.4% in Q3, both estimates 0.1 of a percentage point faster than a month ago. The consensus estimate of real GDP's growth rate in Q4 of this year remained this month at 2.7% this month. In 2014, the consensus now anticipates real GDP growth rates of 2.8% in Q1, and 2.9% in Q2 and Q3. The Q1 2014 estimate rose 0.1 of a percentage point this month, the Q2 estimate was unchanged and the Q3 forecast slipped 0.1 of a point. Consensus forecasts of inflation continued to trend somewhat lower this month. The Consumer Price Index is expected to register very little this quarter and grow at a 2.0% annualized rate in the second half of this year and the first half of 2014. The outlook for the GDP chained price index looks similarly benign.

The effects of the March 1st budget sequestration largely accounts for the forecast of tamer real GDP growth this quarter and next. However, its implementation appears to be taking longer than many anticipated. As a result, some of the impact anticipated in Q2 will likely show up in Q3 data, evening out between the quarters the degree of drag felt on GDP. Also expected to weigh on GDP growth this quarter and next is a slower pace of expansion in consumer spending than that witnessed in Q1, coupled with the lack of a major contribution from private inventories as was the case last quarter.

The consensus assumes growth in real personal consumption expenditures (PCE) will moderate to a bit more than 2.0% (saar) in the current quarter following the above-trend 3.2% performance in Q1. Thereafter, growth of slightly less than 2.5% is expected in the second half of the year. Driving the improvement will be continued improvement in the labor markets, greater discretionary spending due to lower energy prices, the positive wealth effects associated with rising equity prices and home values, easing credit standards, and a diminished household debt burden. Nonetheless, a sustained return to 3.0%-plus growth in real PCE appears unlikely in the medium term.

Growth in nonresidential fixed investment is likely to remain relatively subdued this quarter and next but modestly better than the 2.1% gain registered in Q1. Equipment and software investment is expected to remain a contributor to GDP, likely averaging growth of about 5% (saar) in the second half as firms continue to seek productivity increases. However, investment in business structures may add little if any to GDP growth this year. Residential investment, on the other hand, should continue to register 10%-15% (saar) growth this quarter and next, and perhaps even more in Q4, as the housing recovery gains further momentum. While housing starts fell more than 16% in April, much of the decline resulted from a nearly 40% plunge in starts of multi-family homes after months of strong gains. Starts of single-family homes fell only 2.1%. Poor weather in some regions of the country also likely contributed to the decline in starts. Moreover, total permits, a leading indicator for starts, jumped 14.3% in April.

After subtracting about half a percentage point from GDP growth in Q1, real net exports are likely to neither add, nor subtract, much from GDP growth over the remainder of this year, held back by still relatively subdued growth abroad and a strengthening dollar that curtails export demand. After contributing a large 1.2 percentage points to real GDP's rate of growth in Q1, private business inventories may subtract ever so slightly from growth this quarter despite a further increase in farm inventories and add only slightly to GDP in Q3 as auto production is ramped up. Partially reflecting the lack of inventory building at present, manufacturing output fell in both March and April and early reads on activity in May are mixed, suggesting growth in total production may slip to 2.0% (saar) or so in the current quarter versus almost 5.0% in Q1. Nonetheless, manufacturing activity is expected to bounce back in the second half, driven especially by the residential construction and automotive sectors. Indeed, automakers have already announced curtailed production shutdowns this summer due to the strength of demand.

The drag on GDP from federal spending will remain considerable in the current quarter and next due to the budget sequester, but diminish considerably by Q4, according to most analysts. Federal spending subtracted 1.2 percentage points from real GDP's growth rate in Q4 2012 and another 0.7 of a point in Q1 of this year. In Q2 and Q3 of this year, it may subtract 0.4-0.5 of a percentage point from growth, but perhaps just 0.2 of a point in Q4. Moreover, while federal spending may remain a slight drag on growth next year, the multi-year drag from state and local spending appears to have largely run its course. Indeed, state and local government spending should actually contribute slightly to GDP in the second half of 2013 and in 2014.

As expected, there was minimal fresh news out of the Federal Reserve's April 30th-May 1st meeting. The most noteworthy change in the policy statement was the acknowledgement in reference to the current asset purchase program that the FOMC was "prepared to increase or reduce the pace of purchases" as the labor market and or inflation outlook changed. Nonetheless, Treasury yields have moved up since the meeting on renewed worries by market participants about when and how the Fed will begin to taper off and eventually end its current monthly purchases of $85 billion in Treasury notes and mortgage-backed securities.

Minutes of the FOMC meeting released on May 22nd, combined with Congressional testimony from Fed Chairman Ben Bernanke on the same day, added to market jitters. The minutes were a bit more optimistic on the labor markets as "most" participants noted progress on job creation, though not enough, according to "many", to warrant tapering of the purchase program. In contrast, "a number" of participants "expressed willingness" to taper "as early as the June meeting" if, and only if, there was "evidence of sufficiently strong and sustained growth."

During the question and answer portion of his Congressional testimony, Bernanke acknowledged that the Fed could potentially start tapering the size of its purchases in the "next few months." However, in his written testimony and during the question and answer period, Bernanke repeatedly emphasized the importance of remaining accommodative and that a premature tightening would endanger the recovery. His testimony also noted the low level of inflation and minutes of the FOMC meeting said inflation "bore careful watching." Nonetheless, dampening market expectations about an earlier-than-expected tapering off and eventual end of the asset purchase program will remain a challenge for the Fed in coming months.

Consensus Forecast The federal budget sequester is expected to hold real GDP growth in Q2 and Q3 of this year to less than 2.5% but as federal fiscal drag subsides late this year the pace of economic growth will accelerate to just short of 3.0% by the spring of 2014. Inflation is expected to remain benign over the forecast horizon. Treasury yields have bottomed and will work their way higher over the forecast horizon as the economy improves and markets anticipate a tapering off in the size of the Fed's monthly asset purchase program and its eventual end. History suggests the rise in yields will likely be be more jagged, and at times more violent, than suggested by the consensus forecast *(see page 2)*.

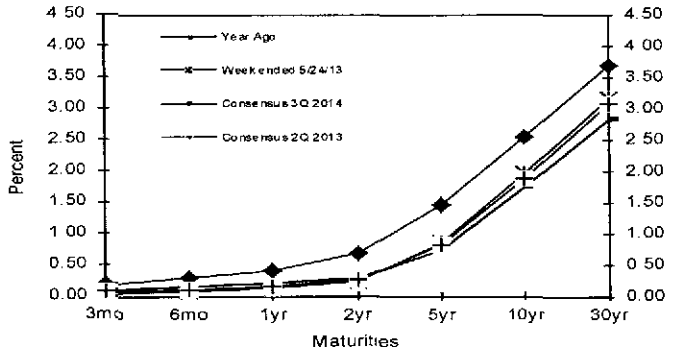
Special Questions On page 14 are results of our twice-yearly long-range forecast survey with estimates for the years 2015 through 2019 and averages for the 5-year periods 2015-2019 and 2020-2024.

Consensus Forecasts Of U.S. Interest Rates And Key Assumptions[1]

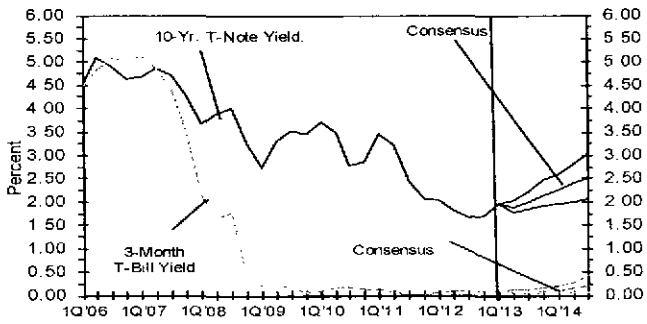
	History								Consensus Forecasts-Quarterly Avg.					
	Average For Week Ending				Average For Month			Latest Q	2Q	3Q	4Q	1Q	2Q	3Q
Interest Rates	May 24	May 17	May 10	May 3	Apr.	Mar.	Feb.	1Q 2013	2013	2013	2013	2014	2014	2014
Federal Funds Rate	0.10	0.12	0.14	0.13	0.15	0.14	0.15	0.14	0.2	0.2	0.2	0.2	0.2	0.2
Prime Rate	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.3	3.3	3.3	3.3	3.3	3.3
LIBOR, 3-mo.	0.27	0.27	0.28	0.27	0.28	0.28	0.29	0.29	0.3	0.3	0.3	0.3	0.4	0.4
Commercial Paper, 1-mo.	0.07	0.07	0.07	0.07	0.08	0.10	0.12	0.11	0.1	0.1	0.2	0.2	0.2	0.2
Treasury bill, 3-mo.	0.04	0.04	0.04	0.05	0.06	0.09	0.10	0.09	0.1	0.1	0.1	0.1	0.2	0.2
Treasury bill, 6-mo.	0.08	0.08	0.08	0.08	0.09	0.11	0.12	0.11	0.1	0.1	0.2	0.2	0.2	0.3
Treasury bill, 1 yr.	0.12	0.12	0.11	0.11	0.12	0.15	0.16	0.15	0.2	0.2	0.2	0.3	0.3	0.4
Treasury note, 2 yr.	0.25	0.25	0.23	0.21	0.23	0.26	0.27	0.27	0.3	0.3	0.4	0.4	0.6	0.7
Treasury note, 5 yr.	0.85	0.83	0.76	0.68	0.71	0.82	0.85	0.83	0.8	0.9	1.0	1.2	1.3	1.5
Treasury note, 10 yr.	1.95	1.93	1.83	1.70	1.76	1.96	1.98	1.95	1.9	2.0	2.1	2.3	2.4	2.5
Treasury note, 30 yr.	3.16	3.14	3.02	2.87	2.93	3.16	3.17	3.14	3.1	3.2	3.3	3.4	3.5	3.7
Corporate Aaa bond	3.93	3.91	3.81	3.69	3.73	3.93	3.90	3.88	3.8	3.9	4.0	4.1	4.2	4.3
Corporate Baa bond	4.75	4.74	4.65	4.52	4.59	4.85	4.85	4.81	4.7	4.8	4.9	5.0	5.1	5.2
State & Local bonds	3.70	3.61	3.67	3.77	3.92	3.96	3.72	3.76	3.7	3.8	3.8	3.9	4.0	4.0
Home mortgage rate	3.59	3.51	3.42	3.35	3.45	3.57	3.53	3.50	3.5	3.6	3.7	3.8	4.0	4.1
	History								Consensus Forecasts-Quarterly					
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Key Assumptions	2011	2011	2011	2012	2012	2012	2012	2013	2013	2013	2013	2014	2014	2014
Major Currency Index	69.6	69.9	72.4	72.9	73.9	74.0	73.2	74.7	76.0	76.7	76.7	76.9	77.2	77.2
Real GDP	2.5	1.3	4.1	2.0	1.3	3.1	0.4	2.5	1.9	2.4	2.7	2.8	2.9	2.9
GDP Price Index	2.6	3.0	0.4	2.0	1.6	2.7	1.0	1.2	1.4	2.0	1.8	1.9	2.0	2.0
Consumer Price Index	4.7	2.9	1.4	2.3	1.0	2.1	2.2	1.4	0.5	2.1	2.0	2.0	2.1	2.3

Forecasts for interest rates and the Federal Reserve's Major Currency Index represent averages for the quarter. Forecasts for Real GDP, GDP Price Index and Consumer Price Index are seasonally-adjusted annual rates of change (saar). Individual panel members' forecasts are on pages 4 through 9. Historical data for interest rates except LIBOR is from Federal Reserve Release (FRSR) H.15. LIBOR quotes available from *The Wall Street Journal*. Interest rate definitions are the same as those in FRSR H.15. Treasury yields are reported on a constant maturity basis. Historical data for the Fed's Major Currency Index is from FRSR H.10 and G.5. Historical data for Real GDP and GDP Chained Price Index are from the Bureau of Economic Analysis (BEA). Consumer Price Index (CPI) history is from the Department of Labor's Bureau of Labor Statistics (BLS).

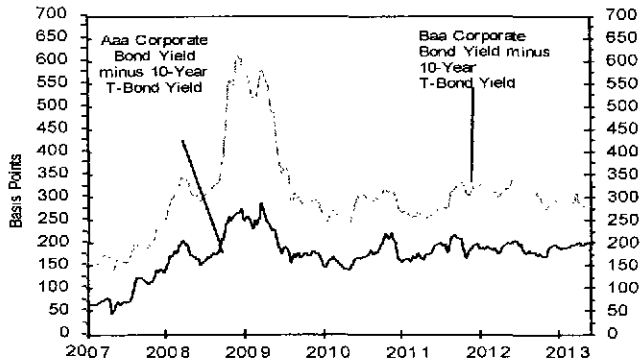
U.S. Treasury Yield Curve
Week ended May 24, 2013 and Year Ago vs.
2Q 2013 and 3Q 2014 Consensus Forecasts



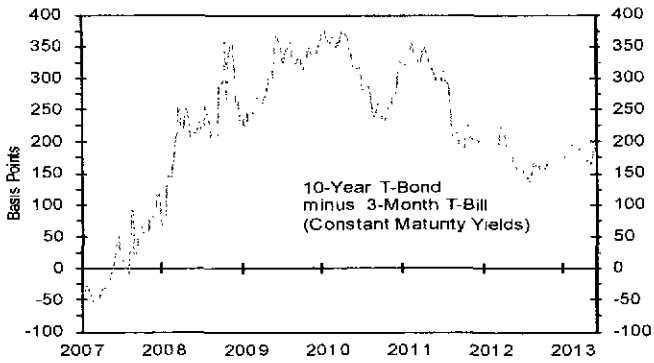
U.S. 3-Mo. T-Bills & 10-Yr. T-Note Yield
(Quarterly Average) History Forecast



Corporate Bond Spreads
As of week ended May 24, 2013



U.S. Treasury Yield Curve
As of week ended May 24, 2013



----------3-Month Interest Rates[1]----------

	History: Latest:	Month Ago:	Year Ago:	Consensus Forecasts Months From Now: 3	6	12
U.S.	0.42	0.45	0.66	**0.28**	**0.29**	**0.35**
Japan	0.28	0.14	0.30	**0.20**	**0.20**	**0.20**
U.K.	0.66	0.66	1.02	**0.50**	**0.50**	**0.53**
Switzerland	0.07	0.10	0.13	**0.02**	**0.02**	**0.02**
Canada	1.28	1.29	1.56	**1.10**	**1.20**	**1.40**
Australia	3.21	3.21	4.13	**2.70**	**2.80**	**2.90**
Eurozone	0.25	0.25	0.68	**0.19**	**0.21**	**0.30**

----------10-Yr. Government Bond Yields[2]------

	History: Latest:	Month Ago:	Year Ago:	Consensus Forecasts Months From Now: 3	6	12
U.S.	2.02	1.71	1.75	**1.97**	**2.11**	**2.47**
Germany	1.44	1.23	1.37	**1.38**	**1.46**	**1.64**
Japan	0.84	0.59	0.89	**0.73**	**0.78**	**0.95**
U.K.	1.92	1.72	1.75	**2.00**	**2.09**	**2.43**
France	1.94	1.75	2.53	**2.08**	**2.12**	**2.21**
Italy	4.04	4.09	5.80	**4.39**	**4.24**	**4.11**
Switzerland	0.65	0.62	0.64	**0.81**	**1.01**	**1.05**
Canada	1.96	1.74	1.80	**2.00**	**2.23**	**2.66**
Australia	3.34	3.21	3.16	**3.26**	**3.32**	**3.51**
Spain	4.30	4.33	6.33	**4.32**	**4.23**	**4.12**

----------Foreign Exchange Rates[1]----------

	History: Latest:	Month Ago:	Year Ago:	Consensus Forecasts Months From Now: 3	6	12
U.S.	77.862	76.498	74.391	**78.2**	**79.2**	**79.5**
Japan	102.98	99.280	79.140	**102.1**	**103.7**	**105.2**
U.K.	1.5173	1.5254	1.5788	**1.49**	**1.46**	**1.46**
Switzerland	0.9731	0.9324	0.9442	**0.97**	**0.99**	**1.02**
Canada	1.0268	1.0264	1.0211	**1.02**	**1.02**	**1.01**
Australia	0.9737	1.0297	0.9819	**1.00**	**1.00**	**1.00**
Euro	*1.2818*	*1.3066*	*1.2721*	**1.28**	**1.25**	**1.24**

	Consensus 3-Month Rates vs. U.S. Rate: Now	In 12 Mo.
Japan	-0.14	**-0.15**
U.K.	0.24	**0.19**
Switzerland	-0.35	**-0.33**
Canada	0.86	**1.06**
Australia	2.79	**2.56**
Eurozone	-0.17	**-0.04**

	Consensus 10-Year Gov't Yields vs. U.S. Yield: Now	In 12
Germany	-0.58	**-0.83**
Japan	-1.18	**-1.52**
U.K.	-0.10	**-0.04**
France	-0.08	**-0.26**
Italy	2.02	**1.64**
Switzerland	-1.37	**-1.42**
Canada	-0.06	**0.19**
Australia	1.32	**1.04**
Spain	2.28	**1.65**

Forecasts of panel members are on pages 10 and 11. Definitions of variables are as follows: [1]Three month rate on interest-earning money market deposits denominated in selected currencies. [2]Government bonds are yields to maturity. Foreign exchange rate forecasts for U.K., Australia and the Euro are U.S. dollars per currency unit. For the U.S dollar, forecasts are of the U.S. Federal Reserve Board's Major Currency Index.

International Commentary Global GDP growth in Q1 of this year proved to be softer than assumed by most economists at the turn of year. The same may be true in the current quarter as manufacturing activity temporarily downshifts. Nonetheless, the consensus continues to anticipate a decided upturn in growth during the second half of this year with further improvement in 2014. In the U.S., real GDP grew 2.5% (saar) in Q1: an improvement over the subdued 0.4% pace in Q4 2012, but short of the 3.0%-plus expected by the consensus. Real GDP in the Eurozone during Q1 contracted 0.8% (saar). That marked an improvement over the 2.4% decline in Q4 2012 but still represented the sixth consecutive quarterly contraction. Italy and Spain's economies contracted 2.0 (saar), France's 0.8%, and the Netherlands 0.4%. German real GDP bucked the trend, eking out growth of 0.4%. China's economy grew a slower-than-expected 6.4% (saar) in Q1 as stronger consumer spending failed to offset softer-than-expected factory output and business investment. The exceptions among major nations to the Q1 disappointment included Japan, the U.K. and most likely, Canada and Australia. In Japan, the impact of "Abenomics" on the yen, asset markets and consumer and business sentiment, likely proved potent enough to lift real GDP growth during the quarter to 3.0% (saar) or more following the 1.0% gain in the final quarter of last year. The U.K.'s economy dodged a feared triple-dip recession in Q1 by registering positive but still subdued growth of 1.2% (saar). Canada's economy likely posted real GDP growth slightly in excess of 2.0% (saar), versus a second half 2012 average of less than 1.0%, while real GDP growth in Australia likely jumped to 4.0% (saar), the best performance in more than a year.

In the current quarter, U.S. real GDP growth is predicted by the consensus to slip to 2.0% or slightly less, primarily on the basis of slower consumer spending than in Q1. Growth averaging 2.5% is expected in the second half of this year. In the Eurozone, real GDP will likely contract once more but by less than in Q1 as growth in Germany rebounds to 1.0% or so. The second half of this year should see the Eurozone emerge from recession as austerity measures are curtailed but the pace of real GDP growth is expected to remain less than 1.0% due to continued weakness along its southern flank. Japan is likely to register a second straight quarter of 3.0%-plus real GDP growth in the current quarter, but moderate a bit thereafter as the initial boost from aggressive moves by the Bank of Japan plays out. The U.K.'s economy is expected to continue its gradual recovery, posting real GDP growth in Q2 of this year about on par with that in Q1. Nonetheless, growth of less than 2.0% in the second half of this year remains the consensus forecast. The pace of real GDP growth Canada and Australia likely peaked for the year in Q1 softer-than-expected growth in China takes its toll on these export-dependent nations.

As for central bank moves, the consensus believes the Fed will begin to taper the size of its asset purchase program near the end of this year. The European Central Bank cut its benchmark overnight rate by 25 basis points to 0.5% in early May, extended access to unlimited bank financing through at least the middle of 2014, and left the door open to a negative deposit rate. The May action likely marked the end of its rate cuts unless growth badly falters in the second half of the year. The Bank of England's Monetary Policy Committee left the size of its QE policy unchanged in early May. Mark Carney will take over as head of the BOE in June but unless the recovery falters, no additional easing from the bank is expected this year. The Bank of Japan remains petal to the metal with its super aggressive stance. However, communication missteps by Governor Kuroda have roiled markets. Policy at the Bank of Canada is presumed to remain on hold the rest of this year with an eventual tightening likely to occur in the first half of 2013. Encouraged by lower-than-expected inflation, a strong currency, and faltering economic momentum, the Reserve Bank of Australia cut its cash rate by another 25 basis points to 2.75% in early May *(see pages 10-11 for individual panelists' forecasts).*

Second Quarter 2013

Interest Rate Forecasts

Key Assumptions

Blue Chip Financial Forecasts Panel Members	Percent Per Annum -- Average For Quarter															Avg For Qtr	(Q-Q % Change) (SAAR)		
	Short-Term						Intermediate-Term					Long-Term							
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	A.	B	C	D
	Federal Funds Rate	Prime Bank Rate	LIBOR Rate 3-Mo.	Com. Paper 1-Mo.	Treas Bills 3-Mo	Treas Bills 6-Mo	Treas. Bills 1-Yr	Treas Notes 2-Yr	Treas. Notes 5-Yr.	Treas Notes 10-Yr.	Treas. Bond 30-Yr.	Aaa Corp. Bond	Baa Corp Bond	State & Local Bonds	Home Mtg. Rate	Fed's Major Currency $ Index	Real GDP	GDP Price Index	Cons Price Index
Bank of Toyko-Mitsubishi UFJ	0.3 H	3.3 H	0.3 H	0.2	0.1	0.2	0.2	0.3	0.8	2.1 H	3.3	3.8	4.9	3.8	3.7	77.0	1.5	2.0	-0.2
Swiss Re	0.3 H	3.3	0.3 H	0.2	0.1	0.2	0.2	0.4 H	0.8	2.0	3.2	3.9	4.9	na	3.9 H	na	1.5	1.0	1.0
Scotiabank Group	0.3 H	3.3	na	na	0.1	na	na	0.3	0.8	1.7 L	2.9 L	na	na	na	na	na	2.2	1.8	1.8
RBC Capital Markets	0.3 H	3.3	na	na	0.1	0.1 L	0.1 L	0.3	0.8	1.9	3.0	na	na	na	na	na	1.3	1.7	2.5 H
Barclays Capital	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.2 L	0.8	1.8	3.0	3.8	4.7	3.8	3.5	na	1.5	0.5	-0.1
Wells Fargo	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.7 L	1.9	3.1	3.8	4.6	3.7	3.5	76.8	1.2	2.0	0.6
Georgia State University	0.2	3.3	na	na	0.2 H	0.2	0.2	0.3	0.8	1.9	3.1	3.9	5.0 H	na	3.4 L	na	0.7 L	1.8	1.0
Wintrust Wealth Management	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.3 H	0.3	0.9	1.9	3.0	3.8	4.7	3.7	3.5	76.8	2.0	1.8	1.5
Kellner Economic Advisers	0.2	3.3	0.3 H	0.1 L	0.1	0.2	0.3	0.3	1.0	1.8	3.0	3.8	4.8	3.8	3.5	74.0	1.0	1.5	1.7
Mesirow Financial	0.2	3.3	0.3 H	0.2	0.2 H	0.3 H	0.3	0.4 H	0.9	1.9	3.0	3.9	4.8	3.7	3.5	76.9	1.5	0.7	0.4
AIG	0.2	na	na	na	0.1	na	na	0.3	1.0	2.0	3.2	3.6	4.7	na	3.5	na	2.3	1.4	1.1
PNC Financial Services Corp	0.2	3.3	0.3 H	na	0.1	0.1 L	0.1 L	0.2 L	0.7 L	1.8	na	na	4.7	3.9	3.4 L	73.8	1.5	0.2	-1.4 L
RidgeWorth Investments	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.7 L	1.7 L	3.1	3.7	4.6	3.6 L	3.4 L	78.4	2.0	1.4	-1.4 L
Daiwa Capital Markets America	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.3	0.8	2.0	3.1	3.9	4.8	3.6 L	3.5	77.0	1.8	1.0	-0.6
Societe Generale	*0.2*	*3.3*	*0.3 H*	*na*	*na*	*na*	*na*	*0.2 L*	*0.9*	*1.9*	*3.0*	*na*	*na*	*na*	*na*	*na*	*1.9*	*1.5*	*-0.6*
Standard & Poor's Corp	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.7 L	1.8	na	3.7	4.5	3.9	3.4 L	na	2.1	0.6	-0.5
The Northern Trust Company	0.2	3.3	0.3 H	0.4 H	0.1	0.1 L	0.2	0.3	0.8	1.9	3.0	3.8	4.8	4.0	3.6	na	1.8	1.3	-0.4
RBS Securities	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.8	1.8	3.0	3.8	4.6	3.8	3.4 L	78.0 H	2.2	0.6	-0.3
Action Economics	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.9	1.9	3.1	3.9	4.7	3.9	3.5	76.4	2.0	0.4	-0.2
Chmura Economics & Analytics	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.7 L	1.8	3.0	3.8	na	na	3.4 L	71.5	1.9	1.8	0.0
Fannie Mae	0.2	3.3	0.3 H	na	na	na	0.1 L	0.3	0.8	1.9	3.0	na	4.7	na	3.5	na	1.3	0.9	0.3
Naroff Economic Advisors	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.8	2.0	3.1	4.0 H	4.8	4.1 H	3.7	76.5	2.9	2.2 H	0.5
Woodworth Holdings	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.8	1.9	3.0	3.9	4.7	3.6 L	3.6	77.0	1.5	1.1	1.1
SunTrust Banks	0.2	3.3	0.2 L	0.1 L	0.1	0.1 L	0.1 L	0.3	0.9	1.9	3.0	3.9	4.7	3.8	3.6	70.3 L	1.6	1.9	1.2
Chase Wealth Management	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.9	2.0	3.1	4.0	4.8	3.7	3.5	77.8	2.0	1.6	1.3
Oxford Economics	0.2	3.3	0.3 H	na	0.1	0.1 L	0.2	0.3	0.8	1.8	2.9 L	na	na	na	3.4 L	76.2	1.7	1.8	1.6
Wells Capital Management	0.2	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.3	0.8	1.9	3.1	3.9	4.7	3.7	3.4 L	77.0	1.8	1.6	1.9
ClearView Economics	0.2	3.3	0.3 H	0.1 L	0.0 L	0.1 L	0.1 L	0.2 L	0.8	1.9	3.1	3.9	4.7	3.7	3.5	78.0 H	3.2 H	1.8	2.4
Pierpont Securities	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.8	1.9	3.1	3.8	4.7	3.8	3.5	76.8	2.3	1.8	-0.1
Loomis Sayles & Company	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.8	1.8	3.0	3.8	4.7	3.7	3.4 L	77.6	1.7	0.6	0.0
DePrince & Associates	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.3	0.9	2.0	3.2	3.9	4.8	3.6 L	3.5	73.3	2.2	1.5	0.0
Stone Harbor Investment Partners	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.8	1.9	3.1	3.9	4.8	na	3.6	76.0	3.0	1.5	0.1
J.W. Coons Advisors LLC	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.8	1.9	3.1	3.8	4.7	na	3.5	74.6	1.3	1.0	-0.2
J.P. Morgan Chase	0.1 L	na	0.3 H	na	na	na	na	0.3	0.9	2.0	3.2	na	na	na	na	na	2.0	1.4	-0.2
UBS	0.1 L	na	0.3 H	na	0.1	na	na	0.3	0.8	1.8	3.1	na	na	na	na	na	2.9	1.8	-0.1
BMO Capital Markets	0.1 L	3.3	0.3 H	na	0.1	0.1 L	0.1 L	0.3	0.8	1.9	3.0	na	na	na	3.5	76.7	2.0	0.0 L	0.0
Bank of America Merrill Lynch	0.1 L	na	0.3 H	na	0.0 L	na	na	0.2 L	0.7 L	1.8	2.9 L	na	na	na	na	na	1.8	1.3	0.1
Moody's Capital Markets Group	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.2 L	0.8	1.8	3.0	3.8	4.7	3.6 L	3.5	76.9	1.7	1.7	0.1
Goldman Sachs & Co	0.1 L	na	0.3 H	na	0.0 L	na	na	0.3	0.9	2.1 H	3.3	na	na	na	3.7	na	2.0	1.5	0.6
Nomura Securities, Inc.	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.8	1.8	3.0	3.8	4.6	na	3.4 L	75.0	1.4	1.2	1.4
GLC Financial Economics	*0.1 L*	*3.3*	*0.3 H*	*0.1 L*	*0.1*	*0.1 L*	*0.1 L*	*0.2 L*	*0.8*	*1.9*	*3.1*	*3.8*	*4.7*	*3.8*	*3.5*	*78.1*	*1.6*	*1.7*	*1.8*
Economist Intelligence Unit	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.8	1.9	3.1	na	na	na	3.5	na	2.3	na	1.9
MacroFin Analytics	0.1 L	3.3	0.3 H	0.1 L	0.0 L	0.1 L	0.1 L	0.2 L	0.8	1.9	3.1	3.9	4.8	3.7	3.5	77.6	1.5	1.4	1.3
Russell Investments	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.3	0.9	1.9	3.1	3.9	4.7	3.7	3.9 H	76.3	2.4	1.6	-0.6
Nat'l Assn of Realtors	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.1 L	0.3	0.8	1.8	3.0	3.8	4.7	3.9	3.5	na	2.5	1.8	-0.5
RDQ Economics	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.3	0.9	2.0	3.2	3.9	4.9	3.7	3.6	76.6	2.2	1.9	0.5
Cycledata Corp	0.1 L	3.3	0.3 H	0.1 L	0.1	0.1 L	0.2	0.3	0.8	1.8	2.9 L	3.8	4.8	3.6 L	3.4 L	76.0	1.8	1.8	1.7
Moody's Analytics	0.0 L	3.3 L	0.3 H	0.2	0.1	0.2	0.2	0.4 H	1.3 H	2.0	3.4 H	3.4 L	4.4 L	na	3.9 H	na	1.8	2.2 H	1.4
June Consensus	**0.2**	**3.3**	**0.3**	**0.1**	**0.1**	**0.1**	**0.2**	**0.3**	**0.8**	**1.9**	**3.1**	**3.8**	**4.7**	**3.7**	**3.5**	**76.0**	**1.9**	**1.4**	**0.5**
Top 10 Avg.	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.3	0.9	2.0	3.2	3.9	4.8	3.9	3.7	77.4	2.6	1.9	1.9
Bottom 10 Avg.	0.1	3.3	0.3	0.1	0.0	0.1	0.1	0.2	0.7	1.8	2.9	3.7	4.6	3.6	3.4	74.1	1.3	0.6	-0.7
May Consensus	0.2	3.3	0.3	0.1	0.1	0.1	0.2	0.3	0.8	1.9	3.0	3.8	4.7	3.8	3.5	75.7	1.8	1.7	1.3
Number of Forecasts Changed From A Month Ago:																			
Down	9	0	15	11	18	16	17	15	13	11	11	4	9	14	9	5	12	22	36
Same	35	42	25	22	24	21	20	24	14	10	10	8	10	6	16	11	17	19	9
Up	4	0	2	1	3	3	4	9	21	27	25	24	17	9	17	13	19	6	3
Diffusion Index	45 %	50 %	35 %	35 %	33 %	34 %	34 %	44 %	58 %	67 %	65 %	78 %	61 %	41 %	60 %	64 %	57 %	33 %	16 %

Third Quarter 2013

Interest Rate Forecasts

Key Assumptions

Blue Chip Financial Forecasts Panel Members	Percent Per Annum -- Average For Quarter															Avg For Qtr.	(Q-Q % Change) (SAAR)		
	Short-Term							Intermediate-Term				Long-Term							
	1 Federal Funds Rate	2 Prime Bank Rate	3 LIBOR Rate 3-Mo	4 Com. Paper 1-Mo	5 Treas. Bills 3-Mo.	6 Treas. Bills 6-Mo.	7 Treas. Bills 1-Yr.	8 Treas. Notes 2-Yr.	9 Treas. Notes 5-Yr.	10 Treas. Notes 10-Yr.	11 Treas Bond 30-Yr	12 Aaa Corp. Bond	13 Baa Corp Bond	14 State & Local Bonds	15 Home Mtg. Rate	A. Fed's Major Currency $ Index	B. Real GDP	C. GDP Price Index	D Cons Price Index
Scotiabank Group	0.3 H	3.3 H	na	na	0.1	na	na	0.3	1.0	1.8	3.0 L	na	na	na	na	na	2.7	1.8	1.8
Bank of Toyko-Mitsubishi UFJ	0.3 H	3.3	0.3	0.2	0.1	0.2	0.2	0.3	0.8	2.3	3.5	3.9	5.1	3.8	3.9	78.0	2.7	2.1	1.9
Swiss Re	0.3 H	3.3	0.3	0.2	0.1	0.2	0.3	0.6 H	1.0	2.2	3.3	4.0	4.9	na	4.1	na	1.7	2.8	3.2 H
RBC Capital Markets	0.3 H	3.3	na	na	0.1	0.1 L	0.1 L	0.3	0.8	2.0	3.1	na	na	na	na	na	2.0	4.5 H	3.2 H
Georgia State University	0.2	3.3	na	na	0.1	0.1 L	0.2	0.3	0.9	2.0	3.1	4.2 H	5.3 H	na	3.4	na	1.5 L	1.4	1.5
Cycledata Corp.	0.2	3.3	0.4 H	0.2	0.2	0.2	0.3	0.4	0.9	1.9	3.0 L	3.9	4.9	3.7	3.5	77.0	2.0	1.8	1.8
Wells Fargo	0.2	3.3	0.2 L	0.1 L	0.1	0.1 L	0.2	0.3	0.8	1.9	3.1	3.9	4.7	3.8	3.6	77.0	2.0	2.0	1.8
Wintrust Wealth Management	0.2	3.3	0.3	0.1 L	0.1	0.2	0.3	0.4	1.0	2.0	3.2	3.9	4.8	3.8	3.6	77.1	2.2	1.9	2.0
Barclays Capital	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.2 L	0.8	1.8 L	3.0 L	3.8	4.7	3.8	3.5	na	2.0	2.7	3.2 H
Mesirow Financial	0.2	3.3	0.3	0.2	0.3 H	0.3 H	0.4 H	0.6 H	1.1	2.0	3.0 L	4.0	4.9	3.8	3.6	78.0	2.3	2.1	2.7
Fannie Mae	0.2	3.3	0.3	na	na	na	0.1 L	0.3	1.0	2.0	3.1	na	4.8	na	3.8	na	2.4	2.2	2.6
SunTrust Banks	0.2	3.3	0.2 L	0.2	0.1	0.1 L	0.1 L	0.3	1.1	2.0	3.0 L	4.1	4.8	3.8	3.7	69.7 L	2.5	2.0	1.6
AIG	0.2	na	na	na	0.1	na	na	0.3	1.1	2.2	3.3	3.6	4.8	na	3.7	na	2.2	1.6	1.8
Woodworth Holdings	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.1 L	0.3	0.9	2.0	3.1	4.0	4.8	3.7	3.7	78.0	1.5 L	1.2 L	1.0 L
The Northern Trust Company	0.2	3.3	0.4 H	0.4 H	0.1	0.2	0.2	0.3	0.8	1.9	3.1	3.7	4.7	3.9	3.7	na	2.1	1.5	1.7
Daiwa Capital Markets America	0.2	3.3	0.4 H	0.2	0.1	0.2	0.2	0.3	0.9	2.0	3.1	3.9	4.8	3.6	3.6	78.0	2.2	1.6	1.7
Stone Harbor Investment Partners	0.2	3.3	0.3	0.2	0.1	0.1 L	0.2	0.3	0.8	2.1	3.3	4.0	4.9	na	3.8	77.0	2.9	2.0	1.7
Naroff Economic Advisors	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.3	0.9	2.1	3.3	4.2 H	5.0	4.1 H	3.9	75.6	2.6	2.4	1.7
Oxford Economics	0.2	3.3	0.3	na	0.1	0.1 L	0.2	0.3	0.8	2.0	3.1	na	na	na	3.6	77.3	3.0	1.6	1.7
RidgeWorth Investments	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.7 L	1.8 L	3.1	3.7	4.7	3.5 L	3.4	77.0	2.2	1.7	1.8
Chase Wealth Management	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.3	0.9	2.0	3.1	4.0	4.8	3.7	3.5	77.9	2.1	1.9	2.0
Wells Capital Management	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.3	0.8	1.9	3.2	3.9	4.7	3.7	3.4	77.1	2.3	1.8	2.1
Loomis, Sayles & Company	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.3	0.9	1.9	3.1	3.8	4.7	3.6	3.5	78.7	2.1	2.2	2.1
Standard & Poor's Corp	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.3	0.8	1.9	na	3.7	4.6	3.9	3.4	na	4.5 H	3.0	2.2
ClearView Economics	0.2	3.3	0.3	0.1 L	0.0 L	0.1 L	0.1 L	0.2 L	0.8	1.9	3.1	3.9	4.7	3.7	3.5	79.0 H	3.1	2.0	2.4
Chmura Economics & Analytics	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.1 L	0.3	0.8	1.9	3.0 L	3.8	na	na	3.5	71.3	2.1	2.1	2.4
PNC Financial Services Corp	0.2	3.3	0.3	na	0.1	0.1 L	0.1 L	0.3	0.9	1.8 L	na	na	4.6	3.9	3.5	73.8	2.1	2.1	2.5
Societe Generale	0.2	3.3	0.3	na	na	na	na	0.2 L	1.1	2.2	3.3	na	na	na	na	na	3.0	2.2	2.5
Action Economics	0.2	3.3	0.4 H	0.2	0.1	0.1 L	0.1 L	0.5	1.2	2.1	3.3	3.9	4.8	3.8	3.6	76.3	2.5	2.3	2.5
RBS Securities	0.2	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.3	0.9	1.9	3.1	3.8	4.8	3.9	3.6	79.0	2.4	2.1	3.0
DePrince & Associates	0.1	3.3	0.4 H	0.2	0.1	0.2	0.2	0.4	1.0	2.1	3.2	4.0	4.9	3.5	3.7	73.2	2.8	1.7	1.2
Kellner Economic Advisers	0.1	3.3	0.3	0.1 L	0.1	0.2	0.2	0.3	0.9	1.9	3.1	4.0	4.8	3.8	3.5	77.8	2.2	1.5	1.4
MacroFin Analytics	0.1	3.3	0.3	0.1 L	0.1	0.2	0.2	0.3	0.9	1.9	3.1	4.0	4.8	3.8	3.5	77.8	2.2	1.5	1.4
Pierpont Securities	0.1	3.3	0.3	0.1 L	0.1	0.1 L	0.1 L	0.3	0.9	2.0	3.2	4.0	4.8	3.8	3.6	78.0	2.3	1.9	2.9
Nomura Securities, Inc.	0.1	3.3	0.3	0.1 L	0.0 L	0.1 L	0.1 L	0.3	0.9	2.0	3.0 L	3.8	4.7	na	3.3 L	76.0	2.0	1.3	1.6
J.P. Morgan Chase	0.1	na	0.3	na	na	na	na	0.3	1.0	2.1	3.4	na	na	na	na	na	2.0	1.4	1.7
BMO Capital Markets	0.1	3.3	0.3	na	0.1	0.1 L	0.1 L	0.3	0.9	2.1	3.3	na	na	na	3.8	78.1	3.1	1.7	2.0
Moody's Capital Markets Group	0.1	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.2 L	0.8	1.9	3.1	3.9	4.7	3.5 L	3.5	77.9	1.9	2.0	2.1
Goldman Sachs & Co	0.1	na	0.3	na	0.1	na	na	0.3	1.0	2.4 H	3.6 H	na	na	na	3.7	na	2.0	1.4	2.2
UBS	0.1	na	0.3	na	0.1	na	na	0.3	0.9	1.9	3.1	na	na	na	na	na	2.8	1.8	2.2
GLC Financial Economics	0.1	3.3	0.3	0.1 L	0.1	0.1 L	0.1 L	0.2 L	0.8	1.9	3.1	3.8	4.7	3.9	3.5	76.7	2.9	1.4	2.3
Economist Intelligence Unit	0.1	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.3	0.9	2.0	3.2	na	na	na	3.6	na	2.8	na	2.4
J.W. Coons Advisors LLC	0.1	3.3	0.3	0.1 L	0.1	0.2	0.2	0.3	0.9	1.9	3.1	4.0	4.9	na	3.6	74.4	1.8	1.9	2.5
Bank of America Merrill Lynch	0.1	na	0.2 L	na	0.0 L	na	na	0.2 L	0.9	2.0	3.1	na	na	na	na	na	1.5	1.5	3.2 H
RDQ Economics	0.1	3.3	0.3	0.2	0.1	0.1 L	0.3	0.4	1.1	2.2	3.3	4.0	5.2	3.8	3.9	77.6	2.5	2.2	1.5
Russell Investments	0.1	3.3	0.3	0.1 L	0.1	0.2	0.3	0.3	1.0	2.1	3.2	4.0	4.8	3.8	4.0	76.0	2.9	2.0	2.3
Nat'l Assn. of Realtors	0.1	3.3	0.3	0.1 L	0.1	0.1 L	0.2	0.4	0.9	2.0	3.1	3.9	4.8	4.0	3.6	na	2.6	2.1	2.6
Moody's Analytics	0.0 L	3.3 L	0.3	0.2	0.2	0.3 H	0.2	0.6 H	1.5 H	2.2	3.6 H	3.5 L	4.4 L	na	4.5 H	na	2.1	2.8	2.1
June Consensus	**0.2**	**3.3**	**0.3**	**0.1**	**0.1**	**0.1**	**0.2**	**0.3**	**0.9**	**2.0**	**3.2**	**3.9**	**4.8**	**3.8**	**3.6**	**76.7**	**2.4**	**2.0**	**2.1**
Top 10 Avg	0.2	3.3	0.4	0.2	0.1	0.2	0.3	0.5	1.1	2.2	3.4	4.1	5.0	3.9	3.9	78.3	3.1	2.7	2.9
Bottom 10 Avg	0.1	3.3	0.2	0.1	0.0	0.1	0.1	0.2	0.8	1.8	3.0	3.7	4.6	3.6	3.4	74.3	1.8	1.4	1.5
May Consensus	0.2	3.3	0.3	0.1	0.1	0.1	0.2	0.3	0.9	2.0	3.2	3.9	4.8	3.8	3.6	76.1	2.3	2.0	2.1
Number of Forecasts Changed From A Month Ago																			
Down	9	0	15	9	13	16	20	15	12	13	12	5	11	11	10	3	11	15	16
Same	38	42	22	21	29	19	15	25	19	16	17	12	12	9	17	14	20	26	16
Up	1	0	7	5	3	5	6	8	17	19	17	19	14	10	15	14	17	8	16
Diffusion Index	42 %	50 %	41 %	44 %	39 %	38 %	33 %	43 %	55 %	56 %	55 %	69 %	54 %	48 %	56 %	68 %	56 %	40 %	50 %

Fourth Quarter 2013

Interest Rate Forecasts

Key Assumptions

Blue Chip Financial Forecasts Panel Members	Percent Per Annum -- Average For Quarter															Avg For Qtr	(Q-Q % Change) (SAAR)		
	Short-Term							Intermediate-Term				Long-Term							
	1 Federal Funds Rate	2 Prime Bank Rate	3 LIBOR Rate 3-Mo.	4 Com. Paper 1-Mo.	5 Treas Bills 3-Mo	6 Treas. Bills 6-Mo.	7 Treas. Bills 1-Yr.	8 Treas. Notes 2-Yr	9 Treas. Notes 5-Yr.	10 Treas Notes 10-Yr.	11 Treas Bond 30-Yr.	12 Aaa Corp. Bond	13 Baa Corp. Bond	14 State & Local Bonds	15 Home Mtg Rate	A Fed's Major Currency $ Index	B Real GDP	C GDP Price Index	D Cons. Price Index
RBC Capital Markets	0.3 H	3.3 H	na	na	0.1	0.1	0.1	0.4	1.0	2.1	3.3	na	na	na	na	na	2.1	0.5 L	-0.3 L
Scotiabank Group	0.3 H	3.3	na	na	0.1	na	na	0.4	1.1	2.0	3.3	na	na	na	na	na	2.5	1.8	1.8
Bank of Toyko-Mitsubishi UFJ	0.3 H	3.3	0.3	0.2	0.1	0.2	0.2	0.4	0.8 L	2.6	3.6 H	4.1	5.2	3.8	4.2	76.0	3.0	2.0	2.1
Swiss Re	0.3 H	3.3	0.3	0.2	0.1	0.2	0.3	0.7	1.1	2.4	3.5	4.2	5.0	na	4.3	na	2.0	2.1	2.3
Fannie Mae	0.2	3.3	0.3	na	na	na	0.2	0.3	1.1	2.1	3.2	na	4.8	na	3.7	na	2.6	1.4	1.4
Georgia State University	0.2	3.3	na	na	0.0 L	0.0 L	0.0 L	0.2 L	1.1	2.2	3.3	4.3 H	5.6 H	na	3.6	na	1.6 L	2.0	1.4
Kellner Economic Advisers	0.2	3.3	0.3	0.1 L	0.1	0.2	0.3	0.3	1.0	1.8 L	3.0 L	3.8	4.8	3.8	3.5	73.0	1.7	1.8	1.9
Wells Fargo	*0.2*	*3.3*	*0.2 L*	*0.2*	*0.1*	*0.2*	*0.3*	*0.4*	*0.9*	*2.0*	*3.2*	*4.0*	*4.8*	*3.8*	*3.6*	*77.3*	*1.8*	*2.1*	*1.9*
SunTrust Banks	0.2	3.3	0.3	0.2	0.1	0.2	0.3	0.3	1.1	2.0	3.0 L	4.1	4.8	3.8	3.7	69.2 L	3.1	2.2	1.9
Cycledata Corp	0.2	3.3	0.4	0.2	0.2 H	0.3 H	0.4 H	0.5	1.0	2.1	3.2	4.1	5.1	3.9	3.7	77.0	2.1	1.9	2.0
Wintrust Wealth Management	0.2	3.3	0.3	0.1 L	0.1	0.2	0.3	0.4	1.1	2.1	3.4	4.0	4.9	3.9	3.7	77.3	2.6	2.0	2.1
Russell Investments	0.2	3.3	0.3	0.2	0.1	0.2	0.4 H	0.4	1.1	2.2	3.3	4.0	4.8	3.8	4.0	75.5	2.7	1.8	2.1
Barclays Capital	0.2	3.3	0.2 L	0.1 L	0.1	0.1	0.2	0.2 L	0.8 L	1.9	3.1	3.8	4.7	3.8	3.5	na	2.0	2.4	2.6
Mesirow Financial	0.2	3.3	0.3	0.2	0.2 H	0.2	0.2	0.4	1.0	2.0	3.0 L	4.0	4.9	3.8	3.6	79.3 H	3.6	1.3	1.3
MacroFin Analytics	0.2	3.3	0.4	0.2	0.1	0.2	0.2	0.4	0.9	1.9	3.1	4.0	4.8	3.8	3.5	78.0	2.5	1.4	1.5
AIG	0.2	na	na	na	0.1	na	na	0.4	1.3	2.3	3.4	3.6 L	4.8	na	3.8	na	2.5	1.7	1.8
Woodworth Holdings	0.2	3.3	0.3	0.1 L	0.1	0.1	0.1	0.3	0.9	2.0	3.1	4.0	4.8	3.7	3.7	79.0	2.0	1.2	1.2
Stone Harbor Investment Partners	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.4	1.0	2.2	3.4	4.1	5.0	na	3.8	78.0	3.4	1.8	1.6
Chmura Economics & Analytics	0.2	3.3	0.3	0.1 L	0.1	0.1	0.1	0.3	0.9	1.9	3.1	3.9	na	na	3.6	72.1	2.3	1.9	1.8
Standard & Poor's Corp	0.2	3.3	0.3	0.2	0.2 H	0.2	0.3	0.4	1.0	2.1	na	3.8	4.7	4.0	3.4 L	na	5.2 H	2.0	1.8
Looms, Sayles & Company	0.2	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	1.0	2.1	3.3	4.0	4.9	3.8	3.7	78.9	2.3	1.5	1.9
Chase Wealth Management	0.2	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	0.9	2.0	3.1	4.0	4.8	3.8	3.8	78.0	2.6	1.8	1.9
The Northern Trust Company	0.2	3.3	0.4	0.3 H	0.1	0.2	0.3	0.5	1.0	2.1	3.3	3.8	4.9	3.8	3.8	na	2.3	1.8	2.0
Daiwa Capital Markets America	0.2	3.3	0.4	0.2	0.1	0.2	0.2	0.3	0.9	2.1	3.2	4.0	4.9	3.6	3.8	78.0	2.5	1.8	2.0
Oxford Economics	0.2	3.3	0.3	0.1 L	0.1	0.3 H	0.4 H	1.0 H	2.1 H	3.3 H	na	na	na	na	3.8	78.4	3.2	2.1	2.2
Wells Capital Management	0.2	3.3	0.3	0.2	0.2 H	0.2	0.2	0.3	0.9	2.0	3.3	4.0	4.7	3.7	3.5	77.0	2.8	1.9	2.2
Action Economics	0.2	3.3	0.4	0.2	0.1	0.2	0.2	0.6	1.4	2.3	3.4	3.8	4.9	3.7	3.6	76.0	2.8	1.8	2.3
ClearView Economics	0.2	3.3	0.3	0.1 L	0.0 L	0.1	0.1	0.2 L	0.8 L	1.9	3.1	3.9	4.7	3.7	3.5	78.0	3.2	1.8	2.4
RidgeWorth Investments	0.2	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	0.8 L	2.0	3.3	3.8	4.7	3.6	3.6	78.0	2.5	1.9	2.4
PNC Financial Services Corp.	0.2	3.3	0.4	na	0.1	0.1	0.2	0.4	1.0	1.9	na	na	4.5 L	4.0	3.6	73.7	2.2	2.1	2.4
RBS Securities	0.2	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	1.0	2.2	3.3	4.1	5.1	4.0	3.8	79.0	2.6	2.3	2.7
Societe Generale	0.2	3.3	0.3	na	na	na	na	0.2 L	1.2	2.4	3.4	na	na	na	na	na	3.6	2.2	2.9 H
Naroff Economic Advisors	0.2	3.3	0.4	0.2	0.2 H	0.2	0.3	0.4	1.0	2.2	3.5	4.3	5.3	4.3 H	4.0	74.9	4.3	2.5 H	2.9 H
DePrince & Assoc	0.1	3.3	0.5	0.3 H	0.1	0.2	0.3	0.5	1.2	2.2	3.3	4.1	5.0	3.4 L	3.9	73.5	2.7	1.9	1.6
Pierpont Securities	0.1	3.3	0.3	0.1 L	0.1	0.1	0.1	0.3	1.0	2.1	3.4	4.1	4.9	3.9	3.6	79.0	2.4	2.0	2.5
Nomura Securities, Inc	0.1	3.3	0.4	0.1 L	0.0 L	0.1	0.1	0.3	1.0	2.1	3.2	4.0	4.9	na	3.5	77.0	2.4	1.4	1.5
Goldman Sachs & Co.	0.1	na	0.3	na	0.1	na	na	0.4	1.3	2.5	3.6	na	na	na	4.0	na	2.5	1.3	1.7
J.P. Morgan Chase	0.1	na	0.2 L	na	na	na	na	0.3	1.1	2.3	3.6	na	na	na	na	na	2.5	1.4	1.7
BMO Capital Markets	0.1	3.3	0.4	na	0.1	0.1	0.1	0.3	0.9	2.3	3.5	na	na	na	4.0	79.2	3.4	1.5	1.7
UBS	0.1	na	0.3	na	0.1	na	na	0.3	1.0	2.0	3.2	na	na	na	na	na	3.2	1.8	1.8
Bank of America Merrill Lynch	0.1	na	0.2 L	na	0.0 L	na	na	0.3	1.0	2.3	3.4	na	na	na	na	na	2.5	1.6	2.0
Moody's Capital Markets Group	0.1	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	0.9	1.9	3.1	3.9	4.7	3.4 L	3.6	78.0	2.2	1.9	2.0
J.W. Coons Advisors LLC	0.1	3.3	0.5 H	0.2	0.1	0.2	0.2	0.4	1.0	2.0	3.1	4.0	5.0	na	3.7	74.5	2.4	1.7	2.1
GLC Financial Economics	0.1	3.3	0.4	0.2	0.1	0.1	0.2	0.3	0.8 L	1.9	3.1	3.9	5.0	3.8	3.4 L	76.3	3.1	2.3	2.4
Economist Intelligence Unit	0.1	3.3	0.4	0.2	0.1	0.2	0.2	0.4	1.0	2.1	3.3	na	na	na	3.6	na	3.2	na	2.8
RDQ Economics	0.1	3.3	0.3	0.2	0.1	0.1	0.3	0.5	1.3	2.5	3.6	4.3 H	5.5	4.0	4.2	78.3	2.5	2.4	2.1
Nat'l Assn. of Realtors	0.1	3.3	0.3	0.1 L	0.1	0.2	0.3	0.6	1.1	2.1	3.2	4.1	5.0	4.1	3.8	na	2.6	2.2	2.9 H
Moody's Analytics	0.0 L	3.3 L	0.3	0.2	0.2 H	0.3 H	0.2	0.6	1.8	2.4	3.7	3.7	4.6	na	4.7 H	na	3.0	2.1	2.1
June Consensus	**0.2**	**3.3**	**0.3**	**0.2**	**0.1**	**0.2**	**0.2**	**0.4**	**1.0**	**2.1**	**3.3**	**4.0**	**4.9**	**3.8**	**3.7**	**76.7**	**2.7**	**1.8**	**2.0**
Top 10 Avg	0.2	3.3	0.4	0.2	0.2	0.2	0.3	0.6	1.4	2.5	3.6	4.2	5.2	4.0	4.1	78.7	3.6	2.3	2.7
Bottom 10 Avg	0.1	3.3	0.3	0.1	0.0	0.1	0.1	0.2	0.8	1.9	3.1	3.8	4.7	3.6	3.5	73.8	2.0	1.3	1.3
May Consensus	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.4	1.0	2.1	3.3	4.0	4.9	3.8	3.7	76.3	2.7	1.8	2.0
Number of Forecasts Changed From A Month Ago:																			
Down	6	0	10	10	12	11	12	12	13	15	12	7	10	11	11	6	9	13	18
Same	40	42	28	22	30	24	24	30	22	14	16	13	12	8	16	11	28	20	21
Up	2	0	6	3	3	5	5	6	13	19	17	16	12	8	15	14	11	14	9
Diffusion Index	46 %	50 %	45 %	40 %	40 %	43 %	41 %	44 %	50 %	54 %	56 %	63 %	53 %	44 %	55 %	63 %	52 %	51 %	41 %

First Quarter 2014

Interest Rate Forecasts

Key Assumptions

Blue Chip Financial Forecasts Panel Members	Percent Per Annum -- Average For Quarter: Short-Term: 1 Federal Funds Rate	2 Prime Bank Rate	3 LIBOR Rate 3-Mo.	4 Com. Paper 1-Mo	5 Treas Bills 3-Mo	6 Treas Bills 6-Mo.	7 Treas Bills 1-Yr.	Intermediate-Term: 8 Treas Notes 2-Yr.	9 Treas. Notes 5-Yr.	10 Treas. Notes 10-Yr.	Long-Term: 11 Treas Bond 30-Yr	12 Aaa Corp. Bond	13 Baa Corp. Bond	14 State & Local Bonds	15 Home Mtg Rate	Avg. For Qtr.: A Fed's Major Currency $ Index	(Q-Q % Change) (SAAR): B. Real GDP	C GDP Price Index	D Cons Price Index
Swiss Re	0.3 H	3.3 H	0.3	0.2	0.1	0.2	0.3	0.8 H	1.4	2.6	3.6	4.3	5.0	na	4.5	na	3.8 H	1.7	1.7
Scotiabank Group	0.3 H	3.3	na	na	0.1	na	na	0.5	1.6	2.5	3.8	na	na	na	na	na	2.8	2.0	1.9
Bank of Toyko-Mitsubishi UFJ	0.3 H	3.3	0.3	0.2	0.1	0.2	0.2	0.6	1.1	2.8 H	3.9	4.3	5.6	4.0	4.3	75.0	2.9	2.0	2.9
RBC Capital Markets	0.3	3.3	na	na	0.1	0.1	0.1 L	0.5	1.3	2.3	3.5	na	na	na	na	na	na	na	na
SunTrust Banks	0.2	3.3	0.3	0.2	0.1	0.2	0.3	0.3	1.1	2.0	3.0 L	4.1	4.8	3.8	3.7	68.6 L	3.2	1.7	2.3
Fannie Mae	0.2	3.3	0.4	na	na	na	0.2	0.4	1.2	2.1	3.3	na	4.9	na	3.9	na	2.5	1.5	1.4
Barclays Capital	0.2	3.3	0.2 L	0.1 L	0.1	0.1	0.2	0.3	0.9	2.0	3.2	3.8	4.7	3.8	3.5	na	2.5	2.3	1.8
Georgia State University	0.2	3.3	na	na	0.1	0.0 L	0.1 L	0.2 L	1.1	2.4	3.5	4.5	5.8 H	na	3.7	na	2.0 L	1.6	1.9
Kellner Economic Advisers	0.2	3.3	0.3	0.1 L	0.2	0.3	0.4	0.4	1.0	1.8 L	3.0 L	3.8	4.8	3.8	3.5	72.0	2.0 L	1.8	2.0
Russell Investments	*0.2*	*3.3*	*0.3*	*0.2*	*0.1*	*0.2*	*0.4*	*0.5*	*1.3*	*2.2*	*3.4*	*4.0*	*4.9*	*4.0*	*4.1*	*75.1*	*2.6*	*1.9*	*2.1*
Wintrust Wealth Management	0.2	3.3	0.3	0.1 L	0.1	0.2	0.4	0.5	1.2	2.2	3.5	4.1	5.0	3.9	3.8	77.6	2.8	2.0	2.1
Cycledata Corp	0.2	3.3	0.5 H	0.2	0.2	0.3	0.5 H	0.6	1.1	2.2	3.3	4.2	5.2	4.0	3.9	78.0	2.1	2.0	2.2
Wells Fargo	0.2	3.3	0.3	0.2	0.2	0.2	0.3	0.5	1.1	2.1	3.3	4.1	4.9	3.9	3.7	77.6	2.0	2.2	2.2
Mesirow Financial	0.2	3.3	0.3	0.2	0.3 H	0.3	0.4	0.6	1.2	2.1	3.1	4.2	5.0	3.8	3.7	80.2 H	3.2	1.4 L	1.2
MacroFin Analytics	0.2	3.3	0.4	0.2	0.1	0.2	0.3	0.4	1.0	2.0	3.2	4.0	4.8	3.9	3.6	78.2	2.6	1.5	1.6
Action Economics	0.2	3.3	0.5 H	0.2	0.1	0.2	0.3	0.8 H	1.6	2.5	3.6	3.8	4.9	3.7	3.6	75.6	3.0	2.1	2.3
AIG	0.2	na	na	na	0.1	na	na	0.4	1.4	2.4	3.5	3.7 L	4.9	na	4.0	na	2.5	2.1	1.9
Standard & Poor's Corp	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.3	1.1	2.3	na	4.0	5.0	4.1	3.5	na	2.5	2.3	2.1
Societe Generale	0.2	3.3	0.3	na	na	na	na	0.3	1.5	2.6	3.6	na	na	na	na	na	2.9	1.7	0.5 L
Woodworth Holdings	0.2	3.3	0.3	0.1 L	0.1	0.1	0.1 L	0.3	0.9	2.0	3.2	4.0	4.9	3.7	3.7	80.0	2.0	1.4 L	1.3
Stone Harbor Investment Partners	0.2	3.3	0.3	0.2	0.1	0.2	0.3	0.6	1.3	2.4	3.6	4.3	5.2	na	3.9	80.0	3.6	1.8	1.8
Chmura Economics & Analytics	0.2	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	0.9	2.0	3.2	4.0	na	na	3.7	73.2	2.8	2.2	1.8
The Northern Trust Company	0.2	3.3	0.4	0.3 H	0.1	0.2	0.4	0.6	1.1	2.2	3.4	3.8	5.0	3.7	3.7	na	3.0	1.7	1.9
Looms, Sayles & Company	0.2	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	1.0	2.3	3.3	4.0	4.9	3.9	3.9	79.2	2.4	1.6	2.0
Daiwa Capital Markets America	0.2	3.3	0.4	0.2	0.1	0.2	0.2	0.4	1.0	2.3	3.3	4.1	5.0	3.6	3.9	79.0	2.6	2.0	2.0
Chase Wealth Management	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.3	0.9	2.0	3.1	4.0	4.8	3.8	3.6	77.8	2.6	1.9	2.1
Wells Capital Management	0.2	3.3	0.3	0.3 H	0.3 H	0.3	0.4	0.4	1.0	2.2	3.4	4.0	4.7	3.7	3.6	77.3	3.0	1.8	2.2
RBS Securities	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.4	1.2	2.4	3.4	4.2	5.2	4.0	4.0	80.0	2.3	1.7	2.4
RidgeWorth Investments	0.2	3.3	0.4	0.1 L	0.1	0.1	0.2	0.3	0.8 L	2.1	3.4	3.8	4.7	3.8	3.7	77.0	2.5	2.0	2.4
ClearView Economics	0.2	3.3	0.3	0.1 L	0.0 L	0.1	0.1 L	0.2 L	0.8 L	1.9	3.1	3.9	4.7	3.7	3.5	79.0	3.1	2.0	2.4
Oxford Economics	0.2	3.3	0.3	na	0.1	0.1	0.3	0.5	1.2	2.2	3.5	na	na	na	3.9	79.4	3.2	2.4	2.5
PNC Financial Services Corp	0.2	3.3	0.4	na	0.2	0.2	0.2	0.5	1.1	2.0	na	na	4.5 L	4.1	3.7	73.7	2.5	2.1	2.5
Naroff Economic Advisors	0.2	3.3	0.4	0.2	0.2	0.3	0.3	0.4	1.2	2.4	3.6	4.5	5.4	4.4 H	4.2	74.0	3.6	2.4	2.5
Pierpont Securities	0.2	3.3	0.3	0.1 L	0.1	0.1	0.1 L	0.3	1.1	2.3	3.6	4.3	5.1	4.1	3.8	80.0	2.5	2.5	2.7
DePrince & Associates	0.1	3.3	0.4	0.3 H	0.1	0.3	0.4	0.6	1.3	2.4	3.4	4.2	5.1	3.5	4.1	73.9	2.9	1.9	2.2
Goldman Sachs	0.1	na	0.3	na	0.1	na	na	0.4	1.5	2.6	3.6	na	na	na	4.1	na	3.0	1.4 L	1.5
Nomura Securities, Inc	0.1	3.3	0.4	0.1 L	0.0 L	0.1	0.1 L	0.4	1.0	2.2	3.3	4.1	5.0	na	3.6	77.2	2.8	1.7	1.5
Bank of America Merrill Lynch	0.1	na	0.3	na	0.0 L	na	na	0.4	1.2	2.5	3.5	na	na	na	na	na	3.0	1.7	1.6
J.P. Morgan Chase	0.1	na	0.2 L	na	na	na	na	0.4	1.2	2.5	3.7	na	na	na	na	na	2.0 L	1.4	1.7
BMO Capital Markets	0.1	3.3	0.4	na	0.1	0.1	0.2	0.3	1.0	2.6	3.7	na	na	na	4.2	79.1	3.2	1.8	1.8
J.W. Coons Advisors LLC	0.1	3.3	0.4	0.1 L	0.1	0.2	0.3	0.5	1.1	2.1	3.2	4.2	5.1	na	3.8	74.4	2.5	1.8	2.0
UBS	0.1	na	0.3	na	0.1	na	na	0.3	1.1	2.1	3.2	na	na	na	na	na	3.0	2.0	2.1
GLC Financial Economics	0.1	3.3	0.4	0.2	0.1	0.1	0.2	0.3	0.8 L	1.9	3.1	4.0	5.1	3.6	3.4 L	76.1	3.5	2.5	2.1
Moody's Capital Markets Group	0.1	3.3	0.3	0.1 L	0.1	0.1	0.2	0.3	0.9	2.0	3.1	3.9	4.7	3.4 L	3.7	78.1	2.3	2.0	2.3
Economist Intelligence Unit	0.1	3.3	0.4	0.2	0.2	0.2	0.3	0.5	1.2	2.3	3.5	na	na	na	3.8	na	2.6	na	2.6
RDQ Economics	0.1	3.3	0.3	0.2	0.1	0.1	0.4	0.6	1.6	2.8	3.9	4.6 H	5.8 H	4.3	4.5	79.1	2.6	2.7 H	2.2
Nat'l Assn. of Realtors	0.1	3.3	0.4	0.2	0.1	0.2	0.4	0.8 H	1.3	2.3	3.5	4.3	5.2	4.2	4.0	na	3.1	2.4	3.0 H
Moody's Analytics	0.0 L	3.3 L	0.3	0.2	0.2	0.4 H	0.3	0.8 H	1.9 H	2.7	4.0 H	4.0	4.9	na	5.0 H	na	3.5	2.0	2.0
June Consensus	**0.2**	**3.3**	**0.3**	**0.2**	**0.1**	**0.2**	**0.3**	**0.4**	**1.2**	**2.3**	**3.4**	**4.1**	**5.0**	**3.9**	**3.8**	**76.9**	**2.8**	**1.9**	**2.0**
Top 10 Avg.	0.2	3.3	0.4	0.2	0.2	0.3	0.4	0.7	1.5	2.6	3.7	4.3	5.4	4.1	4.3	79.5	3.4	2.4	2.6
Bottom 10 Avg.	0.1	3.3	0.3	0.1	0.1	0.1	0.1	0.3	0.9	2.0	3.1	3.8	4.7	3.6	3.5	73.5	2.2	1.5	1.4
May Consensus	0.2	3.3	0.3	0.2	0.1	0.2	0.2	0.4	1.2	2.3	3.4	4.1	5.0	3.9	3.8	76.6	2.7	2.0	2.2
Number of Forecasts Changed From A Month Ago																			
Down	6	0	11	8	11	14	10	8	9	13	10	10	11	9	10	5	11	13	20
Same	38	43	28	21	31	22	24	32	27	21	18	12	14	10	15	14	27	28	22
Up	4	0	5	4	4	5	8	8	12	14	18	12	10	9	18	15	9	5	5
Diffusion Index	48 %	50 %	43 %	44 %	42 %	39 %	48 %	50 %	53 %	51 %	59 %	53 %	49 %	50 %	59 %	65 %	48 %	41 %	34 %

Second Quarter 2014

Interest Rate Forecasts

Key Assumptions

Blue Chip Financial Forecasts Panel Members	Percent Per Annum -- Average For Quarter: Short-Term 1 Federal Funds Rate	2 Prime Bank Rate	3 LIBOR Rate 3-Mo	4 Com. Paper 1-Mo	5 Treas Bills 3-Mo.	6 Treas Bills 6-Mo.	7 Treas Bills 1-Yr	Intermediate-Term 8 Treas Notes 2-Yr	9 Treas. Notes 5-Yr.	10 Treas. Notes 10-Yr.	11 Treas. Bond 30-Yr.	Long-Term 12 Aaa Corp Bond	13 Baa Corp Bond	14 State & Local Bonds	15 Home Mtg. Rate	Avg. For Qtr A. Fed's Major Currency $ Index	(Q-Q % Change) (SAAR) B Real GDP	C GDP Price Index	D. Cons Price Index
CycleData Corp	0.5 H	3.5 H	0.7	0.5 H	0.5 H	0.7 H	0.8 H	1.0	1.6	2.6	3.8	4.5	5.8	4.4	4.1	78.0	2.2	2.1	2.4
Bank of Toyko-Mitsubishi UFJ	0.5 H	3.5 H	0.9 H	0.4	0.5 H	0.4	0.6	1.5 H	2.2 H	3.0	4.0	4.6	6.0	4.1	4.5	77.0	2.9	3.0 H	3.5 H
Kellner Economic Advisers	0.3	3.3 L	0.3 L	0.2	0.2	0.3	0.4	0.4	1.0	1.8 L	3.0 L	3.8 L	4.8	3.8	3.5 L	71.0	2.3	1.9	2.2
Wells Fargo	*0.3*	*3.3 L*	*0.4*	*0.2*	*0.2*	*0.3*	*0.4*	*0.7*	*1.3*	*2.2*	*3.3*	*4.2*	*5.0*	*4.0*	*3.8*	*77.9*	*2.3*	*2.2*	*2.2*
Swiss Re	0.3	3.3 L	0.3 L	0.2	0.1	0.2	0.3	0.9	1.5	2.7	3.7	4.4	5.1	na	4.6	na	4.1 H	1.5	1.7
Scotiabank Group	0.3	3.3 L	na	na	0.1	na	na	0.8	1.8	2.9	4.0	na	na	na	na	na	2.8	2.0	2.1
SunTrust Banks	0.3	3.3 L	0.3 L	0.3	0.1	0.2	0.3	0.4	1.2	2.1	3.1	4.1	4.8	3.8	3.8	68.1 L	3.5	2.1	2.8
RBC Capital Markets	0.3	3.3 L	na	na	0.1	0.1 L	0.2	0.6	1.6	2.6	3.7	na	na	na	na	na	na	na	na
Fannie Mae	0.2	3.3 L	0.4	na	na	na	0.2	0.5	1.3	2.2	3.4	na	4.9	na	4.0	na	2.6	1.4	1.5
MacroFin Analytics	0.2	3.3 L	0.4	0.2	0.1	0.2	0.3	0.5	1.0	2.0	3.2	4.1	4.9	4.0	3.7	78.4	2.8	1.6	1.6
Georgia State University	0.2	3.3 L	na	na	0.1	0.1 L	0.1 L	0.3	1.2	2.5	3.7	4.6	5.9	na	3.8	na	2.5	1.5	1.8
Russell Investments	0.2	3.3 L	0.4	0.2	0.1	0.3	0.4	0.6	1.3	2.4	3.5	4.2	5.0	4.0	4.2	74.7	2.5	2.1	2.1
Wintrust Wealth Management	0.2	3.3 L	0.4	0.2	0.2	0.2	0.4	0.6	1.4	2.3	3.6	4.2	5.2	4.0	4.0	77.9	2.9	2.1	2.2
Action Economics	0.2	3.3 L	0.5	0.2	0.2	0.2	0.5	0.9	1.8	2.6	3.7	3.9	5.1	3.7	3.6	75.3	3.2	2.3	2.3
Mesirow Financial	*0.2*	*3.3 L*	*0.3 L*	*0.2*	*0.3*	*0.3*	*0.4*	*0.6*	*1.3*	*2.2*	*3.1*	*4.2*	*5.0*	*3.9*	*3.8*	*81.2 H*	*3.4*	*1.2 L*	*1.3*
DePrince & Assoc	0.2	3.3 L	0.5	0.4	0.2	0.3	0.5	0.8	1.4	2.5	3.5	4.3	5.2	3.5 L	4.2	74.3	3.0	1.9	2.1
AIG	0.2	na	na	na	0.2	na	na	0.5	1.5	2.5	3.7	3.8	5.0	na	4.2	na	2.7	1.7	1.9
Standard & Poor's Corp	0.2	3.3 L	0.3 L	0.2	0.1	0.2	0.2	0.3	1.2	2.5	na	4.3	5.3	4.1	3.6	na	2.6	2.0	2.0
Pierpont Securities	0.2	3.3 L	0.3 L	0.1	0.1	0.1 L	0.2	0.4	1.4	2.5	3.8	4.5	5.3	4.3	4.1	81.0	2.7	2.1	2.8
Societe Generale	0.2	3.3 L	0.3 L	na	na	na	na	0.4	1.6	2.7	3.7	na	na	na	na	na	3.0	1.7	0.6 L
Woodworth Holdings	0.2	3.3 L	0.3 L	0.1 L	0.1	0.1 L	0.1 L	0.4	1.0	2.1	3.2	4.1	4.9	3.8	3.8	81.0	2.0 L	1.5	1.4
The Northern Trust Company	0.2	3.3 L	0.3 L	0.3	0.1	0.3	0.5	0.9	1.4	2.5	3.7	4.0	5.2	3.8	4.0	na	3.0	1.3	1.5
RBS Securities	0.2	3.3 L	0.4	0.2	0.1	0.2	0.2	0.5	1.4	2.5	3.5	4.2	5.2	4.1	4.1	81.0	2.6	1.7	1.8
Loomis, Sayles & Company	0.2	3.3 L	0.3 L	0.1 L	0.1	0.1 L	0.2	0.4	1.1	2.3	3.3	3.9	4.8	3.9	3.9	79.2	2.5	1.4	1.9
Stone Harbor Investment Partners	0.2	3.3 L	0.3 L	0.2	0.2	0.2	0.4	0.8	1.5	2.7	3.8	4.5	5.4	na	4.2	80.0	3.4	2.1	1.9
Chmura Economics & Analytics	0.2	3.3 L	0.3 L	0.1 L	0.1	0.2	0.2	0.3	1.0	2.0	3.3	4.1	na	na	3.7	73.7	3.0	2.2	2.1
Wells Capital Management	0.2	3.3 L	0.4	0.4	0.3	0.4	0.4	0.5	1.0	2.3	3.5	4.1	4.8	3.8	3.6	77.6	2.5	1.9	2.2
Chase Wealth Management	0.2	3.3 L	0.4	0.2	0.2	0.2	0.3	0.4	1.0	2.0	3.2	4.1	4.9	3.9	3.7	77.7	2.8	1.9	2.2
Daiwa Capital Markets America	0.2	3.3 L	0.4	0.2	0.1	0.2	0.2	0.5	1.2	2.4	3.4	4.2	5.0	3.6	4.0	79.0	2.8	2.0	2.2
PNC Financial Services Corp	0.2	3.3 L	0.5	na	0.2	0.2	0.2	0.5	1.2	2.1	na	na	4.6 L	4.2	3.8	73.8	2.9	2.1	2.4
RidgeWorth Investments	0.2	3.3 L	0.4	0.1 L	0.1	0.2	0.3	0.3	0.9	2.2	3.5	3.8 L	4.8	4.1	3.8	76.0	2.5	2.2	2.4
Oxford Economics	*0.2*	*3.3 L*	*0.3 L*	*na*	*0.1*	*0.1 L*	*0.3*	*0.6*	*1.3*	*2.4*	*3.8*	*na*	*na*	*na*	*4.1*	*80.6*	*3.1*	*2.3*	*2.5*
ClearView Economics	0.2	3.3 L	0.3 L	0.1 L	0.0 L	0.1 L	0.1 L	0.2 L	0.8 L	1.9	3.1	3.9	4.7	3.7	3.5 L	80.0	3.2	2.1	2.7
Naroff Economic Advisors	0.2	3.3 L	0.5	0.3	0.2	0.3	0.4	0.5	1.3	2.6	3.7	4.6	5.5	4.5	4.3	73.5	3.9	2.6	2.8
Goldman Sachs & Co.	0.1	na	0.3 L	na	0.1	na	na	0.5	1.7	2.7	3.7	na	na	na	4.2	na	3.5	1.4	1.7
Moody's Capital Markets Group	0.1	3.3 L	0.3 L	0.1 L	0.1	0.1 L	0.3	0.4	1.1	2.1	3.2	3.9	4.8	3.5 L	3.8	78.3	3.3	1.9	1.8
Nomura Securities, Inc	0.1	3.3 L	0.5	0.1 L	0.0 L	0.1 L	0.1 L	0.5	1.1	2.3	3.4	4.1	5.1	na	3.7	77.4	3.0	1.5	1.9
BMO Capital Markets	0.1	3.3 L	0.4	na	0.1	0.1 L	0.3	0.5	1.3	2.8	3.9	na	na	na	4.4	78.7	3.0	1.9	1.9
UBS	0.1	na	0.4	na	0.1	na	na	0.3	1.2	2.2	3.3	na	na	na	na	na	3.0	2.0	1.9
J.W. Coons Advisors LLC	0.1	3.3 L	0.4	0.2	0.2	0.3	0.3	0.5	1.2	2.2	3.2	4.2	5.2	na	3.9	74.4	2.5	1.9	2.1
GLC Financial Economics	0.1	3.3 L	0.5	0.2	0.1	0.2	0.2	0.3	0.8 L	2.0	3.1	4.1	5.3	4.3	3.5 L	75.8	2.5	2.5	2.3
Economist Intelligence Unit	0.1	3.3 L	0.5	0.2	0.2	0.3	0.3	0.6	1.3	2.4	3.7	na	na	na	4.0	na	2.9	na	2.9
RDQ Economics	0.1	3.3 L	0.3 L	0.2	0.1	0.1 L	0.4	0.7	1.9	3.2 H	4.3 H	5.0 H	6.2 H	4.6 H	4.9	79.8	2.6	2.9	2.3
Nat'l Assn. of Realtors	0.1	3.3 L	0.4	0.2	0.2	0.3	0.4	1.1	1.5	2.6	3.7	4.5	5.4	4.3	4.1	na	3.1	2.6	3.2
Moody's Analytics	0.0 L	3.3 L	0.3 L	0.2	0.2	0.4	0.4	0.9	2.2	3.1	4.3 H	4.4	5.4	na	5.3 H	na	4.0	2.3	2.2
June Consensus	**0.2**	**3.3**	**0.4**	**0.2**	**0.2**	**0.2**	**0.3**	**0.6**	**1.3**	**2.4**	**3.5**	**4.2**	**5.1**	**4.0**	**4.0**	**77.2**	**2.9**	**2.0**	**2.1**
Top 10 Avg	0.3	3.3	0.5	0.3	0.3	0.4	0.5	0.9	1.8	2.8	3.9	4.6	5.6	4.3	4.5	80.3	3.6	2.5	2.8
Bottom 10 Avg.	0.1	3.3	0.3	0.1	0.1	0.1	0.2	0.3	1.0	2.0	3.1	3.9	4.8	3.7	3.6	73.5	2.4	1.4	1.5
May Consensus	0.2	3.3	0.4	0.2	0.2	0.2	0.3	0.6	1.3	2.4	3.5	4.2	5.2	4.0	4.0	76.7	2.9	2.0	2.2
Number of Forecasts Changed From A Month Ago:																			
Down	4	1	9	8	11	10	9	10	11	12	10	7	7	14	9	5	9	11	20
Same	38	40	26	23	29	24	24	28	22	21	20	12	15	9	17	14	22	24	20
Up	3	0	6	3	3	5	7	7	12	12	13	16	14	6	15	13	13	8	4
Diffusion Index	49 %	49 %	46 %	43 %	41 %	44 %	46 %	47 %	51 %	50 %	53 %	63 %	60 %	36 %	57 %	63 %	55 %	47 %	32 %

Third Quarter 2014

Interest Rate Forecasts

Key Assumptions

Blue Chip Financial Forecasts Panel Members	Percent Per Annum -- Average For Quarter: Short-Term: 1 Federal Funds Rate	2 Prime Bank Rate	3 LIBOR Rate 3-Mo	4 Com. Paper 1-Mo.	5 Treas. Bills 3-Mo	6 Treas Bills 6-Mo	7 Treas. Bills 1-Yr	Intermediate-Term: 8 Treas Notes 2-Yr.	9 Treas. Notes 5-Yr.	10 Treas. Notes 10-Yr.	Long-Term: 11 Treas Bond 30-Yr.	12 Aaa Corp. Bond	13 Baa Corp Bond	14 State & Local Bonds	15 Home Mtg Rate	Avg For Qtr.: A. Fed's Major Currency $ Index	(Q-Q % Change) (SAAR): B. Real GDP	C GDP Price Index	D. Cons Price Index
Bank of Toyko-Mitsubishi UFJ	1.0 H	4.0 H	1.4 H	0.9 H	1.0 H	0.9 H	1.1 H	2.1 H	2.6 H	3.1	4.1	4.7	6.1	4.2	4.6	78.0	2.9	2.0	1.9
Cycledata Corp.	0.7	3.7	0.9	0.7	0.7	0.9 H	1.0	1.2	1.9	3.0	4.2	4.8	6.1	4.6	4.2	78.0	2.3	2.2	2.6
Wells Fargo	0.3	3.3 L	0.4	0.2	0.2	0.3	0.4	0.8	1.5	2.3	3.4	4.3	5.1	4.1	3.9	78.2	2.3	2.3	2.2
Kellner Economic Advisers	0.3	3.3 L	0.3 L	0.2	0.2	0.3	0.4	0.4	1.0	1.8 L	3.0 L	3.8	4.8	3.8	3.5	70.0	2.5	2.0	2.4
Scotiabank Group	0.3	3.3 L	na	na	0.1	na	na	1.0	2.0	3.3	4.2	na	na	na	na	na	3.0	2.0	2.1
Swiss Re	0.3	3.3 L	0.3 L	0.2	0.1	0.2	0.3	0.9	1.6	2.8	3.8	4.5	5.2	na	4.7	na	4.1	2.0	2.2
Naroff Economic Advisors	0.3	3.3 L	0.6	0.4	0.3	0.4	0.5	0.6	1.4	2.8	4.8 H	4.7	5.6	4.7	4.4	72.5	2.8	2.5	2.5
SunTrust Banks	0.3	3.3 L	0.4	0.3	0.1	0.6	1.1 H	0.8	1.5	2.3	3.3	4.3	4.9	3.9	4.0	67.5 L	3.6	2.5	2.8
RBC Capital Markets	0.3	3.3 L	na	na	0.1	0.1 L	0.2	0.8	1.9	2.8	3.9	na	na	na	na	na	na	na	na
Action Economics	0.2	3.3 L	0.6	0.2	0.2	0.3	0.7	1.1	2.0	2.9	4.0	4.0	5.1	3.7	3.7	75.2	3.4	2.0	2.4
GLC Financial Economics	0.2	3.3 L	0.6	0.3	0.2	0.3	0.3	0.4	0.9	2.1	3.2	4.3	5.5	3.8	3.7	75.2	3.2	2.7	2.6
MacroFin Analytics	0.2	3.3 L	0.5	0.2	0.1	0.3	0.4	0.5	1.1	2.1	3.3	4.2	5.0	4.1	3.8	78.6	3.0	1.6	1.7
Fannie Mae	0.2	3.3 L	0.4	na	na	na	0.2	0.6	1.4	2.2	3.5	na	5.0	na	4.1	na	2.7	1.4	1.6
Georgia State University	0.2	3.3 L	na	na	0.1	0.1 L	0.1 L	0.3	1.3	2.6	3.8	4.7	6.0	na	4.1	na	2.7	1.5	1.9
DePrince & Assoc.	0.2	3.3 L	0.5	0.4	0.2	0.4	0.5	0.8	1.5	2.6	3.6	4.3	5.3	3.6	4.3	74.5	3.2	1.8	2.1
Russell Investments	0.2	3.3 L	0.4	0.3	0.2	0.3	0.5	0.7	1.4	2.6	3.6	4.3	5.1	4.1	4.2	74.4	2.5	2.3	2.2
Wintrust Wealth Management	0.2	3.3 L	0.4	0.2	0.2	0.3	0.5	0.7	1.6	2.5	3.7	4.3	5.3	4.1	4.1	78.0	3.0	2.0	2.3
Mesirow Financial	0.2	3.3 L	0.3 L	0.2	0.3	0.4	0.5	0.8	1.6	2.4	3.3	4.3	5.2	4.1	4.0	82.0	3.5	1.3 L	1.3 L
Pierpont Securities	0.2	3.3 L	0.3 L	0.1 L	0.1	0.1 L	0.2	0.4	1.6	2.7	4.0	4.6	5.4	4.4	4.4	82.5 H	2.7	2.2	2.9
AIG	0.2	na	na	na	0.2	na	na	0.5	1.7	2.6	3.8	4.1	5.2	na	4.4	na	2.9	1.7	1.8
Standard & Poor's Corp.	0.2	3.3 L	0.3 L	0.2	0.1	0.1 L	0.2	0.4	1.3	2.6	na	4.4	5.4	4.2	4.0	na	2.2	1.8	1.8
Woodworth Holdings	0.2	3.3 L	0.3 L	0.1 L	0.1	0.1 L	0.1 L	0.4	1.0	2.1	3.3	4.1	5.0	3.8	3.8	82.0	2.0 L	1.5	1.4
The Northern Trust Company	0.2	3.3 L	0.3 L	0.3	0.1	0.3	0.6	1.0	1.5	2.7	3.9	4.2	5.3	3.7	4.2	na	3.2	1.6	1.8
RBS Securities	0.2	3.3 L	0.4	0.2	0.1	0.2	0.2	0.5	1.5	2.6	3.6	4.2	5.2	4.2	4.1	82.0	3.0	1.7	1.8
Loomis, Sayles & Company	0.2	3.3 L	0.3 L	0.1 L	0.1	0.1 L	0.3	0.5	1.4	2.4	3.3	4.0	4.9	3.9	4.0	79.2	3.0	1.4	1.9
Stone Harbor Investment Partners	0.2	3.3 L	0.3 L	0.2	0.2	0.3	0.4	1.0	1.7	2.8	4.0	4.6	5.5	na	4.3	79.0	3.6	1.8	2.1
Chmura Economics & Analytics	0.2	3.3 L	0.4	0.1 L	0.1	0.2	0.2	0.4	1.1	2.1	3.3	4.1	na	na	3.8	73.5	3.1	2.2	2.1
Chase Wealth Management	0.2	3.3 L	0.4	0.2	0.2	0.2	0.3	0.4	1.0	2.0	3.2	4.1	4.9	3.9	3.7	77.5	2.9	1.9	2.2
Daiwa Capital Markets America	0.2	3.3 L	0.4	0.2	0.2	0.2	0.3	0.6	1.3	2.5	3.5	4.2	5.1	3.5	4.1	79.0	2.7	2.2	2.2
Wells Capital Management	0.2	3.3 L	0.4	0.4	0.4	0.4	0.5	0.6	1.1	2.5	3.6	4.3	4.9	4.0	3.7	77.8	2.7	2.0	2.3
Oxford Economics	0.2	3.3 L	0.3 L	na	0.1	0.1 L	0.4	0.7	1.4	2.6	4.0	na	na	na	4.3	81.5	3.0	2.1	2.3
RidgeWorth Investments	0.2	3.3 L	0.4	0.1 L	0.1	0.2	0.3	0.3	0.9	2.2	3.5	3.7 L	4.7 L	4.1	3.8	75.0	2.5	2.2	2.4
PNC Financial Services Corp	0.2	3.3 L	0.6	na	0.3	0.3	0.3	0.6	1.4	2.2	na	na	4.8	4.3	3.9	73.8	2.5	2.1	2.5
ClearView Economics	0.2	3.3 L	0.3 L	0.1 L	0.0 L	0.1 L	0.1 L	0.2 L	0.8 L	1.9	3.1	3.9	4.7 L	3.7	3.5 L	81.0	3.2	2.2	2.8
Societe Generale	0.2	3.3 L	0.3 L	na	na	na	na	0.7	1.7	2.7	3.8	na	na	na	na	na	3.2	2.6	4.3 H
Nomura Securities, Inc.	0.1 L	3.3 L	0.5	0.1 L	0.0 L	0.1 L	0.1 L	0.6	1.1	2.4	3.5	4.2	5.2	na	3.8	77.5	3.1	1.5	1.6
Goldman Sachs & Co.	0.1 L	na	0.3 L	na	0.1	na	na	0.5	1.9	2.9	3.8	na	na	na	4.4	na	3.5	1.4	1.8
J.W. Coons Advisors LLC	0.1 L	3.3 L	0.5	0.1 L	0.2	0.3	0.4	0.6	1.3	2.2	3.2	4.3	5.3	na	4.0	74.3	2.5	1.9	2.0
BMO Capital Markets	0.1 L	3.3 L	0.4	na	0.1	0.1 L	0.4	0.7	1.5	3.0	4.1	na	na	na	4.6	78.3	3.2	2.1	2.1
Moody's Capital Markets Group	0.1 L	3.3 L	0.3 L	0.2	0.1	0.2	0.4	0.6	1.4	2.2	3.2	3.9	4.7 L	3.5 L	3.9	78.3	2.7	2.0	2.2
Economist Intelligence Unit	0.1 L	3.3 L	0.5	0.3	0.3	0.3	0.4	0.7	1.4	2.5	3.8	na	na	na	4.1	na	2.4	na	2.4
UBS	0.1 L	na	0.4	na	0.1	na	na	0.4	1.3	2.3	3.4	na	na	na	na	na	3.0	2.0	3.4
Moody's Analytics	0.1 L	3.3 L	0.3 L	0.2	0.2	0.4	0.5	0.9	2.4	3.2	4.5	4.7	5.6	na	5.5 H	na	4.3 H	2.7	2.3
RDQ Economics	0.1 L	3.3 L	0.3 L	0.2	0.1	0.2	0.5	0.8	2.2	3.5 H	4.6	5.3 H	6.5 H	5.0 H	5.2	80.1	2.7	3.0 H	2.4
Nat'l Assn. of Realtors	0.1 L	3.3 L	0.4	0.2	0.3	0.4	0.5	1.2	1.7	2.7	4.0	4.7	5.5	4.4	4.2	na	3.0	2.6	3.5
June Consensus	**0.2**	**3.3**	**0.4**	**0.2**	**0.2**	**0.3**	**0.4**	**0.7**	**1.5**	**2.5**	**3.7**	**4.3**	**5.2**	**4.0**	**4.1**	**77.2**	**2.9**	**2.0**	**2.3**
Top 10 Avg.	0.4	3.4	0.7	0.4	0.4	0.5	0.7	1.1	2.0	3.0	4.2	4.7	5.8	4.4	4.6	80.8	3.6	2.5	3.0
Bottom 10 Avg.	0.1	3.3	0.3	0.1	0.1	0.1	0.2	0.4	1.0	2.1	3.2	4.0	4.8	3.7	3.7	73.1	2.4	1.5	1.7
May Consensus	0.2	3.3	0.4	0.3	0.2	0.3	0.4	0.7	1.5	2.5	3.7	4.3	5.3	4.1	4.1	76.7	3.0	2.0	2.3
Number of Forecasts Changed From A Month Ago:																			
Down	4	3	8	7	8	8	8	9	8	9	10	6	8	12	8	3	12	12	19
Same	38	37	28	22	32	26	26	29	24	22	21	17	16	10	19	15	25	24	19
Up	3	1	5	5	3	5	6	7	13	14	12	12	12	5	14	13	7	7	6
Diffusion Index	4 %	4 %	6 %	3 %	2 %	3 %	2 %	2 %	3 %	4 %	5 %	9 %	5 %	4 %	5 %	3 %	4 %	5 %	2 %

International Interest Rate And Foreign Exchange Rate Forecasts

Blue Chip Forecasters	3 Mo. Interest Rate %		
	In 3 Mo.	In 6 Mo.	In 12 Mo.
Scotiabank Group	na	na	na
Moody's Analytics	0.32	0.26	0.23
Nomura Securities	na	na	na
Barclays	0.25	0.20	na
BMO Capital Markets	0.30	0.35	0.40
Mizuho Research Institute	0.25	0.25	0.25
UBS	na	na	na
Wells Fargo	na	na	na
ING Financial Markets	0.30	0.40	0.50
Moody's Capital Markets	na	na	na
June Consensus	**0.28**	**0.29**	**0.35**
High	0.32	0.40	0.50
Low	0.25	0.20	0.23
Last Months Avg.	0.26	0.29	0.33

United States

10 Yr. Gov't Bond Yield %		
In 3 Mo.	In 6 Mo.	In 12 Mo
1.70	1.80	2.50
2.24	2.41	3.06
1.95	2.10	2.30
1.80	2.00	na
2.05	2.30	2 75
1.90	2.00	2.20
1.90	2.00	2.25
2 10	2.20	2.50
2.10	2.30	2.40
1.95	2.00	2.30
1.97	**2.11**	**2.47**
2.24	2.41	3.06
1.70	1.80	2 20
1.96	2.14	2.51

Fed's Major Currency $ Index		
In 3 Mo.	In 6 Mo.	In 12 Mo.
na	na	na
na	na	na
76.0	77.0	77.4
na	na	na
78.0	79.2	78.7
80.1	80.7	81.6
na	na	na
na	na	na
78.8	81.0	81.6
77.9	78.1	78.3
78.2	**79.2**	**79.5**
80.1	81.0	81.6
76.0	77.0	77.4
78.2	78.7	79.4

Blue Chip Forecasters	3 Mo. Interest Rate %		
	In 3 Mo.	In 6 Mo.	In 12 Mo.
Scotiabank Group	na	na	na
Moody's Analytics	na	na	na
Nomura Securities	na	na	na
Barclays	0.23	0.23	na
BMO Capital Markets	0.20	0 20	0.20
Mizuho Research Institute	0.22	0.22	0.22
UBS	na	na	na
Wells Fargo	na	na	na
ING Financial Markets	0.15	0.15	0.17
Moody's Capital Markets	na	na	na
June Consensus	**0.20**	**0.20**	**0.20**
High	0.23	0.23	0.22
Low	0.15	0.15	0.17
Last Months Avg.	0.19	0.19	0.19

Japan

10 Yr. Gov't Bond Yield %		
In 3 Mo.	In 6 Mo.	In 12 Mo.
na	na	na
0.78	0.79	0.82
0.55	0 60	na
0.85	0.70	na
0.80	0.90	1.05
0.65	0.65	0 70
0.90	1.00	1.10
0.55	0.60	0 80
0.70	0.90	1 20
0.80	0.85	1.00
0.73	**0.78**	**0.95**
0.90	1.00	1.20
0.55	0.60	0.70
0.62	0 67	0.82

Yen/USD		
In 3 Mo.	In 6 Mo.	In 12 Mo.
102.0	104.0	106.0
100.9	101.9	103.5
101.0	102.0	102.0
102.0	103 0	98.0
103.0	104 0	107.0
101 0	102.0	105.0
na	na	na
102.0	103.0	105.0
105.0	110.0	115.0
102.0	103.0	105.0
102.1	**103.7**	**105.2**
105.0	110 0	115.0
100.9	101.9	98.0
100.0	101.4	104.3

Blue Chip Forecasters	3 Mo. Interest Rate %		
	In 3 Mo.	In 6 Mo.	In 12 Mo.
Scotiabank Group	na	na	na
Moody's Analytics	na	na	na
Nomura Securities	na	na	na
Barclays	0.50	0 50	na
BMO Capital Markets	0.50	0 50	0.50
Mizuho Research Institute	0.50	0 50	0.50
UBS	na	na	na
Wells Fargo	na	na	na
ING Financial Markets	0.50	0.50	0.60
Moody's Capital Markets	na	na	na
June Consensus	**0.50**	**0.50**	**0.53**
High	0.50	0.50	0.60
Low	0.50	0.50	0 50
Last Months Avg.	0.50	0.50	0.50

United Kingdom

10 Yr. Gilt Yields %		
In 3 Mo.	In 6 Mo.	In 12 Mo.
na	na	na
2.29	2.45	3 11
2.20	2.20	na
2.10	2.20	na
2.00	2.25	2.75
1.85	1 95	2.15
1.70	1.70	1.90
1.80	1.90	2.30
2.20	2.30	2.50
1.85	1.90	2 30
2.00	**2.09**	**2.43**
2.29	2.45	3.11
1.70	1.70	1.90
1.93	2.05	2.30

USD/Pound Sterling		
In 3 Mo.	In 6 Mo.	In 12 Mo.
1.49	1.47	1.45
1.50	1.49	1.48
1.47	1.41	1.40
1.50	1.47	1.47
1.49	1.46	1.47
na	na	na
na	na	na
1.52	1.51	1.49
1.44	1.41	1.45
1.50	1.49	1 48
1.49	**1.46**	**1.46**
1.52	1.51	1.49
1.44	1.41	1.40
1.50	1.49	1.47

Blue Chip Forecasters	3 Mo. Interest Rate %		
	In 3 Mo.	In 6 Mo.	In 12 Mo.
Scotiabank Group	na	na	na
Moody's Analytics	na	na	na
Nomura Securities	na	na	na
Barclays	na	na	na
BMO Capital Markets	na	na	na
Mizuho Research Institute	na	na	na
UBS	na	na	na
Wells Fargo	na	na	na
ING Financial Markets	0.02	0.02	0.02
Moody's Capital Markets	na	na	na
June Consensus	**0.02**	**0.02**	**0.02**
High	0.02	0.02	0.02
Low	0.02	0.02	0.02
Last Months Avg.	0.02	0.02	0.02

Switzerland

10 Yr. Gov't Bond Yield %		
In 3 Mo.	In 6 Mo.	In 12 Mo.
na	na	na
0.69	1.24	1.05
na	na	na
na	na	na
na	na	na
na	na	na
1.10	1.20	1.40
na	na	na
0.80	0 90	1.00
0.65	0.68	0 75
0.81	**1.01**	**1.05**
1.10	1.24	1.40
0.65	0 68	0.75
0.79	0.84	0.97

CHF/USD		
In 3 Mo.	In 6 Mo.	In 12 Mo.
0.95	0.96	1.00
0.92	0.94	1.01
0.98	1.02	1.03
0.97	1.00	1.03
0.96	0.99	1.00
na	na	na
na	na	na
0.98	1.00	1.04
0.99	1.04	1.06
0.98	0.98	0.98
0.97	**0.99**	**1.02**
0.99	1.04	1.06
0.92	0.94	0.98
0.96	0.98	1.00

Blue Chip Forecasters	3 Mo. Interest Rate %		
	In 3 Mo.	In 6 Mo.	In 12 Mo.
Scotiabank Group	na	na	na
Moody's Analytics	na	na	na
Nomura Securities	na	na	na
Barclays	na	na	na
BMO Capital Markets	na	na	na
Mizuho Research Institute	na	na	na
UBS	na	na	na
Wells Fargo	na	na	na
ING Financial Markets	1.10	1.20	1.40
Moody's Capital Markets	na	na	na
June Consensus	**1.10**	**1.20**	**1.40**
High	1.10	1.20	1.40
Low	1.10	1.20	1.40
Last Months Avg.	1.30	1.30	1.40

Canada

10 Yr. Gov't Bond Yield %		
In 3 Mo.	In 6 Mo.	In 12 Mo.
1.65	1.85	2.40
2.12	2.51	3.24
1.90	2.10	2.50
na	na	na
2.05	2.30	2.80
na	na	na
2.45	2.60	2.90
2.00	2.40	2.90
1.90	2.10	2.40
1.90	1.95	2.15
2.00	**2.23**	**2.66**
2.45	2.60	3.24
1.65	1.85	2.15
2.00	2.19	2.64

CAD/USD		
In 3 Mo.	In 6 Mo.	In 12 Mo.
1.04	1.02	1.01
1.01	1.00	1.00
1.06	1.07	1.06
1.01	1.00	0.99
1.04	1.03	1.02
na	na	na
na	na	na
1.00	0.98	0.95
1.00	1.00	1.00
1.04	1.04	1.04
1.02	**1.02**	**1.01**
1.06	1.07	1.06
1.00	0.98	0.95
1.01	1.00	1.00

International Interest Rate And Foreign Exchange Rate Forecasts

Australia

Blue Chip Forecasters	3 Mo. Interest Rate %			10 Yr. Gov't Bond Yield %			USD/AUD		
	In 3 Mo.	In 6 Mo.	In 12 Mo.	In 3 Mo.	In 6 Mo.	In 12 Mo.	In 3 Mo.	In 6 Mo.	In 12 Mo.
Scotiabank Group	na	na	na	na	na	na	1.02	1.04	1.06
Moody's Analytics	na	na	na	*2.81*	*2.81*	*2.96*	*0.98*	*0.97*	*0.95*
Nomura Securities	na	na	na	3.10	3.10	3.40	1.06	1.06	1.04
Barclays	na	na	na	na	na	na	0.98	0.96	0.92
BMO Capital Markets	na	na	na	na	na	na	0.97	0.96	0.99
Mizuho Research Institute	na	na	na	na	na	na	na	na	na
UBS	na	na	na	3.65	3.80	4.10	na	na	na
Wells Fargo	na	na	na	na	na	na	0.99	0.99	1.00
ING Financial Markets	2.70	2.80	2.90	3.50	3.70	3.90	1.05	1.07	1.10
Moody's Capital Markets	na	na	na	3.25	3.20	3.20	0.97	0.96	0.97
June Consensus	**2.70**	**2.80**	**2.90**	**3.26**	**3.32**	**3.51**	**1.00**	**1.00**	**1.00**
High	2.70	2.80	2.90	3.65	3.80	4.10	1.06	1.07	1.10
Low	2.70	2.80	2.90	2.81	2.81	2.96	0.97	0.96	0.92
Last Months Avg.	2.70	2.80	2.90	3.25	3.33	3.51	1.04	1.04	1.04

Eurozone

Blue Chip Forecasters	3 Mo. Interest Rate %			USD/EUR		
	In 3 Mo.	In 6 Mo.	In 12 Mo.	In 3 Mo.	In 6 Mo.	In 12 Mo.
Scotiabank Group	na	na	na	1.27	1.26	1.25
Moody's Analytics	na	na	na	1.32	1.30	1.27
Nomura Securities	0.20	0.20	0.20	1.25	1.20	1.18
Barclays	0.15	0.15	na	1.28	1.25	1.23
BMO Capital Markets	0.20	0.20	0.20	1.29	1.26	1.27
Mizuho Research Institute	0.20	0.20	0.20	1.28	1.27	1.26
UBS	na	na	na	na	na	na
Wells Fargo	na	na	na	1.26	1.24	1.22
ING Financial Markets	0.20	0.30	0.60	1.25	1.20	1.20
Moody's Capital Markets	na	na	na	1.28	1.26	1.24
June Consensus	**0.19**	**0.21**	**0.30**	**1.28**	**1.25**	**1.24**
High	0.20	0.30	0.60	1.32	1.30	1.27
Low	0.15	0.15	0.20	1.25	1.20	1.18
Last Months Avg.	0.19	0.21	0.26	1.28	1.26	1.24

Blue Chip Forecasters	10 Yr. Gov't Bond Yields %											
	Germany			France			Italy			Spain		
	In 3 Mo.	In 6 Mo.	In 12 Mo.	In 3 Mo.	In 6 Mo.	In 12 Mo.	In 3 Mo.	In 6 Mo.	In 12 Mo	In 3 Mo.	In 6 Mo.	In 12 Mo.
ING Financial Markets	1.50	1.60	1.70	2.00	2.10	2.10	4.25	4.10	3.70	4.30	4.20	3.95
Wells Fargo	1.35	1.40	1.60	na	na	na	na	na	na	na	na	na
UBS	1.45	1.30	1.45	2.25	2.15	2.20	5.20	4.90	4.80	na	na	na
Nomura Securities	1.05	1.10	1.10	na	na	na	na	na	na	na	na	na
Mizuho Research Institute	1.35	1.40	1.60	na	na	na	na	na	na	na	na	na
BMO Capital Markets	1.50	1.80	2.30	na	na	na	na	na	na	na	na	na
Moody's Capital Markets	1.38	1.42	1.60	1.98	1.97	2.10	4.10	4.04	4.05	4.35	4.24	4.20
Moody's Analytics	1.45	1.65	1.80	2.10	2.25	2.45	4.00	3.90	3.90	4.31	4.25	4.22
June Consensus	**1.38**	**1.46**	**1.64**	**2.08**	**2.12**	**2.21**	**4.39**	**4.24**	**4.11**	**4.32**	**4.23**	**4.12**
High	1.50	1.80	2.30	2.25	2.25	2.45	5.20	4.90	4.80	4.35	4.25	4.22
Low	1.05	1.10	1.10	1.98	1.97	2.10	4.00	3.90	3.70	4.30	4.20	3.95
Last Months Avg.	1.44	1.50	1.67	2.09	2.11	2.25	4.56	4.46	4.30	4.61	4.55	4.40

Consensus Forecasts 10-year Bond Yields vs U.S. Yield

	Current	In 3 Mo.	In 6 Mo.	In 12 Mo.
Japan	-1.18	-1.24	-1.33	-1.52
United Kingdom	-0.10	0.03	-0.02	-0.04
Switzerland	-1.37	-1.16	-1.11	-1.42
Canada	-0.06	0.03	0.12	0.19
Australia	1.32	1.29	1.21	1.04
Germany	-0.58	-0.59	-0.65	-0.83
France	-0.08	0.11	0.01	-0.26
Italy	2.02	2.42	2.12	1.64
Spain	2.28	2.35	2.12	1.65

Consensus Forecasts 3 Mo. Deposit Rates vs U.S. Rate

	Current	In 3 Mo.	In 6 Mo.	In 12 Mo.
Japan	-0.14	-0.08	-0.49	-0.15
United Kingdom	0.24	0.22	0.21	0.19
Switzerland	-0.35	-0.26	-0.27	-0.33
Canada	0.86	0.82	0.91	1.06
Australia	2.79	2.42	2.51	2.56
Eurozone	-0.17	-0.09	-0.08	-0.04

Viewpoints:

A Sampling of Views on the Economy, Financial Markets and Government Policy Excerpted from Recent Reports Issued by our Blue Chip Panel Members and Others

Three Thoughts for Your Penny

Three distinct lines of thinking have permeated our presentations in recent months, and this week's Fed commentary reinforces our views on these lines.

First, investors, households and businesses must differentiate between the real economy and the financial markets because the Fed is not. From *the Fed's viewpoint, its goals revolve around unemployment and inflation.* The Fed perceives very little distortions in the economy. For those outside the Fed, however, the distortions are primarily in the financial markets where decisions must be made daily. For households, housing prices are rising much more rapidly (10 percent-plus) in excess of the going mortgage rate and, as a result, we are repeating the conditions of the housing boom of 2004-2007. Baa bond yields are below the S&P earnings yield, which is highly unusual and suggests little, if any, risk premium priced into equities. Finally, expected real returns on 5-year Treasury debt are negative as 5-year inflation expectations exceed 5-year nominal Treasury returns.

Second, for someone planning an investment beyond six months, the timing issue on tapering QE appears misplaced. The time horizon of investors and businesses is surely beyond the next six months when they consider their investments, so market reaction to the possibility of tapering in June (we believe it will be much later) appears to be a traders game and not investing for the long-term.

Finally, we have expressed our view that current market interest rates are simply too low to be sustained over time. Current rates reflect the outsized demand by non-market buyers such as the Fed and other central banks that do not mark-to-market, and thereby, we argue that there is no true risk-free benchmark interest rate to judge value in today's markets. Since today's rates are artificially low, the risk for decision makers is that rates in the future are likely to rise quicker than assumed and that leaves many debtors with a refinancing risk that we suspect has not been discounted—again similar to the pattern we witnessed in the prior housing boom/bust.

Wells Fargo Securities, Economics Group, Charlotte, NC

Bernanke Hints at QE Tapering

Federal Reserve Chairman Ben Bernanke's testimony at the Joint Economic Committee this week had four important elements: cautious optimism about the economy, benefits of the Fed's easy monetary policy stance, focus on the labor market and dovish inclination about the course of monetary policy.

Financial markets have been eagerly awaiting guidance about asset purchases, given recent comments from several Fed officials about tapering of asset purchases. Bernanke's prepared testimony about asset purchases was neutral. However, in the Q &A session, he noted that a reduction of asset purchases is possible in the "next few meetings" if economic data suggest that the labor market improvement is sustainable.

Bernanke's strong concern about the labor market is evident in this passage:

"Despite this improvement, the job market remains weak overall: The unemployment rate is still well above its longer-run normal level, rates of long-term unemployment are historically high, and the labor force participation rate has continued to move down.... High rates of unemployment and underemployment are extraordinarily costly..."

The minutes of last Federal Open Market Committee meeting, published May 22, are consistent with Chairman Bernanke's view.

"Most observed that the outlook for the labor market had shown progress since the program was started in September. But many of these participants indicated that continued progress, more confidence in the outlook, or diminished downside risks would be required before slowing the pace of purchases would become appropriate."

Bernanke also touched on the risks of financial instability if low interest rates are maintained for too long and reassured that the Fed is monitoring this closely. At the same time, in his opinion, "...a premature tightening of monetary policy could lead interest rates to rise temporarily but would also carry a substantial risk of slowing or ending the economic recovery and causing inflation to fall further."

Despite these dovish-sounding messages, the U.S. Treasury bond market seemed to draw the opposite conclusion. The 10-year Treasury note *yield exceeded 2% late in the week, a response to the bullish incoming* data and expectations of a reduction in asset purchases by the Fed.

To be sure, the monthly gain in payroll employment is averaging a little above 200,000 in the last six months compared with an average of 130,000 in September 2012 when the third round of quantitative easing was announced. This is a distinct improvement. But layers of joblessness remain very high, prompting key Fed voters to hope for better.

We continue to think that a tapering of asset purchases is possible with*in the next six months. It will certainly require some additional momen*tum in the job market and may ultimately be based more on fear that too much QE could kindle financial instability down the road.

What this week illustrates, though, is the market's sensitivity to even the hint that policy will be changing. The Fed will have to manage this perception carefully to prevent an overreaction.

Carl R. Tannenbaum, Northern Trust, Chicago, IL

Don't Taper Your Enthusiasm

The marked shift in the distribution of macroeconomic risks is central to our forecast that global growth will return to trend before year-end. Although the economy has been stuck in a prolonged rut, the threats posed by a Europe sovereign debt crisis, a drop off the US fiscal cliff, and EM overheating have all fallen by the wayside. A reflationary regime shift in monetary policy has also materially improved the risk distribution on Japanese growth. These changes were expected to be felt first through rising business sentiment and the more effective transmission of easy money to global financial markets. Only gradually were they anticipated to combine with fading drags—notably from fiscal tightening in the US and Europe—to fuel a return to above-trend global growth.

The grinding lift in 1H growth aligns with this forecast, but the interaction of reduced tail risks and easy money has gained considerably more traction in global financial markets than had been expected. In addition, global inflation has fallen sharply, a development that has opened the door for additional easing by EM central banks. Firming growth expectations have, however, raised concerns related to the Federal Reserve, which Chairman Bernanke reinforced this week by acknowledging that QE tapering could begin in the "next few meetings." We believe that tapering is most likely to begin in December and will take place gradually. However, the window for considering action will open in September when the Fed can assess 3Q labor market *(continued on next page)*

Viewpoints

A Sampling of Views on the Economy, Financial Markets and Government Policy Excerpted from Recent Reports Issued by our Blue Chip Panel Members and Others

conditions. If employment gains are averaging close to 200,000 at this juncture, the Fed will probably act.

We argue that the Fed's new policy framework significantly reduced the odds of a US financial market disruption. Notably, the decision to taper asset purchases is being telegraphed as the beginning of the end of easing that comes in response to an improved economic picture. It is not designed to signal an earlier start to tightening, for which the Fed has laid out thresholds to guide expectations. As it communicates its views on the exit, the Fed can credibly argue that the decision to taper does not alter its views on when economic thresholds will be met.

While we believe the Fed can effectively signal its policy intent to maintain low interest rates, the response of financial markets to tapering will also depend on global developments. If tapering were accompanied by a broader turn in global policy, its potential to generate turbulence would be magnified. However, outside of Brazil and Indonesia, no other large central bank is forecast to tighten policy this year. Indeed, there is more easing in the pipeline. In part, this reflects the relative outperformance of the US economy—it is the only major economy to grow close to trend over the past year. In addition, inflation has fallen sharply and now stands below central bank targets across most of the globe.

A more interesting question relates to the potential relative swings in global capital flows alongside shifting growth expectations. A long period of extremely accommodative US monetary policy has generated sizable capital inflows and asset price appreciation in commodity-producing nations and those EM countries that were relatively unscathed by the financial crisis. While these economies are not threatened by domestic policy tightening, they now face the prospect of Fed tapering as economic performance continues to disappoint.

Bruce C. Kasman, J.P. Morgan Chase, New York, NY

Disentangling The Fed's Signals

The Federal Reserve provided a good bit of information recently in the form of Congressional testimony from Chairman Bernanke and the minutes from the April 30/May 1 FOMC meeting. Some of the information might seem contradictory and confusing. For example, in his prepared remarks, Chairman Bernanke emphasized the importance of remaining accommodative until the economic expansion was well established. Premature tightening, he argued, would involve "a substantial risk of slowing or ending the economic recovery and causing inflation to fall further." In his Q&A session, in contrast, he noted that the FOMC could pare its asset purchase program at one of the next few meetings. The FOMC minutes went further by noting that a number of Fed officials might be willing to trim purchases in June.

The apparent contradictions can be resolved by recalling how most Fed officials view the influence of quantitative easing on financial markets. Statements from several policymakers have emphasized the stock-view of asset purchases. That is, the relevant consideration in a QE program is the volume of securities removed from the market rather than the flow of monthly purchases. From this perspective, the stance of policy is best described by the size of the balance sheet or amount of securities held. Tapering monthly purchases in this view does not represent tightening; it merely represents a slowing in the pace of easing. If purchases were to cease, the volume of securities held would remain the same and therefore policy could be viewed as unchanged. (Ending QE or slowing the pace of buying could involve tightening in the sense that the relative position of the Fed in the market, or the share of outstanding securities held by the central bank, would diminish over time. However, such effects would be gradual and almost imperceptible over short time spans.)

Chairman Bernanke's prepared remarks argued against removing accommodation, which would involve selling securities (or redeeming them as they are repaid). Such actions are nowhere on the Fed's radar screen at this time. His comments during the Q&A session referred to the tapering of new purchases, which he views as merely slowing the pace of easing rather than removing accommodation.

The Fed has emphasized the importance of communicating clearly with market participants, but it is likely to have trouble drilling the distinction between tapering purchases and tightening policy into the minds of traders and investors. Market players think in terms of flows rather than stocks, and in their minds, a reduction in the volume of monthly purchases represents less support from the Fed -- that is, a tightening in policy. The Chairman can explain his thinking in a press conference or include a passage in the FOMC minutes, but the message will probably not be absorbed by market participants. The flow view is in their DNA. The Fed has another communication problem in that it is difficult to specify the criteria that will trigger a shift in its asset purchase program. The Fed has indicated that it will alter the program when the outlook for the labor market improves substantially, but this characterization leaves a lot of room for interpretation. Several officials have indicated that they will take a broad view when assessing the labor market, but that leaves open the issue of which variables should be monitored and what weight should be assigned to each factor. More important, by emphasizing the outlook for the labor market, the Fed has implied that the improvement must be sustainable. The Chairman's comments in his latest testimony also emphasized sustainability. This compounds the guesswork of market participants, as they must assess when officials will view an unspecified degree of improvement in unidentified indicators as sustainable.

Fortunately, Janet Yellen has provided a bit of guidance on the sustainability issue. She noted in a recent speech that labor market developments will most likely march in step with the pace of economic growth. Thus, the labor market in general and unemployment in particular will be improving consistently when the economy is steadily growing above its potential rate. That leaves one wondering about the economy's potential growth rate, but the projections of Fed officials imply that they see potential growth to be 2.3 to 2.5 percent (the central tendency for the long-range forecast).

The minutes from the April/May FOMC meeting suggested that officials were reasonably pleased with progress in the labor market, and we suspect that policymakers were heartened by the favorable employment report published after that meeting. However, we also suspect that Fed officials will have doubts about sustainability. The economy in Q2 seems to be slowing from the moderate pace in the first quarter, which raises the possibility of a loss of momentum in the labor market. In addition, some Fed officials are likely to be concerned about the effect of sequestration on the economy. Indeed, William Dudley of the New York Fed indicated that he will need three to four months of additional data to discern the influence of fiscal tightening on the economy. In such an environment, we doubt that the FOMC will alter its QE program in June despite the preferences of some officials to taper. The situation might be clearer at the July 30-31 meeting, which could prompt a reduction in Fed buying, but we look for the Fed to stick with its current pace of buying until September.

Michael Moran, Daiwa Capital Markets America, New York, NY

Long-Range Forecasts:

The table below contains results of our semi-annual long-range CONSENSUS survey. There are also Top 10 and Bottom 10 averages for each variable. Shown are estimates for the years 2015 through 2019 and averages for the five-year periods 2015-2019 and 2020-2024. Apply these projections cautiously. Few economic, demographic and political forces can be evaluated accurately over such long time spans.

		Average For The Year					Five-Year Averages	
Interest Rates		**2015**	**2016**	**2017**	**2018**	**2019**	**2015-2019**	**2020-2024**
1. Federal Funds Rate	**CONSENSUS**	**0.8**	**2.0**	**3.1**	**3.6**	**3.9**	**2.7**	**3.8**
	Top 10 Average	1.6	3.4	4.3	4.4	4.6	3.7	4.6
	Bottom 10 Average	0.2	0.8	1.7	2.5	3.1	1.7	2.9
2. Prime Rate	**CONSENSUS**	**3.9**	**5.1**	**6.1**	**6.6**	**6.9**	**5.7**	**6.8**
	Top 10 Average	4.7	6.5	7.3	7.6	7.6	6.7	7.5
	Bottom 10 Average	3.3	3.9	4.8	5.5	6.1	4.7	6.0
3. LIBOR, 3-Mo.	**CONSENSUS**	**1.1**	**2.4**	**3.3**	**3.9**	**4.1**	**3.0**	**4.1**
	Top 10 Average	2.0	3.8	4.6	4.8	4.9	4.0	4.9
	Bottom 10 Average	0.5	1.1	2.0	2.8	3.3	1.9	3.0
4. Commercial Paper, 1-Mo.	**CONSENSUS**	**1.0**	**2.3**	**3.2**	**3.7**	**3.9**	**2.8**	**3.7**
	Top 10 Average	1.7	3.4	4.3	4.5	4.6	3.7	4.5
	Bottom 10 Average	0.5	1.2	2.1	2.8	3.1	1.9	2.8
5. Treasury Bill Yield, 3-Mo.	**CONSENSUS**	**0.9**	**2.0**	**3.1**	**3.5**	**3.8**	**2.7**	**3.7**
	Top 10 Average	1.7	3.4	4.3	4.5	4.6	3.7	4.5
	Bottom 10 Average	0.2	0.8	1.7	2.4	2.9	1.6	2.7
6. Treasury Bill Yield, 6-Mo.	**CONSENSUS**	**1.0**	**2.2**	**3.2**	**3.7**	**3.9**	**2.8**	**3.9**
	Top 10 Average	1.8	3.5	4.4	4.7	4.7	3.8	4.6
	Bottom 10 Average	0.3	1.0	1.8	2.6	3.0	1.7	2.8
7. Treasury Bill Yield, 1-Yr.	**CONSENSUS**	**1.2**	**2.4**	**3.3**	**3.8**	**4.0**	**2.9**	**4.0**
	Top 10 Average	2.1	3.6	4.5	4.8	4.9	4.0	4.8
	Bottom 10 Average	0.4	1.1	1.9	2.7	3.1	1.9	3.0
8. Treasury Note Yield, 2-Yr.	**CONSENSUS**	**1.6**	**2.7**	**3.6**	**4.1**	**4.2**	**3.2**	**4.2**
	Top 10 Average	2.4	3.8	4.7	5.0	5.1	4.2	5.0
	Bottom 10 Average	0.8	1.6	2.4	3.0	3.3	2.2	3.1
10. Treasury Note Yield, 5-Yr	**CONSENSUS**	**2.3**	**3.3**	**4.1**	**4.4**	**4.6**	**3.8**	**4.5**
	Top 10 Average	3.2	4.4	5.1	5.3	5.5	4.7	5.3
	Bottom 10 Average	1.5	2.3	3.1	3.4	3.6	2.8	3.5
11. Treasury Note Yield, 10-Yr.	**CONSENSUS**	**3.2**	**4.1**	**4.6**	**4.9**	**5.0**	**4.4**	**4.9**
	Top 10 Average	4.0	5.0	5.5	5.8	5.9	5.3	5.7
	Bottom 10 Average	2.5	3.2	3.6	3.8	4.0	3.4	4.0
12. Treasury Bond Yield, 30-Yr	**CONSENSUS**	**4.2**	**4.8**	**5.4**	**5.6**	**5.7**	**5.2**	**5.6**
	Top 10 Average	5.0	5.9	6.4	6.6	6.8	6.1	6.5
	Bottom 10 Average	3.5	3.9	4.4	4.6	4.7	4.2	4.7
13. Corporate Aaa Bond Yield	**CONSENSUS**	**4.9**	**5.5**	**6.0**	**6.2**	**6.3**	**5.8**	**6.3**
	Top 10 Average	5.6	6.5	7.0	7.1	7.3	6.7	7.1
	Bottom 10 Average	4.1	4.5	5.1	5.3	5.4	4.9	5.4
13. Corporate Baa Bond Yield	**CONSENSUS**	**5.8**	**6.6**	**7.1**	**7.4**	**7.5**	**6.9**	**7.4**
	Top 10 Average	6.6	7.6	8.0	8.3	8.5	7.8	8.3
	Bottom 10 Average	5.1	5.6	6.2	6.4	6.5	5.9	6.5
14. State & Local Bonds Yield	**CONSENSUS**	**4.4**	**5.1**	**5.5**	**5.6**	**5.7**	**5.2**	**5.6**
	Top 10 Average	5.2	6.1	6.5	6.5	6.6	6.2	6.4
	Bottom 10 Average	3.8	4.1	4.6	4.7	4.9	4.4	4.8
15. Home Mortgage Rate	**CONSENSUS**	**4.8**	**5.6**	**6.2**	**6.4**	**6.5**	**5.9**	**6.5**
	Top 10 Average	5.7	6.6	7.1	7.4	7.4	6.8	7.3
	Bottom 10 Average	4.1	4.6	5.1	5.4	5.5	5.0	5.5
A. FRB - Major Currency Index	**CONSENSUS**	**78.6**	**79.1**	**79.3**	**79.6**	**79.6**	**79.2**	**80.0**
	Top 10 Average	82.7	83.7	84.7	85.2	85.3	84.3	85.9
	Bottom 10 Average	74.4	74.2	73.9	73.9	74.1	74.1	74.2
		Year-Over-Year, % Change					Five-Year Averages	
		2015	***2016***	***2017***	***2018***	***2019***	***2015-2019***	***2020-2024***
B. Real GDP	**CONSENSUS**	**3.0**	**2.9**	**2.8**	**2.7**	**2.6**	**2.8**	**2.5**
	Top 10 Average	3.5	3.3	3.2	3.1	3.1	3.2	2.9
	Bottom 10 Average	2.6	2.6	2.4	2.3	2.3	2.4	2.2
C. GDP Chained Price Index	**CONSENSUS**	**2.1**	**2.1**	**2.2**	**2.2**	**2.2**	**2.1**	**2.2**
	Top 10 Average	2.4	2.5	2.6	2.6	2.6	2.5	2.5
	Bottom 10 Average	1.6	1.7	1.8	1.8	1.8	1.7	1.9
D. Consumer Price Index	**CONSENSUS**	**2.3**	**2.4**	**2.4**	**2.4**	**2.4**	**2.4**	**2.4**
	Top 10 Average	2.7	2.8	2.9	2.9	2.9	2.8	2.8
	Bottom 10 Average	1.8	1.9	1.8	1.9	2.0	1.9	2.0

Databank:

2013 Historical Data

Monthly Indicator	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov	Dec
Retail and Food Service Sales (a)	-0.1	1.1	-0.5	0.1								
Auto & Light Truck Sales (b)	15.22	15.32	15 21	14.87								
Personal Income (a, current $)	-3.6	1.1	0.2									
Personal Consumption (a. current $)	0 3	0.7	0 2									
Consumer Credit (e)	5.5	8 0	3.4									
Consumer Sentiment (U. of Mich.)	73.8	77.6	78 6	76.4								
Household Employment (c)	17	170	-206	293								
Non-farm Payroll Employment (c)	148	332	138	165								
Unemployment Rate (%)	7.9	7.7	7.6	7.5								
Average Hourly Earnings (All, cur. $)	23.78	23.82	23.83	23.87								
Average Workweek (All, hrs.)	34.4	34.5	34.6	34.4								
Industrial Production (d)	2.0	2.4	3.3	1.9								
Capacity Utilization (%)	77.6	78.2	78.3	77.8								
ISM Manufacturing Index (g)	53 1	54.2	51.3	50.7								
ISM Non-Manufacturing Index (g)	55.2	56.0	54 4	53.1								
Housing Starts (b)	0.898	0.969	1.021	0 853								
Housing Permits (b)	0.915	0 952	0.890	1.017								
New Home Sales (1-family, c)	445	411	417									
Construction Expenditures (a)	-4.0	1.5	-1 7									
Consumer Price Index (nsa., d)	1.6	2.0	1.5	1.1								
CPI ex. Food and Energy (nsa., d)	1 9	2.0	1 9	1.7								
Producer Price Index (n.s a ., d)	1.4	1.7	1.1	0 6								
Durable Goods Orders (a)	-3.7	6.4	-5.9	3 3								
Leading Economic Indicators (g)	0.5	0 5	-0.1									
Balance of Trade & Services (f)	-44.5	-43.6	-38.8									
Federal Funds Rate (%)	0.14	0 15	0.14	0.15								
3-Mo. Treasury Bill Rate (%)	0.07	0 10	0.09	0.06								
10-Year Treasury Note Yield (%)	1.91	1.98	1.96	1.76								

2012 Historical Data

Monthly Indicator	Jan	Feb	Mar	Apr	May	Jun	Jly	Aug	Sep	Oct	Nov	Dec
Retail and Food Service Sales (a)	0.6	1.0	0.4	-0.5	-0.1	-0.7	0 7	1.0	1.2	-0.2	0.5	0.5
Auto & Light Truck Sales (b)	13.93	14.43	14.09	14.08	13.90	14.33	14.04	14 46	14.88	14.23	15.48	15.33
Personal Income (a, current $)	0.8	0.6	0.5	0 2	0.3	0.3	0.1	0.1	0 4	0.1	1.0	2.6
Personal Consumption (a. current $)	0 5	0.8	0 3	0.2	-0 2	0.0	0 3	0.3	0.8	0.0	1.1	0.2
Consumer Credit (e)	8.4	4.0	6.1	4.0	8.7	6 0	-1.1	8 4	5.3	6 1	7.0	6.3
Consumer Sentiment (U. of Mich)	75.0	75 3	76.2	76 4	79.3	73.2	72 3	74.3	78.3	82.6	82.7	72 9
Household Employment (c)	712	411	1	-86	368	146	-198	-86	810	354	-51	28
Non-Farm Payroll Employment (c)	311	271	205	112	125	87	153	165	138	160	247	219
Unemployment Rate (%)	8.3	8.3	8.2	8.1	8.2	8.2	8.2	8 1	7.8	7 9	7.8	7.8
Average Hourly Earnings (All. cur. $)	23.28	23.33	23.37	23.40	23 43	23.50	23.52	23.52	23 60	23.59	23.66	23.75
Average Workweek (All, hrs)	34.5	34.6	34.5	34 5	34.4	34.4	34.4	34.4	34.5	34 3	34.4	34.5
Industrial Production (d)	3.9	4.9	3.2	4.6	4.5	4.3	4.3	2.9	3.0	2.2	3.2	2.7
Capacity Utilization (%)	77.7	77.9	77.3	77.7	77.8	77.7	77.9	77.2	77.2	77.0	77.8	77.7
ISM Manufacturing Index (g)	53.7	51.9	53.3	54.1	52.5	50.2	50.5	50 7	51.6	51 7	49.9	50 2
ISM Non-Manufacturing Index (g)	56.0	56.1	55.0	53.7	54.1	52.7	52.9	54.3	55.2	54.8	54.8	55.7
Housing Starts (b)	0.723	0.713	0.707	0.754	0 711	0.757	0 741	0.749	0.854	0.864	0.842	0.983
Housing Permits (b)	0 714	0.739	0 785	0.749	0 806	0.785	0 839	0.827	0.921	0.908	0.933	0.943
New Home Sales (1-family, c)	339	366	352	358	369	361	373	366	374	364	393	381
Construction Expenditures (a)	-0.7	-0.4	-0.3	0.9	1.7	0.8	0.2	1 1	0.7	1.6	0.9	0 1
Consumer Price Index (s.a., d)	2.9	2.9	2.7	2.3	1.7	1.7	1.4	1.7	2.0	2.2	1.8	1.7
CPI ex. Food and Energy (s.a., d)	2.3	2 2	2.3	2 3	2.3	2.2	2.1	1.9	2.0	2.0	1.9	1.9
Producer Price Index (n.s.a., d)	4.1	3.4	2.8	1.8	0.6	0.7	0.5	1.9	2 1	2.3	1 5	1.4
Durable Goods Orders (a)	-4 9	2.0	-3 7	-0.3	1.5	1.6	3.3	-13.1	9 1	1.1	0 6	3.6
Leading Economic Indicators (g)	0.0	0.7	0 2	-0.1	0.3	-0.5	0.4	-0.5	0.5	0.2	0.0	0.4
Balance of Trade & Services (f)	-52.3	-44.6	-51.7	-49.7	-47.0	-40.9	-41.9	-42 6	-40.4	-42 1	-48.2	-38 1
Federal Funds Rate (%)	0.08	0.10	0 13	0.14	0.16	0.16	0.16	0.13	0.14	0.16	0.16	0.16
3-Mo. Treasury Bill Rate (%)	0.03	0.09	0.08	0.08	0.09	0.09	0.10	0.10	0.11	0 10	0.09	0 07
10-Year Treasury Note Yield (%)	1.97	1.97	2.17	2.05	1.80	1.62	1 53	1.68	1.72	1.75	1 65	1.72

(a) month-over-month % change; (b) millions, saar; (c) thousands, saar; (d) year-over-year % change; (e) annualized % change; (f) $ billions; (g) level. Most series are subject to frequent government revisions. Use with care.

Calendar Of Upcoming Economic Data Releases

Monday	Tuesday	Wednesday	Thursday	Friday
May 27 **Memorial Day** **U.S. Markets Closed**	**28** Richmond Fed Survey (May) Dallas Fed Survey (May) Chicago Fed Midwest Manufacturing Index (Apr) Consumer Confidence (Conference Board, May) S&P/Case-Shiller Home Price Index (Mar, Q1) ABC Consumer Comfort Index Weekly Store Sales	**29** EIA Crude Oil Stocks Mortgage Applications	**30** Real GDP (Q1, second estimate) Corporate Profits (Q1, preliminary) Pending Home Sales (Apr) Weekly Jobless Claims Weekly Money Supply	**31** Personal Income and consumption (Apr) Chicago PMI (May) Consumer Sentiment (University of Michigan, Final, May)
June 3 Manufacturing PMI (Markit, May, final) ISM Manufacturing (May) Light Vehicle Sales (May) Construction Spending (Apr)	**4** International Trade (Apr) ABC Consumer Comfort Index Weekly Store Sales	**5** ADP Employment (May) ISM Non-Manufacturing (May) Factory Orders (Apr) Productivity and Costs (Q1, revised) Beige Book EIA Crude Oil Stocks Mortgage Applications	**6** Chain Store Sales (May) Job cut announcements (May) Flow of funds (Q1) Weekly Jobless Claims Weekly Money Supply	**7** Employment Report (May) Consumer Credit (Apr)
10	**11** NFIB survey (May) Wholesale Trade (Apr) JOLTS (Apr) ABC Consumer Comfort Index Weekly Store Sales	**12** Federal Budget (May) EIA Crude Oil Stocks Mortgage Applications	**13** Retail Sales (May) Import Prices (May) Business Inventories (Apr) Weekly Jobless Claims Weekly Money Supply	**14** Industrial Production (May) Producer Price Index (May) Consumer Sentiment (University of Michigan, Preliminary, Jun) Current Account (Q1)
17 Empire State Survey (Jun) NAHB Survey (Jun) TIC Data (Apr)	**18** **FOMC Meeting** Consumer Price Index (May) Housing Starts (May) ABC Consumer Comfort Index Weekly Store Sales	**19** **FOMC Meeting** **Statement (12:30)** **Projections (2:00)** **Press Conference (2:15)** EIA Crude Oil Stocks Mortgage Applications	**20** Markit Manufacturing PMI (Jun, flash) Philadelphia Fed Survey (Jun) Existing Home Sales (May) Leading Economic Indicators (May) Weekly Jobless Claims Weekly Money Supply	**21**
24 Chicago FRB National Activity Index (May)	**25** New Home Sales (May) Durable Goods (May) Richmond Fed Survey (Jun) S&P/Case-Shiller Home Price Index (Apr) FHFA Home Price Index (Apr) Consumer Confidence (Conference Board, Jun) ABC Consumer Comfort Index Weekly Store Sales	**26** Real GDP (Q1, Third Estimate) Corporate Profits (Q1, Revised) EIA Crude Oil Stocks Mortgage Applications	**27** Personal Income and Consumption (May) Kansas City Fed Survey (Jun) Pending Home Sales (May) Weekly Jobless Claims Weekly Money Supply	**28** Chicago PMI (Jun) Consumer Sentiment (University of Michigan, Final, Jun)
July 1 Manufacturing PMI (Markit, Jun, Final) ISM Manufacturing (Jun) Construction Spending (May)	**2** Vehicle Sales (Jun) Factory Orders (May) ABC Consumer Comfort Index Weekly Store Sales	**3** ADP Employment (Jun) International Trade (May) ISM Non-Manufacturing (Jun) EIA Crude Oil Stocks Mortgage Applications	**4** **Independence Day** **U.S. Markets Closed**	**5** Employment Report (Jun) Weekly Jobless Claims Weekly Money Supply

BLUE CHIP FORECASTERS

CONTRIBUTORS TO DOMESTIC SURVEY

Action Economics, LLC, Boulder, CO
Michael Englund
AIG, New York, NY
Katharine Wolchik
Bank of America Merrill Lynch, New York, NY
Ethan Harris
Bank of Tokyo-Mitsubishi UFJ, Ltd., New York, NY
Christopher S. Rupkey
Barclays Capital, New York, NY
Dean Maki
BMO Capital Markets Economics, Toronto, Canada
Douglas Porter
Chase Wealth Management, New York, NY
Anthony Chan
Chmura Economics & Analytics, Richmond, VA
Christine Chmura and Xiaobing Shuai
ClearView Economics, LLC, Cleveland, OH
Kenneth T. Mayland
Comerica, Dallas, TX
Robert A. Dye
Cycledata Corp., San Diego, CA
Robert S. Powers
Daiwa Capital Markets America, New York, NY
Michael Moran
Economist Intelligence Unit, New York, NY
Leo Abruzzese and Jan Friederich
DePrince & Associates, Murfreesburo, TN
Albert E. DePrince Jr.
Fannie Mae, Washington, DC
Douglas Duncan
Georgia State University, Atlanta, GA
Rajeev Dhawan and Emin Hajiyev
GLC Financial Economics, Providence, RI
Gary L. Ciminero
Goldman, Sachs & Co., New York, NY
Jan Hatzius
J.P. Morgan Chase, New York, NY
Bruce Kasman and Robert Mellman
J.W. Coons Advisors, LLC, Columbus, OH
James W. Coons
Kellner Economic Advisers, Port Washington, NY
Irwin L. Kellner
Loomis, Sayles & Company, L.P., Bloomfield, MI
Brian Horrigan
MacroFin Analytics, Wayne, NJ
Parul Jain
Mesirow Financial, Chicago, IL
Diane Swonk
Moody's Capital Markets Group, New York, NY
John Lonski
Moody's Analytics, West Chester, PA
Mark M. Zandi
Naroff Economic Advisors, Philadelphia, PA
Joel L. Naroff
National Association of Realtors, Washington, DC
S. Lawrence Yun
Nomura Securities International, Inc., New York, NY
Lewis Alexander
Oxford Economics, Wayne, PA
Lea Tyler
Pierpont Securities, Stamford, CT
Stephen Stanley
PNC Financial Services Group, Pittsburgh, PA
Stuart G. Hoffman
RBC Capital Markets, New York, NY
Thomas Porcelli
RBS, Greenwich, CT
Michelle Girard
RDQ Economics, New York, NY
John Ryding and Conrad DeQuadros
RidgeWorth Capital Management, Richmond, VA
Alan Gayle
Russell Investments, Seattle, WA
Michael Dueker
Scotiabank Group, Toronto, Canada
Aron Gampel and Dr. Warren Jestin
Societe Generale, NY, New York
Stephen W. Gallagher
Standard & Poor's Corp., New York, NY
Beth Ann Bovino
Stone Harbor Investment Partners, LP, New York, NY
Brian Keyser
SunTrust Banks, Inc., Atlanta, GA
Gregory L. Miller
Swiss Re, New York, NY
Kurt Karl
The Northern Trust Company, Chicago, IL
Carl Tannenbaum and Asha G. Bangalore
UBS, New York, NY
Maury Harris, Samuel Coffin and Kevin Cummins
Wintrust Wealth Management., Chicago, IL
William B. Hummer
Wells Capital Management, San Francisco, CA
Gary Schlossberg
Wells Fargo, Charlotte, NC
John Silvia and Mark Vitner
Woodworth Holdings, Ltd., Summit, NJ
Jay N. Woodworth

CONTRIBUTORS TO INTERNATIONAL SURVEY

Barclays Capital, New York, NY

ING Financial Markets, London, England

Mizuho Research Institute, Tokyo, Japan

Moody's Analytics, West Chester, PA

Moody's Capital Markets Group, New York, NY

Nomura Securities International, New York, NY

Scotiabank Group, Toronto, Canada

Societe Generale, New York, NY

UBS, New York, NY

Wells Fargo, Charlotte, NC

Value Line Forecast for the U.S. Economy

	ACTUAL					ESTIMATED				
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GROSS DOMESTIC PRODUCT AND ITS COMPONENTS (2005 CHAIN WEIGHTED $) BILLIONS OF DOLLARS										
Final Sales	13201	12853	13029	13282	13539	*13788*	*14152*	*14577*	*15014*	*15479*
Total Consumption	9212	9038	9221	9421	9603	*9814*	*10052*	*10303*	*10571*	*10856*
Nonresidential Fixed Investment	1538	1263	1319	1436	1488	*1558*	*1660*	*1768*	*1874*	*1968*
Structures	466	367	309	323	354	*366*	*387*	*410*	*439*	*469*
Equipment & Software	1059	890	1019	1126	1144	*1206*	*1299*	*1390*	*1473*	*1547*
Residential Fixed Investment	444	346	331	326	367	*419*	*490*	*578*	*625*	*656*
Exports	1649	1494	1663	1774	1837	*1876*	*1978*	*2087*	*2212*	*2367*
Imports	2144	1853	2085	2188	2238	*2274*	*2392*	*2511*	*2624*	*2729*
Federal Government	971	1030	1076	1055	1024	*967*	*986*	*966*	*952*	*942*
State & Local Governments	1528	1514	1487	1454	1462	*1445*	*1441*	*1451*	*1461*	*1473*
Gross Domestic Product	14292	13939	14527	15088	15685	*16183*	*16899*	*17720*	*18580*	*19519*
Real GDP (2005 Chain Weighted $)	13162	12703	13088	13315	13593	*13835*	*14190*	*14616*	*15054*	*15536*
PRICES AND WAGES-ANNUAL RATES OF CHANGE										
GDP Deflator	2.2	1.1	1.2	2.1	1.8	*1.6*	*1.7*	*1.7*	*1.8*	*1.8*
CPI-All Urban Consumers	3.8	-0.3	1.6	3.1	2.1	*1.2*	*1.7*	*1.8*	*1.9*	*2.0*
PPI-Finished Goods	6.4	-2.5	4.2	6.0	1.9	*0.6*	*1.0*	*1.2*	*1.5*	*1.8*
Employment Cost Index—Total Comp.	2.9	1.4	1.9	2.2	1.9	*1.9*	*2.4*	*2.5*	*2.7*	*2.8*
Productivity	0.6	2.3	4.1	0.6	0.9	*0.8*	*1.0*	*1.2*	*1.4*	*1.5*
PRODUCTION AND OTHER KEY MEASURES										
Industrial Prod. (% Change)	-3.7	-11.2	5.3	4.1	3.6	*4.0*	*3.0*	*3.0*	*3.0*	*3.0*
Factory Operating Rate (%)	74.9	66.2	71.7	75.0	75.8	*76.8*	*77.9*	*78.3*	*78.5*	*79.0*
Nonfarm Inven. Change (2005 Chain Weighted $)	-37.6	-143.8	60.7	44.3	59.6	*48.2*	*45.0*	*50.0*	*45.0*	*40.0*
Housing Starts (Mill. Units)	0.90	0.55	0.59	0.61	0.78	*0.99*	*1.24*	*1.50*	*1.55*	*1.60*
Existing House Sales (Mill. Units)	4.89	5.15	4.92	4.28	4.66	*5.06*	*5.53*	*5.80*	*5.75*	*5.70*
Total Light Vehicle Sales (Mill. Units)	13.2	10.4	11.6	12.7	14.4	*15.2*	*15.6*	*16.2*	*16.3*	*16.5*
National Unemployment Rate (%)	5.8	9.3	9.6	9.0	8.1	*7.5*	*7.1*	*6.5*	*6.2*	*6.0*
Federal Budget Surplus (Unified, FY, $Bill)	-455.0	-1416	-1294	-1297	-1089	*-857*	*-750*	*-600*	*-550*	*-500*
Price of Oil ($Bbl., U.S. Refiners' Cost)	95.29	59.20	76.70	101.80	101.01	*100.00*	*102.50*	*105.00*	*107.50*	*110.00*
MONEY AND INTEREST RATES										
3-Month Treasury Bill Rate (%)	1.4	0.2	0.1	0.1	0.1	*0.1*	*0.1*	*0.5*	*1.5*	*3.0*
Federal Funds Rate (%)	1.9	0.2	0.2	0.1	0.1	*0.2*	*0.2*	*0.5*	*1.5*	*3.5*
10-Year Treasury Note Rate (%)	3.7	3.3	3.2	2.8	1.8	*2.1*	*2.7*	*3.0*	*3.5*	*3.8*
Long-Term Treasury Bond Rate (%)	4.3	4.1	4.3	3.9	2.9	*3.1*	*3.6*	*4.0*	*4.3*	*4.5*
AAA Corporate Bond Rate (%)	5.6	5.3	4.9	4.6	3.7	*3.9*	*4.3*	*4.7*	*5.3*	*5.8*
Prime Rate (%)	5.1	3.3	3.3	3.3	3.3	*3.3*	*3.8*	*6.0*	*6.5*	*7.0*
INCOMES										
Personal Income (% Change)	4.6	-4.3	3.7	5.1	3.6	*2.2*	*4.6*	*4.8*	*4.9*	*5.0*
Real Disp. Inc. (% Change)	2.4	-2.3	1.8	1.3	1.5	*0.7*	*3.5*	*3.0*	*3.1*	*3.2*
Personal Savings Rate (%)	5.4	5.2	5.3	4.7	3.9	*2.9*	*3.3*	*4.0*	*4.5*	*4.8*
After-Tax Profits ($Bill)	1051	1183	1408	1480	1713	*1757*	*1933*	*2029*	*2151*	*2302*
Yr-to-Yr % Change	-18.7	12.6	19.0	5.1	16.1	*2.6*	*10.0*	*5.0*	*6.0*	*7.0*
COMPOSITION OF REAL GDP-ANNUAL RATES OF CHANGE										
Gross Domestic Product	-0.3	-3.5	3.0	1.7	2.2	*1.8*	*2.6*	*3.0*	*3.0*	*3.2*
Final Sales	0.2	-2.6	1.4	2.0	2.1	*1.8*	*2.6*	*3.0*	*3.0*	*3.1*
Total Consumption	-0.6	-1.9	2.0	2.2	1.9	*2.2*	*2.4*	*2.5*	*2.6*	*2.7*
Nonresidential Fixed Investment	-0.8	-17.9	4.4	8.8	8.0	*4.7*	*6.6*	*6.5*	*6.0*	*5.0*
Structures	6.4	-21.2	-15.8	4.6	10.8	*3.5*	*5.7*	*6.0*	*7.0*	*7.0*
Equipment & Software	-4.3	-16.0	14.6	10.4	6.9	*5.5*	*7.7*	*7.0*	*6.0*	*5.0*
Residential Fixed Investment	-23.9	-22.2	-4.3	-1.3	12.1	*14.3*	*16.8*	*18.0*	*8.0*	*5.0*
Exports	6.1	-9.4	11.3	6.7	3.4	*2.1*	*5.4*	*5.5*	*6.0*	*7.0*
Imports	-2.7	-13.6	12.5	4.9	2.4	*1.6*	*5.2*	*5.0*	*4.5*	*4.0*
Federal Government	7.2	6.0	4.5	-1.9	-2.2	*-5.5*	*1.9*	*-2.0*	*-1.5*	*-1.0*
State & Local Governments	0.0	-0.9	-1.8	-2.2	-1.4	*-1.2*	*-0.3*	*0.7*	*0.7*	*0.8*

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DOE/EIA-0383(2012) | June 2012

Annual Energy Outlook 2012

with Projections to 2035



eia U.S. Energy Information Administration

Macroeconomic Indicators, Reference case
(billion 2005 chain-weighted dollars, unless otherwise noted)

Indicators	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Gross Domestic Product	**12703**	**13088**	**13318**	**13486**	**13802**	**14308**	**14803**	**15259**	**15651**
Components of Real Gross Domestic Product									
Real Consumption	9037	9221	9430	9603	9766	9976	10218	10468	10676
Real Investment	1454	1715	1788	1875	2009	2257	2457	2580	2677
Real Government Spending	2540	2557	2504	2436	2384	2361	2355	2362	2372
Real Exports	1494	1663	1773	1831	1962	2128	2289	2449	2606
Real Imports	1853	2085	2186	2255	2302	2378	2463	2537	2607
Energy Intensity									
(thousand Btu per 2005 dollar of GDP)									
Delivered Energy	5.42	5.45	5.34	5.3	5.11	4.98	4.84	4.71	4.6
Total Energy	7.46	7.5	7.38	7.26	7	6.79	6.58	6.41	6.26
Price Indices									
GDP Chain-type Price Index (2005=1.000)	1.097	1.11	1.133	1.148	1.157	1.175	1.196	1.217	1.239
Consumer Price Index (1982-84=1.00)									
All-urban	2.15	2.18	2.25	2.28	2.31	2.36	2.42	2.47	2.51
Energy Commodities and Services	1.93	2.12	2.44	2.42	2.41	2.52	2.62	2.68	2.75
Wholesale Price Index (1982=1.00)									
All Commodities	1.73	1.85	2	1.99	2.01	2.05	2.1	2.13	2.15
Fuel and Power	1.59	1.86	2.14	2.09	2.12	2.2	2.29	2.33	2.38
Metals and Metal Products	1.87	2.08	2.24	2.16	2.22	2.34	2.43	2.47	2.49
Industrial Commodities excluding Energy	1.76	1.83	1.93	1.92	1.95	2	2.04	2.07	2.09
Interest Rates (percent, nominal)									
Federal Funds Rate	0.16	0.18	0.1	0.02	0.01	1.26	3.26	4	4.04
10-Year Treasury Note	3.26	3.21	2.78	2.28	2.76	3.63	4.67	5.01	5.02
AA Utility Bond Rate	5.75	5.24	4.85	4.5	5	5.82	6.74	6.99	7.1
Value of Shipments (billion 2005 dollars)									
Service Sectors	19996	20602	21076	21009	21213	21812	22469	23100	23625
Total Industrial	5667	5838	6016	5939	6103	6436	6730	6942	7088
Agriculture, Mining, and Construction	1615	1578	1557	1539	1594	1741	1873	1972	2030
Manufacturing	4052	4260	4459	4400	4509	4696	4857	4971	5058
Energy-Intensive	1509	1595	1625	1566	1588	1632	1664	1688	1716
Non-Energy-Intensive	2543	2664	2834	2834	2921	3064	3194	3283	3342
Total	**25664**	**26440**	**27092**	**26948**	**27316**	**28248**	**29199**	**30043**	**30713**
Population and Employment (millions)									
Population, with Armed Forces Overseas	307.8	310.8	313.8	316.9	319.9	323	326.2	329.3	332.5
Population, aged 16 and over	241.8	244.3	246.8	249.3	251.7	254.1	256.5	259	261.6
Population, over age 65	39.7	40.4	41.4	42.8	44.2	45.6	47.1	48.5	50
Employment, Nonfarm	130.7	129.8	131.5	131.8	133.5	136.3	139.4	142.2	144.2
Employment, Manufacturing	11.8	11.5	11.8	11.7	11.6	11.8	12.1	12.1	12.1
Key Labor Indicators									
Labor Force (millions)	154.2	153.9	153.6	154.2	155.1	156.5	158	159.4	160.8
Nonfarm Labor Productivity (2005=1.00)	1.06	1.1	1.11	1.12	1.13	1.15	1.16	1.18	1.19
Unemployment Rate (percent)	9.28	9.63	9.07	9.3	9.14	8.36	7.51	6.94	6.66
Key Indicators for Energy Demand									
Real Disposable Personal Income	9883	10062	10183	10305	10419	10712	11035	11345	11601
Housing Starts (millions)	0.6	0.63	0.64	0.71	1.02	1.44	1.75	1.92	1.99
Commercial Floorspace (billion square feet)	80.3	81.1	81.7	82.4	82.8	83.4	84.1	85	85.9
Unit Sales of Light-Duty Vehicles (millions)	10.4	11.55	12.64	13.07	14.68	15.54	16.16	16.59	16.58

GDP = Gross domestic product.
Btu = British thermal unit.
-- = Not applicable.
Sources: 2009 and 2010: IHS Global Insight, Global Insight Industry and Employment models, August 2011. Projections: U.S. Energy Information Administration, AEO2012 National Energy Modeling System.

Macroeconomic Indicators, Ref
(billion 2005 chain-weighted do

Indicators	2018	2019	2020	2021	2022	2023	2024	2025	2026
Real Gross Domestic Product	**15984**	**16361**	**16740**	**17148**	**17667**	**18184**	**18685**	**19185**	**19699**
Components of Real Gross Domestic Product									
Real Consumption	10849	11046	11250	11480	11771	12076	12382	12697	13027
Real Investment	2720	2803	2888	2971	3104	3234	3351	3472	3598
Real Government Spending	2384	2394	2407	2414	2433	2465	2497	2525	2552
Real Exports	2756	2925	3096	3301	3544	3773	4000	4235	4473
Real Imports	*2649*	*2718*	*2800*	*2898*	3038	3191	3345	3516	3691
Energy Intensity (thousand Btu per 2005 dollar of GDP)									
Delivered Energy	4.5	4.41	4.33	4.24	4.14	4.03	3.94	3.85	3.77
Total Energy	6.15	6.04	5.93	5.82	5.69	5.56	5.43	5.32	5.2
Price Indices									
GDP Chain-type Price Index (2005=1.000)	1.261	1.282	1.304	1.327	1.349	1.373	1.398	1.424	1.452
Consumer Price Index (1982-84=1.00)									
All-urban	2.57	2.62	2.67	2.72	2.78	2.83	2.89	2.95	3.01
Energy Commodities and Services	2.81	2.87	2.94	3.01	3.09	3.19	3.27	3.36	3.45
Wholesale Price Index (1982=1.00)									
All Commodities	2.18	2.2	2.23	2.26	2.3	2.33	2.36	2.39	2.43
Fuel and Power	2.44	2.5	2.57	2.65	2.75	2.85	2.93	3.01	3.1
Metals and Metal Products	2.48	2.49	2.5	2.5	2.53	2.55	2.56	2.57	2.58
Industrial Commodities excluding Energy	2.1	2.12	2.13	2.15	2.17	2.19	2.2	2.22	2.24
Interest Rates (percent, nominal)									
Federal Funds Rate	4.03	4.04	4.07	3.94	3.96	4.13	4.23	4.29	4.35
10-Year Treasury Note	5.02	5.05	5.1	5.02	5	5.04	5.05	5.06	5.1
AA Utility Bond Rate	7.19	7.27	7.41	7.25	7.09	7.15	7.16	7.17	7.2
Value of Shipments (billion 2005 dollars)									
Service Sectors	24022	24493	24967	25486	26167	26833	27439	28029	28642
Total Industrial	7165	7269	7363	7476	7650	7770	7870	7973	8069
Agriculture, Mining, and Construction	2059	2081	2103	2112	2139	2167	2201	2228	2256
Manufacturing	5106	5188	5260	5364	5511	5603	5669	5745	5813
Energy-Intensive	1732	1759	1786	1815	1851	1868	1882	1901	1917
Non-Energy-Intensive	3374	3429	3474	3549	3660	3735	3787	3844	3896
Total	**31187**	**31762**	**32329**	**32962**	**33817**	**34603**	**35309**	**36002**	**36712**
Population and Employment (millions)									
Population, with Armed Forces Overseas	335.6	338.8	342	345.2	348.4	351.6	354.9	358.1	361.3
Population, aged 16 and over	264.2	266.8	269.4	272	274.6	277.3	280	282.6	285.3
Population, over age 65	51.6	53.3	55.1	56.8	58.6	60.4	62.3	64.2	65.9
Employment, Nonfarm	145.4	146.3	147.3	148.1	149.4	151	152.7	154.2	156
Employment, Manufacturing	12	11.9	11.9	11.8	11.9	11.8	11.6	11.4	11.2
Key Labor Indicators									
Labor Force (millions)	161.9	162.8	163.6	164.5	165.5	166.6	167.7	168.6	169.6
Nonfarm Labor Productivity (2005=1.00)	1.22	1.24	1.26	1.29	1.32	1.35	1.38	1.42	1.45
Unemployment Rate (percent)	6.63	6.57	6.47	6.32	5.99	5.75	5.62	5.54	5.46
Key Indicators for Energy Demand									
Real Disposable Personal Income	11861	12160	12472	12784	13140	13497	13886	14286	14675
Housing Starts (millions)	1.96	1.95	1.92	1.88	1.88	1.91	1.94	1.96	1.97
Commercial Floorspace (billion square feet)	87	88	89.1	90.1	91	92	93	93.9	94.8
Unit Sales of Light-Duty Vehicles (millions)	*16.23*	*16.36*	*16.4*	*16.67*	*17.22*	*17.46*	*17.67*	*17.79*	*17.95*

GDP = Gross domestic product.
Btu = British thermal unit.
- - = Not applicable.
Sources: 2009 and 2010: IHS Global Insig
August 2011. Projections: U.S. Energy Infon

Macroeconomic Indicators, Ref
(billion 2005 chain-weighted do

Indicators	2027	2028	2029	2030	2031	2032	2033	2034	2035
Real Gross Domestic Product	**20217**	**20715**	**21207**	**21725**	**22250**	**22778**	**23350**	**23943**	**24539**
Components of Real Gross Domestic Product									
Real Consumption	13369	13705	14028	14359	14700	15047	15428	15823	16220
Real Investment	3723	3829	3934	4063	4201	4333	4497	4673	4836
Real Government Spending	2580	2609	2637	2667	2691	2721	2750	2784	2818
Real Exports	4715	4965	5219	5484	5763	6049	6340	6642	6953
Real Imports	3881	4073	4260	4461	4678	4904	5157	5425	5690
Energy Intensity (thousand Btu per 2005 dollar of GDP)									
Delivered Energy	3.69	3.62	3.55	3.48	3.42	3.36	3.29	3.23	3.17
Total Energy	5.09	4.99	4.9	4.8	4.71	4.62	4.53	4.44	4.36
Price Indices									
GDP Chain-type Price Index (2005=1.000)	1.482	1.513	1.546	1.58	1.617	1.655	1.687	1.722	1.758
Consumer Price Index (1982-84=1.00)									
All-urban	3.08	3.15	3.23	3.3	3.39	3.48	3.55	3.63	3.72
Energy Commodities and Services	3.55	3.66	3.77	3.86	4.04	4.2	4.08	4.23	4.37
Wholesale Price Index (1982=1.00)									
All Commodities	2.47	2.5	2.54	2.58	2.64	2.69	2.71	2.76	2.81
Fuel and Power	3.2	3.29	3.4	3.5	3.65	3.79	3.8	3.97	4.12
Metals and Metal Products	2.59	2.6	2.61	2.61	2.62	2.63	2.63	2.64	2.64
Industrial Commodities excluding Energy	2.26	2.28	2.3	2.32	2.35	2.37	2.39	2.41	2.43
Interest Rates (percent, nominal)									
Federal Funds Rate	4.47	4.56	4.58	4.52	4.58	4.58	4.24	4.3	4.3
10-Year Treasury Note	5.18	5.24	5.28	5.26	5.36	5.4	5.1	5.14	5.18
AA Utility Bond Rate	7.28	7.37	7.45	7.48	7.6	7.67	7.39	7.48	7.56
Value of Shipments (billion 2005 dollars)									
Service Sectors	29274	29862	30404	30911	31420	31926	32477	32982	33430
Total Industrial	8155	8213	8261	8328	8396	8441	8526	8616	8692
Agriculture, Mining, and Construction	2277	2282	2288	2305	2322	2328	2349	2381	2407
Manufacturing	5878	5931	5973	6023	6074	6113	6177	6235	6285
Energy-Intensive	1933	1949	1962	1973	1983	1992	2011	2022	2034
Non-Energy-Intensive	3945	3982	4011	4050	4090	4121	4166	4213	4251
Total	**37429**	**38076**	**38665**	**39239**	**39815**	**40367**	**41003**	**41599**	**42122**
Population and Employment (millions)									
Population, with Armed Forces Overseas	364.5	367.7	370.9	374.1	377.3	380.5	383.7	386.9	390.1
Population, aged 16 and over	288	290.7	293.5	296.2	298.9	301.6	304.3	306.9	309.6
Population, over age 65	67.6	69.2	70.8	72.3	73.4	74.5	75.5	76.5	77.7
Employment, Nonfarm	157.7	159.2	160.7	162	162.9	163.9	164.9	165.8	166.8
Employment, Manufacturing	11	10.8	10.5	10.3	10.1	9.8	9.6	9.4	9.2
Key Labor Indicators									
Labor Force (millions)	170.8	172	173.2	174.5	175.9	177.4	178.9	180.4	181.7
Nonfarm Labor Productivity (2005=1.00)	1.48	1.51	1.54	1.57	1.61	1.64	1.67	1.71	1.75
Unemployment Rate (percent)	5.36	5.31	5.34	5.4	5.45	5.49	5.5	5.5	5.54
Key Indicators for Energy Demand									
Real Disposable Personal Income	15102	15507	15878	16268	16646	17021	17426	17801	18217
Housing Starts (millions)	1.95	1.91	1.89	1.9	1.87	1.84	1.88	1.89	1.89
Commercial Floorspace (billion square feet)	95.7	96.5	97.4	98.2	99	99.9	100.9	101.9	103
Unit Sales of Light-Duty Vehicles (millions)	18.09	18.12	18.08	18.11	18.13	18.15	18.38	18.54	18.64

GDP = Gross domestic product.
Btu = British thermal unit.
- - = Not applicable.
Sources: 2009 and 2010: IHS Global Insig
August 2011. Projections: U.S. Energy Infor

Macroeconomic Indicators, Ref
(billion 2005 chain-weighted do

Indicators	Growth
Real Gross Domestic Product	**2.50%**
Components of Real Gross Domestic Product	
Real Consumption	2.30%
Real Investment	4.20%
Real Government Spending	0.40%
Real Exports	5.90%
Real Imports	4.10%
Energy Intensity	
(thousand Btu per 2005 dollar of GDP)	
Delivered Energy	-2.10%
Total Energy	-2.10%
Price Indices	
GDP Chain-type Price Index (2005=1.000)	1.90%
Consumer Price Index (1982-84=1.00)	
All-urban	2.20%
Energy Commodities and Services	2.90%
Wholesale Price Index (1982=1.00)	
All Commodities	1.70%
Fuel and Power	3.20%
Metals and Metal Products	1.00%
Industrial Commodities excluding Energy	1.10%
Interest Rates (percent, nominal)	
Federal Funds Rate	--
10-Year Treasury Note	--
AA Utility Bond Rate	--
Value of Shipments (billion 2005 dollars)	
Service Sectors	2.00%
Total Industrial	1.60%
Agriculture, Mining, and Construction	1.70%
Manufacturing	1.60%
Energy-Intensive	1.00%
Non-Energy-Intensive	1.90%
Total	**1.90%**
Population and Employment (millions)	
Population, with Armed Forces Overseas	0.90%
Population, aged 16 and over	1.00%
Population, over age 65	2.60%
Employment, Nonfarm	1.00%
Employment, Manufacturing	-0.90%
Key Labor Indicators	
Labor Force (millions)	0.70%
Nonfarm Labor Productivity (2005=1.00)	1.90%
Unemployment Rate (percent)	--
Key Indicators for Energy Demand	
Real Disposable Personal Income	2.40%
Housing Starts (millions)	4.50%
Commercial Floorspace (billion square feet)	1.00%
Unit Sales of Light-Duty Vehicles (millions)	1.90%

GDP = Gross domestic product.
Btu = British thermal unit.
-- = Not applicable.
Sources: 2009 and 2010: IHS Global Insig
August 2011. Projections: U.S. Energy Infon

ref2013.d102312a	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019

Report Annual Energy Outlook 2013
Scenario ref2013 Reference case
Datekey d102312a
Release Date December 2012

20. Macroeconomic Indicators

(billion 2005 chain-weighted dollars, unless otherwise noted)

Indicators	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Real Gross Domestic Product	**13063**	**13299**	**13580**	**13794**	**14194**	**14679**	**15128**	**15590**	**16013**	**16444**
Components of Real Gross Domestic Product										
Real Consumption	9196	9429	9607	9793	10037	10286	10551	10809	11044	11291
Real Investment	1658	1744	1930	2016	2203	2412	2536	2667	2748	2828
Real Government Spending	2606	2524	2470	2426	2399	2390	2394	2404	2417	2431
Real Exports	1666	1777	1848	1923	2025	2171	2319	2484	2656	2834
Real Imports	2085	2185	2266	2345	2433	2525	2606	2694	2764	2841
Energy Intensity										
(thousand Btu per 2005 dollar of GDP)										
Delivered Energy	5.47	5.34	5.16	5.10	4.98	4.89	4.79	4.68	4.59	4.49
Total Energy	7.53	7.35	7.07	6.98	6.80	6.66	6.50	6.36	6.24	6.12
Price Indices										
GDP Chain-type Price Index (2005=1.000)	1.110	1.134	1.154	1.173	1.190	1.208	1.227	1.246	1.266	1.286
Consumer Price Index (1982-84=1.00)										
All-urban	2.18	2.25	2.29	2.33	2.37	2.42	2.46	2.51	2.56	2.61
Energy Commodities and Services	2.12	2.44	2.40	2.32	2.32	2.35	2.41	2.48	2.55	2.62
Wholesale Price Index (1982=1.00)										
All Commodities	1.85	2.01	2.01	2.03	2.03	2.06	2.10	2.13	2.16	2.19
Fuel and Power	1.86	2.16	2.08	2.09	2.06	2.08	2.19	2.26	2.34	2.41
Metals and Metal Products	2.08	2.26	2.19	2.18	2.24	2.34	2.38	2.42	2.46	2.49
Industrial Commodities excluding Energy	1.83	1.93	1.94	1.95	1.98	2.02	2.05	2.07	2.09	2.11
Interest Rates (percent, nominal)										
Federal Funds Rate	0.18	0.10	0.14	0.11	0.17	1.81	3.56	3.89	3.92	3.96
10-Year Treasury Note	3.21	2.79	1.76	2.13	2.98	3.94	4.70	4.84	4.83	4.84
AA Utility Bond Rate	5.23	4.78	3.80	4.45	5.22	6.16	6.78	6.88	6.86	6.85

Value of Shipments (billion 2005 dollars)										
Service Sectors	20771	21168	21480	21749	22145	22813	23532	24313	25062	25794
Total Industrial	5842	6019	6249	6313	6534	6865	7118	7351	7549	7739
Agriculture, Mining, and Construction	1585	1582	1605	1675	1777	1912	2027	2106	2151	2188
Manufacturing	4257	4438	4644	4638	4757	4953	5091	5245	5398	5551
Energy-Intensive	1592	1615	1641	1633	1656	1712	1747	1789	1826	1864
Non-Energy-Intensive	2665	2823	3003	3005	3101	3242	3344	3456	3572	3687
Total Shipments	**26613**	**27187**	**27730**	**28062**	**28679**	**29679**	**30650**	**31664**	**32611**	**33533**
Population and Employment (millions)										
Population, with Armed Forces Overseas	310.1	312.4	315.3	318.4	321.5	324.6	327.7	330.9	334.1	337.3
Population, aged 16 and over	244.6	247.0	249.4	251.8	254.2	256.7	259.1	261.7	264.3	266.9
Population, over age 65	40.6	41.6	43.1	44.6	45.9	47.4	48.8	50.4	51.9	53.6
Employment, Nonfarm	129.8	131.3	133.2	134.9	137.2	139.9	142.6	144.9	146.7	148.0
Employment, Manufacturing	11.5	11.7	12.0	11.9	11.8	12.0	12.1	12.2	12.3	12.4
Key Labor Indicators										
Labor Force (millions)	153.9	153.6	155.0	156.3	157.5	158.8	160.2	161.5	162.8	163.8
Nonfarm Labor Productivity (2005=1.00)	1.09	1.10	1.11	1.11	1.13	1.14	1.16	1.18	1.20	1.22
Unemployment Rate (percent)	9.63	8.95	8.22	8.09	7.79	7.13	6.60	6.16	5.87	5.67
Key Indicators for Energy Demand										
Real Disposable Personal Income	10017	10150	10308	10490	10800	11120	11449	11732	12022	12342
Housing Starts (millions)	0.64	0.66	0.82	1.00	1.33	1.64	1.79	1.90	1.92	1.91
Commercial Floorspace (billion square feet)	81.1	81.7	82.4	82.9	83.4	84.1	84.9	85.9	87.0	88.0
Unit Sales of Light-Duty Vehicles (millions)	11.55	12.73	14.13	14.74	15.60	16.08	16.51	16.73	16.55	16.75

GDP = Gross domestic product.
Btu = British thermal unit.
- - = Not applicable.
Sources: 2010 and 2011: IHS Global Insight, Global Insight Industry and Employment models, August 2012. Projections: U.S. Energy Information Administration, AEO2013 National Energy Modeling System run ref2013.d102312a.

2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**
16859	**17252**	**17666**	**18098**	**18531**	**18985**	**19437**	**19892**	**20357**	**20839**	**21355**	**21882**	**22414**	**22952**
11528	11761	12010	12266	12523	12792	13066	13347	13635	13931	14243	14569	14900	15233
2909	2968	3050	3148	3250	3363	3479	3585	3687	3793	3914	4044	4165	4286
2446	2452	2461	2480	2505	2529	2553	2578	2604	2629	2659	2683	2712	2742
3016	3204	3400	3602	3810	4026	4245	4470	4705	4953	5214	5485	5767	6058
2927	3009	3111	3234	3370	3515	3668	3821	3978	4140	4311	4496	4687	4881
4.39	4.29	4.20	4.11	4.01	3.92	3.83	3.74	3.65	3.57	3.48	3.41	3.33	3.26
5.99	5.87	5.76	5.63	5.51	5.39	5.27	5.15	5.04	4.92	4.81	4.71	4.61	4.51
1.307	1.330	1.354	1.379	1.403	1.429	1.455	1.481	1.508	1.536	1.564	1.594	1.623	1.653
2.66	2.71	2.77	2.83	2.88	2.94	3.01	3.07	3.13	3.20	3.27	3.34	3.41	3.48
2.70	2.78	2.87	2.94	3.02	3.09	3.18	3.26	3.35	3.44	3.53	3.63	3.74	3.86
2.22	2.26	2.30	2.33	2.37	2.40	2.44	2.47	2.51	2.55	2.59	2.63	2.67	2.72
2.48	2.56	2.66	2.75	2.83	2.91	3.00	3.08	3.18	3.28	3.38	3.48	3.59	3.72
2.52	2.54	2.57	2.60	2.63	2.66	2.69	2.73	2.76	2.79	2.83	2.86	2.90	2.93
2.12	2.14	2.16	2.18	2.21	2.23	2.25	2.27	2.29	2.32	2.34	2.36	2.39	2.41
4.04	4.09	4.14	4.12	4.11	4.09	4.08	4.03	4.01	3.98	3.97	3.95	3.94	3.92
4.88	4.91	4.95	4.95	4.96	4.97	4.98	4.96	4.96	4.95	4.95	4.94	4.95	4.95
6.91	6.96	7.01	7.02	7.06	7.10	7.13	7.13	7.16	7.18	7.21	7.23	7.27	7.30

26492	27132	27826	28483	29110	29715	30318	30892	31462	32042	32624	33208	33787	34363
7894	8036	8193	8310	8426	8548	8660	8762	8859	8961	9087	9224	9347	9473
2211	2216	2224	2240	2264	2295	2318	2336	2346	2355	2375	2400	2417	2434
5683	5820	5968	6070	6162	6253	6342	6425	6513	6605	6712	6824	6931	7039
1893	1920	1949	1966	1983	1993	1998	2002	2010	2018	2027	2037	2046	2055
3790	3900	4019	4104	4180	4261	4344	4423	4503	4588	4685	4787	4884	4984
34385	**35168**	**36018**	**36794**	**37537**	**38264**	**38979**	**39653**	**40320**	**41003**	**41711**	**42432**	**43134**	**43836**
340.5	343.7	346.9	350.1	353.3	356.5	359.7	362.8	366.0	369.2	372.4	375.6	378.8	382.0
269.5	272.1	274.8	277.4	280.1	282.8	285.5	288.2	290.9	293.6	296.3	299.0	301.7	304.4
55.4	57.1	58.9	60.8	62.6	64.5	66.3	68.0	69.6	71.2	72.7	73.8	74.9	75.9
149.2	150.0	150.9	151.8	152.7	153.7	154.8	156.2	157.7	159.2	160.8	162.0	163.2	164.4
12.4	12.4	12.5	12.4	12.3	12.2	12.0	11.8	11.6	11.4	11.2	11.1	10.9	10.8
164.7	165.7	166.6	167.5	168.5	169.3	170.3	171.3	172.4	173.6	174.9	176.4	178.0	179.5
1.25	1.27	1.30	1.33	1.36	1.39	1.42	1.45	1.48	1.51	1.54	1.57	1.60	1.63
5.49	5.40	5.31	5.27	5.25	5.27	5.28	5.30	5.32	5.33	5.32	5.31	5.30	5.31
12655	12955	13278	13594	13918	14259	14569	14915	15261	15591	15948	16308	16658	17002
1.89	1.85	1.83	1.84	1.87	1.90	1.92	1.91	1.90	1.89	1.89	1.88	1.86	1.85
89.1	90.1	91.1	92.1	93.0	93.9	94.8	95.6	96.5	97.3	98.1	99.0	99.9	100.9
16.85	16.86	16.80	16.85	16.99	17.16	17.32	17.43	17.53	17.62	17.74	17.85	17.90	17.93

2034	2035	2036	2037	2038	2039	2040	

2034	2035	2036	2037	2038	2039	2040	2011-2040
23514	**24095**	**24682**	**25307**	**25952**	**26604**	**27277**	**2.5%**
15581	15941	16308	16694	17094	17503	17917	2.2%
4428	4582	4739	4903	5073	5240	5409	4.0%
2772	2803	2835	2868	2902	2939	2980	0.6%
6354	6658	6973	7309	7653	7996	8357	5.5%
5089	5308	5539	5778	6023	6268	6518	3.8%
3.19	3.13	3.07	3.01	2.95	2.90	2.85	-2.1%
4.42	4.33	4.25	4.17	4.09	4.02	3.95	-2.1%
1.683	1.713	1.744	1.775	1.807	1.839	1.871	1.7%
3.56	3.63	3.71	3.79	3.87	3.96	4.04	2.0%
3.97	4.11	4.26	4.41	4.55	4.70	4.86	2.4%
2.77	2.82	2.88	2.93	2.99	3.04	3.10	1.5%
3.86	4.02	4.20	4.38	4.56	4.72	4.90	2.9%
2.96	2.99	3.02	3.06	3.09	3.13	3.16	1.2%
2.43	2.45	2.48	2.50	2.52	2.54	2.57	1.0%
3.87	3.84	3.79	3.75	3.74	3.74	3.74	- -
4.92	4.91	4.90	4.88	4.87	4.86	4.86	- -
7.32	7.35	7.36	7.36	7.36	7.37	7.39	- -

34944	35511	36064	36652	37276	37902	38529	2.1%
9622	9779	9932	10103	10277	10449	10616	2.0%
2461	2494	2521	2549	2583	2617	2644	1.8%
7160	7285	7411	7553	7694	7832	7972	2.0%
2066	2077	2088	2102	2116	2130	2144	1.0%
5094	5208	5323	5451	5579	5702	5828	2.5%
44565	**45289**	**45996**	**46755**	**47553**	**48351**	**49145**	**2.1%**
385.2	388.3	391.5	394.7	397.9	401.2	404.4	0.9%
307.1	309.8	312.4	315.0	317.7	320.3	322.9	0.9%
76.9	78.1	79.2	80.0	80.6	81.2	81.8	2.4%
165.5	166.7	167.9	169.3	170.8	172.4	174.0	1.0%
10.6	10.5	10.4	10.2	10.1	10.0	9.9	-0.6%
181.0	182.3	183.7	185.3	187.1	188.9	190.7	0.7%
1.66	1.70	1.74	1.77	1.81	1.84	1.88	1.9%
5.32	5.33	5.35	5.34	5.31	5.28	5.24	- -
17370	17752	18136	18535	18943	19359	19785	2.3%
1.87	1.89	1.90	1.90	1.89	1.89	1.89	3.7%
101.9	103.0	104.1	105.3	106.5	107.6	108.8	1.0%
18.05	18.20	18.33	18.56	18.80	19.01	19.21	1.4%

PPL CORPORATION NYSE-PPL

RECENT PRICE 31.73 | P/E RATIO 12.4 (Trailing: 12.7 Median: 13.0) | RELATIVE P/E RATIO 0.70 | DIV'D YLD 4.7% | VALUE LINE

TIMELINESS 3 Raised 4/5/13
SAFETY 3 Lowered 11/28/08
TECHNICAL 4 Lowered 8/23/13
BETA .65 (1.00 = Market)

2016-18 PROJECTIONS

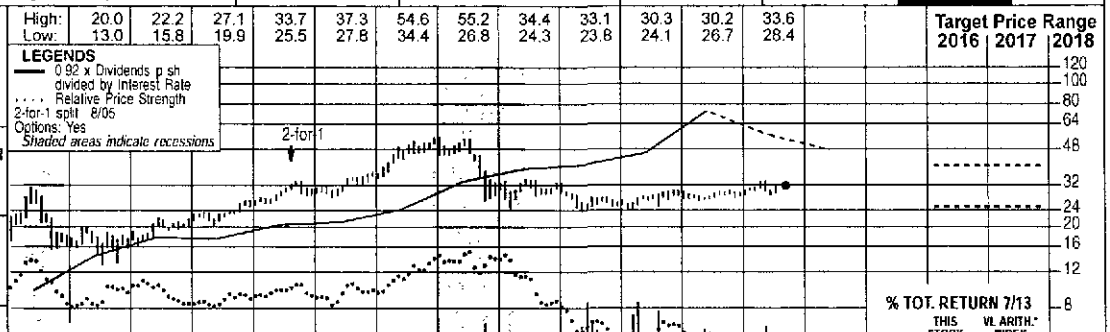
	Price	Gain	Ann'l Total Return
High	40	(+25%)	10%
Low	25	(-20%)	Nil

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	1	1	0	1	9	0	4	5	0
to Sell	1	1	0	2	4	0	4	5	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	280	294	285
to Sell	221	242	241
Hld's(000)	391470	397277	406929



1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
9.17	12.03	15.97	19.59	19.53	16.38	15.75	15.37	16.36	17.92	17.41	21.47	20.03	17.63	22.02	21.11	*19.20*	*18.80*	Revenues per sh	*20.50*
2.11	2.43	2.56	3.32	3.51	3.20	3.60	3.59	3.84	4.26	5.10	4.71	3.47	3.66	4.59	4.84	*4.70*	*4.40*	"Cash Flow" per sh	*5.00*
.99	1.12	1.01	1.64	1.79	1.54	1.84	1.87	1.92	2.29	2.63	2.45	1.19	2.29	2.61	2.61	*2.40*	*2.20*	Earnings per sh [A]	*2.50*
.84	.67	.50	.53	.53	.72	.77	.82	.96	1.10	1.22	1.34	1.38	1.40	1.40	1.44	*1.47*	*1.50*	Div'd Decl'd per sh [B] ■	*1.60*
.93	.97	1.11	1.59	2.99	2.74	2.17	1.94	2.13	3.62	4.51	3.79	3.25	3.30	4.30	5.34	*6.90*	*5.65*	Cap'l Spending per sh	*5.00*
8.45	5.69	5.61	6.94	6.33	6.71	9.19	11.21	11.62	13.30	14.88	13.55	14.57	16.98	16.72	16.01	*19.50*	*20.65*	Book Value per sh [C]	*23.25*
332.50	314.82	287.39	290.08	293.16	331.47	354.72	378.14	380.15	385.04	373.27	374.58	377.18	483.39	578.41	581.94	*638.00*	*670.00*	Common Shs Outst'g [D]	*670.00*
10.8	10.9	13.4	8.9	12.4	11.1	10.6	12.5	15.1	14.1	17.3	17.6	25.7	11.9	10.5	10.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*13.5*
.62	.57	.76	.58	.64	.61	.60	.66	.80	.76	.92	1.06	1.71	.76	.66	.70			Relative P/E Ratio	*.90*
7.8%	5.5%	3.7%	3.6%	2.4%	4.2%	4.0%	3.5%	3.3%	3.4%	2.7%	3.1%	4.5%	5.1%	5.1%	5.1%			Avg Ann'l Div'd Yield	*4.7%*
5587.0	5812.0	6219.0	6899.0	6498.0	8044.0	7556.0	8521.0	12737	12286	*12250*	*12600*	Revenues ($mill)	*13750*						
667.0	692.0	739.0	899.0	1031.0	940.0	465.0	1009.0	1456.0	1536.0	*1600*	*1480*	Net Profit ($mill)	*1655*						
27.1%	22.8%	14.0%	23.2%	20.7%	31.8%	21.8%	22.0%	31.0%	26.2%	*26.5%*	*26.5%*	Income Tax Rate	*26.5%*						
1.2%	.7%	--	--	--	.1%	.2%	.5%	.5%	.7%	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*						
71.1%	61.8%	57.5%	55.4%	54.1%	57.1%	55.2%	59.0%	61.9%	64.1%	*60.0%*	*54.5%*	Long-Term Debt Ratio	*55.5%*						
28.5%	37.9%	42.0%	42.2%	43.6%	40.5%	42.5%	39.8%	37.2%	35.9%	*40.0%*	*45.5%*	Common Equity Ratio	*44.5%*						
11455	11171	10513	12151	12747	12529	12940	20621	29071	29205	*30900*	*30325*	Total Capital ($mill)	*34900*						
10446	11209	10916	12069	12605	12416	13174	20858	27266	30032	*33025*	*35350*	Net Plant ($mill)	*40500*						
7.6%	8.4%	9.3%	9.3%	9.8%	9.2%	5.0%	6.1%	6.4%	6.9%	*6.5%*	*6.5%*	Return on Total Cap'l	*6.0%*						
20.2%	16.1%	16.5%	16.6%	17.6%	17.5%	8.0%	11.9%	13.1%	14.7%	*13.0%*	*10.5%*	Return on Shr. Equity	*10.5%*						
19.6%	16.3%	16.7%	17.3%	18.2%	18.2%	8.1%	12.0%	13.3%	14.6%	*13.0%*	*10.5%*	Return on Com Equity [E]	*10.5%*						
11.7%	9.3%	8.8%	9.3%	10.0%	8.5%	NMF	5.2%	6.4%	6.7%	*5.5%*	*3.5%*	Retained to Com Eq	*3.5%*						
43%	43%	47%	47%	46%	54%	115%	58%	52%	54%	*56%*	*66%*	All Div'ds to Net Prof	*65%*						

CAPITAL STRUCTURE as of 3/31/13
Total Debt $20693 mill. **Due in 5 Yrs** $4403.0 mill
LT Debt $18881 mill. **LT Interest** $911.0 mill.
Incl. 23 mill. units 7.75%, $25 liq. value, 82,000 units 8.23%, $1000 face value, 23 mill. units 4.625% $50 stated value conv. into com. in 2013 (LT interest earned: 2.9x)
Leases, Uncapitalized Annual rentals $109.0 mill.
Pension Assets-12/12 $10.9 bill.
Oblig. $12.9 bill.
Pfd Stock None
Common Stock 592,339,687 shs.
as of 4/30/13
MARKET CAP: $19 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+15.3	+60.7	-1.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+22.5	NA	NA
Fixed Charge Cov. (%)	304	321	321

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	1.0%	3.5%	*Nil*
"Cash Flow"	2.5%	--	*2.5%*
Earnings	4.0%	2.0%	*Nil*
Dividends	9.0%	5.5%	*2.0%*
Book Value	10.5%	6.0%	*4.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	3006	1473	2179	1863	8521.0
2011	2910	2489	3120	4218	12737
2012	4112	2549	2403	3222	12286
2013	2457	3450	*3100*	*3243*	*12250*
2014	*3250*	*3000*	*3100*	*3250*	*12600*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.74	.22	.62	.69	2.29
2011	.82	.35	.76	.69	2.61
2012	.93	.47	.61	.60	2.61
2013	.65	.63	*.67*	*.45*	*2.40*
2014	*.80*	*.40*	*.60*	*.40*	*2.20*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.335	.345	.345	.345	1.37
2010	.345	.35	.35	.35	1.40
2011	.35	.35	.35	.35	1.40
2012	.35	.36	.36	.36	1.43
2013	.36	.3675	.3675		

BUSINESS: PPL Corporation (formerly PP&L Resources, Inc.) is a holding company for PPL Electric Utilities (formerly Pennsylvania Power & Light Company), which distributes electricity to 1.4 mill. customers in eastern & central PA. Acq'd Kentucky Utilities and Louisville Gas and Electric (1.2 mill. customers) 11/10. Has subs. in power generation & marketing, electricity distribution in U.K. (7.6 million customers). Sold gas distrib. sub. in '08. Electric rev. breakdown res'l, 50%; comm'l & ind'l, 37%; other, 13%. Generating sources unavail. Fuel costs: 36% of revs '12 reported depr. rates: 2.6%-4.9%. Has 18,000 empls. Chairman, Pres. & CEO: William H. Spence. Inc.: PA. Address: Two North Ninth St., Allentown, PA 18101-1179. Tel.: 800-345-3085. Internet: www.pplweb.com.

We estimate that PPL's earnings will decline in 2013 and 2014. The regulated utility operations are performing well. PPL's regulated subsidiaries in Pennsylvania and Kentucky were granted rate hikes at the start of 2013, and the company's utilities in England and Wales received price increases at the start of April. On the other hand, lower market prices for power, along with higher coal costs, are squeezing margins at the nonregulated energy-supply segment. Another negative factor for share profits is a sharp rise in average shares outstanding, due in part to stock that was issued in mid-2013 in connection with some equity units. This is why we estimate that share earnings will fall 8% this year and next. Note that earnings are influenced by mark-to-market accounting gains or losses that are impossible to predict. These raised earnings by $0.07 a share last year but hurt profits by $0.05 a share in the first six months of 2013. We include them in our presentation because they are an ongoing part of PPL's quarterly results.

We look for continued dividend growth, even if earnings are declining. The *regulated* portion of PPL's income is rising. The payout ratio is low enough to allow for annual (albeit modest) increases. Finances are in good shape, and the capital budget will decline after 2013.

An important regulatory filing is pending in Great Britain. This will determine base revenues for PPL's four utilities there for an eight-year period beginning in April of 2015. If the British regulator grants the utilities fast-track status for their review, this means that the company will benefit from an incentive pricing award. This would likely enable the utilities to maintain their earning power beyond 2014. (In PPL's favor is the fact that customer service has improved under the company's ownership.) There has been some concern about an adverse order that could hurt profitability, so a fast-track determination, which should be known by November, would be good news.

PPL stock offers an attractive dividend yield. It is almost a percentage point above the utility mean. Total return potential to 2016-2018 is modest, but superior to the industry average.

Paul E. Debbas, CFA *August 23, 2013*

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	45
Earnings Predictability	60

(A) Dil. EPS. Excl. nonrec. gain (losses): '07, (12¢); '10, (8¢); '11, 8¢; gains (losses) on disc. ops.: '05, (12¢); '07, 19¢; '08, 3¢; '09, (10¢); '10, (4¢); '12, (1¢). '10 EPS don't add due to change in shs., '11 due to rounding. Next egs. report due early Nov. (B) Div'ds historically paid in early Jan., Apr., July, & Oct. ■ Div'd reinv. plan avail. (C) Incl. intang. In '12: $11.2B/sh. (D) In mill., adj. for split. (E) Rate base: Fair val. Rate all'd on com. eq. in PA in '13: 10.4%; in KY in '13: 10.25%; earned on avg. com. eq., '12: 13.8%. Regul. Climate: Avg

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PORTLAND GENERAL NYSE-POR

RECENT PRICE 32.24 | P/E RATIO 17.4 (Trailing: 17.2 Median: NMF) | RELATIVE P/E RATIO 0.96 | DIV'D YLD 3.4% | VALUE LINE

TIMELINESS 3 Lowered 8/19/11
SAFETY 2 Raised 5/4/12
TECHNICAL 2 Raised 7/26/13
BETA .75 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(-5%)	2%
Low	25	(-20%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	1	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	111	116	114
to Sell	109	122	111
Hld's(000)	67500	68342	68765

LEGENDS
0.75 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options: Yes
Shaded areas indicate recessions

High: 35.0 31.3 27.7 21.4 22.7 26.0 28.1 32.9
Low: 24.2 25.5 15.4 13.5 17.5 21.3 24.3 27.4

Target Price Range 2016 | 2017 | 2018

64 48 40 32 24 20 16 12 8 6

Percent shares traded 15 10 5

% TOT. RETURN 6/13

	THIS STOCK	VL ARITH.* INDEX
1 yr	18.1	27.2
3 yr	87.8	65.6
5 yr	67.0	84.5

On April 3, 2006, Portland General Electric's existing stock (which was owned by Enron) was canceled, and 62.5 million shares were issued to Enron's creditors or the Disputed Claims Reserve (DCR). The stock began trading on a when-issued basis that day, and regular trading began on April 10, 2006. Shares issued to the DCR were released over time to Enron's creditors until all of the remaining shares were released in June, 2007.

CAPITAL STRUCTURE as of 3/31/13
Total Debt $1636.0 mill. **Due in 5 Yrs** $295.0 mill.
LT Debt $1536.0 mill. **LT Interest** $89.0 mill.
(LT interest earned: 2.8x)
Leases, Uncapitalized Annual rentals $9.0 mill.

Pension Assets-12/12 $537.0 mill.
Oblig. $728.0 mill.

Pfd Stock None

Common Stock 75,678,110 shs
as of 4/25/13

MARKET CAP: $2.4 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-3.1	+3.3	-.8
Avg. Indust. Use (MWH)	15051	16573	16409
Avg. Indust. Revs. per KWH (¢)	5.50	5.44	5.26
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw) [F]	3582	3555	3597
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.5	+.2	+.7
Fixed Charge Cov. (%)	224	273	270

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	--	-1.0%	.5%
"Cash Flow"	--	.5%	2.5%
Earnings	--	4.0%	3.5%
Dividends	--	14.5%	3.0%
Book Value	--	2.0%	3.5%

Calendar	2003	2004	2005[G]	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
	--	--	23.14	24.32	27.87	27.89	23.99	23.67	24.06	23.89	*23.25*	*22.75*	Revenues per sh	*24.50*
	--	--	4.75	4.64	5.21	4.71	4.07	4.82	4.96	5.15	*4.95*	*4.90*	"Cash Flow" per sh	*5.75*
	--	--	1.02	1.14	2.33	1.39	1.31	1.66	1.95	1.87	*1.85*	*1.95*	Earnings per sh [A]	*2.25*
	--	--	--	.68	.93	.97	1.01	1.04	1.06	1.08	*1.10*	*1.12*	Div'd Decl'd per sh [B] ■ †	*1.25*
	--	--	4.08	5.94	7.28	6.12	9.25	5.97	3.98	4.01	*9.90*	*12.20*	Cap'l Spending per sh	*2.75*
	--	--	19.15	19.58	21.05	21.64	20.50	21.14	22.07	22.87	*23.35*	*24.45*	Book Value per sh [C]	*26.75*
	--	--	62.50	62.50	62.53	62.58	75.21	75.32	75.36	75.56	*78.00*	*83.50*	Common Shs Outst'g [D]	*89.50*
	--	--	--	23.4	11.9	16.3	14.4	12.0	12.4	14.0	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*12.5*
	--	--	--	1.26	.63	.98	.96	.76	.78	.89			Relative P/E Ratio	*.85*
	--	--	--	2.5%	3.3%	4.3%	5.4%	5.2%	4.4%	4.1%			Avg Ann'l Div'd Yield	*4.4%*
	--	1454.0	1446.0	1520.0	1743.0	1745.0	1804.0	1783.0	1813.0	1805.0	*1815*	*1900*	Revenues ($mill)	*2200*
	--	92.0	64.0	71.0	145.0	87.0	95.0	125.0	147.0	141.0	*140*	*155*	Net Profit ($mill)	*190*
	--	37.0%	40.2%	33.6%	33.8%	28.7%	28.8%	30.5%	28.3%	31.4%	*30.0%*	*30.0%*	Income Tax Rate	*28.0%*
	--	9.8%	18.8%	33.8%	17.9%	17.2%	31.6%	17.6%	5.4%	7.1%	*16.0%*	*19.0%*	AFUDC % to Net Profit	*4.0%*
	--	41.1%	42.3%	43.4%	49.9%	46.2%	50.3%	53.0%	49.6%	47.1%	*49.0%*	*49.5%*	Long-Term Debt Ratio	*47.0%*
	--	58.9%	57.7%	56.6%	50.1%	53.8%	49.7%	47.0%	50.4%	52.9%	*51.0%*	*50.5%*	Common Equity Ratio	*53.0%*
	--	2171.0	2076.0	2161.0	2629.0	2518.0	3100.0	3390.0	3298.0	3264.0	*3580*	*4030*	Total Capital ($mill)	*4550*
	--	2275.0	2436.0	2718.0	3066.0	3301.0	3858.0	4133.0	4285.0	4392.0	*4920*	*5685*	Net Plant ($mill)	*5800*
	--	5.6%	4.6%	4.7%	6.9%	5.0%	4.5%	5.4%	6.2%	5.9%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
	--	7.2%	5.3%	5.8%	11.0%	6.4%	6.2%	7.9%	8.8%	8.2%	*8.0%*	*7.5%*	Return on Shr. Equity	*8.0%*
	--	7.2%	5.3%	5.8%	11.0%	6.4%	6.2%	7.9%	8.8%	8.2%	*8.0%*	*7.5%*	Return on Com Equity [E]	*8.0%*
	--	7.2%	5.3%	3.5%	6.6%	2.0%	1.5%	3.0%	4.1%	3.5%	*3.0%*	*3.0%*	Retained to Com Eq	*3.5%*
	--	--	--	39%	40%	69%	76%	62%	54%	57%	*59%*	*58%*	All Div'ds to Net Prof	*58%*

BUSINESS: Portland General Electric Company (PGE) provides electricity to 830,000 customers in 52 cities in a 4,000-square-mile area of Oregon including Portland and Salem. The company is in the process of decommissioning the Trojan nuclear plant, which it closed in 1993. Electric revenue breakdown: residential, 48%; commercial, 34%; industrial, 13%; other, 5%. Generating sources: coal, 17%; gas, 14%; hydro, 9%; wind, 5%; purchased, 55%. Fuel costs 42% of revenues. '12 reported depreciation rate: 3.8%. Has 2,600 employees. Chairman: Corbin A. McNeill, Jr. Chief Executive Officer and President: Jim Piro. Incorporated: Oregon. Address: 121 SW Salmon Street, Portland, Oregon 97204. Telephone: 503-464-8000. Internet: www.portlandgeneral.com.

Portland General Electric has reached a settlement of its general rate case. The utility had sought a rate increase of $105 million, based on a 10% return on equity, but settled with the staff of the Oregon commission and some intervenors for a hike of $60 million (4%), based on a return of 9.75% on a common-equity ratio of 50%. Not every issue was settled; PGE is still seeking a regulatory mechanism to track pension expense. The agreement is subject to commission approval, and new tariffs will take effect at the start of 2014. We assume adoption of the settlement in our 2014 profit estimate.

The utility is adding generating capacity. PGE is building a 220-megawatt gas-fired peaking unit at a cost of $300 million-$310 million. This plant is scheduled to go on line in the first quarter of 2015. Two other projects will be built by other companies on PGE's behalf. These are a 267-mw wind project at a cost of $520 million-$535 million, to be in service in 2015, and a 440-mw gas-fired base-load facility at a cost of $440 million-$455 million, which is scheduled for 2016. PGE will rely on a combination of debt and equity financing. The utility is issuing $225 million of long-term debt and has executed a forward equity sale of 12.765 million shares at $29.50 each.

Two coal-fired plants are out of service. PGE will incur a small amount of repair costs, but expects that most of these will be covered by insurance. The utility will also book replacement power costs (tentatively estimated at $10 million-$12 million). The replacement power costs are recoverable in rates, but if they wind up much higher than expected, PGE might have to swallow a portion of them. We have trimmed our 2013 earnings estimate by $0.05 a share, to $1.85, due to a revenue refund that the utility will book against June-quarter results. Note that we will *exclude* an aftertax charge of $31 million ($0.40 a share) for a write-off of a proposed transmission project that will not be built.

We consider this stock overvalued. The dividend yield (even after a modest increase) is a cut below the utility average, and the recent quotation is *above* our 2016-2018 Target Price Range.

Paul E. Debbas, CFA *August 2, 2013*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	449.0	415.0	464.0	455.0	1783.0
2011	484.0	411.0	439.0	479.0	1813.0
2012	479.0	413.0	450.0	463.0	1805.0
2013	473.0	*415*	*462*	*465*	*1815*
2014	*500*	*430*	*485*	*485*	*1900*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.36	.32	.65	.34	1.66
2011	.92	.29	.36	.38	1.95
2012	.65	.34	.50	.38	1.87
2013	.65	*.30*	*.50*	*.40*	*1.85*
2014	*.67*	*.36*	*.52*	*.40*	*1.95*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.245	.245	.255	.255	1.00
2010	.255	.255	.26	.26	1.03
2011	.26	.26	.265	.265	1.05
2012	.265	.265	.27	.27	1.07
2013	.27	.27	.275		

(A) Diluted EPS. Excl. nonrecur. loss: 2Q '13, *40¢*. '10 EPS don't add due to rounding. Next earnings report due early Nov. (B) Div'ds paid mid-Jan., Apr., July, and Oct. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. def'd charges. In '12: $6.93/sh. (D) In mill. (E) Rate base: Net original cost. Rate allowed on com. eq. in '11: 10.0%; earned on avg. com. eq., '12: 8.2%. Regulatory Climate: Below Average. (F) Summer peak in '12. (G) '05 per-sh. data are pro forma, based on shs out. when stock began trading in '06.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	45

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PEPCO HOLDINGS NYSE-POM

RECENT PRICE 20.20 | P/E RATIO 18.2 (Trailing: 17.9 / Median: 15.0) | RELATIVE P/E RATIO 1.03 | DIV'D YLD 5.3% | VALUE LINE

TIMELINESS 2 Raised 7/12/13
SAFETY 3 Lowered 6/6/03
TECHNICAL 3 Lowered 8/16/13
BETA .75 (1.00 = Market)

2016-18 PROJECTIONS

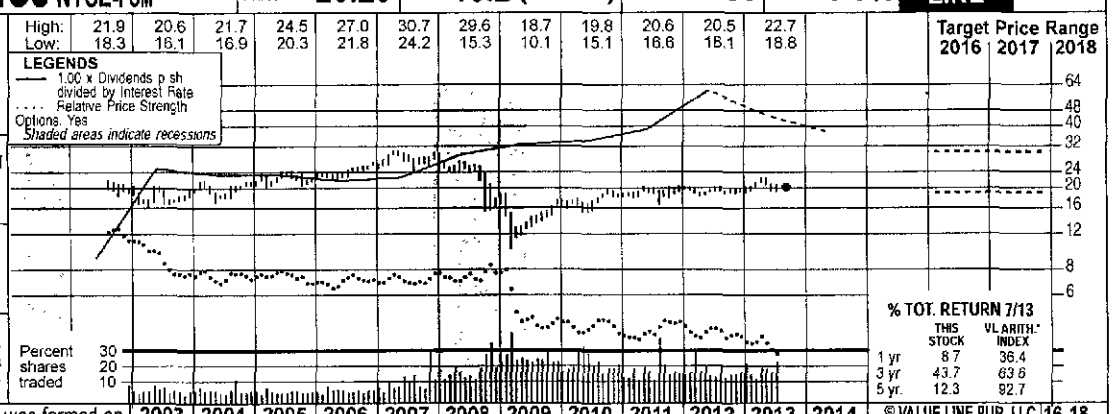
	Price	Gain	Ann'l Total Return
High	30	(+50%)	15%
Low	19	(-5%)	4%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	1	0	0	0	0	0	1	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	149	153	158
to Sell	134	143	134
Hld's(000)	125730	133078	139544



Pepco Holdings, Inc. (PHI) was formed on August 1, 2002, upon the merger of Potomac Electric Power Co. (PEPCO) and Conectiv. In the $2.2 billion deal, PEPCO common stockholders received one common share in PHI for each of their shares, and Conectiv investors exchanged each of their common shares for $25 worth of PHI stock and cash, prorated 50/50.

© VALUE LINE PUB. LLC	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	16-18
Revenues per sh	42.33	38.35	42.49	43.57	46.71	48.88	41.66	31.27	26.02	22.09	20.00	20.65	25.50
"Cash Flow" per sh	3.60	3.71	3.67	3.47	3.30	3.55	2.82	2.97	3.00	3.21	3.10	3.25	3.70
Earnings per sh A	1.35	1.46	1.49	1.33	1.53	1.93	1.06	1.24	1.14	1.24	1.10	1.25	1.70
Div'd Decl'd per sh B ■	1.00	1.00	1.00	1.04	1.04	1.08	1.08	1.08	1.08	1.08	1.08	1.12	1.16
Cap'l Spending per sh	3.48	2.75	2.46	2.47	3.11	3.57	3.89	3.56	4.14	5.29	5.20	5.20	4.00
Book Value per sh C	17.48	17.87	18.88	18.82	20.04	19.14	19.15	18.79	19.06	19.33	19.00	19.45	21.50
Common Shs Outst'g D	171.77	188.33	189.82	191.93	200.51	218.91	222.27	225.08	227.50	230.02	250.00	252.00	255.00
Avg Ann'l P/E Ratio	13.4	13.6	14.9	18.1	18.2	12.2	13.7	14.0	16.7	15.6	Bold figures are Value Line estimates		14.0
Relative P/E Ratio	.76	.72	.79	.98	.97	.73	.91	.89	1.05	.99			.95
Avg Ann'l Div'd Yield	5.5%	5.0%	4.5%	4.3%	3.7%	4.6%	7.4%	6.2%	5.7%	5.6%			4.9%
Revenues ($mill)	7271.3	7221.8	8065.5	8362.9	9366.4	10700	9259.0	7039.0	5920.0	5081.0	5000	5200	6500
Net Profit ($mill)	245.2	261.3	277.4	254.4	296.5	400.0	235.0	276.0	257.0	285.0	275	315	430
Income Tax Rate	18.3%	38.7%	38.8%	39.1%	39.3%	29.6%	31.9%	18.8%	37.2%	35.4%	35.0%	35.0%	35.0%
AFUDC % to Net Profit	--	--	--	--	--	--	--	--	--	--	Nil	Nil	Nil
Long-Term Debt Ratio	63.1%	59.7%	57.1%	54.6%	54.1%	56.2%	53.8%	49.0%	49.1%	47.3%	46.0%	47.5%	50.0%
Common Equity Ratio	35.6%	39.6%	42.3%	45.1%	45.9%	43.8%	46.2%	51.0%	50.9%	52.7%	54.0%	52.5%	50.0%
Total Capital ($mill)	8439.3	8494.0	8469.3	8004.0	8753.0	9568.0	9203.0	8292.0	8516.0	8432.0	8750	9300	10880
Net Plant ($mill)	6984.9	7088.0	7312.0	7576.6	7876.7	8314.0	8863.0	7673.0	8220.0	8846.0	9600	10000	11000
Return on Total Cap'l	4.8%	5.0%	5.0%	5.1%	5.1%	5.8%	4.5%	5.1%	4.5%	4.9%	4.5%	5.0%	6.0%
Return on Shr. Equity	7.9%	7.6%	7.6%	7.0%	7.4%	9.5%	5.5%	6.5%	5.9%	6.4%	6.0%	6.5%	8.0%
Return on Com Equity E	7.7%	7.7%	7.7%	7.0%	7.4%	9.5%	5.5%	6.5%	5.9%	6.4%	6.0%	6.5%	8.0%
Retained to Com Eq	2.0%	2.5%	2.4%	1.5%	2.3%	4.2%	NMF	.8%	.3%	8%	.5%	.5%	2.5%
All Div'ds to Net Prof	75%	68%	69%	78%	68%	56%	101%	87%	95%	87%	98%	90%	69%

CAPITAL STRUCTURE as of 6/30/13
Total Debt $5271 mill. **Due in 5 Yrs** $1784 mill.
LT Debt $4123 mill. **LT Interest** $250 mill.
(LT interest earned: 3.7x)

Pension Assets-12/12 $2.0 bill. **Oblig.** $2.5 bill.

Pfd Stock None

Common Stock 249,142,538 shs
as of 7/25/13

MARKET CAP: $5.0 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+4.1	-2.8	NA
Avg. Resid'l Use (KWH)	11253	10836	10451
Avg. Resid'l Revs per KWH(c)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.1	+.7	+.3
Fixed Charge Cov. (%)	204	251	253

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-5.5%	-10.0%	-.5%
"Cash Flow"	-3.0%	-2.5%	3.0%
Earnings	-4.0%	-3.5%	6.0%
Dividends	--	1.0%	1.0%
Book Value	.5%	--	2.0%

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1819	1636	2067	1517	7039
2011	1634	1409	1643	1234	5920
2012	1292	1179	1476	1134	5081
2013	1226	1053	1500	1221	5000
2014	1250	1100	1550	1300	5200

EARNINGS PER SHARE AF

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.16	.34	.52	.25	1.24
2011	.27	.42	.35	.10	1.14
2012	.30	.27	.49	.18	1.24
2013	.24	.22	.43	.21	1.10
2014	.25	.25	.50	.25	1.25

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.27	.27	.27	.27	1.08
2010	.27	.27	.27	.27	1.08
2011	.27	.27	.27	.27	1.08
2012	.27	.27	.27	.27	1.08
2013	.27	.27	.27		

BUSINESS: Pepco Holdings, Inc. consists mainly of three electric utility subsidiaries Potomac Electric Power Co., serving Washington, D.C. and adjoining areas of Maryland; Delmarva Power, which serves the peninsula area of Delaware, Maryland and Virginia; and Atlantic City Electric, serving southern New Jersey. In July 2010, Pepco sold competitive energy business (Conectiv Energy) to Calpine Corp. Electricity customers: 1.8 million, gas customers 125,000. Electricity breakdown: residential, 40%; commercial, 41%; other, 19%. 2012 depreciation rate 2.5%. Has approximately 5,040 employees as of 12/31/12. Chrmn., Pres. & CEO Joseph M. Rigby Inc.: DE. Address: 701 Ninth Street, N.W., Wash., D.C. 20068 Telephone.: 202-872-2000 Internet: www.pepcoholdings.com.

Pepco Holdings' second-quarter results came in below our expectations. The Washington, DC-based utility reported earnings of $0.22 a share during the period, versus our estimate of $0.25 (the figure excludes one-time charges related to cross-border lease investments). Despite the slight miss, the company reaffirmed its full-year earnings guidance of $1.05-$1.20 a share, though it did acknowledge that challenges related to weak load growth and regulatory outcomes continue to be somewhat of a burden. All told, we have lowered our 2013 share-net estimate by a nickel, to $1.10.

Rate-case outcomes continue to disappoint. On July 12th, the company received yet another lackluster regulatory ruling in its electric distribution rate case in Maryland. The commission's order authorized a $28 million increase in rates based on a 9.36% return on equity, which was less than half of the amount requested in Pepco's initial filing. Moreover, it was denied two of three grid resiliency charge proposals. As a result, the company filed an appeal of this decision and plans to file its next base rate case in Maryland by year's end.

The company reached a settlement in its Atlantic Electric rate case. On June 21st, the New Jersey Board of Public Utilities approved a settlement agreement that will provide for an annual rate increase of $26 million based on a return on equity of 9.75%. The revenue increase includes full recovery of incremental storm restoration costs by including capital cost in rate base and amortizing the deferred O&M expenses of $26 million over a three-year period. The outcome was less constructive than expected by the company.

Income-oriented accounts should consider taking a position here. Shares of Pepco are currently yielding an attractive 5.3%, well above the utility industry's 3.8% mean. Based on the steady earnings stream we project for 2013 and 2014, the payout appears well covered over this time. In our view, the favorable income component remains a key draw.

The stock has been upgraded a notch for Timeliness to 2 (Above Average). By utility standards, total return potential to 2016-2018 is also above average.

Michael Ratty *August 23, 2013*

Company's Financial Strength	B
Stock's Price Stability	95
Price Growth Persistence	25
Earnings Predictability	70

(A) Based on dil. shs. Excl. nonrecur. items: '03, d69¢; '04, 1¢; '05, 47¢; '06, d1¢; '08, 46¢; '10, 62¢. Next egs. rpt. due early Nov. (B) Div'ds paid in early March, June, Sep., and Dec. ■ Div'd reinvest. plan. (C) Incl. def'd chgs: '12, $4.8 bill. or $20.87/sh. (D) In mill. (E) Rate allowed in MD: 9.36% ('13-Pepco), 10.0% ('09-Delmarva); DC: 9.6% ('10-Pep.), DEL: 10.0% ('06-Del.); NJ: 9.75% ('13-ACE). Earned on '12 avg. com. eq., 6.4%. Reg. Clim.: Avg. (F) Qtrly. egs. may not add due to chng. in shs.

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PG&E CORP. NYSE-PCG

RECENT PRICE 45.52 | P/E RATIO 24.0 (Trailing: 23.2 / Median: 15.0) | RELATIVE P/E RATIO 1.33 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 3 Raised 5/10/13
SAFETY 3 Lowered 2/3/12
TECHNICAL 1 Raised 7/19/13
BETA .55 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+20%)	8%
Low	35	(-25%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	1	0	0	1	0	0
to Sell	0	0	0	0	0	0	7	0	2

Institutional Decisions

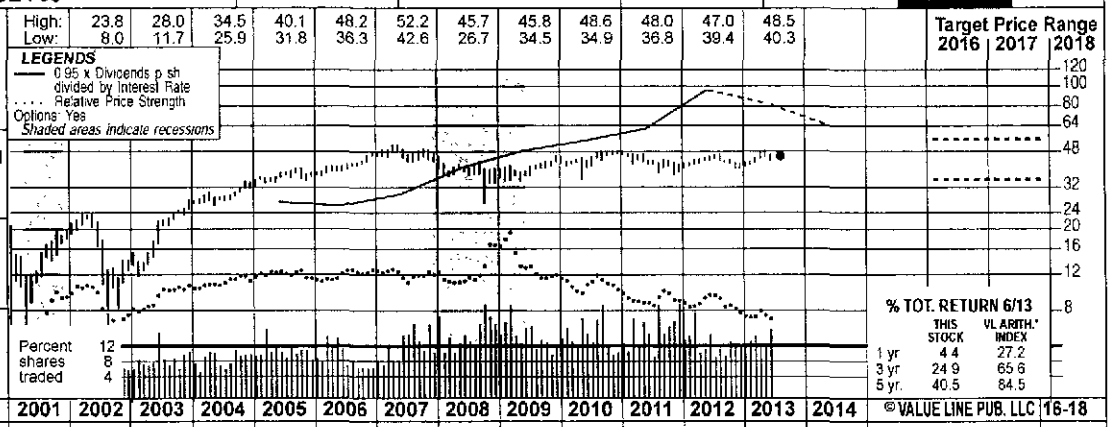
	3Q2012	4Q2012	1Q2013
to Buy	200	214	214
to Sell	194	190	182
Hld's(000)	314428	312913	334776

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
High:	23.8	28.0	34.5	40.1	48.2	52.2	45.7	45.8	48.6	48.0	47.0	48.5								
Low:	8.0	11.7	25.9	31.8	36.3	42.6	26.7	34.5	34.9	36.8	39.4	40.3								
	36.87	52.12	57.74	67.75	63.18	32.74	25.05	26.47	31.78	36.02	37.42	40.51	36.15	35.02	36.28	34.92	*33.30*	*34.80*	Revenues per sh	*39.50*
	5.98	6.08	7.15	80	5.66	1.14	4.80	5.71	7.12	7.76	8.02	8.44	8.37	8.22	8.08	7.32	*7.00*	*7.70*	"Cash Flow" per sh	*9.25*
	1.57	1.88	2.24	d9.21	3.02	d2.36	2.05	2.12	2.35	2.76	2.78	3.22	3.03	2.82	2.78	2.07	*1.90*	*2.40*	Earnings per sh [A]	*3.00*
	1.20	1.20	1.20	1.20	--	--	--	--	1.23	1.32	1.44	1.56	1.68	1.82	1.82	1.82	*1.82*	*1.82*	Div'd Decl'd per sh [B] ■ †	*2.10*
	4.36	4.23	4.39	4.54	7.33	7.94	4.08	3.72	4.90	6.90	7.83	10.05	10.68	9.62	9.79	10.74	*11.20*	*11.30*	Cap'l Spending per sh	*11.50*
	21.30	21.08	19.10	8.19	11.89	9.47	10.12	20.62	19.60	22.44	24.18	25.97	27.88	28.55	29.35	30.35	*31.25*	*31.95*	Book Value per sh [C]	*35.25*
	417.67	382.60	360.59	387.19	363.38	381.67	416.52	418.62	368.27	348.14	353.72	361.06	370.60	395.23	412.26	430.72	*455.00*	*460.00*	Common Shs Outst'g [D]	*475.00*
	15.5	16.8	13.1	--	4.8	--	9.5	13.8	15.4	14.8	16.8	12.1	13.0	15.8	15.5	20.7	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*15.0*
	.89	.87	.75	--	.25	--	.54	.73	.82	.80	.89	.73	.87	1.01	.97	1.32			Relative P/E Ratio	*1.00*
	4.9%	3.8%	4.1%	4.8%	--	--	--	--	3.4%	3.2%	3.1%	4.0%	4.3%	4.1%	4.2%	4.2%			Avg Ann'l Div'd Yield	*4.7%*
	10435	11080	11703	12539	13237	14628	13399	13841	14956	15040	*15150*	*16000*	Revenues ($mill)	*18800*						
	791.0	901.0	904.0	1005.0	1020.0	1198.0	1168.0	1113.0	1132.0	893.0	*855*	*1120*	Net Profit ($mill)	*1460*						
	36.7%	35.0%	37.6%	35.5%	34.6%	26.2%	31.1%	33.0%	30.3%	23.9%	*30.0%*	*30.0%*	Income Tax Rate	*30.0%*						
	3.7%	3.6%	5.6%	6.7%	9.4%	9.5%	11.9%	14.4%	11.2%	17.5%	*19.0%*	*15.0%*	AFUDC % to Net Profit	*12.0%*						
	42.4%	45.1%	48.3%	51.7%	52.6%	52.2%	51.4%	49.6%	48.8%	48.7%	*46.0%*	*49.5%*	Long-Term Debt Ratio	*50.0%*						
	53.9%	53.2%	50.0%	46.8%	46.1%	46.5%	47.4%	49.3%	50.2%	50.4%	*53.0%*	*49.5%*	Common Equity Ratio	*49.0%*						
	7815.0	16242	14446	16696	18558	20163	21793	22863	24119	25956	*26750*	*29575*	Total Capital ($mill)	*34000*						
	18107	18989	19955	21785	23656	26261	28892	31449	33655	37523	*40275*	*43050*	Net Plant ($mill)	*51100*						
	16.3%	7.6%	8.1%	7.6%	7.4%	7.8%	6.7%	6.2%	5.9%	4.7%	*4.5%*	*5.0%*	Return on Total Cap'l	*5.5%*						
	17.6%	10.1%	12.1%	12.5%	11.6%	12.4%	11.0%	9.6%	9.2%	6.7%	*6.0%*	*7.5%*	Return on Shr. Equity	*8.5%*						
	18.5%	10.3%	12.3%	12.7%	11.8%	12.6%	11.2%	9.7%	9.2%	6.7%	*6.0%*	*7.5%*	Return on Com Equity [E]	*8.5%*						
	18.5%	10.3%	7.7%	6.8%	6.0%	6.8%	5.5%	3.9%	3.4%	1.0%	*Nil*	*2.0%*	Retained to Com Eq	*2.5%*						
	2%	1%	39%	47%	50%	47%	52%	61%	63%	85%	*96%*	*76%*	All Div'ds to Net Prof	*69%*						

% TOT. RETURN 6/13

	THIS STOCK	VL ARITH.* INDEX
1 yr	4.4	27.2
3 yr	24.9	65.6
5 yr.	40.5	84.5

Target Price Range 2016 | 2017 | 2018



CAPITAL STRUCTURE as of 3/31/13
Total Debt $13406 mill. **Due in 5 yrs** $3862 mill.
LT Debt $11518 mill. **LT Interest** $578.0 mill
Incl. $113 mill. capitalized leases.
(LT interest earned 2.6x)
Pension Assets-12/12 $12.1 bill. **Oblig.** $15.5 bill.
Pfd Stock $252.0 mill. **Pfd Div'd** $14.0 mill.
4,534,958 shs. 4.36% to 5%, cumulative and $25 par, redeemable from $25.75 to $27.25, 5,784,625 shs. 5.00% to 6.00%, cumulative nonredeemable and $25 par.
Common Stock 442,173,394 shs.
as of 4/23/13
MARKET CAP: $20 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-2.0	-.3	+6.0
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	*9.88*	*9.51*	*9.17*
Capacity at Peak (Mw)	NMF	NMF	NMF
Peak Load, Summer (Mw)	NMF	NMF	NMF
Annual Load Factor (%)	NMF	NMF	NMF
% Change Customers (yr-end)	+.5	+.4	+.5
Fixed Charge Cov. (%)	303	295	231

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-4.0%	--	*2.0%*
"Cash Flow"	12.0%	.5%	*2.5%*
Earnings	--	-.5%	*2.5%*
Dividends	--	6.5%	*2.5%*
Book Value	11.5%	6.0%	*3.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	3475	3232	3513	3621	13841
2011	3597	3684	3860	3815	14956
2012	3641	3593	3976	3830	15040
2013	3672	*3628*	*3950*	*3900*	*15150*
2014	*3950*	*3800*	*4150*	*4100*	*16000*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.67	.86	.66	.63	2.82
2011	.50	.91	.68	.69	2.78
2012	.66	.55	.87	d.01	2.07
2013	.55	*.47*	*.54*	*.34*	*1.90*
2014	*.65*	*.60*	*.70*	*.45*	*2.40*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.39	.42	.42	.42	1.65
2010	.42	.455	.455	.455	1.79
2011	.455	.455	.455	.455	1.82
2012	.455	.455	.455	.455	1.82
2013	.455	.455	.455		

BUSINESS: PG&E Corporation is a holding company for Pacific Gas and Electric Company and nonutility subsidiaries. Supplies electricity and gas to most of northern and central California. Has 5.2 million electric and 4.4 million gas customers. Electric revenue breakdown: residential, 41%; commercial, 39%; industrial, 12%; agricultural, 7%, other, 1%. Generating sources: nuclear, 23%; hydro, 11%; gas, 8%; purchased, 58%. Fuel costs: 33% of revenues. '12 reported depreciation rate (utility): 3.6%. Has 20,600 employees. *Chairman, President & Chief Executive Officer: Anthony F. Earley, Jr.* Incorporated: California. Address: One Market, Spear Tower, Suite 2400, San Francisco, California 94105. Telephone: 415-267-7000. Internet: www.pgecorp.com.

PG&E is facing a substantial penalty stemming from a pipeline explosion in San Bruno, California in September of 2010. Since then, the company has incurred substantial costs associated with the accident, which killed or injured dozens of people and caused major property damage. PG&E will likely wind up swallowing over $2 billion of costs to upgrade its pipeline system and for third-party liability. However, the Safety and Enforcement Division of the California Public Utilities Commission (CPUC) is proposing a $300 million fine on top of this, along with the disallowance of $1.515 billion of pipeline safety-enhancement costs that the CPUC had ruled would be recoverable from customers. PG&E has already taken a $200 million reserve for any penalties. It appears as if a CPUC ruling will come by yearend.

We estimate that share net will decline again this year. At the start of 2013, the utility's allowed return on equity was cut from 11.35% to 10.4%. Also, average shares outstanding will be higher, due to the expected issuance of $1.0 billion-$1.2 billion of common equity. Note that earnings are tough to call because the timing of pipeline safety-enhancement spending is unknown, and neither the amount of any insurance recoveries nor the timing is predictable.

A general rate case is pending. PG&E requested tariff hikes of $1.282 billion in 2014, $500 million in 2015, and $500 million in 2016. On the other hand, the CPUC's Division of Ratepayer Advocates is recommending a $162 million *decrease* in 2014, followed by a $168 million raise in 2015 and a $159 million boost in 2016. Our estimate of profit improvement in 2014 is based on reasonable regulatory treatment and lower pipeline-related expenses.

In our view, the concerns about the aforementioned penalty are not adequately reflected in the price of these shares. The dividend yield is not much higher than the utility mean, and we expect no dividend hikes in 2013 or 2014. There are numerous utility equities with similar yields, better 3- to 5-year total return potential, and the companies are not facing the concerns we discussed above.

Paul E. Debbas, CFA *August 2, 2013*

(A) Diluted EPS. Excl. nonrec. gains (losses): '97, 18¢; '99, ($2.44); '04, $6.95; '09, 18¢; '11, (68¢); '12, (15¢); gain from disc. ops.: '08, 41¢. Incl. nonrec. loss: '00, $11.83. Next earnings report due late Oct. (B) Div'ds historically paid in mid-Jan., Apr., July, and Oct. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. intangibles. In '12: $15.81/sh. (D) In mill. (E) Rate base: net orig. cost. Rate allowed on com. eq. in '13: 10.4%; earned on avg. com. eq., '11: 9.5%. Regulatory Climate: Above Average.

Company's Financial Strength	B+
Stock's Price Stability	100
Price Growth Persistence	80
Earnings Predictability	85

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IDACORP, INC. NYSE-IDA

RECENT PRICE 52.93 | P/E RATIO 16.0 (Trailing: 14.9 Median: 14.0) | RELATIVE P/E RATIO 0.88 | DIV'D YLD 2.9% | VALUE LINE

TIMELINESS 3 Lowered 5/14/10
SAFETY 2 Raised 8/2/13
TECHNICAL 3 Lowered 8/2/13
BETA .70 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+5%)	4%
Low	40	(-25%)	-3%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	2	0	0
to Sell	1	0	0	1	0	1	6	0	1

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	75	81	73
to Sell	80	72	84
Hld's(000)	35050	35073	35828

	High:	41.0	30.2	32.9	32.1	40.2	39.2	35.1	32.8	37.8	42.7	45.7	53.0
	Low:	20.9	20.6	25.3	26.2	29.0	30.1	21.9	20.9	30.0	33.9	36.2	43.1

LEGENDS
1.00 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options: Yes
Shaded areas indicate recessions

Target Price Range 2016 | 2017 | 2018

% TOT. RETURN 6/13

	THIS STOCK	VL ARITH.* INDEX
1 yr	17.2	27.2
3 yr	58.0	65.6
5 yr.	97.8	84.5

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
19.90	29.83	17.50	27.10	150.10	24.43	20.41	20.00	20.15	21.23	19.51	20.47	21.92	20.97	20.55	21.55	*22.50*	*22.75*	Revenues per sh	*25.50*
4.22	4.69	4.50	5.63	5.63	4.08	3.50	4.12	3.87	4.58	4.11	4.27	5.07	5.23	5.74	5.84	*5.85*	*6.05*	"Cash Flow" per sh	*6.55*
2.32	2.37	2.43	3.50	3.35	1.63	.96	1.90	1.75	2.35	1.86	2.18	2.64	2.95	3.36	3.37	*3.30*	*3.40*	Earnings per sh A	*3.65*
1.86	1.86	1.86	1.86	1.86	1.86	1.70	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.37	*1.56*	*1.68*	Div'd Decl'd per sh B† ■	*1.90*
2.51	2.37	2.95	3.73	4.78	3.53	3.89	4.73	4.53	5.16	6.39	5.19	5.26	6.85	6.76	4.78	*4.95*	*11.30*	Cap'l Spending per sh	*8.80*
18.93	19.42	20.02	21.82	23.15	23.01	22.54	23.88	24.04	25.77	26.79	27.76	29.17	31.01	33.19	35.07	*36.55*	*38.70*	Book Value per sh C	*43.45*
37.61	37.61	37.61	37.61	37.63	38.02	38.34	42.22	42.66	43.63	45.06	46.92	47.90	49.41	49.95	50.16	*50.50*	*50.50*	Common Shs Outst'g D	*51.00*
13.6	14.4	12.7	10.9	11.4	18.9	26.5	15.5	16.7	15.1	18.2	13.9	10.2	11.8	11.5	12.4	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*13.0*
.78	.75	.72	.71	.58	1.03	1.51	.82	.89	.82	.97	.84	.68	.75	.72	.79			Relative P/E Ratio	*.85*
5.9%	5.4%	6.0%	4.9%	4.9%	6.0%	6.7%	4.1%	4.1%	3.4%	3.5%	4.0%	4.5%	3.4%	3.1%	3.3%			Avg Ann'l Div'd Yield	*4.0%*
782.7	844.5	859.5	926.3	879.4	960.4	1049.8	1036.0	1026.8	1080.7	*1135*	*1150*	Revenues ($mill)	*1300*
40.1	77.8	63.7	100.1	82.3	98.4	124.4	142.5	166.9	168.9	*165*	*170*	Net Profit ($mill)	*185*
--	--	16.9%	13.3%	14.3%	16.3%	15.2%	--	NMF	13.4%	*20.0%*	*20.0%*	Income Tax Rate	*30.0%*
7.5%	3.9%	4.7%	4.0%	9.7%	10.2%	10.5%	19.7%	22.8%	7.1%	*7.5%*	*8.0%*	AFUDC % to Net Profit	*9.5%*
50.8%	49.3%	50.0%	45.2%	48.9%	47.6%	50.2%	49.3%	45.6%	45.5%	*45.5%*	*46.0%*	Long-Term Debt Ratio	*47.0%*
46.4%	50.7%	50.0%	54.8%	51.1%	52.4%	49.8%	50.7%	54.4%	54.5%	*54.5%*	*54.0%*	Common Equity Ratio	*53.0%*
1862.5	1987.8	2048.8	2052.8	2364.2	2485.9	2807.1	3020.4	3045.2	3225.4	*3395*	*3605*	Total Capital ($mill)	*4165*
2088.3	2209.5	2314.3	2419.1	2616.6	2758.2	2917.0	3161.4	3406.6	3536.0	*3820*	*4125*	Net Plant ($mill)	*5195*
3.7%	5.3%	4.5%	6.2%	4.7%	5.3%	5.7%	6.0%	6.7%	6.5%	*6.0%*	*6.0%*	Return on Total Cap'l	*5.5%*
4.4%	7.7%	6.2%	8.9%	6.8%	7.6%	8.9%	9.3%	10.1%	9.6%	*9.0%*	*8.5%*	Return on Shr. Equity	*8.5%*
4.2%	7.2%	6.2%	8.9%	6.8%	7.6%	8.9%	9.3%	10.1%	9.6%	*9.0%*	*8.5%*	Return on Com Equity E	*8.5%*
NMF	2.7%	1.3%	4.3%	2.4%	3.4%	4.8%	5.5%	6.5%	5.7%	*4.5%*	*4.5%*	Retained to Com Eq	*4.0%*
NMF	65%	80%	51%	84%	55%	46%	41%	36%	41%	*48%*	*50%*	All Div'ds to Net Prof	*52%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $1536.7 mill. Due in 5 Yrs $75.3 mill.
LT Debt $1535.6 mill. LT Interest $79.0 mill.
(LT interest earned: 3.5x)

Pension Assets-12/12 $460.9 mill.
Oblig. $767.7 mill.

Pfd Stock None

Common Stock 50,232,852 shs
as of 4/26/13

MARKET CAP: $2.7 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-3.1	+1.6	+2.6
Avg Indust. Use (MWH)	N/A	N/A	N/A
Avg Indust. Revs. per KWH (¢)	4.50	4.54	4.63
Capacity at Peak (Mw)	N/A	N/A	N/A
Peak Load, Summer (Mw)	2714	2973	3245
Annual Load Factor (%)	N/A	N/A	N/A
% Change Customers (yr-end)	+.4	+.7	+1.1
Fixed Charge Cov. (%)	231	194	328

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-11.0%	.5%	*3.5%*
"Cash Flow"	1.0%	6.0%	*2.5%*
Earnings	1.5%	10.0%	*2.0%*
Dividends	-4.0%	1.0%	*7.0%*
Book Value	4.0%	5.5%	*4.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	252.5	241.8	309.4	232.3	1036.0
2011	251.5	235.0	309.6	230.7	1026.8
2012	241.1	254.7	334.0	250.9	1080.7
2013	264.9	*260*	*350*	*260.1*	*1135*
2014	*255*	*270*	*360*	*265*	*1150*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.34	.82	1.39	.40	2.95
2011	.60	.42	2.16	.18	3.36
2012	.50	.71	1.84	.33	3.37
2013	.67	*.60*	*1.63*	*.40*	*3.30*
2014	*.55*	*.65*	*1.70*	*.50*	*3.40*

QUARTERLY DIVIDENDS PAID B† ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.30	.30	.30	.30	1.20
2010	.30	.30	.30	.30	1.20
2011	.30	.30	.30	.30	1.20
2012	.33	.33	.33	.38	1.37
2013	.38	.38			

BUSINESS: IDACORP, Inc. is the holding company for Idaho Power, a utility that operates 17 hydroelectric generation developments, 3 natural gas-fired plants, and partly owns three coal plants across Idaho, Oregon, Wyoming, and Nevada. Service territory covers 24,000 square miles, serving 501,000 general business customers. Sells electricity in Idaho (95% of revenues) and Oregon (5%). Revenue breakdown: residential, 40%, commercial, 22%; industrial, 14%; other, 24%. Fuel sources: hydro, 45%; thermal, 34%; purchased power, 21%. '12 depreciation rate: 2.4%. Has 2,067 employees. Chairman: Bob Tinstman. President & CEO: J. LaMont Keen. Incorporated: Idaho. Address: 1221 W. Idaho St., Boise, ID 83702. Telephone: 208-388-2200. Internet: www.idacorpinc.com.

IDACORP posted strong year-over-year comparisons in the first quarter of 2013. Earnings came in at $0.67 a share, on a 10% top-line advance. The company's decent operating performance stems from colder winter weather, that resulted in higher sales, and cost management efforts, as well as rate increases, particularly related to the Langley Gulch power plant. This momentum should continue going forward, as economic conditions in Idaho improve, increasing both demand and customer growth.

Management anticipates share earnings will fall between $3.20 and $3.35 in 2013. The utility changed its estimate slightly, and now does not expect to use any additional accumulated deferred investment tax credits (ADITCs) during the year, as Idaho Power's return on equity should exceed 9.5%. Thus, the entire amount ($45 million) will be available next year. Management did not give any color regarding the use of ADITCs post-2014. *(Note: Earnings were scheduled to be released shortly after we went to press with this Issue.)*

The utility has given updates regarding its regulatory proceedings. Although Idaho Power does not expect to file for a general rate case this year, the company filed for its 2013 power cost adjustment (PCA) with the Idaho Public Utility Commission (IPUC), requesting a $140.4 million increase in Idaho PCA rates. Moreover, management likely filed for its integrated resource plan (IRP). Meanwhile, Gateway West and Boardman-to-Hemingway are en route to gain the required approvals. Indeed, these major transmission projects should be primary growth vehicles down the line.

IDACORP's 2.9% dividend yield is well below the utility industry median. Moreover, the company holds lackluster total return potential over the next 3 to 5 years, which will likely deter income-oriented accounts. On a positive note, management anticipates a 10% dividend increase, at least, following its September review.

Long-term price appreciation potential is limited, too, as these shares are now trading within our 2016-2018 Target Price Range.

Michelle Jensen *August 2, 2013*

(A) EPS diluted. Excl. nonrecurring gains (loss): '00, 22¢; '03, 26¢, '05, (24¢): '06, 17¢. Egs. may not sum to total due to rounding. Next earnings report due Oct. 31st. (B) Div'ds historically paid in late Feb. May, Aug., and late Nov. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. deferred debits. In '12: $24.35/sh. (D) In mill. (E) Rate Base: Net original cost. Rate allowed on com. eq. in Idaho in '11: 9.5%-10.5%; earned on avg. system com. eq., '12: 9.6%. Regulatory Climate: Above Average.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	70
Earnings Predictability	85

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HAWAIIAN ELECTRIC NYSE-HE

RECENT PRICE 27.00 | P/E RATIO 17.4 (Trailing: 16.7 / Median: 19.0) | RELATIVE P/E RATIO 0.96 | DIV'D YLD 4.6% | VALUE LINE

TIMELINESS 3 Raised 7/5/13
SAFETY 2 Raised 11/2/12
TECHNICAL 1 Raised 8/2/13
BETA .70 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(+10%)	7%
Low	20	(-25%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	1	0	1	0	0	0	1	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	101	97	112
to Sell	75	82	72
Hld's(000)	33259	32885	39629

	High:	24.5	24.0	29.5	29.8	28.9	27.5	29.8	22.7	25.0	26.8	29.2	28.3
	Low:	17.3	19.1	23.0	24.6	25.7	20.3	21.0	12.1	18.6	20.6	23.7	23.8

LEGENDS
— 0.70 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 6/04
Options: Yes
Shaded areas indicate recessions

Target Price Range 2016 | 2017 | 2018

% TOT. RETURN 6/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-7.0	27.2
3 yr.	28.7	65.6
5 yr.	34.5	84.5

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
22.95	23.12	23.64	26.05	24.26	22.46	23.49	23.85	27.36	30.21	30.40	35.56	24.96	28.14	33.76	34.46	*31.70*	*31.50*	Revenues per sh	*32.25*
3.01	3.23	3.35	3.08	3.33	3.52	3.54	3.09	3.22	3.19	3.01	2.72	2.59	2.88	3.18	3.28	*3.30*	*3.35*	"Cash Flow" per sh	*3.50*
1.38	1.48	1.45	1.27	1.60	1.62	1.58	1.36	1.46	1.33	1.11	1.07	.91	1.21	1.44	1.68	*1.55*	*1.60*	Earnings per sh [A]	*1.75*
1.22	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	*1.24*	*1.24*	Div'd Decl'd per sh [B] ■	*1.30*
2.31	2.60	2.09	2.04	1.77	1.74	2.15	2.66	2.76	2.58	2.62	3.12	3.29	1.92	2.45	3.32	*3.70*	*4.65*	Cap'l Spending per sh	*4.75*
12.77	12.87	13.16	12.72	13.06	14.21	14.36	15.01	15.02	13.44	15.29	15.35	15.58	15.67	15.95	16.28	*17.10*	*17.95*	Book Value per sh [C]	*20.75*
63.79	64.23	64.43	65.98	71.20	73.62	75.84	80.69	80.98	81.46	83.43	90.52	92.52	94.69	96.04	97.93	*102.50*	*108.00*	Common Shs Outst'g [D]	*124.50*
13.2	13.4	12.1	12.9	11.8	13.5	13.8	19.2	18.3	20.3	21.6	23.2	19.8	18.6	17.1	15.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.5*
.76	.70	.69	.84	.60	.74	.79	1.01	.97	1.10	1.15	1.40	1.32	1.18	1.07	1.01			Relative P/E Ratio	*.95*
6.7%	6.2%	7.1%	7.5%	6.6%	5.7%	5.7%	4.8%	4.6%	4.6%	5.2%	5.0%	6.9%	5.5%	5.0%	4.7%			Avg Ann'l Div'd Yield	*5.1%*
1781.3	1924.1	2215.6	2460.9	2536.4	3218.9	2309.6	2665.0	3242.3	3375.0	*3250*	*3400*	Revenues ($mill)	*4000*
120.1	109.6	120.3	109.9	93.6	92.2	84.9	115.4	140.1	164.9	*160*	*170*	Net Profit ($mill)	*205*
34.9%	45.8%	36.4%	36.5%	35.4%	34.7%	34.1%	37.0%	35.1%	35.9%	*34.0%*	*33.0%*	Income Tax Rate	*28.0%*
5.1%	7.6%	5.9%	8.4%	8.3%	14.2%	20.6%	7.4%	6.0%	6.9%	*8.0%*	*17.0%*	AFUDC % to Net Profit	*31.0%*
48.6%	47.6%	45.2%	49.9%	47.6%	46.0%	48.0%	44.5%	44.9%	45.7%	*42.5%*	*43.5%*	Long-Term Debt Ratio	*48.0%*
49.8%	51.0%	53.3%	48.6%	51.0%	52.7%	50.7%	54.3%	53.9%	53.1%	*56.5%*	*55.5%*	Common Equity Ratio	*51.5%*
2186.9	2375.1	2283.9	2252.7	2501.8	2635.2	2840.8	2732.9	2841.3	3001.0	*3095*	*3500*	Total Capital ($mill)	*5025*
2311.9	2422.3	2542.8	2647.5	2743.4	2907.4	3088.6	3165.9	3334.5	3594.8	*3795*	*4100*	Net Plant ($mill)	*5375*
7.3%	6.0%	6.8%	6.4%	5.2%	4.7%	4.3%	5.6%	6.2%	6.7%	*6.0%*	*6.0%*	Return on Total Cap'l	*5.5%*
10.7%	8.8%	9.6%	9.7%	7.1%	6.5%	5.8%	7.6%	8.9%	10.1%	*9.0%*	*8.5%*	Return on Shr. Equity	*8.0%*
10.8%	8.9%	9.7%	9.9%	7.2%	6.5%	5.8%	7.7%	9.0%	10.2%	*9.0%*	*8.5%*	Return on Com Equity [E]	*8.0%*
3.9%	1.1%	1.5%	.7%	.8%	.5%	NMF	1.4%	2.1%	4.2%	*2.0%*	*2.0%*	Retained to Com Eq	*2.0%*
64%	87%	85%	93%	89%	93%	116%	82%	78%	59%	*80%*	*78%*	All Div'ds to Net Prof [F]	*78%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $1556.8 mill. **Due in 5 Yrs** $369.9 mill.
LT Debt $1372.9 mill. **LT Interest** $71.3 mill.
Incl. $50 mill. 6.5% oblig. pfd. sec. of trust subsid.
(LT interest earned 4.2x)
Pension Assets-12/12 $971.3 mill.
Oblig. $1.59 bill.
Pfd Stock $34.3 mill. **Pfd Div'd** $2.0 mill.
1,114,657 shs. 4¼% to 5¼%, $20 par, call. $20 to $21; 120,000 shs. 7⅝%, $100 par, call. $100. Sinking fund ends 2018.
Common Stock 98,541,357 shs.
as of 4/29/13
MARKET CAP: $2.7 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-1.1	-.5	-3.5
Avg. Indust. Use (MWH)	6352	6284	6119
Avg. Indust. Revs. per KWH (¢)	21.41	27.89	30.35
Capacity at Yearend (Mw)	2325	2327	2332
Peak Load, Winter (Mw)	1562	1530	1535
Annual Load Factor (%)	73.9	74.8	72.1
% Change Customers (yr-end)	+.5	+.3	+.5
Fixed Charge Cov. (%)	300	337	396

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	3.0%	2.0%	*Nil*
"Cash Flow"	-.5%	--	*2.0%*
Earnings	-.5%	2.0%	*3.5%*
Dividends	--	--	*1.0%*
Book Value	2.0%	2.0%	*4.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	619.0	655.7	694.6	695.7	2665.0
2011	710.6	794.3	886.4	851.0	3242.3
2012	814.9	854.3	867.7	838.1	3375.0
2013	784.1	*785*	*900*	*780.9*	*3250*
2014	*825*	*825*	*925*	*825*	*3400*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.29	.31	.35	.26	1.21
2011	.30	.28	.50	.36	1.44
2012	.40	.40	.49	.39	1.68
2013	.34	*.36*	*.48*	*.37*	*1.55*
2014	*.37*	*.38*	*.48*	*.37*	*1.60*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.31	.31	.31	.31	1.24
2010	.31	.31	.31	.31	1.24
2011	.31	.31	.31	.31	1.24
2012	.31	.31	.31	.31	1.24
2013	.31	.31			

BUSINESS: Hawaiian Electric Industries, Inc. is the parent company of Hawaiian Electric Company (HECO) & American Savings Bank (ASB). HECO & its subs., Maui Electric Co. (MECO) & Hawaii Electric Light Co. (HELCO), supply electricity to 448,000 customers on Oahu, Maui, Molokai, Lanai, & Hawaii. Operating companies' systems are not interconnected. Disc. int'l power sub. in '01. Elec. rev. breakdown: res'l, 31%; comm'l, 34%; large light & power, 34%; other, 1%. Generating sources: oil, 58%, purchased, 42%. Fuel costs: 60% of revs. '12 reported depr. rate (util.): 3.1%. Has 3,900 empls. Chairman: Jeffrey N. Watanabe. Pres. & CEO: Constance H. Lau. Inc.: HI. Address: 900 Richards St., P.O. Box 730, Honolulu, HI 96808-0730. Tel.: 808-543-5662. Web: www.hei.com.

One of Hawaiian Electric Industries' utility subsidiaries was hit with an unfavorable rate order. The Hawaii Public Utilities Commission (PUC) granted Maui Electric Company (MECO) a final rate increase of $5.3 million (1.3%), based on a 9% return on a 56.86% common-equity ratio. This was less than half of the interim tariff hike of $13.1 million, which was based on a 10% ROE. Whether MECO will appeal the order to the courts is not yet known. The PUC was concerned about subpar customer service. Customers have also been upset about rising rates, although high oil prices, much more than base rate increases, have been responsible for this. The PUC's order will hurt share earnings by an estimated $0.06 this year, *so HEI lowered its 2013 earnings guidance* from $1.58-$1.68 to $1.52-$1.62. We have cut our estimate by a nickel, to $1.55, and have similarly reduced our 2014 forecast to $1.60. In view of the earnings disappointment, it is little surprise that HEI stock has underperformed most electric utility equities in 2013.

The share count is rising. We figure that HEI will raise $45 million annually through its dividend-reinvestment program. Also, earlier this year HEI executed a forward equity sale of seven million common shares at $26.75 each. The company expects to deliver three million shares in the fourth quarter of 2013, and has until March 25, 2015 to issue the remaining shares.

The American Savings Bank subsidiary is operating in a challenging environment. Low interest rates have hurt its interest-rate spread. On the positive side, the bank is experiencing loan growth, and asset quality is good. Overall, though, we look for little, if any, profit growth from ASB this year.

This stock offers a good dividend yield, but little else. The yield is above *average, even by utility standards. HEI* has not been able to produce consistent earnings growth for many years, and has not raised the dividend since the late 1990s. With the recent price above the midpoint of our 2016-2018 Target Price Range and little dividend growth projected over that time frame, 3- to 5-year total return potential is low.

Paul E. Debbas, CFA *August 2, 2013*

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	30
Earnings Predictability	70

(A) Dil. EPS. Excl. gains (losses) from disc. ops.: '00, (56¢); '01, (36¢); '03, (5¢); '04, 2¢; '05, (1¢); nonrec. gain (losses): '05, 11¢; '07, (9¢); '12, (25¢). Next earnings report due early Aug. (B) Div'ds historically paid in early Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail. (C) Incl. intang. In '12: $9.67/sh. (D) In mill., adj. for split. (E) Rate base: Orig. cost. Rate allowed on com. eq. in '11: HECO, 10%; in '12: HELCO, 10%; in '13: MECO, 9%; earned on avg. com. eq., '12: 10.3%. Regul. Climate: Avg. (F) Excl. div'ds paid through reinvest. plan.

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FIRSTENERGY NYSE-FE

RECENT PRICE 37.34 | P/E RATIO 13.4 (Trailing: 21.3) (Median: 15.0) | RELATIVE P/E RATIO 0.76 | DIV'D YLD 5.9% 4.3% | VALUE LINE

TIMELINESS 2 Raised 8/23/13
SAFETY 3 Lowered 2/22/13
TECHNICAL 4 Lowered 8/23/13
BETA .80 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+20%)	10%
Low	30	(-20%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	2	011	0	0	
to Sell	0	0	0	0	6	0	8	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	204	231	212
to Sell	227	215	232
Hld's(000)	289354	294106	297691

	High:	39.1	38.9	43.4	53.4	61.7	75.0	84.0	53.6	47.8	46.5	51.1	46.8
	Low:	24.8	25.8	35.2	37.7	47.8	57.8	41.2	35.3	33.6	36.1	40.4	35.5

LEGENDS
0.84 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options: Yes
Shaded areas indicate recessions

Target Price Range 2016 | 2017 | 2018

% TOT. RETURN 7/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-20.3	36.4
3 yr.	16.4	63.6
5 yr.	-34.3	92.7

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
12.26	24.72	27.19	31.31	26.88	40.83	37.31	37.76	36.35	36.03	42.00	44.70	41.70	43.76	38.87	36.57	*35.30*	*35.60*	Revenues per sh	*36.25*
3.66	5.33	6.89	7.28	5.48	6.45	4.79	7.60	7.55	7.22	8.34	9.04	8.80	8.50	5.75	6.05	*6.35*	*6.65*	"Cash Flow" per sh	*6.75*
1.94	1.95	2.50	2.69	2.84	2.54	1.47	2.77	2.84	3.82	4.22	4.38	3.32	3.25	1.88	2.13	*2.55*	*2.75*	Earnings per sh A	*2.50*
1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.91	1.71	1.85	2.05	2.20	2.20	2.20	2.20	2.20	*2.20*	*2.20*	Div'd Decl'd per sh B ■	*2.20*
89	2.75	2.69	2.74	2.86	3.35	2.60	2.57	3.66	4.12	5.36	9.47	7.23	6.44	5.45	7.09	*6.40*	*5.85*	Cap'l Spending per sh	*6.00*
18.07	18.77	19.63	20.72	24.86	23.92	25.13	26.04	27.86	28.30	29.45	27.17	28.08	28.03	31.75	31.29	*30.80*	*31.45*	Book Value per sh C	*33.00*
230.21	237.07	232.45	224.53	297.64	297.64	329.84	329.84	329.84	319.21	304.84	304.84	304.84	304.84	418.22	418.22	*419.00*	*421.50*	Common Shs Outst'g D	*429.00*
11.8	15.4	11.3	9.2	10.9	13.0	22.5	14.1	16.1	14.2	15.6	15.6	13.0	11.7	22.4	21.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.5*
.68	.80	.64	.60	.56	.71	1.28	.74	.86	.77	.83	.94	.87	.74	1.41	1.34			Relative P/E Ratio	*.95*
6.6%	5.0%	5.3%	6.1%	4.8%	4.6%	4.5%	4.9%	3.7%	3.4%	3.1%	3.2%	5.1%	5.8%	5.2%	4.9%			Avg Ann'l Div'd Yield	*6.0%*
12307	12453	11989	11501	12802	13627	12712	13339	16258	15294	*14800*	*15000*	Revenues ($mill)	*15500*
490.8	932.6	951.0	1265.0	1309.0	1342.0	1015.0	991.0	752.0	891.0	*1070*	*1220*	Net Profit ($mill)	*1080*
43.9%	42.2%	42.1%	38.6%	40.3%	36.7%	19.6%	38.6%	41.3%	41.1%	*41.0%*	*41.0%*	Income Tax Rate	*41.0%*
6.5%	2.7%	2.0%	2.1%	2.4%	3.9%	12.8%	16.6%	9.3%	8.1%	*6.0%*	*5.0%*	AFUDC % to Net Profit	*6.0%*
53.1%	52.8%	46.5%	48.6%	49.7%	52.4%	58.2%	59.5%	54.2%	53.7%	*55.0%*	*54.0%*	Long-Term Debt Ratio	*57.0%*
45.0%	45.4%	52.4%	51.4%	50.3%	47.7%	41.8%	40.5%	45.8%	46.3%	*45.0%*	*46.0%*	Common Equity Ratio	*43.0%*
18414	18938	17527	17570	17846	17383	20467	21124	28996	28263	*28675*	*30325*	Total Capital ($mill)	*32800*
13269	13478	13998	14667	15383	17723	19164	19768	30337	32903	*33575*	*35300*	Net Plant ($mill)	*37000*
4.6%	6.5%	7.1%	9.0%	9.0%	9.7%	6.9%	6.3%	4.0%	4.9%	*5.0%*	*5.5%*	Return on Total Cap'l	*5.0%*
5.7%	10.4%	10.1%	14.0%	14.6%	16.2%	11.9%	11.6%	5.7%	6.8%	*8.5%*	*9.0%*	Return on Shr. Equity	*7.5%*
5.4%	10.6%	10.2%	13.9%	14.6%	16.2%	11.9%	11.6%	5.7%	6.8%	*8.5%*	*9.0%*	Return on Com Equity E	*7.5%*
NMF	4.9%	4.2%	7.4%	7.7%	8.1%	4.0%	3.8%	NMF	NMF	*1.0%*	*2.0%*	Retained to Com Eq	*1.0%*
101%	55%	59%	47%	47%	50%	66%	68%	117%	103%	*86%*	*77%*	All Div'ds to Net Prof	*87%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $20260 mill. **Due in 5 Yrs** $9909.0 mill
LT Debt $15814 mill. **LT Interest** $862.0 mill.
Incl. $232 mill. capitalized leases.
(LT interest earned: 2.2x)

Leases, Uncapitalized Annual rentals $210.0 mill.
Pension Assets-12/12 $6.67 bill.
Oblig. $8.98 bill
Pfd Stock None

Common Stock 418,216,437 shs.
as of 5/6/13
MARKET CAP: $16 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+5.6	+.1	+3.5
Avg. Indust. Use (MWH)	NMF	NMF	NMF
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	253	206	236

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	2.0%	1.0%	-1.5%
"Cash Flow"	.5%	-2.5%	*Nil*
Earnings	-1.0%	-8.0%	.5%
Dividends	4.0%	3.5%	*Nil*
Book Value	2.5%	1.0%	1.5%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	3299	3128	3693	3219	13339
2011	3576	4060	4719	3903	16258
2012	3986	3757	4051	3500	15294
2013	3729	3519	*4052*	*3500*	*14800*
2014	*3800*	*3700*	*4000*	*3500*	*15000*

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.59	.87	1.19	.61	3.25
2011	.15	.48	1.27	d.09	1.88
2012	.78	.52	1.05	d.23	2.13
2013	.47	.46	*.87*	*.75*	*2.55*
2014	*.70*	*.55*	*.80*	*.70*	*2.75*

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.55	.55	.55	.55	2.20
2010	.55	.55	.55	.55	2.20
2011	.55	.55	.55	.55	2.20
2012	.55	.55	.55	.55	2.20
2013	.55	.55	.55		

BUSINESS: FirstEnergy Corp. is a holding company for Ohio Edison, Pennsylvania Power, Cleveland Electric, Toledo Edison, Metropolitan Edison, Penelec, Jersey Central Power & Light, West Penn Power, Potomac Edison, & Mon Power. Provides electric service to over 6 million customers in OH, PA, NJ, WV, MD, & NY. Acq'd Allegheny Energy 2/11. Electric revenue breakdown by customer class not available. Generating sources: coal, 44%; nuclear, 26%; purchased, 30%. Fuel costs: 43% of revs. '12 reported depr. rates: 2.1%-3.0%. Has 16,500 employees. Chairman: George M. Smart. President & CEO: Anthony J. Alexander. COO: Richard R. Grigg. Inc.: OH. Address: 76 South Main Street, Akron, OH 44308-1890. Tel.: 800-736-3402. Internet: www.firstenergycorp.com.

FirstEnergy stock has performed poorly in 2013. The main reason is Wall Street's concern about the competitive environment affecting FirstEnergy's non-regulated generating assets. In late May, an auction in the PJM (Pennsylvania-New Jersey-Maryland) region did not go well. The share price has fallen more than 10% since then, and is down 9% in 2013, which has been a good year for most stocks.

The company is taking some measures to address the unfavorable competitive environment. FirstEnergy had already shut some coal-fired generating facilities, but in June, it announced it will close two more plants in 2013, including a 1,710-megawatt station. As a result, the company took an $0.85-a-share charge in the second quarter, which we are treating as a nonrecurring item. The move will enable FirstEnergy to avoid $275 million of environmental upgrades that would have been needed to keep these units operating. The company also plans to reduce operating and capital costs by $150 million-$200 million a year beginning in 2014 through various measures, such as reducing the employee headcount.

We think the dividend will hold at the current level, but we aren't certain. The dividend yield is two percentage points above the utility average, giving FirstEnergy stock the highest yield (by far) in this industry. The company believes that the payout is supported by its regulated transmission and distribution operations. However, Jersey Central Power & Light has a rate case pending (see below), and the company might need rate relief in other jurisdictions. Since we are not willing to rule out a cut in the disbursement, we are showing a split dividend at the top of the page.

Two key regulatory matters are pending. JCP&L filed for a rate hike of $112 million, based on an 11.5% return on equity. An order isn't expected until 2014. In West Virginia, FirstEnergy wants to transfer a generating asset to its Monongahela Power subsidiary. The company is trying to settle this matter.

Our ranking system favors this stock for the year ahead. However, given the challenges FirstEnergy is facing, income-oriented investors should be cautious.

Paul E. Debbas, CFA *August 23, 2013*

(A) Dil. EPS. Excl. nonrec. gain (losses): '05, (28¢); '09, (3¢); '10, (68¢); '11, 33¢; '12, (29¢); '13, (85¢); gain (loss) from disc. ops.: '03, (33¢), '05, 5¢. '10-'12 EPS don't add due to rounding or chg. in shs. Next egs. due early Nov. (B) Div'ds paid early Mar., June, Sept. & Dec. Five div'ds decl. in '04. ■ Div'd reinvest. plan avail. (C) Incl. intang.: In '12: $21.09/sh. (D) In mill. (E) Rate base: Deprec. orig. cost. Rates all'd on com. eq.: 9.75%-12.9%; earned on avg. com. eq., '12, 6.7%. Reg. Clim.: OH Above Avg.; PA, NJ Avg.; MD, WV Below Avg.

Company's Financial Strength	B+
Stock's Price Stability	90
Price Growth Persistence	40
Earnings Predictability	75

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GREAT PLAINS EN'GY NYSE-GXP

RECENT PRICE 22.58 | P/E RATIO 14.1 (Trailing: 14.5 Median: 15.0) | RELATIVE P/E RATIO 0.82 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 2 Raised 6/14/13
SAFETY 3 Lowered 12/26/08
TECHNICAL 3 Raised 5/24/13
BETA .80 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(+35%)	10%
Low	19	(-15%)	Nil

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	1	0	0	0	0	0	0	1
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	1	0	1	1	1	1	2

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	115	128	136
to Sell	111	118	112
Hld's(000)	107572	105841	111644

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
High:	27.0	32.8	35.7	32.8	32.8	33.4	29.3	20.5	19.9	22.1	22.8	24.4								
Low:	15.7	21.4	27.9	27.1	27.1	26.9	15.6	10.2	16.6	16.3	19.5	20.4								
	14.47	15.17	14.50	18.02	23.61	26.91	31.04	33.13	34.85	33.30	37.89	14.00	14.51	16.62	17.03	15.05	*15.90*	*16.50*	Revenues per sh	*18.50*
	3.91	4.21	3.63	4.63	4.70	4.40	4.69	4.75	4.54	3.86	4.24	3.09	3.27	4.12	3.51	3.45	*3.90*	*4.10*	"Cash Flow" per sh	*5.25*
	1.69	1.89	1.26	2.05	1.59	2.04	2.27	2.46	2.18	1.62	1.86	1.16	1.03	1.53	1.25	1.35	*1.60*	*1.65*	Earnings per sh [A]	*2.00*
	1.62	1.64	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	.83	83	.84	.86	*.88*	*.96*	Div'd Decl'd per sh [B] ■	*1.20*
	2.05	1.97	2.97	6.67	4.38	1.91	2.19	2.66	4.49	6.05	6.15	8.86	6.49	4.76	3.40	4.01	*4.75*	*4.70*	Cap'l Spending per sh	*4.25*
	14.19	14.41	13.97	14.88	12.59	13.58	13.82	15.35	16.37	16.70	18.18	21.39	20.62	21.26	21.74	21.75	*22.40*	*23.05*	Book Value per sh [C]	*25.00*
	61.91	61.91	61.91	61.91	61.91	69.20	69.26	74.37	74.74	80.35	86.23	119.26	135.42	135.71	136.14	153.53	*154.00*	*154.50*	Common Shs Outst'g [D]	*156.00*
	17.0	15.7	20.0	12.4	15.9	11.1	12.2	12.6	14.0	18.3	16.3	20.5	16.0	12.1	16.1	15.5	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*12.0*
	98	.82	1.14	.81	.81	.61	.70	.67	.75	.99	.87	1.23	1.07	.77	1.01	.99			Relative P/E Ratio	*.80*
	5.6%	5.5%	6.6%	6.5%	6.6%	7.3%	6.0%	5.4%	5.5%	5.6%	5.5%	7.0%	5.0%	4.5%	4.1%	4.1%			Avg Ann'l Div'd Yield	*5.0%*
							2149.5	2464.0	2604.9	2675.3	3267.1	1670.1	1965.0	2255.5	2318.0	2309.9	*2450*	*2550*	Revenues ($mill)	*2900*
							159.0	178.8	164.2	127.6	159.2	119.5	135.6	211.7	174.4	199.9	*245*	*255*	Net Profit ($mill)	*315*
							34.2%	24.1%	18.7%	27.0%	30.7%	34.5%	25.0%	31.7%	32.7%	34.3%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
							1.8%	2.0%	2.1%	8.4%	10.6%	46.8%	57.0%	25.7%	3.9%	3.3%	*4.0%*	*6.0%*	AFUDC % to Net Profit	*2.0%*
							53.8%	44.8%	47.5%	30.6%	40.7%	49.7%	53.2%	50.2%	47.8%	44.9%	*46.5%*	*46.5%*	Long-Term Debt Ratio	*44.0%*
							44.4%	53.4%	50.9%	67.5%	57.9%	49.6%	46.2%	49.2%	51.6%	54.4%	*53.0%*	*53.0%*	Common Equity Ratio	*55.5%*
							2154.6	2137.1	2403.3	1988.4	2709.8	5146.2	6044.5	5867.6	5741.2	6135.8	*6520*	*6710*	Total Capital ($mill)	*7075*
							2700.9	2734.5	2765.6	3066.2	3444.5	6081.3	6651.1	6892.3	7053.5	7402.1	*7780*	*8125*	Net Plant ($mill)	*8725*
							9.0%	10.1%	8.2%	7.9%	7.5%	3.5%	3.9%	5.3%	4.8%	4.6%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
							16.0%	15.1%	13.0%	9.2%	9.9%	4.6%	4.8%	7.2%	5.8%	5.9%	*7.0%*	*7.0%*	Return on Shr. Equity	*8.0%*
							16.4%	15.5%	13.3%	9.4%	10.1%	4.6%	4.8%	7.3%	5.8%	5.9%	*7.0%*	*7.0%*	Return on Com Equity [E]	*8.0%*
							4.4%	5.1%	3.2%	NMF	.9%	NMF	.9%	3.4%	2.0%	2.2%	*3.0%*	*3.0%*	Retained to Com Eq	*3.0%*
							73%	68%	76%	104%	91%	NMF	81%	54%	66%	63%	*56%*	*59%*	All Div'ds to Net Prof	*60%*

% TOT. RETURN 5/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	18.0	33.2
3 yr.	45.8	55.0
5 yr	95	67.0

Target Price Range 2016 | 2017 | 2018

CAPITAL STRUCTURE as of 3/31/13
Total Debt $3863.3 mill. Due in 5 Yrs $1217.3 mill
LT Debt $3053.2 mill. LT Interest $178.2 mill
(LT interest earned: 2.8x)

Leases, Uncapitalized Annual rentals $16.8 mill.
Pension Assets-12/12 $666.4 mill.
Oblig. $1.13 bill
Pfd Stock $39.0 mill. Pfd Div'd $1.6 mill
390,000 shs. 3.80% to 4.50% (all $100 par & cum.). callable from $101 to $103.70
Common Stock 153,730,325 shs
as of 5/6/13
MARKET CAP: $3.5 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+5.6	-1.7	-1.8
Avg Indust Use (MWH)	1429	1463	1443
Avg. Indust. Revs. per KWH (¢)	5.89	6.11	6.23
Capacity at Peak (Mw)	6272	6697	6719
Peak Load, Summer (Mw)	5531	5690	5653
Annual Load Factor (%)	52.8	50.5	49.6
% Change Customers (avg.)	+.2	--	+.2
Fixed Charge Cov. (%)	218	211	235

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-3.5%	-14.5%	*2.0%*
"Cash Flow"	-2.0%	-2.5%	*6.0%*
Earnings	-3.0%	-6.0%	*6.5%*
Dividends	*-6.5%*	*-12.5%*	*6.0%*
Book Value	4.5%	5.0%	*2.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	506.9	552.0	728.8	467.8	2255.5
2011	492.9	565.1	773.7	486.3	2318.0
2012	479.7	603.6	746.2	480.4	2309.9
2013	542.2	*607.8*	*800*	*500*	*2450*
2014	*575*	*625*	*825*	*525*	*2550*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.15	.47	.96	d.04	1.53
2011	.01	.31	.91	.01	1.25
2012	d.07	.41	.95	.03	1.35
2013	.17	*.43*	*.95*	*.05*	*1.60*
2014	*.17*	*.45*	*.98*	*.05*	*1.65*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.2075	.2075	.2075	.2075	.83
2010	.2075	.2075	.2075	.2075	.83
2011	.2075	.2075	.2075	.2125	.84
2012	.2125	.2125	.2125	.2175	.86
2013	.2175	.2175			

BUSINESS: Great Plains Energy Incorporated is a holding company for Kansas City Power & Light and two other subsidiaries, which supply electricity to 825,000 customers in western Missouri (71% of revenues) and eastern Kansas (29%). Acq'd Aquila 7/08. Sold Strategic Energy (energy-marketing subsidiary) in '08. Electric revenue breakdown: residential, 42%; commercial, 40%; industrial, 9%; other, 9%. Generating sources: coal, 75%; nuclear, 13%; gas & oil, 2%; wind, 1%; purchased, 9%. Fuel costs: 29% of revs. '12 reported deprec. rate (utility): 3.0%. Has 3,100 employees. Chairman: Michael J. Chesser. President & CEO: Terry Bassham. Inc.: Missouri. Address: 1200 Main St., Kansas City, Missouri 64105. Tel.: 816-556-2200. Internet: www.greatplainsenergy.com

Great Plains Energy's earnings should rise significantly in 2013. The company's utility subsidiaries are benefiting from rate increases totaling $148.5 million in January of 2013. The company got off to a good start in the first quarter, when the bottom line returned to the black thanks to a return to normal weather conditions and an absence of the expenses associated with last year's unplanned outage of the Wolf Creek nuclear unit. Modest kilowatt-hour sales growth should help, too. We've raised our 2013 share-earnings estimate by $0.10, to $1.60. That's near the upper end of the company's guidance of $1.44-$1.64. Even with the profit improvement, however, the utilities are still underearning their allowed returns on equity.

Kansas City Power & Light will file an abbreviated rate case later this year. The utility will seek recovery of additional construction work in progress for an environmental upgrade to the La Cygne coal-fired facility. New rates will probably take effect some time in the third quarter of 2014. The total cost of the project (including the portion allocated to Missouri, which won't be recovered until the project is completed) is $615 million.

We look for a slight earnings increase in 2014. The rate relief for the La Cygne spending, plus an additional month of the rate increase in Missouri, which took effect in late January, are the main reasons.

Management is evaluating some options for Wolf Creek. The unplanned outage in early 2012 isn't the only problem it has had in recent years. The company plans to retain its ownership of the plant, but might stick with the status quo, hire an outside operator to run Wolf Creek, or hire a consultant.

Great Plains is expanding its presence in electric transmission. It has a 13.5% stake in a joint venture with a much larger company, American Electric Power. The companies are seeking regulatory approval for two projects that would go into service in 2015 and 2017.

This stock is timely, but otherwise doesn't stand out among electric utility issues. The dividend yield is only average for the group, and (as is the case for most stocks in this industry), total return potential to 2016-2018 is unappealing.

Paul E. Debbas, CFA *June 21, 2013*

Company's Financial Strength B+
Stock's Price Stability 90
Price Growth Persistence 5
Earnings Predictability 70

(A) Dil. EPS. Excl. nonrec. gains (losses): '00, 49¢; '01, ($2.01); '02, (5¢); '03, 29¢; '04, (7¢); '09, 12¢; gain (losses) on disc. ops.: '03, (13¢); '04, 10¢; '05, (3¢); '08, 35¢. '10-'12 EPS don't add due to change in shs. or rounding. Next earnings report due early Aug. (B) Div'ds historically paid in mid-Mar., June, Sept. & Dec. ■ Div'd reinvest. plan avail. (C) Incl. intang. In '12: $8.40/sh. (D) In mill. (E) Rate base: Fair value. Rate all'd on com. eq. in MO in '13: 9.7%; in KS in '13: 9.5%; earned on avg. com. eq., '12: 6.7%. Regulatory Climate: Average.

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SCANA CORP. NYSE-SCG

RECENT PRICE 51.18 | P/E RATIO 15.1 (Trailing: 15.1 Median: 14.0) | RELATIVE P/E RATIO 0.86 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 2 Raised 8/23/13
SAFETY 2 Lowered 9/10/99
TECHNICAL 3 Lowered 8/16/13
BETA .65 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+15%)	8%
Low	45	(-10%)	2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	2	0	0	0	0	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	180	188	165
to Sell	125	135	159
Hld's(000)	66014	63241	64090

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
High	32.1	35.7	39.7	43.7	42.4	45.5	44.1	38.6	42.0	45.5	50.3	54.4								
Low	23.5	28.1	32.8	36.6	36.9	32.9	27.8	26.0	34.2	34.6	43.3	45.6								
	14.19	15.76	15.93	32.78	32.95	26.65	30.85	34.38	41.54	39.00	39.50	45.08	34.45	36.23	33.92	31.64	*32.50*	*31.55*	Revenues per sh	*33.75*
	3.53	3.62	3.15	4.43	4.55	4.56	4.95	5.26	7.41	5.67	5.72	5.85	5.65	5.93	6.01	6.30	*6.40*	*6.40*	"Cash Flow" per sh	*7.25*
	1.90	2.12	1.44	2.12	2.15	2.38	2.50	2.67	2.78	2.59	2.74	2.95	2.85	2.98	2.97	3.15	*3.40*	*3.50*	Earnings per sh [A]	*4.00*
	1.51	1.54	1.32	1.15	1.20	1.30	1.38	1.46	1.56	1.68	1.76	1.84	1.88	1.90	1.94	1.98	*2.03*	*2.08*	Div'd Decl'd per sh [B] ■	*2.25*
	2.45	2.87	2.37	3.28	4.99	6.41	6.94	4.84	3.37	4.50	6.20	7.66	7.43	6.90	6.80	8.16	*10.45*	*11.30*	Cap'l Spending per sh	*10.25*
	16.66	16.86	20.27	19.40	20.95	19.64	20.82	21.69	23.28	24.32	25.30	25.81	27.71	29.15	29.92	31.47	*33.20*	*35.15*	Book Value per sh [C]	*40.75*
	107.32	103.57	103.57	104.73	104.73	110.83	110.74	113.00	115.00	117.00	117.00	118.00	123.00	127.00	130.00	132.00	*140.00*	*149.00*	Common Shs Outst'g [D]	*160.00*
	13.4	14.5	17.5	12.5	12.6	12.2	13.0	13.6	14.4	15.4	15.0	12.7	11.6	12.9	13.7	14.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*12.5*
	.77	.75	1.00	.81	.65	.67	.74	.72	.77	.83	.80	.76	.77	.82	.86	.94			Relative P/E Ratio	*.85*
	5.9%	5.0%	5.2%	4.3%	4.4%	4.5%	4.2%	4.0%	3.9%	4.2%	4.3%	4.9%	5.7%	4.9%	4.8%	4.2%			Avg Ann'l Div'd Yield	*4.5%*
							3416.0	3885.0	4777.0	4563.0	4621.0	5319.0	4237.0	4601.0	4409.0	4176.0	*4550*	*4700*	Revenues ($mill)	*5400*
							285.0	305.0	323.0	306.0	327.0	353.0	357.0	376.0	387.0	420.0	*470*	*510*	Net Profit ($mill)	*630*
							31.5%	32.5%	--	26.5%	29.2%	35.4%	32.0%	29.8%	30.3%	30.2%	*32.0%*	*32.0%*	Income Tax Rate	*31.0%*
							10.5%	8.5%	.9%	2.6%	4.6%	8.5%	14.3%	8.0%	5.4%	7.6%	*9.0%*	*11.0%*	AFUDC % to Net Profit	*2.0%*
							57.1%	55.4%	51.4%	50.9%	48.4%	58.0%	56.8%	52.9%	54.3%	54.4%	*53.5%*	*53.5%*	Long-Term Debt Ratio	*53.5%*
							40.8%	42.6%	46.6%	47.2%	49.7%	40.5%	43.2%	47.1%	45.7%	45.6%	*46.5%*	*46.5%*	Common Equity Ratio	*46.5%*
							5646.0	5752.0	5739.0	6027.0	5952.0	7519.0	7891.0	7854.0	8511.0	9103.0	*10045*	*11235*	Total Capital ($mill)	*13950*
							6417.0	6752.0	6734.0	7007.0	7538.0	8305.0	9009.0	9662.0	10047	10896	*11935*	*13375*	Net Plant ($mill)	*16475*
							6.9%	7.1%	7.4%	6.8%	7.3%	6.2%	6.1%	6.5%	6.2%	6.1%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.0%*
							11.8%	11.9%	11.6%	10.3%	10.6%	11.2%	10.5%	10.2%	10.0%	10.1%	*10.0%*	*10.0%*	Return on Shr. Equity	*9.5%*
							12.1%	12.2%	11.8%	10.5%	10.8%	11.4%	10.2%	10.2%	10.0%	10.1%	*10.0%*	*10.0%*	Return on Com Equity [E]	*9.5%*
							5.5%	5.6%	5.3%	3.8%	4.0%	4.4%	3.6%	3.8%	3.6%	3.9%	*4.0%*	*4.0%*	Retained to Com Eq	*4.0%*
							55%	55%	56%	65%	64%	62%	66%	63%	64%	61%	*59%*	*59%*	All Div'ds to Net Prof	*57%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $5742.0 mill. **Due in 5 Yrs** $794.0 mill.
LT Debt $5039.0 mill. **LT Interest** $273.0 mill.
(LT interest earned 3.2x)

Leases, Uncapitalized Annual rentals $10.0 mill.
Pension Assets-12/12 $799.1 mill.
Oblig. $931.6 mill.

Pfd Stock None

Common Stock 139,498,499 shs.
as of 4/30/13
MARKET CAP: $7.1 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+6.5	-3.4	-3.9
Avg. Indust Use (MWH)	7923	8129	8055
Avg Indust Revs per KWH (¢)	6.72	6.87	7.09
Capacity at Peak (Mw)	5645	5642	5533
Peak Load, Summer (Mw)	4735	4885	4761
Annual Load Factor (%)	60.9	57.3	56.8
% Change Customers (yr-end)	+.9	+.5	+.9
Fixed Charge Cov. (%)	278	279	281

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	1.0%	-3.0%	*Nil*
"Cash Flow"	3.0%	-.5%	*3.0%*
Earnings	3.0%	2.5%	*4.5%*
Dividends	5.0%	3.0%	*2.5%*
Book Value	4.0%	4.5%	*5.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1428	939	1088	1146	4601.0
2011	1261	1000	1092	1036	4409.0
2012	1107	908	1038	1123	4176.0
2013	1311	1016	*1100*	*1123*	*4550*
2014	*1350*	*1050*	*1150*	*1150*	*4700*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1.02	.43	.79	.74	2.98
2011	1.00	.43	.81	.75	2.97
2012	.91	.54	.91	.78	3.15
2013	1.11	.60	*.91*	*.78*	*3.40*
2014	*1.10*	*.55*	*1.00*	*.85*	*3.50*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.46	.47	.47	.47	1.87
2010	.47	.475	.475	.475	1.90
2011	.475	.485	.485	.485	1.93
2012	.485	.495	.495	.495	1.97
2013	.495	.5075	.5075		

LEGENDS
0.81 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options: Yes
Shaded areas indicate recessions

Target Price Range 2016 | 2017 | 2018

% TOT. RETURN 7/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	10.0	36.4
3 yr.	54.9	63.6
5 yr.	83.1	92.7

BUSINESS: SCANA Corporation is a holding company for South Carolina Electric & Gas Company, which supplies electricity to 675,000 customers in South Carolina. Supplies gas and transmission service to 1.3 million customers in North and South Carolina and Georgia. Owns gas pipelines. Acquired PSNC Energy 2/00. Electric revenue breakdown: residential, 43%; commercial, 32%; industrial, 17%; other, 8%. Generating sources: coal, 48%; oil & gas, 28%; nuclear, 19%; hydro, 3%, purchased, 2%. Fuel costs: 49% of revenues. '12 reported deprec. rate: 2.9%. Has 5,800 employees. Chairman, CEO & President: Kevin B. Marsh. Inc.: South Carolina. Address: 100 SCANA Parkway, Cayce, South Carolina 29033. Tel.: 803-217-9000. Internet: www.scana.com.

The two nuclear units that SCANA's electric utility subsidiary is building have had some delays and cost overruns. South Carolina Electric & Gas has a 55% share of the project, which will provide the utility with 1,229 megawatts of generating capacity. Originally scheduled to come on line in early 2017 and 2018, the new units are now expected to begin commercial operation in late 2017 (or early 2018) and early 2019. There has been a $200 million cost overrun due to the delay, and SCE&G is in discussions with its contractors to determine which company is responsible.

Meanwhile, the utility has filed for recovery of construction work in progress for the new plant. This is an annual process, made possible thanks to the state's Base Load Review Act (BLRA). SCE&G is asking the state regulators for an increase of $69.7 million (3%). The utility is allowed an 11% return on equity on its new nuclear construction, which is very attractive by today's standards, and compares favorably with the 10.25% allowed ROE on its nonnuclear plant. New rates should go into effect in late October.

Earnings are likely to advance in 2013 and 2014. In addition to the annual rate relief under the BLRA, SCE&G is benefiting from a $97.1 million (4.2%) base tariff increase that took effect at the start of the year. We look for flat earnings in the second half of 2013, due to a shifting of certain operating and maintenance expenses between the two halves, but the year-to-year profit comparisons were favorable in the first two quarters. Our 2013 estimate, which we have raised by $0.05 a share, is near the upper end of SCANA's targeted range of $3.25-$3.45. We have also boosted our 2014 forecast by a nickel a share, to $3.50.

The nuclear construction delays have had a small negative effect on SCANA's stock price. The quotation has fallen since our May report, but by less than 5%, and the stock is timely. The dividend yield is still comparable to the norm for electric utility equities. With the recent price within our 2016-2018 Target Price Range and dividend growth prospects over that time frame just modest, total return potential is low.

Paul E. Debbas, CFA *August 23, 2013*

(A) Dil egs. Excl. nonrec. gains (losses): '97, '99, 29¢; '00, 28¢; '01, $3.00; '02, ($3.72); '03, 31¢; '04, (23¢); '05, 3¢; '06, 9¢; '11 EPS don't add due to change in shs., '12 due to rounding. Next earnings report due late Oct. (B) Div'ds historically paid in early Jan., Apr., July, and Oct. ■ Div'd reinvestment plan avail. (C) Incl. intang. in '12: $11.09/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in SC: 10.25% elec. in '13, 10.25% gas in '05; in NC: 10.6% in '08, earned on avg. com. eq., '12: 10.4%. Regulatory Climate: Above Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	65
Earnings Predictability	100

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SEMPRA ENERGY NYSE-SRE

RECENT PRICE 86.85 | P/E RATIO 21.4 (Trailing: 19.9 Median: 12.0) | RELATIVE P/E RATIO 1.18 | DIV'D YLD 3.0% | VALUE LINE

TIMELINESS 3 Lowered 5/11/12
SAFETY 2 Lowered 2/4/00
TECHNICAL 3 Lowered 8/2/13
BETA .80 (1.00 = Market)

2016-18 PROJECTIONS

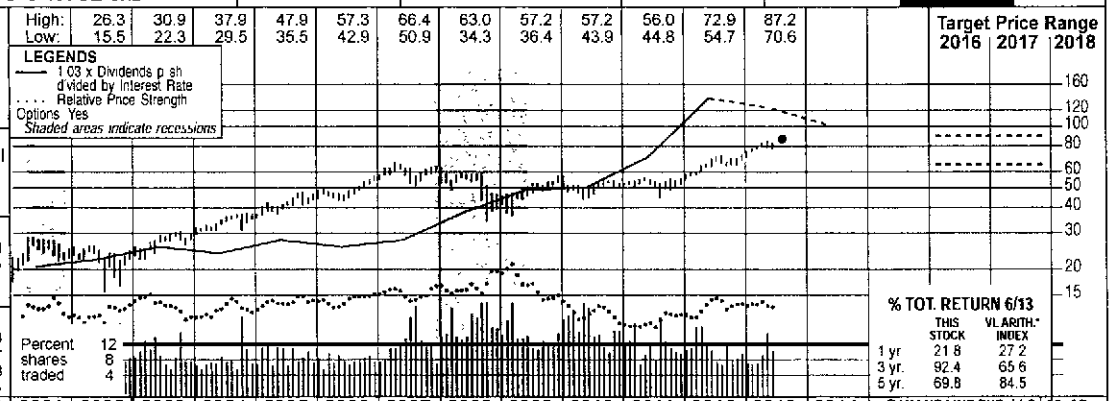
	Price	Gain	Ann'l Total Return
High	90	(+5%)	4%
Low	65	(-25%)	-3%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	1	1	3	0	0	0	4	1	1
to Sell	1	1	4	0	3	1	4	1	1

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	176	187	217
to Sell	228	220	198
Hld's(000)	160516	166113	168274



1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
19.51	23.31	22.89	35.38	39.27	29.38	34.81	40.18	45.64	44.89	43.79	44.21	32.88	37.44	41.83	39.80	*42.30*	*43.50*	Revenues per sh	*49.50*
5.27	5.16	5.36	4.91	5.39	5.71	5.56	6.58	5.96	6.74	6.93	7.40	7.94	7.76	8.58	8.92	*8.80*	*9.45*	"Cash Flow" per sh	*11.25*
2.20	1.24	1.66	2.06	2.55	2.79	3.01	3.93	3.52	4.23	4.26	4.43	4.78	4.02	4.47	4.35	*4.05*	*4.45*	Earnings per sh [A]	*5.50*
1.56	1.56	1.56	1.00	1.00	1.00	1.00	1.00	1.16	1.20	1.24	1.37	1.56	1.56	1.92	2.40	*2.52*	*2.64*	Div'd Decl'd per sh [B] ■	*3.00*
1.74	1.85	2.48	3.76	5.22	5.92	4.63	4.62	5.46	7.28	7.70	8.47	7.76	8.58	11.85	12.20	*13.60*	*12.65*	Cap'l Spending per sh	*11.00*
13.82	12.29	12.58	12.35	13.17	13.79	17.17	20.78	23.95	28.66	31.87	32.75	36.54	37.54	41.00	42.42	*43.55*	*45.30*	Book Value per sh [C]	*52.00*
113.63	237.00	237.40	201.90	204.48	204.91	226.60	234.18	257.19	262.01	261.21	243.32	246.51	240.45	239.93	242.37	*246.00*	*247.00*	Common Shs Outst'g [D]	*250.00*
10.8	21.1	12.8	9.4	9.7	8.2	9.0	8.6	11.8	11.5	14.0	11.8	10.1	12.6	11.8	14.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.5*
.62	1.10	.73	.61	.50	.45	.51	.45	.63	.62	.74	.71	.67	.80	.74	.95			Relative P/E Ratio	*.95*
6.6%	6.0%	7.4%	5.2%	4.1%	4.4%	3.7%	2.9%	2.8%	2.5%	2.1%	2.6%	3.2%	3.1%	3.6%	3.7%			Avg Ann'l Div'd Yield	*3.8%*
7887.0	9410.0	11737	11761	11438	10758	8106.0	9003.0	10036	9647.0	*10400*	*10750*	Revenues ($mill)	*12400*
655.0	930.0	898.0	1118.0	1135.0	1123.0	1193.0	1008.0	1088.0	1079.0	*1075*	*1180*	Net Profit ($mill)	*1470*
23.2%	17.2%	--	31.3%	33.6%	29.2%	30.5%	26.5%	25.3%	18.2%	*38.5%*	*35.5%*	Income Tax Rate	*34.5%*
8.4%	2.9%	5.3%	7.2%	11.5%	13.2%	10.6%	11.3%	15.2%	17.2%	*8.0%*	*8.0%*	AFUDC % to Net Profit	*9.0%*
48.4%	45.3%	43.1%	37.0%	34.8%	44.5%	44.8%	49.4%	50.4%	52.8%	*53.0%*	*53.5%*	Long-Term Debt Ratio	*54.0%*
49.0%	52.6%	55.1%	61.4%	63.7%	54.2%	54.1%	49.6%	49.2%	46.7%	*46.5%*	*46.0%*	Common Equity Ratio	*45.5%*
7931.0	9255.0	11178	12229	13071	14692	16646	18186	20015	22002	*23075*	*24250*	Total Capital ($mill)	*28500*
10474	11086	12101	13175	14884	16865	18281	19876	23572	25191	*27275*	*29175*	Net Plant ($mill)	*33200*
9.8%	11.3%	9.2%	10.3%	9.6%	8.5%	8.3%	6.8%	6.7%	6.1%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.5%*
16.0%	18.4%	14.1%	14.5%	13.3%	13.8%	13.0%	10.9%	10.9%	10.4%	*9.5%*	*10.0%*	Return on Shr. Equity	*10.5%*
16.6%	18.9%	14.4%	14.8%	13.5%	14.0%	13.1%	11.1%	11.0%	10.4%	*9.5%*	*10.0%*	Return on Com Equity [E]	*11.0%*
11.3%	14.9%	10.1%	11.0%	9.7%	9.7%	9.3%	7.0%	6.5%	5.1%	*3.5%*	*4.0%*	Retained to Com Eq	*5.0%*
33%	22%	31%	26%	29%	31%	29%	37%	41%	52%	*61%*	*59%*	All Div'ds to Net Prof	*54%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $12823 mill. **Due in 5 Yrs** $4664.0 mill.
LT Debt $10680 mill. **LT Interest** $491.0 mill.
(LT interest earned: 2.8x)
Leases, Uncapitalized Annual rentals $78.0 mill.
Pension Assets-12/12 $2.56 bill. **Oblig.** $3.80 bill
Pfd Stock $99.0 mill. **Pfd Div'd** $6.0 mill.
1,373,770 shs. 4.40%-5% cumulative $20 par, callable $20 25-$24, 2,040,000 shs. $1.70-$1.82 cum., no par callable $25 17-$26, 811,073 shs 6% cum., $25 par.
Common Stock 243,577,278 shs
as of 4/29/13
MARKET CAP: $21 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-3.1	+.1	+2.6
Avg. Indust. Use (MWH)	4224	4157	4335
Avg. Indust. Revs. per KWH (c)	10.75	12.13	12.19
Capacity at Peak (Mw)	NMF	NMF	NMF
Peak Load, Summer (Mw)	NMF	NMF	NMF
Annual Load Factor (%)	NMF	NMF	NMF
% Change Customers (yr-end)	+.5	+.6	+.5
Fixed Charge Cov. (%)	296	319	262

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	1.5%	-2.5%	*3.5%*
"Cash Flow"	4.5%	5.0%	*5.0%*
Earnings	5.5%	1.5%	*4.5%*
Dividends	7.0%	10.5%	*7.5%*
Book Value	12.0%	7.5%	*4.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	2534	2008	2116	2345	9003
2011	2434	2422	2576	2604	10036
2012	2383	2089	2507	2668	9647
2013	2650	*2350*	*2700*	*2700*	*10400*
2014	*2750*	*2400*	*2800*	*2800*	*10750*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.81	.89	1.18	1.15	4.02
2011	1.07	.97	1.22	1.21	4.47
2012	.97	.98	1.33	1.08	4.35
2013	.54	*1.26*	*1.20*	*1.05*	*4.05*
2014	*1.05*	*.95*	*1.30*	*1.15*	*4.45*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.35	.39	.39	.39	1.52
2010	.39	.39	.39	.39	1.56
2011	.39	.48	.48	.48	1.83
2012	.48	.60	.60	.60	2.28
2013	.60	.63	.63		

BUSINESS: Sempra Energy is a holding co. for San Diego Gas & Electric Company, which sells electricity & gas mainly in San Diego County, & Southern California Gas Company, which distributes gas to most of Southern California. Customers: 1.4 mill. electric, 6.6 mill. gas. Elec. rev. breakdown residential, 43%; commercial, 35%; industrial, 9%; other, 13%. Purchases most of its power; the rest is nuclear & gas. Has subs. in gas pipeline & storage, power generation, & liquefied natural gas. Sold commodities business in '10. Power costs: 37% of revs. '12 reported deprec. rates: 1.4%-7.9%. Has 16,900 employees. Chairman and CEO: Debra L. Reed. President: Mark A. Snell. Inc. CA. Address: 101 Ash St., San Diego, CA 92101-3017. Tel.: 619-696-2034 Internet: www.sempra.com.

Sempra Energy's utility subsidiaries have received final decisions on their general rate cases. The rate orders were expected last year (retroactive to the start of 2012), but weren't issued until May 9th. SoCalGas' rates were raised by $115 million, and San Diego Gas & Electric's tariffs were boosted by $119 million (total for gas and electricity). Additional rate hikes will occur in 2014 and 2015. Because the ruling was issued in the second quarter of 2013, but is retroactive to the beginning of 2012, Sempra will book $0.30 a share of income in the June quarter that it would have recorded last year had the order been issued before the end of 2012.

Southern California Edison's decision to close the San Onofre nuclear station will affect SDG&E. The utility owns a 20% stake in the plant. Sempra will take a nonrecurring charge (currently estimated at $30 million-$110 million after taxes, depending upon regulatory treatment) against second-quarter results. Because this facility is no longer part of SDG&E's rate base, ongoing earnings have been reduced by $0.06 a share annually.

Sempra wants to turn one of its liquefied natural gas assets into an export facility. The company estimates that this would entail $9 billion-$10 billion of total costs and produce annual earnings of $300 million-$350 million. If permits are received, construction would begin in the first half of 2014, and commercial operation would start in the second half of 2017.

Sempra sold 19% of its Mexican operations in an initial public offering in the first quarter. This raised $574 million, but the company incurred $63 million of taxes in the first quarter stemming from the move. (We include these in our presentation.) Several projects are in various stages of development. Sempra also has operations in South America. Repatriation of $300 million of cash annually from international activities will reduce earnings by $0.30 a share in 2014 and beyond, however. Even so, Sempra's earnings should improve next year, assuming a more normal March-quarter tally.

Sempra stock does not stand out for its yield, which is below the utility average, or its 3- to 5-year total return potential.

Paul E. Debbas, CFA *August 2, 2013*

(A) Dil. EPS. Excl. nonrec. gains (losses): '05, 17¢; '06, (6¢). '09, (26¢): '10, ($1.05); '11, $1.15; '12, (98¢); '13, 18¢; gain (losses) from disc. ops.: '04, (10¢); '05, (4¢); '06, $1.21; '07, (10¢). '10, '12 EPS don't add due to rounding. Next egs. report due early Aug. **(B)** Div'ds historically paid mid-Jan., Apr., July, & Oct. ■ Div'd reinvest. plan avail. **(C)** Incl. intang. In '12: $17.70/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on com. eq.: SDG&E in '13: 10.3%; SoCalGas in '13: 10.1%; earn. on avg. com. eq., '12: 10.3%. Reg. Clim.: Above Avg.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	95

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WESTAR ENERGY NYSE-WR

RECENT PRICE 31.49 | P/E RATIO 14.0 (Trailing: 13.5 Median: 14.0) | RELATIVE P/E RATIO 0.81 | DIV'D YLD 4.4% | VALUE LINE

TIMELINESS 3 Lowered 1/18/13
SAFETY 2 Raised 4/1/05
TECHNICAL 3 Raised 3/15/13
BETA .75 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+25%)	10%
Low	30	(-5%)	4%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	2	0	0	4	0	0	0	4

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	120	142	130
to Sell	97	92	102
Hld's(000)	69820	70088	73393

	2010	2011	2012	2013	2014	2015	2016	2017	2018
High:	18.0	20.5	22.9	25.0	27.2	28.6	25.9	22.3	25.9	29.0	33.0	35.0	Target Price Range
Low:	8.5	9.8	18.1	21.1	20.1	22.8	16.0	14.9	20.6	22.6	26.8	28.6	

LEGENDS
0.80 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options Yes
Shaded areas indicate recessions

Percent shares traded 15 10 5

% TOT. RETURN 5/13

	THIS STOCK	VL ARITH* INDEX
1 yr	15.9	33.2
3 yr	66.7	55.0
5 yr.	72.1	67.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
32.90	30.86	30.21	33.80	31.20	24.77	20.06	17.02	18.23	18.37	18.09	16.98	17.04	18.34	17.27	17.88	*18.40*	*18.70*	Revenues per sh	*20.75*
3.47	6.35	7.51	6.96	5.32	4.77	3.77	3.12	3.28	3.94	3.77	3.14	3.59	4.24	3.97	4.30	*4.40*	*4.60*	"Cash Flow" per sh	*5.45*
d.46	2.13	1.48	.89	d.58	1.00	1.48	1.17	1.55	1.88	1.84	1.31	1.28	1.80	1.79	2.15	*2.25*	*2.35*	Earnings per sh [A]	*2.75*
2.10	2.14	2.14	1.44	1.20	1.20	.87	.80	.92	.98	1.08	1.16	1.20	1.24	1.28	1.32	*1.36*	*1.40*	Div'd Decl'd per sh [B■†]	*1.52*
3.22	2.77	4.09	4.40	3.37	1.89	2.06	2.19	2.45	3.95	7.84	8.65	5.26	4.82	5.55	6.40	*7.05*	*7.30*	Cap'l Spending per sh	*8.15*
30.79	29.40	27.83	27.20	25.97	13.68	14.23	16.13	16.31	17.62	19.14	20.18	20.59	21.25	22.03	22.89	*25.00*	*26.15*	Book Value per sh [C]	*29.65*
65.41	65.91	67.40	70.08	70.08	71.51	72.84	86.03	86.84	87.39	95.46	108.31	109.07	112.13	125.70	126.50	*128.00*	*130.00*	Common Shs Outst'g [E]	*135.00*
--	18.4	17.2	20.6	--	14.0	10.8	17.4	14.8	12.2	14.1	17.0	14.9	13.0	14.8	13.4	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*12.5*
--	.96	.98	1.34	--	.76	.62	.92	.79	.66	.75	1.02	.99	.83	.93	.86			Relative P/E Ratio	*.85*
6.3%	5.5%	8.4%	7.9%	5.8%	8.6%	5.5%	3.9%	4.0%	4.3%	4.2%	5.2%	6.3%	5.3%	4.8%	4.6%			Avg Ann'l Div'd Yield	*4.4%*
1461.1	1464.5	1583.3	1605.7	1726.8	1839.0	1858.2	2056.2	2171.0	2261.5	*2355*	*2430*	Revenues ($mill)	*2800*
108.1	100.1	134.9	165.3	168.4	136.8	141.3	203.9	214.0	275.1	*285*	*300*	Net Profit ($mill)	*375*
43.1%	25.0%	31.0%	25.4%	27.5%	24.8%	29.4%	29.0%	35.2%	30.9%	*30.0%*	*30.0%*	Income Tax Rate	*30.0%*
5.0%	--	--	--	10.4%	--	--	--	10.4%	10.0%	*10.0%*	*10.0%*	AFUDC % to Net Profit	*10.0%*
66.2%	53.8%	52.1%	50.0%	50.6%	49.8%	53.4%	53.6%	49.5%	51.2%	*52.0%*	*51.5%*	Long-Term Debt Ratio	*50.0%*
33.2%	45.5%	47.2%	49.3%	48.9%	49.7%	46.1%	46.0%	50.1%	48.8%	*48.0%*	*48.5%*	Common Equity Ratio	*50.0%*
3127.3	3049.2	3000.4	3124.2	3738.3	4400.1	4866.8	5180.9	5531.0	5938.2	*6700*	*7000*	Total Capital ($mill)	*8000*
3909.5	3911.0	3947.7	4071.6	4803.7	5533.5	5771.7	6309.5	6745.4	7335.7	*7600*	*8000*	Net Plant ($mill)	*9000*
7.0%	5.5%	6.2%	6.7%	5.8%	4.2%	4.4%	5.5%	5.3%	6.0%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.0%*
10.2%	7.1%	9.4%	10.6%	9.1%	6.2%	6.2%	8.5%	7.7%	9.5%	*9.0%*	*9.0%*	Return on Shr. Equity	*9.5%*
10.3%	7.1%	9.5%	10.7%	9.2%	6.2%	6.3%	8.5%	7.7%	9.4%	*9.0%*	*9.0%*	Return on Com Equity [D]	*9.5%*
4.9%	3.2%	4.3%	5.5%	4.3%	1.2%	.8%	3.1%	2.7%	4.0%	*3.5%*	*3.5%*	Retained to Com Eq	*4.5%*
53%	56%	55%	49%	53%	80%	87%	63%	65%	57%	*61%*	*60%*	All Div'ds to Net Prof	*54%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $3434.8 mill. **Due in 5 Yrs** $656.4 mill
LT Debt $3264.0 mill. **LT Interest** $165.0 mill
(LT interest earned: 3.5x)

Pension Assets-12/12 $548 mill. **Oblig.** $929 mill.

Pfd Stock None

Common Stock 126,867,435 shs.
as of 4/30/13
MARKET CAP: $4.0 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+6.2	+1.0	-1.5
Avg. Indust. Use (MWH)	5468	5589	5588
Avg. Indust. Revs. per KWH (¢)	5.82	6.22	6.60
Capacity at Peak (Mw)	6756	6784	6557
Peak Load, Summer (Mw)	5485	5549	5411
Annual Load Factor (%)	55.0	55.5	56.0
% Change Customers (yr-end)	+.3	+.1	+.2
Fixed Charge Cov. (%)	267	297	319

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-5.0%	-.5%	2.5%
"Cash Flow"	-3.0%	2.5%	4.5%
Earnings	16.0%	1.5%	6.0%
Dividends	--	5.0%	3.0%
Book Value	--	4.5%	5.0%

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	459.8	495.2	644.4	456.8	2056.2
2011	481.7	524.9	678.2	486.2	2171.0
2012	475.7	566.3	695.8	523.7	2261.5
2013	546.2	*575*	*700*	*533.8*	*2355*
2014	*550*	*600*	*730*	*550*	*2430*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.27	.47	1.01	.05	1.80
2011	.27	.38	.98	.16	1.79
2012	.21	.48	1.09	.36	2.15
2013	.40	*.50*	*1.08*	*.27*	*2.25*
2014	*.35*	*.55*	*1.12*	*.33*	*2.35*

QUARTERLY DIVIDENDS PAID [B■†]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.29	.30	.30	.30	1.19
2010	.30	.31	.31	.31	1.23
2011	.31	.32	.32	.32	1.27
2012	.32	.33	.33	.33	1.31
2013	.33	.34			

BUSINESS: Westar Energy, Inc., formerly Western Resources, is the parent of Kansas Gas & Electric Company. Westar supplies electricity to 690,000 customers in Kansas. Electric revenue sources residential and rural, 34%; commercial, 38%; industrial, 28%. Sold investment in ONEOK in 2003 and 85% ownership in Protection One in 2004. 2012 depreciation rate: 3.7%. Estimated plant age: 15 years. Fuels: coal, 53%; nuclear, 8%; gas, 39%. Has 2,313 employees. BlackRock, Inc. owns 5.5% of common; The Vanguard Group, 5.5%; off. & dir., less than 1% (3/13 proxy). Chairman, Charles Q. Chandler IV. CEO and Pres.: Mark A. Ruelle. Inc.: Kansas. Addr.: 818 South Kansas Avenue, Topeka, Kansas 66612. Telephone: 785-575-6300. Internet: www.westarenergy.com.

Westar Energy reported strong results for the first quarter. Revenues advanced roughly 15% for the period. This strength was broad based. The company benefited from greater prices and higher energy sales, primarily from favorable temperature variations. Despite growth in operating expenses, share net of $0.40 almost doubled the prior-year tally.

Solid performance will probably continue in the coming quarters. The retail business should experience healthy results going forward. The company's Wholesale and Transmission units will likely also post gains. Westar should further benefit from a healthy Kansas economy, where unemployment is somewhat below the national average. Demand ought to remain strong here, as existing businesses expand and outside firms look to relocate to the region. Operating expenses should continue to increase, owing to greater fuel and purchased power costs. Bottom-line comparisons may prove less favorable in the second half of the year, given the impressive results earned in the third and fourth quarters of 2012. Even so, we expect greater revenues and share earnings for Westar for the full year. Growth will likely continue in 2014.

Investment in operations ought to pay off down the line. The company will probably invest around $900 million in the current year, roughly half of which will be used for air quality controls and transmission projects. All of the projects remain on schedule and within budget. Environmental investments include big air-quality projects at the Jeffrey and La Cygne energy centers. Meanwhile, the Prairie Wind joint venture is coming along nicely. This 345-kilovolt transmission line will likely be completed next year.

This issue is neutrally ranked for year-ahead performance. Looking further out, we project steady growth in revenues and earnings for the company over the pull to 2016-2018. Moreover, Westar earns good marks for Safety, Price Stability, and Earnings Predictability. From the recent quotation, this issue has decent, but fairly well-defined, total return potential for the coming years. Income-seeking investors may find this equity's healthy dividend yield attractive.

Michael Napoli, CFA *June 21, 2013*

(A) EPS diluted from 2010 onward. Excl. nonrecur. gains (losses): '97, $7.97, '98, ($1.45); '99, ($1.31); '00, $1.07; '01, 27¢; '02, ($12.06); '03, 77¢; '08, 39¢; '11, 14¢. Earnings may not sum due to rounding. Next egs. rep't due in August. (B) Div'ds paid in early Jan., April, July, and Oct. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. (C) Incl. reg. assets. In 2012: $7.93/sh. (D) Rate base determined: fair value; Rate allowed on common equity in '12: 10.0%, earned on avg. com. eq., '12: 9.4%. Regul. Clim. Avg. (E) In mill.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	75
Earnings Predictability	80

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UNS ENERGY NYSE-UNS

RECENT PRICE 51.63 | P/E RATIO 19.1 (Trailing: 22.4 Median: 17.0) | RELATIVE P/E RATIO 1.06 | DIV'D YLD 3.4% | VALUE LINE

TIMELINESS 3 Raised 4/5/13
SAFETY 3 New 12/31/04
TECHNICAL 2 Raised 7/19/13
BETA .70 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+25%)	9%
Low	45	(-15%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	0	0	0	2	0	1
to Sell	0	0	0	0	0	0	4	0	2

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	92	86	98
to Sell	69	71	72
Hld's(000)	34343	35228	37296

	2012	2013
High:	39.3	43.6	51.8
Low:	33.0	35.2	42.5

LEGENDS
1.50 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options: Yes
Shaded areas indicate recessions

Target Price Range 2016 | 2017 | 2018

% TOT. RETURN 6/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	21.2	27.2
3 yr.	68.9	65.6
5 yr.	78.5	84.5

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
22.71	23.83	24.85	31.12	43.12	25.50	28.71	34.13	35.26	37.42	38.12	39.41	38.89	39.78	40.89	35.36	*36.15*	*37.60*	Revenues per sh	*41.20*
5.29	3.48	3.96	4.23	5.41	4.80	5.20	5.29	5.21	5.68	5.64	4.56	7.82	7.33	7.44	6.48	*7.10*	*7.60*	"Cash Flow" per sh	*8.00*
2.60	.68	1.08	1.27	1.79	.97	1.30	1.31	1.30	1.85	1.55	.39	2.69	2.82	2.75	2.20	*2.70*	*3.40*	Earnings per sh [A]	*3.80*
--	--	--	.32	.40	.50	.60	.64	.76	.84	.90	.96	1.16	1.56	1.68	1.72	*1.74*	*1.76*	Div'd Decl'd per sh [B] ■ †	*2.28*
2.22	2.52	2.87	3.19	3.63	3.36	4.06	4.49	5.83	6.77	6.95	9.85	8.01	7.26	10.13	7.43	*9.45*	*8.05*	Cap'l Spending per sh	*7.85*
6.75	7.65	10.02	11.20	12.68	13.05	15.97	16.85	17.68	18.59	19.54	19.16	20.94	22.46	24.07	25.77	*26.65*	*27.85*	Book Value per sh	*32.25*
32.14	32.26	32.35	33.22	33.50	33.58	33.79	34.26	34.87	35.19	35.32	35.46	35.85	36.54	36.92	41.34	*41.50*	*42.00*	Common Shs Outst'g [C]	*42.50*
6.1	23.3	10.8	11.8	10.8	18.2	14.6	18.7	23.9	17.7	22.0	NMF	10.4	11.6	13.3	17.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.0*
.35	1.21	.62	.77	.55	.99	.83	.99	1.27	.96	1.17	NMF	.69	.74	.83	1.14			Relative P/E Ratio	*.95*
--	--	--	--	2.1%	2.1%	2.8%	3.2%	2.6%	2.5%	2.6%	2.6%	3.3%	4.1%	4.8%	4.6%	4.4%		Avg Ann'l Div'd Yield	*4.1%*
969.9	1169.0	1229.5	1316.9	1381.4	1397.5	1394.4	1453.7	1509.5	1461.8	*1500*	*1580*	Revenues ($mill)	*1750*
45.2	45.9	46.1	69.2	58.4	14.0	104.3	111.5	110.0	90.9	*115*	*140*	Net Profit ($mill)	*160*
19.7%	42.5%	41.4%	38.8%	40.1%	54.8%	38.2%	41.2%	37.8%	38.0%	*38.0%*	*38.0%*	Income Tax Rate	*40.0%*
2.2%	--	--	2.9%	3.4%	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
79.2%	77.1%	75.3%	72.9%	68.8%	72.9%	70.5%	68.5%	67.8%	62.3%	*62.5%*	*63.0%*	Long-Term Debt Ratio	*63.0%*
20.8%	22.9%	24.7%	27.1%	31.2%	27.1%	29.5%	31.5%	32.2%	37.7%	*37.5%*	*37.0%*	Common Equity Ratio	*37.0%*
2589.0	2540.3	2494.9	2414.1	2214.9	2506.4	2547.0	2602.8	2758.6	2826.0	*2935*	*3165*	Total Capital ($mill)	*3720*
2069.2	2081.1	2171.5	2259.6	2407.3	2617.7	2785.7	2961.5	3182.3	3300.4	*3530*	*3775*	Net Plant ($mill)	*4625*
4.9%	5.1%	5.1%	5.9%	5.7%	3.0%	5.2%	5.5%	5.3%	4.5%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.0%*
8.4%	7.9%	7.5%	10.6%	8.5%	2.1%	13.9%	13.6%	12.4%	8.5%	*10.5%*	*12.0%*	Return on Shr. Equity	*11.5%*
8.4%	7.9%	7.5%	10.6%	8.5%	2.1%	13.9%	13.6%	12.4%	8.5%	*10.5%*	*12.0%*	Return on Com Equity [D]	*11.5%*
4.6%	4.1%	3.2%	6.1%	3.9%	NMF	8.4%	6.7%	5.4%	2.0%	*4.0%*	*5.5%*	Retained to Com Eq	*4.5%*
45%	48%	57%	43%	54%	NMF	40%	51%	56%	77%	*63%*	*53%*	All Div'ds to Net Prof	*61%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $1804.7 mill. **Due in 5 Yrs** $642.0 mill.
LT Debt $1504.5 mill. **LT Interest** $72.0 mill.
Incl. $179.6 mill. capitalized leases

(LT interest earned: 3.0x)

Pension Assets-12/12 $289 mill. **Oblig.** $380 mill.
Pfd Stock None

Common Stock 41,459,272 shs
as of 4/17/13
MARKET CAP: $2.1 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-.8	+.4	-.7
Avg Indust. Use (MWH)	5052	5060	5086
Avg Indust Revs per KWH (¢)	6.90	7.10	7.20
Capacity at Peak (Mw)	3044	3271	2950
Peak Load, Summer (Mw)	2333	2334	2290
Annual Load Factor (%)	N/A	N/A	N/A
% Change Customers (yr-end)	+.3	+.4	+.5
Fixed Charge Cov. (%)	268	251	239

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	1.5%	.5%	*1.0%*
"Cash Flow"	4.0%	5.0%	*2.0%*
Earnings	7.0%	10.5%	*6.5%*
Dividends	15.0%	14.5%	*5.5%*
Book Value	7.0%	5.5%	*5.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	317.9	337.8	438.8	359.2	1453.7
2011	344.8	369.7	450.9	344.1	1509.5
2012	315.4	364.0	434.1	348.3	1461.8
2013	332.1	*360*	*465*	*342.9*	*1500*
2014	*350*	*375*	*485*	*370*	*1580*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.52	.65	1.36	.29	2.82
2011	.35	.71	1.46	.22	2.75
2012	.17	.64	1.21	.18	2.20
2013	.27	*.60*	*1.50*	*.33*	*2.70*
2014	*.45*	*.80*	*1.65*	*.50*	*3.40*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.29	.29	.29	.29	1.16
2010	.39	.39	.39	.39	1.56
2011	.42	.42	.42	.42	1.68
2012	.43	.43	.43	.43	1.72
2013	.435	.435			

BUSINESS: UNS Energy Corporation, through its subsidiaries, operates as an electric utility in Arizona. Subsidiaries include Tucson Electric Power (TEP). UNS Gas, and UNS Electric. '12 retail customers: TEP, 406,000 (in southeastern Arizona); UNS Gas, 149,000. UNS Electric, 92,000. Revenue sources: residential, 41%; commercial, 21%; industrial, 35%; other, 3%. Copper mining is largest industry served. Fuels: coal, 72%; gas, 11%; purchased power, 17%. '12 TEP reported depreciation rate: 4.0%. Has 1,979 employees: TEP, 1,392; UNS Gas, 186; UNS Electric, 148; Other, 253. Chrmn. & CEO: Paul J. Bonavia. Pres.: David G. Hutchens, Inc.: AZ. Address: 88 E. Broadway Blvd., Tucson, AZ 85701. Telephone: 520-571-4000. Internet: www.uns.com

UNS Energy's primary subsidiary, Tucson Electric Power (TEP), announced its first base-rate increase since 2008. On June 11th, the Arizona Corporation Commission (ACC) approved the settlement agreement, previously filed in February, which specified a nonfuel retail base-rate increase of $76 million, (over the adjusted test-year revenues), based on a return on equity of 10.0%. The common-equity ratio would be 43.5%. These new rates were implemented on July 1st. In addition, the rate order for UNS Electric is expected late this year or *early next year.*

Other regulatory changes were included in the 2013 TEP rate order, as well, such as the purchased power and fuel adjustment clause (PPFAC). In addition, the utility will probably be able to recover costs associated with energy efficiency programs, and environmental regulations, among other things, through its lost fixed-cost recovery mechanism (LFCR), which is expected to be effective July 1, 2014, and its environmental compliance adjuster (ECA) mechanism (effective, May 1, 2014).

The bottom line should somewhat recover in 2013, after a dismal showing last year. In fact, March-period share earnings increased a dime over the prior-year tally, largely due to higher retail sales volumes (for both TEP and UNS Gas) from colder winter weather. Electricity demand should continue going forward in the summer months. Moreover, momentum should pick up, with TEP's four-year base-rate freeze in the past.

In other news, utility deregulation may become a possibility in Arizona. Consequently, TEP and UNS Electric sent *a joint response to the ACC, requesting* the commission reject retail electric competition, as the structure would "impose new costs, greater inequities, significant risks, and daunting regulatory and legal challenges without delivering real benefits for customers".

These shares offer a below-average dividend yield, by utility standards. That said, the company's dividend growth over the past five years has been substantial, and total return potential over the 2016-2018 time frame is worthwhile.

Michelle Jensen *August 2, 2013*

(A) EPS diluted. Excl. nonrecur. gains: '98, 19¢; '99, $1.35; '00, 48¢; '03, $2.00. Next earnings report due July 30th. Earnings may not sum due to rounding. (B) Div'ds historically paid in early Mar., June, Sept., and Dec. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. (C) In millions. (D) Rate base: fair value. Rate allowed on com. eq. in '13: 10.0%; earned on avg. com. eq., '12: 8.5%. Regulatory Climate: Avg

Company's Financial Strength	B+
Stock's Price Stability	100
Price Growth Persistence	85
Earnings Predictability	40

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UIL HOLDINGS NYSE-UIL

RECENT PRICE 40.04 | P/E RATIO 17.9 (Trailing: 18.0, Median: 18.0) | RELATIVE P/E RATIO 1.02 | DIV'D YLD 4.3% | VALUE LINE

TIMELINESS 2 Raised 7/19/13
SAFETY 2 Raised 2/28/08
TECHNICAL 3 Lowered 8/16/13
BETA .75 (1.00 = Market)

2016-18 PROJECTIONS

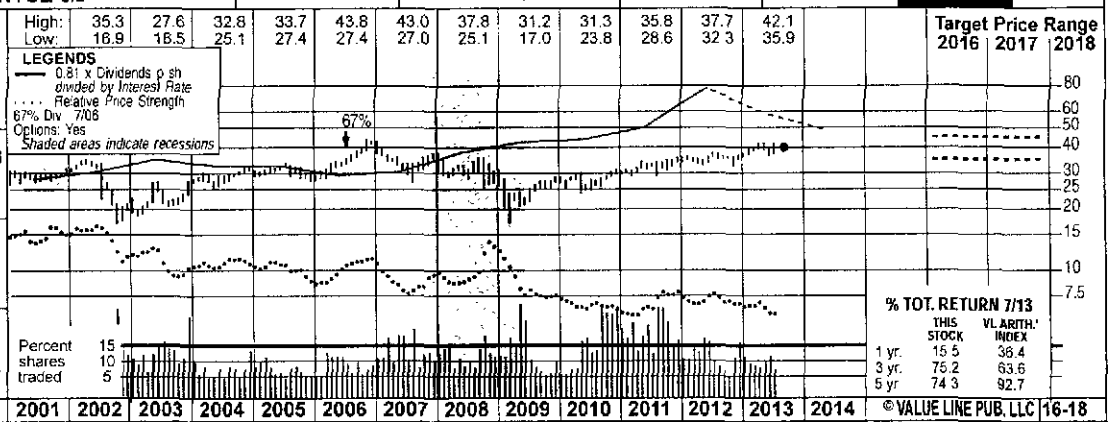
	Price	Gain	Ann'l Total Return
High	45	(+10%)	7%
Low	35	(-15%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	1	1	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	1	0	0	1	0	1

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	70	72	86
to Sell	74	69	59
Hld's(000)	29562	31172	32005



1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
30.64	29.34	29.01	37.54	46.15	47.55	40.39	45.87	49.88	34.03	39.23	37.69	29.91	19.75	31.01	29.22	*30.90*	*31.95*	Revenues per sh	*36.25*
5.40	5.34	4.67	5.53	6.61	5.89	4.69	4.37	4.13	4.65	5.48	5.93	5.09	3.65	5.33	5.65	*5.45*	*5.65*	"Cash Flow" per sh	*5.85*
1.96	1.80	2.23	2.56	2.53	1.85	1.24	1.54	1.30	1.86	1.87	1.89	1.94	1.99	1.95	2.02	*2.20*	*2.40*	Earnings per sh [A]	*2.55*
1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	*1.73*	*1.73*	Div'd Decl'd per sh [B] ■	*1.73*
1.44	1.63	1.48	2.31	2.01	2.41	2.19	2.04	2.25	3.09	9.92	8.57	4.12	4.03	6.48	5.67	*5.10*	*5.10*	Cap'l Spending per sh	*5.00*
18.94	19.05	19.55	20.42	21.25	20.28	20.65	22.84	22.39	18.53	18.55	18.85	19.15	21.31	21.61	21.95	*22.55*	*24.90*	Book Value per sh [C]	*28.45*
23.18	23.39	23.44	23.46	23.53	23.79	23.86	24.01	24.32	24.86	25.03	25.17	29.98	50.51	50.65	50.87	*51.00*	*51.00*	Common Shs Outst'g [E]	*51.00*
10.1	16.3	12.6	10.8	11.5	15.0	18.0	18.7	23.5	18.7	18.4	16.7	12.7	14.0	16.5	17.4	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.0*
.58	.85	.72	.70	.59	.82	1.03	.99	1.25	1.01	.98	1.01	.85	.89	1.04	1.11			*Relative P/E Ratio*	*1.05*
8.8%	5.9%	6.2%	6.2%	5.9%	6.2%	7.7%	6.0%	5.7%	5.0%	5.0%	5.5%	7.0%	6.2%	5.4%	4.9%			Avg Ann'l Div'd Yield	*4.2%*
						963.7	1101.3	1213.1	846.0	982.0	948.7	896.6	997.7	1570.4	1486.5	*1575*	*1630*	Revenues ($mill)	*1850*
						29.5	36.9	31.4	45.4	46.7	48.1	54.3	70.3	99.7	103.7	*110*	*120*	Net Profit ($mill)	*130*
						53.1%	45.4%	44.1%	31.2%	39.5%	42.2%	38.0%	38.6%	38.5%	41.9%	*40.0%*	*40.0%*	Income Tax Rate	*40.0%*
						8.5%	1.1%	9.0%	8.0%	8.3%	8.3%	10.0%	26.3%	12.1%	10.0%	*10.0%*	*10.0%*	AFUDC % to Net Profit	*10.0%*
						50.1%	47.2%	47.2%	47.0%	50.8%	53.6%	54.0%	58.4%	58.6%	58.9%	*57.0%*	*56.0%*	Long-Term Debt Ratio	*54.5%*
						49.9%	52.8%	52.8%	53.0%	49.2%	46.4%	46.0%	41.6%	41.4%	41.1%	*43.0%*	*44.0%*	Common Equity Ratio	*45.5%*
						988.2	1039.6	1031.5	869.2	943.6	1023.6	1247.7	2587.9	2642.7	2716.9	*2700*	*2900*	Total Capital ($mill)	*3200*
						548.8	563.9	592.1	647.0	878.4	1073.6	1153.0	2327.5	2570.4	2787.4	*2850*	*2950*	Net Plant ($mill)	*3250*
						4.3%	4.5%	4.1%	6.5%	6.2%	6.1%	5.8%	3.7%	5.2%	5.4%	*5.5%*	*5.5%*	Return on Total Cap'l	*5.5%*
						6.0%	6.7%	5.8%	9.9%	10.1%	10.1%	9.5%	6.5%	9.1%	9.3%	*9.5%*	*9.5%*	Return on Shr. Equity	*9.0%*
						6.0%	6.7%	5.8%	9.9%	10.1%	10.1%	9.5%	6.5%	9.1%	9.3%	*9.5%*	*9.5%*	Return on Com Equity [D]	*9.0%*
						NMF	NMF	NMF	NMF	3.1%	1.0%	1.2%	1.7%	1.1%	1.5%	*2.0%*	*2.5%*	Retained to Com Eq	*3.0%*
						NMF	NMF	NMF	117%	70%	90%	88%	74%	88%	84%	*80%*	*74%*	All Div'ds to Net Prof	*68%*

CAPITAL STRUCTURE as of 6/30/13
Total Debt $1789 mill. **Due in 5 Yrs.** $346.0 mill.
LT Debt $1598 mill. **LT Interest** $75.0 mill.
(LT interest earned: 3.0x)
Leases, Uncapitalized: Ann. rentals $4.6 mill

Pension Assets-12/12 $625 mill **Oblig.** $951 mill

Pfd Stock None

Common Stock 50,712,507 shs.
as of 8/1/13

MARKET CAP: $2.0 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+4.4	-2.8	-2.6
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	6.3	6.4	7.1
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	-.1	Nil	+.2
Fixed Charge Cov. (%)	281	230	249

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-5.0%	-8.5%	*5.5%*
"Cash Flow"	-2.0%	.5%	*3.0%*
Earnings	-1.5%	3.5%	*4.0%*
Dividends	--	--	*Nil*
Book Value	.5%	2.0%	*4.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	220.3	207.1	236.3	334.0	997.7
2011	561.1	314.0	321.4	373.9	1570.4
2012	458.3	283.5	323.8	420.9	1486.5
2013	548.0	319.1	*320*	*387.9*	*1575*
2014	*570*	*310*	*350*	*400*	*1630*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.53	.48	.63	.35	1.99
2011	1.02	.28	.24	.41	1.95
2012	.92	.23	.31	.56	2.02
2013	1.01	.35	*.30*	*.54*	*2.20*
2014	*1.05*	*.30*	*.40*	*.65*	*2.40*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.432	.432	.432	.432	1.73
2010	.432	.432	.432	.432	1.73
2011	.432	.432	.432	.432	1.73
2012	.432	.432	.432	.432	1.73
2013	.432	.432			

BUSINESS: UIL Holdings, through its subsidiaries, operates as one of the largest regulated utility companies in Connecticut. Business consists of electric distribution/transmission operations of The United Illuminating Company and natural gas transportation/distribution operations of The Southern Connecticut Gas Company, The Connecticut Natural Gas Company, and The Berkshire Gas Company. Revenue distribution by class: residential, 46%; commercial, 28%; industrial, 4%; other, 22%. Fuel costs: 35% of revenues; O&M costs, 24%. Has 1,865 employees as of 12/12. President & Chief Executive Officer James P. Torgerson. Inc.: CT Address: 157 Church Street, P.O. Box 1564, New Haven, CT 06506-0901. Telephone: 203-499-2000. Internet: www.uil.com.

UIL Holdings performed well in the second quarter. The Connecticut-based utility reported earnings of $0.35 a share in the period, versus $0.23 in the comparable year-ago quarter. Improvement was driven by more-favorable weather patterns, a larger base for the transmission rate base, and the impact of natural gas conversions. We are maintaining our 2013 earnings estimate at $2.20 a share, representing year-over-year growth of 9%.

Regulators issued a draft decision in United Illuminating's rate case. On July 30th, the Connecticut Public Utilities Regulatory Authority (PURA) released its draft decision for UI's pending electric rate case. The draft order, which could be subject to change before the final order is issued in mid-August, recommends a $21.1 million rate increase in year one, and a $15.9 million increase in year two. It's based on a 9.15% return on equity and 50% equity ratio. Indeed, we view the draft order as somewhat of a disappointment, given that UI's original request called for increases of $65 million in year one, and $26 million in year two, based on a 10.25% return on equity and 50% equity ratio. While we were optimistic that regulatory conditions had been improving in the state, the unfavorable draft order once again proves that Connecticut is among the more challenging environments for utilities. The order is expected to be finalized at PURA's meeting on August 14th (just as this Issue was going to press).

The gas utilities will continue to be a key focus area. Through the end of the second quarter, UIL had converted 7,749 households to gas, putting it well ahead of its year-end target of 12,200 conversions. Management further indicated it added a little over 1,300 in July, upping the total to about 9,000. Its 2014 conversion target stands at 15,315, and its expects 55,000 over the 2014-2016 time frame.

The stock has been raised a notch for Timeliness to 2 (Above Average). In our view, these shares remain an attractive holding for investors seeking to add a low-risk income play to their portfolios. UIL holds above-average scores for Safety (2) and Financial Strength (B++). Its 4.3% yield ranks favorably compared to the utility industry's 3.8% mean.

Michael Ratty *August 23, 2013*

(A) EPS basic. Excl. nonrecur. gains (losses): '00, 4¢; '03, (26¢); '04, $2.14; '06, ($5.07); '10, (47¢). Next egs. report due early Nov. (B) Div'ds historically paid in early March, June, Sept., and Dec. ■ Div'd reinvest. plan avail. (C) Incl. deferred charges. In '12: $350.1 mill. or $7.47/sh. (D) Rate base: orig. cost. Rate allowed on common equity in '09: 8.75%. Earned on average common equity in '12: 9.3%. Regul. Clim.: Below Average. (E) In millions. Adjusted for stock dividend.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	65
Earnings Predictability	90

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BLACK HILLS CORP. NYSE-BKH

RECENT PRICE 52.65 | P/E RATIO 21.9 (Trailing: 24.7 Median: 17.0) | RELATIVE P/E RATIO 1.21 | DIV'D YLD 2.9% | VALUE LINE

TIMELINESS 2 Raised 5/17/13
SAFETY 3 Lowered 8/15/03
TECHNICAL 3 Lowered 12/21/12
BETA .80 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(-15%)	Nil
Low	30	(-45%)	-9%

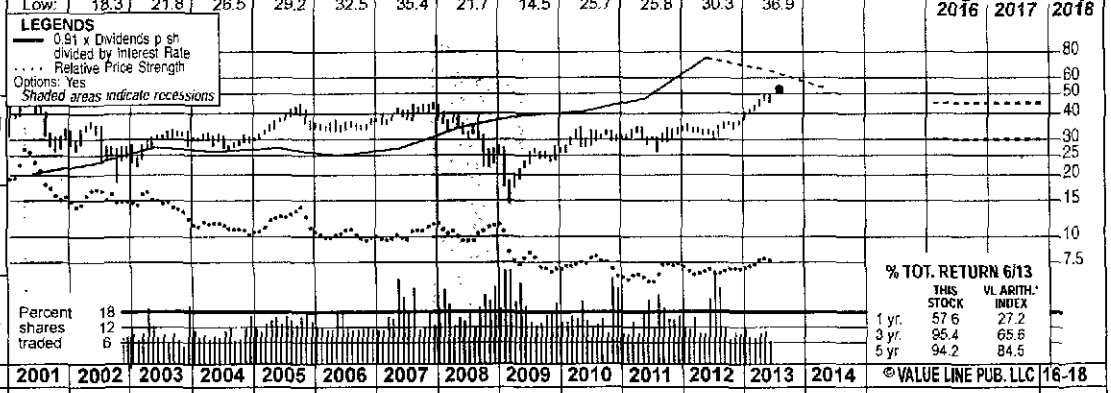
Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	107	92	90
to Sell	56	61	64
Hld's(000)	30145	30054	30032

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
High:	36.9	33.5	32.5	44.6	37.9	45.4	44.0	28.0	34.5	34.8	37.0	54.1								
Low:	18.3	21.8	26.5	29.2	32.5	35.4	21.7	14.5	25.7	25.8	30.3	36.9								
Revenues per sh	14.45	31.48	37.05	69.69	57.96	15.74	35.17	34.54	41.97	19.69	18.41	26.03	32.58	33.29	28.96	26.55	*27.98*	*29.00*	Revenues per sh	*31.75*
"Cash Flow" per sh	2.52	2.72	2.88	3.68	5.27	4.93	4.26	4.46	4.81	5.04	5.29	2.95	5.41	4.88	4.01	5.59	*5.90*	*6.15*	"Cash Flow" per sh	*7.25*
Earnings per sh A	1.49	1.60	1.70	2.37	3.42	2.33	1.84	1.74	2.11	2.21	2.68	.18	2.32	1.66	1.01	1.97	*2.40*	*2.55*	Earnings per sh A	*3.00*
Div'd Decl'd per sh B ■	.95	1.00	1.04	1.08	1.12	1.16	1.20	1.24	1.28	1.32	1.37	1.40	1.42	1.44	1.46	1.48	*1.52*	*1.56*	Div'd Decl'd per sh B ■	*1.70*
Cap'l Spending per sh	.98	1.18	4.89	5.79	14.07	8.65	2.80	2.80	4.18	9.24	6.92	8.51	8.90	12.04	10.03	7.90	*10.35*	*8.70*	Cap'l Spending per sh	*8.75*
Book Value per sh C	9.46	9.58	10.14	11.95	18.95	19.66	21.72	22.43	22.29	23.68	25.66	27.19	27.84	28.02	27.53	27.88	*28.70*	*29.65*	Book Value per sh C	*33.25*
Common Shs Outst'g D	21.70	21.58	21.37	23.30	26.89	26.93	32.30	32.48	33.16	33.37	37.80	38.64	38.97	39.27	43.92	44.21	*44.50*	*44.80*	Common Shs Outst'g D	*45.70*
Avg Ann'l P/E Ratio	13.0	14.9	13.6	10.9	11.4	12.5	15.9	17.1	17.3	15.8	15.0	NMF	9.9	18.1	31.1	17.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*12.5*
Relative P/E Ratio	.75	.77	.78	.71	.58	.68	.91	.90	.92	.85	.80	NMF	.66	1.15	1.95	1.09			Relative P/E Ratio	*.85*
Avg Ann'l Div'd Yield	4.9%	4.2%	4.5%	4.2%	2.9%	4.0%	4.1%	4.2%	3.5%	3.8%	3.4%	4.2%	6.2%	4.8%	4.6%	4.4%			Avg Ann'l Div'd Yield	*4.5%*
Revenues ($mill)					1136.1	1121.7	1391.6	656.9	695.9	1005.8	1269.6	1307.3	1272.2	1173.9	*1240*	*1300*	Revenues ($mill)	*1450*
Net Profit ($mill)					57.1	57.2	70.3	74.0	100.1	6.8	89.7	64.6	40.4	86.9	*105*	*115*	Net Profit ($mill)	*140*
Income Tax Rate					34.4%	31.8%	33.8%	31.3%	31.3%	33.1%	30.7%	26.4%	31.1%	35.5%	*34.0%*	*34.0%*	Income Tax Rate	*34.0%*
AFUDC % to Net Profit					.7%	.3%	1.0%	9.7%	14.8%	173.2%	20.1%	28.0%	65.0%	5.4%	*9.0%*	*9.0%*	AFUDC % to Net Profit	*7.0%*
Long-Term Debt Ratio					55.0%	49.9%	47.6%	44.3%	36.8%	32.3%	48.4%	51.9%	51.4%	43.2%	*43.5%*	*49.0%*	Long-Term Debt Ratio	*51.5%*
Common Equity Ratio					44.5%	49.6%	52.4%	55.7%	63.2%	67.7%	51.6%	48.1%	48.6%	56.8%	*56.5%*	*51.0%*	Common Equity Ratio	*48.5%*
Total Capital ($mill)					1578.2	1469.3	1408.1	1418.4	1534.2	1551.8	2100.7	2286.3	2489.7	2171.4	*2260*	*2605*	Total Capital ($mill)	*3125*
Net Plant ($mill)					1442.4	1445.7	1435.4	1646.4	1823.5	2022.2	2160.7	2495.4	2789.6	2742.7	*3050*	*3275*	Net Plant ($mill)	*3800*
Return on Total Cap'l					4.8%	5.3%	6.6%	6.8%	7.9%	1.6%	5.9%	4.4%	3.3%	5.5%	*6.0%*	*5.5%*	Return on Total Cap'l	*6.0%*
Return on Shr. Equity					8.0%	7.8%	9.5%	9.4%	10.3%	.7%	8.3%	5.9%	3.3%	7.1%	*8.5%*	*8.5%*	Return on Shr. Equity	*9.5%*
Return on Com Equity E					8.1%	7.8%	9.5%	9.4%	10.3%	.7%	8.3%	5.9%	3.3%	7.1%	*8.5%*	*8.5%*	Return on Com Equity E	*9.5%*
Retained to Com Eq					2.8%	2.3%	3.8%	3.8%	5.1%	NMF	3.2%	.7%	NMF	1.8%	*3.0%*	*3.5%*	Retained to Com Eq	*4.0%*
All Div'ds to Net Prof					65%	71%	60%	59%	50%	NMF	62%	87%	NMF	75%	*63%*	*61%*	All Div'ds to Net Prof	*55%*



CAPITAL STRUCTURE as of 3/31/13
Total Debt $1286.1 mill. Due in 5 Yrs $690.9 mill.
LT Debt $936.5 mill. LT Interest $61.8 mill
(LT interest earned 3.0x)
Leases, Uncapitalized Annual rentals $2.7 mill.

Pension Assets-12/12 $268.8 mill.
Oblig. $363.3 mill.

Pfd Stock None

Common Stock 44,442,886 shs
as of 4/30/13

MARKET CAP: $2.3 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+2.9	+1.3	+.2
Avg Indust. Use (MWH)	8489	8482	8921
Avg Indust. Revs. per KWH (¢)	6.95	7.58	8.01
Capacity at Yearend (Mw)	1127	1315	1318
Peak Load, Summer (Mw)	956	1025	1036
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	-.1	+.3	+.3
Fixed Charge Cov. (%)	174	160	205

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-4.5%	2.0%	*1.0%*
"Cash Flow"	.5%	-1.0%	*7.0%*
Earnings	-5.5%	-8.0%	*11.5%*
Dividends	2.5%	2.0%	*2.5%*
Book Value	5.0%	3.0%	*3.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	442.3	271.3	264.4	329.3	1307.3
2011	400.8	260.7	249.5	361.2	1272.2
2012	365.8	242.4	246.8	318.9	1173.9
2013	380.7	*260*	*260*	*339.3*	*1240*
2014	*405*	*270*	*270*	*355*	*1300*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.81	d.22	.22	.85	1.66
2011	.73	.09	d.29	.44	1.01
2012	.80	.11	.38	.67	1.97
2013	.97	*.30*	*.43*	*.70*	*2.40*
2014	*.90*	*.35*	*.50*	*.80*	*2.55*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.355	.355	.355	.355	1.42
2010	.36	.36	.36	.36	1.44
2011	.365	.365	.365	.365	1.46
2012	.37	.37	.37	.37	1.48
2013	.38	.38			

BUSINESS: Black Hills Corporation is a holding company for utilities that serve 202,000 electric customers in CO, SD, WY and MT, and 567,000 gas customers in NE, IA, KS, CO and WY. Electric revenue breakdown: res'l, 31%; comm'l, 36%; ind'l, 13%; wholesale 11%; other, 9%. Generating sources: coal, 37%; other, 2%; purch., 61%. Mines coal & has a gas & oil E&P bus. Acq'd Wickford Energy Mktg. 7/97 (discontinued in '11), Mallon Resources 3/03; Cheyenne Light 1/05; utility ops. from Aquila 7/08. Discont. telecom in '05; oil mktg. in '06. Fuel costs: 35% of revs. '12 depr. rate 4.1%. Has 1,900 empls. Chairman, President & CEO: David R. Emery Inc.: SD. Address: P.O. Box 1400, 625 Ninth St., Rapid City, SD 57701. Tel.: 605-721-1700. Internet: www.blackhillscorp.com.

Black Hills has an electric rate case pending in South Dakota. The utility filed for a tariff hike of $13.7 million (9.9%), based on a 10.25% return on a 53% common-equity ratio. Black Hills also requested a regulatory mechanism that would enable it to recover its financing costs each quarter for Cheyenne Prairie, a gas-fired plant that is under construction (see below). The company already has such a mechanism in Wyoming. Hearings are scheduled for October. We don't know when the final order will be issued.

Black Hills Power and Cheyenne Light have begun construction of Cheyenne Prairie. The 132-megawatt plant will provide power to South Dakota and Wyoming at an estimated cost of $237 million. The company expects the new facility to begin commercial operation early in the fourth quarter of 2014. Black Hills and Cheyenne Light will file rate cases in late 2013 or early 2014 to enable them to place Cheyenne Prairie in the rate base.

Earnings should rise substantially this year. The year got off to a good start, thanks to more-favorable weather and $0.11 a share of mark-to-market accounting gains stemming from an interest-rate swap. We include mark-to-market gains or charges in our presentation because they are an ongoing part of quarterly results.

We expect good profit growth in 2014. The key reasons are expected rate relief in South Dakota and the refinancing of high-cost debt.

This stock has been the top performer among electric utility stocks in 2013, having risen more than 40%, year to date. However, in our view, there really isn't anything to account for such a move, such as a takeover bid, a big dividend hike, or a sharp upward revision in earnings guidance. The stock carries a favorable Timeliness rank, but we are concerned about the lofty valuation. At the recent price, the relative price-earnings ratio is well above 1.00—which is high for a utility—and the dividend yield is below 3%—which is low for a utility. Moreover, the quotation is above our 2016-2018 Target Price Range. Perhaps there is some takeover speculation here. Whatever the reason, income-oriented investors can find more-attractive selections elsewhere.

Paul E. Debbas, CFA *August 2, 2013*

(A) Diluted EPS. Excl. nonrec. gains (losses): '05, (99¢); '08, ($1.55); '09, (28¢); '10, 10¢; '12, 4¢ net; gains (losses) on disc. ops.: '05, (7¢); '06, 21¢; '07, (4¢); '08, $4.12; '09, 7¢; '11, 23¢; '12, (16¢). '11, '12 EPS don't add due to chng in shs. or rounding. Next egs. due early Aug. (B) Div'ds paid early Mar., Jun., Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. def'd chgs. In '12: $12.28/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate all'd on com. eq. in SD in '10: none spec.; in CO in '12: 9.8%-10.2%; earn. on avg. com. eq., '12: 7.1%. Regul. Climate: Avg.

Company's Financial Strength	B+
Stock's Price Stability	90
Price Growth Persistence	40
Earnings Predictability	40

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CMS ENERGY CORP. NYSE-CMS

RECENT PRICE 26.96 | P/E RATIO 16.3 (Trailing: 15.9 Median: 14.0) | RELATIVE P/E RATIO 0.95 | DIV'D YLD 3.9% | VALUE LINE

TIMELINESS 3 Lowered 10/26/12
SAFETY 3 Raised 12/29/06
TECHNICAL 3 Raised 3/15/13
BETA .75 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+30%)	10%
Low	20	(-25%)	-2%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	4	0	0	4	0	0	1	1

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	194	164	184
to Sell	152	179	167
Hld's(000)	216016	219002	224706

	High	Low
1997	24.8	5.4
1998	10.7	3.4
1999	10.6	7.8
2000	16.8	9.7
2001	17.0	12.1
2002	19.5	15.0
2003	17.5	8.3
2004	16.1	10.0
2005	19.3	14.1
2006	22.4	17.0
2007	25.0	21.1
2008	30.0	24.6

LEGENDS
0.80 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options: Yes
Shaded areas indicate recessions

Target Price Range 2016 | 2017 | 2018

% TOT. RETURN 5/13

	THIS STOCK	VL ARITH.* INDEX
1 yr	20.2	33.2
3 yr	107.6	55.0
5 yr	110.8	67.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
47.49	47.56	52.59	74.24	72.16	60.28	34.21	28.06	28.52	30.57	28.95	30.13	27.23	25.77	25.59	23.90	*24.45*	*24.80*	Revenues per sh	*27.00*
7.39	6.60	7.87	7.61	5.24	d.09	2.39	2.87	3.43	3.22	3.08	3.88	3.47	3.70	3.65	3.82	*4.05*	*4.20*	"Cash Flow" per sh	*4.75*
2.61	2.24	2.85	2.53	1.27	d2.99	d.29	.74	1.10	.64	.64	1.23	.93	1.33	1.45	1.53	*1.65*	*1.75*	Earnings per sh [A]	*2.00*
1.14	1.26	1.39	1.46	1.46	1.09	--	--	--	--	.20	.36	.50	.66	.84	.96	*1.02*	*1.08*	Div'd Decl'd per sh [B] ■	*1.30*
7.05	11.98	9.69	8.51	9.49	5.18	3.32	2.69	2.69	3.01	5.61	3.50	3.59	3.29	3.47	4.65	*5.15*	*5.50*	Cap'l Spending per sh	*4.75*
19.61	20.63	21.17	19.48	14.21	7.86	9.84	10.63	10.53	10.03	9.46	10.88	11.42	11.19	11.92	12.09	*12.80*	*13.60*	Book Value per sh [C]	*16.00*
100.79	108.11	116.04	121.20	132.99	144.10	161.13	195.00	220.50	222.78	225.15	226.41	227.89	249.60	254.10	264.10	*266.00*	*268.00*	Common Shs Outst'g [D]	*274.00*
13.5	19.9	13.9	9.6	20.8	--	--	12.4	12.6	22.2	26.8	10.9	13.6	12.5	13.8	15.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*13.5*
.78	1.03	.79	.62	1.07	--	--	.66	.67	1.20	1.42	.66	.91	.80	.85	.96			Relative P/E Ratio	*.90*
3.2%	2.8%	3.5%	6.0%	5.5%	7.5%	--	--	--	--	1.2%	2.7%	4.0%	4.0%	4.3%	4.2%			Avg Ann'l Div'd Yield	*4.8%*
5513.0	5472.0	6288.0	6810.0	6519.0	6821.0	6205.0	6432.0	6503.0	6312.0	*6500*	*6650*	Revenues ($mill)	*7400*
d40.0	144.0	247.0	158.0	168.0	300.0	231.0	356.0	384.0	413.0	*455*	*485*	Net Profit ($mill)	*575*
NMF	18.6%	25.6%	--	37.6%	31.6%	34.6%	38.1%	36.8%	39.4%	*37.0%*	*37.0%*	Income Tax Rate	*37.0%*
--	--	15.4%	6.3%	3.6%	1.3%	13.0%	2.2%	2.6%	2.9%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
78.2%	75.3%	73.5%	71.7%	70.5%	69.4%	67.9%	70.1%	66.9%	67.9%	*67.5%*	*66.0%*	Long-Term Debt Ratio	*62.0%*
18.3%	21.5%	23.4%	24.9%	25.9%	27.4%	29.0%	29.5%	32.6%	31.6%	*32.0%*	*33.5%*	Common Equity Ratio	*38.0%*
8652.0	9640.0	9913.0	8961.0	8212.0	8993.0	8977.0	9473.0	9279.0	10101	*10650*	*10875*	Total Capital ($mill)	*11600*
6944.0	8636.0	7845.0	7976.0	8728.0	9190.0	9662.0	10069	10633	11551	*12300*	*13125*	Net Plant ($mill)	*15400*
2.7%	4.4%	5.0%	4.5%	4.5%	5.4%	4.7%	5.8%	6.3%	5.9%	*6.0%*	*6.5%*	Return on Total Cap'l	*6.5%*
NMF	6.1%	9.4%	6.2%	6.9%	10.9%	8.0%	12.5%	12.5%	12.8%	*13.0%*	*13.0%*	Return on Shr. Equity	*13.0%*
NMF	6.2%	9.9%	6.4%	7.2%	11.7%	8.5%	12.5%	12.6%	12.9%	*13.0%*	*13.5%*	Return on Com Equity [E]	*13.0%*
NMF	6.2%	9.9%	6.4%	5.1%	8.4%	4.1%	6.9%	5.6%	5.0%	*5.5%*	*5.5%*	Retained to Com Eq	*5.0%*
NMF	11%	6%	10%	35%	31%	54%	46%	55%	61%	*60%*	*60%*	All Div'ds to Net Prof	*62%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $7622.0 mill. **Due in 5 Yrs** $3055.0 mill.
LT Debt $6890.0 mill. **LT Interest** $372.0 mill.
Incl. $149.0 mill. capitalized leases.
(LT interest earned: 3.0x)
Leases, Uncapitalized Annual rentals $26.0 mill.
Pension Assets-12/12 $1.73 bill.
Oblig. $2.35 bill
Pfd Stock $44.0 mill. **Pfd Div'd** $2.0 mill.
Incl. 441,599 shs. $4.16-$4.50 $100 par, cum., callable at $103.25-$110.00.
Common Stock 265,700,000 shs.

MARKET CAP: $7.2 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+5.4	+.4	+.6
Avg Indust. Use (MWH)	1027	1086	1113
Avg. Indust. Revs. per KWH (c)	8.27	8.21	8.06
Capacity at Peak (Mw)	9246	8588	8607
Peak Load, Summer (Mw)	8190	8930	9006
Annual Load Factor (%)	55.3	50.8	48.7
% Change Customers (yr-end)	-.3	-.1	--
Fixed Charge Cov. (%)	215	237	268

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-9.5%	-3.0%	*1.0%*
"Cash Flow"	-1.5%	3.0%	*4.0%*
Earnings	18.0%	12.5%	*5.5%*
Dividends	-5.0%	--	*8.0%*
Book Value	-1.5%	3.0%	*5.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1967	1340	1443	1682	6432.0
2011	2055	1364	1464	1620	6503.0
2012	1802	1333	1507	1670	6312.0
2013	1979	*1350*	*1500*	*1671*	*6500*
2014	*2000*	*1400*	*1550*	*1700*	*6650*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.35	.26	.53	.21	1.33
2011	.51	.26	.53	.15	1.45
2012	.36	.37	.55	.25	1.53
2013	.53	*.34*	*.54*	*.24*	*1.65*
2014	*.55*	*.35*	*.60*	*.25*	*1.75*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec. 31	Full Year
2009	.125	.125	.125	.125	.50
2010	.15	.15	.15	.21	.66
2011	.21	.21	.21	.21	.84
2012	.24	.24	.24	.24	.96
2013	.255	.255			

BUSINESS: CMS Energy Corporation is a holding company for Consumers Energy, which supplies electricity and gas to lower Michigan (excluding Detroit). Has 1.8 million electric, 1.7 million gas customers. Has 1,035 megawatts of nonregulated generating capacity. Sold Palisades nuclear plant in '07. Electric revenue breakdown: residential, 46%; commercial, 31%; industrial, 20%; other, 3%. Generating sources: coal, 39%; gas, 8%; other, 1%; purchased, 52%. Fuel costs: 51% of revenues. '12 reported deprec. rates: 3.2% electric, 2.9% gas, 7.2% other. Has 7,500 employees. Chairman: David W. Joos. President & CEO: John G. Russell. Incorporated: Michigan. Address: One Energy Plaza, Jackson, Michigan 49201. Tel.: 517-788-0550. Internet: www.cmsenergy.com.

CMS Energy's utility subsidiary has received an electric rate increase. The Michigan Public Service Commission (MPSC) approved a settlement that called for an $89 million rate hike for Consumers Energy, based on a return of 10.3% on common-equity ratio of 41.19%. New tariffs took effect in May. A requested regulatory mechanism that would have provided the company with $82 million in incremental revenues in 2014 was not included in the settlement. Moreover, the MPSC must still resolve issues relating to the utility's proposed advanced metering program, and its decision isn't due until September.

A gas rate application is pending. Consumers Energy is seeking a tariff increase of $49 million, based on a return of 10.5% on a common-equity ratio of 40.99%. The utility is also asking the MPSC to grant a regulatory mechanism (similar to what it sought on the electric side of the business) that would provide $70 million of incremental revenues in 2015. Under Michigan regulatory law, Consumers will self-implement a rate hike at the start of August. The MPSC's ruling is due at the end of January.

We think earnings in 2013 and 2014 will continue the pattern of steady increases that has occurred since 2010. Rate relief has been a key factor. The service area's economy is in better shape than it was a few years ago. The company is controlling expenses effectively, and the low interest-rate environment has enabled it to refinance debt at the parent level. Our 2013 earnings estimate is within management's targeted range of $1.63-$1.66 a share. We forecast a 6% bottom-line increase in 2014, which is in line with the company's goal of 5%-7% annual growth.

Consumers Energy plans to ask the MPSC for a certificate of need to build a base-load generating plant. The utility proposes building a 700-megawatt gas-fired facility at a cost of $750 million. The plant would begin commercial operation in 2017.

We have a neutral stance toward this equity. The dividend yield and 3- to 5-year total return are average, by utility standards.

Paul E. Debbas, CFA *June 21, 2013*

Company's Financial Strength	B+
Stock's Price Stability	95
Price Growth Persistence	95
Earnings Predictability	55

(A) Diluted EPS. Excl. nonrec. gains (losses): '05, ($1.61); '06, ($1.08); '07, ($1.26); '09, (7¢); '10, 3¢; '11, 12¢; '12, (14¢); gains (losses) on disc. ops.: '05, 7¢; '06, 3¢; '07, (40¢). '09, 8¢; '10, (8¢); '11, 1¢. '12, 3¢. '10 EPS don't add due to change in shs. Next earnings report due late July. (B) Div'ds historically paid late Feb., May, Aug., & Nov. ■ Div'd reinvestment plan avail. (C) Incl. intang. In '12: $8.66/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '13: 10.3%; earned on avg. com. eq., '12: 12.7%. Regulatory Climate: Average.

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DTE ENERGY CO. NYSE-DTE

RECENT PRICE 67.00 | P/E RATIO 16.3 (Trailing: 15.6 Median: 14.0) | RELATIVE P/E RATIO 0.95 | DIV'D YLD 3.9% | VALUE LINE

TIMELINESS 3 Lowered 1/11/13
SAFETY 2 Raised 12/21/12
TECHNICAL 3 Raised 3/22/13
BETA .75 (1.00 = Market)

2016-18 PROJECTIONS

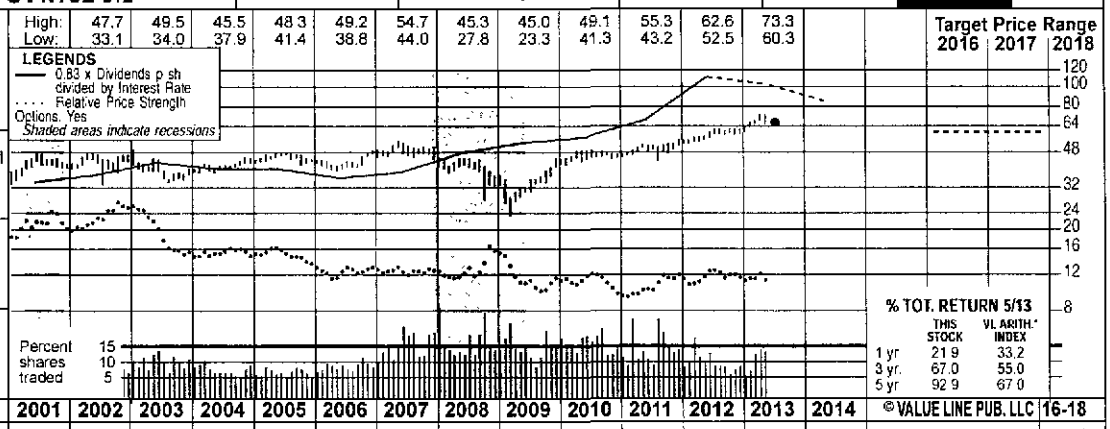
	Price	Gain	Ann'l Total Return
High	80	(+20%)	8%
Low	60	(-10%)	2%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	1	0	0	0	0	0	1	0
Options	1	6	0	0	2	3	0	7	2
to Sell	1	8	2	0	2	4	0	7	3

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	162	211	195
to Sell	169	157	178
Hld's(000)	98138	99659	103185



1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
25.94	29.10	32.60	39.24	48.71	40.30	41.76	40.84	50.74	50.93	54.28	57.23	48.45	50.51	52.57	51.01	*51.70*	*52.60*	Revenues per sh	*57.25*
7.42	7.61	8.40	8.59	6.98	8.31	6.95	6.81	8.14	8.19	8.48	8.26	9.38	9.78	9.57	9.77	*10.30*	*10.70*	"Cash Flow" per sh	*12.00*
2.88	3.05	3.33	3.27	2.15	3.83	2.85	2.55	3.27	2.45	2.66	2.73	3.24	3.74	3.67	3.88	*4.10*	*4.30*	Earnings per sh [A]	*4.75*
2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.08	2.12	2.12	2.12	2.18	2.32	2.42	*2.59*	*2.73*	Div'd Decl'd per sh [B] ■	*3.15*
3.14	3.83	5.10	5.25	6.80	5.88	4.45	5.19	5.99	7.92	7.96	8.42	6.26	6.49	8.77	10.56	*12.30*	*10.80*	Cap'l Spending per sh	*10.00*
24.55	25.49	26.95	28.15	28.48	27.26	31.36	31.85	32.44	33.02	35.86	36.77	37.96	39.67	41.41	42.78	*44.85*	*46.95*	Book Value per sh [C]	*53.00*
145.10	145.07	145.04	142.65	161.13	167.46	168.61	174.21	177.81	177.14	163.23	163.02	165.40	169.43	169.25	172.35	*177.00*	*181.50*	Common Shs Outst'g [D]	*190.00*
10.3	13.3	11.6	10.3	19.3	11.3	13.7	16.0	13.8	17.4	18.3	14.8	10.4	12.3	13.5	14.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.5*
.59	.69	.66	.67	.99	.62	.78	.85	.73	.94	.97	.89	.69	.78	.85	.95			Relative P/E Ratio	*.95*
6.9%	5.1%	5.3%	6.1%	5.0%	4.8%	5.3%	5.0%	4.6%	4.9%	4.4%	5.2%	6.3%	4.8%	4.7%	4.2%			Avg Ann'l Div'd Yield	*4.5%*
7041.0	7114.0	9022.0	9022.0	8861.0	9329.0	8014.0	8557.0	8897.0	8791.0	*9150*	*9550*	Revenues ($mill)	*10900*
480.0	443.0	576.0	437.0	453.0	445.0	532.0	630.0	624.0	666.0	*725*	*785*	Net Profit ($mill)	*930*
--	27.1%	26.0%	23.9%	25.1%	34.9%	31.6%	32.7%	35.9%	29.8%	*32.0%*	*32.0%*	Income Tax Rate	*32.0%*
1.3%	.7%	1.0%	5.0%	7.1%	11.2%	2.6%	1.6%	1.6%	3.0%	*2.0%*	*5.0%*	AFUDC % to Net Profit	*4.0%*
59.2%	57.8%	55.1%	56.1%	54.4%	56.4%	54.0%	51.3%	50.6%	48.8%	*49.5%*	*49.0%*	Long-Term Debt Ratio	*50.0%*
40.8%	42.2%	44.9%	43.9%	45.6%	43.6%	46.0%	48.7%	49.4%	51.2%	*50.5%*	*51.0%*	Common Equity Ratio	*50.0%*
12956	13154	12849	13323	12824	13736	13648	13811	14196	14387	*15750*	*16750*	Total Capital ($mill)	*20100*
10324	10491	10830	11451	11408	12231	12431	12992	13746	14684	*15750*	*16550*	Net Plant ($mill)	*18200*
5.6%	5.2%	6.3%	5.1%	5.3%	5.0%	5.7%	6.3%	5.9%	6.1%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.0%*
9.1%	8.0%	10.0%	7.5%	7.7%	7.4%	8.5%	9.4%	8.9%	9.0%	*9.0%*	*9.0%*	Return on Shr. Equity	*9.0%*
9.1%	8.0%	10.0%	7.5%	7.7%	7.4%	8.5%	9.4%	8.9%	9.0%	*9.0%*	*9.0%*	Return on Com Equity [E]	*9.0%*
2.5%	1.6%	3.7%	1.2%	1.5%	1.7%	2.9%	4.0%	3.4%	3.5%	*3.5%*	*3.5%*	Retained to Com Eq	*3.0%*
72%	80%	63%	84%	80%	77%	65%	57%	62%	61%	*62%*	*62%*	All Div'ds to Net Prof	*64%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $8058.0 mill. **Due in 5 Yrs** $2670.0 mill.
LT Debt $7218.0 mill. **LT Interest** $383.0 mill.
Incl. $9.0 mill. capitalized leases, $480.0 mill. Trust Preferred Securities, and $201.0 mill. securitized bonds
(LT interest earned: 3.5x)
Leases, Uncapitalized Annual rentals $38.0 mill.
Pension Assets-12/12 $3.22 bill.
Oblig. $4.73 bill.
Pfd Stock None
Common Stock 173,950,853 shs

MARKET CAP: $12 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-.6	+6	-.5
Avg Indust. Use (MWH)	NA	NA	NA
Avg Indust. Revs. per KWH (¢)	NMF	NMF	NMF
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	11687	11314	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	-.4	--	--
Fixed Charge Cov. (%)	262	282	270

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	2.0%	--	*2.0%*
"Cash Flow"	2.0%	3.0%	*3.5%*
Earnings	2.0%	6.0%	*4.0%*
Dividends	1.0%	2.0%	*5.5%*
Book Value	4.0%	4.0%	*4.0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	2453	1792	2139	2173	8557.0
2011	2431	2028	2265	2173	8897.0
2012	2239	2013	2190	2349	8791.0
2013	2516	*2100*	*2284*	*2250*	*9150*
2014	*2600*	*2200*	*2400*	*2350*	*9550*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1.38	.51	.96	.90	3.74
2011	1.04	.67	1.07	.89	3.67
2012	.91	.87	1.30	.79	3.88
2013	1.34	*.76*	*1.15*	*.85*	*4.10*
2014	*1.25*	*.85*	*1.25*	*.95*	*4.30*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.53	.53	.53	.53	2.12
2010	.53	.53	.53	.56	2.15
2011	.56	.56	.5875	.5875	2.30
2012	.5875	.5875	.5875	62	2.38
2013	.62	.62	.655		

BUSINESS: DTE Energy Company is a holding company for DTE Electric (formerly Detroit Edison), which supplies electricity in Detroit and a 7,600-square-mile area in southeastern Michigan, and DTE Gas (formerly Michigan Consolidated Gas). Customers: 2.1 mill. electric, 1.3 mill. gas. Acquired MCN Energy 6/01. Has various nonutility operations. Electric revenue breakdown: residential, 44%; commercial, 36%; industrial, 15%; other, 5%. Generating sources: coal, 67%, nuclear, 17%; gas, 1%, purchased, 15%. Fuel costs: 37% of revenues '12. reported deprec. rates: 3.3% electric, 2.4% gas. Has 9,900 employees. Chairman, President & CEO: Gerard M. Anderson Inc.: Michigan. Address: One Energy Plaza, Detroit, MI 48226-1279. Tel.: 313-235-4000. Internet: www.dteenergy.com.

We have raised our 2013 and 2014 earnings estimates for DTE Energy by $0.10 a share each year. This year got off to a good start, thanks to a return to normal weather after a record warm winter in 2012. The gas utility, DTE Gas, also received a $20 million rate hike at the start of 2013. The company's operations are performing well across the board, and DTE is controlling nonfuel operating and maintenance expenses effectively. The gas pipeline and storage business is well positioned to benefit from expanding shale gas production. DTE also has some nonregulated operations (industrial energy services, renewable energy projects, and reduced emissions fuel) that should increase their contribution as they add projects. Next year, the electric utility, DTE Electric, will benefit from the amortization into income of $127 million of regulatory liabilities that otherwise would have been passed on to customers. This enabled the utility to delay its next general rate case, although a filing is still possible next year. Our revised estimates are within DTE's targeted ranges of $3.90-$4.20 a share this year and $4.12-$4.42 next year.

DTE Gas was granted a tracking mechanism by the Michigan Public Service Commission. This will enable the utility to recover the cost of service related to annual infrastructure investments (averaging $77 million a year) from 2013 through 2017. This will reduce the effects of regulatory lag and should enable DTE Gas to postpone the filing of its next general rate application by as much as three years.

DTE's board of directors has raised the dividend. The board boosted the quarterly disbursement by $0.035 a share (5.6%), effective in mid-July. The increase came three months earlier, and was a bit larger, than we had estimated. DTE is targeting a dividend payout ratio of 60%-70%.

DTE's strengths are reflected in the share price. The dividend yield is only about average for a utility, and with the recent quotation above the midpoint of our 2016-2018 Target Price Range, total return potential is just modest, despite our expectation of continued healthy dividend growth.

Paul E. Debbas, CFA *June 21, 2013*

(A) Diluted EPS. Excl. nonrec. gains (losses): '03, (16¢); '05, (2¢); '06, 1¢; '07, $1.96; '08, 50¢; '11, 51¢, gains (losses) on disc. ops.: '03, 40¢; '04, (6¢), '05, (20¢); '06, (2¢); '07, $1.20; '08, 13¢; '12, (33¢). '10 & '12 EPS don't add due to rounding. Next egs. report due late July. (B) Div'ds histor. paid in mid-Jan., Apr., July and Oct. ■ Div'd reinvest. plan avail. (C) Incl. intang. In '12: $39.46/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '11: 10.5% elec.; in '13, 10.5% gas, earned on avg. com. eq., '12: 9.0%. Regul. Clim.: Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	65
Earnings Predictability	85

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DUKE ENERGY NYSE-DUK

RECENT PRICE 70.77 | P/E RATIO 16.8 (Trailing: 21.9) (Median: NMF) | RELATIVE P/E RATIO 0.95 | DIV'D YLD 4.4% | VALUE LINE

TIMELINESS 4 Lowered 4/19/13
SAFETY 2 New 6/1/07
TECHNICAL 4 Lowered 8/23/13
BETA .60 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+5%)	6%
Low	55	(-20%)	-1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	1
Options	0	0	1	1	0	8	0	0	3
to Sell	1	1	3	1	1	1	1	1	7

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	432	428	409
to Sell	547	440	434
Hld's(000)	351679	364401	374796

LEGENDS
0.64 x Dividends p sh divided by Interest Rate
Relative Price Strength
1-for-3 Rev split 7/12
Options: Yes
Shaded areas indicate recessions

High: 63.9 61.8 53.8 55.8 66.4 71.1 75.5
Low: 50.7 40.5 35.2 46.4 50.6 59.6 64.4

Target Price Range 2016 | 2017 | 2018

1-for-3 Reverse

Percent shares traded 15 10 5

% TOT. RETURN 7/13

	THIS STOCK	VL ARITH.* INDEX
1 yr	9.6	36.4
3 yr	60.8	63.6
5 yr	76.2	92.7

Duke Energy Corporation, in its current configuration, began trading on January 3, 2007, the day after it spun off its midstream gas operations into a new company, Spectra Energy (NYSE: SE), to shareholders. Duke Energy shareholders received half a share of Spectra Energy for each Duke share held. In July of 2012, Duke acquired Progress Energy and effected a 1-for-3 reverse split. Data for the "old" Duke are not shown because they are not comparable

CAPITAL STRUCTURE as of 3/31/13
Total Debt $41348 mill. **Due in 5 Yrs** $12975 mill.
LT Debt $36339 mill. **LT Interest** $1646.0 mill.
Incl. $1689.0 mill. capitalized leases. Incl. $1255.0 mill. nonrecourse LT debt of variable interest entities.
(LT interest earned: 2.8x)
Leases, Uncapitalized Annual rentals $171.0 mill.
Pension Assets-12/12 $7.75 bill.
Oblig. $7.84 bill.
Pfd Stock None
Common Stock 705,739,261 shs.
as of 5/6/13
MARKET CAP: $50 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWh)	+7.0	-2.1	-2.8
Avg. Indust. Use (MWh)	2440	3062	2541
Avg. Indust. Revs. per KWh (¢)	4.86	4.89	5.84
Capacity at Peak (Mw) [F]	19908	19356	19575
Peak Load, Summer (Mw) [F]	16712	NA	NA
Annual Load Factor (%) [F]	58.0	NA	NA
% Change Customers (avg.)	+.4	+.3	+.8
Fixed Charge Cov. (%)	295	292	263

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	--	2.0%	5.0%
"Cash Flow"	--	--	4.0%
Earnings	--	4.5%	4.0%
Dividends	--	18.0%	2.0%
Book Value	--	-1.0%	3.0%

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	3594	3287	3946	3445	14272
2011	3663	3534	3964	3368	14529
2012	3630	3577	6722	5695	19624
2013	5898	5879	***6923***	***6300***	***25000***
2014	***6100***	***6100***	***7300***	***6500***	***26000***

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1.02	.87	1.53	.60	4.02
2011	1.14	.99	1.35	.66	4.14
2012	.86	.99	1.01	.59	3.71
2013	.89	.74	***1.50***	***.82***	***3.95***
2014	***1.15***	***.90***	***1.55***	***.70***	***4.30***

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.69	.69	.72	.72	2.82
2010	.72	.72	.735	.735	2.91
2011	.735	.735	.75	.75	2.97
2012	.75	.75	.765	.765	3.03
2013	.765	.765	.78		

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
	--	--	--	25.32	30.24	31.15	29.18	32.22	32.63	27.88	***35.40***	***36.80***	Revenues per sh	***41.50***
	--	--	--	7.86	8.11	7.34	7.58	8.49	8.68	6.80	***8.50***	***8.95***	"Cash Flow" per sh	***10.00***
	--	--	--	2.76	3.60	3.03	3.39	4.02	4.14	3.71	***3.95***	***4.30***	Earnings per sh [A]	***5.00***
	--	--	--	--	2.58	2.70	2.82	2.91	2.97	3.03	***3.09***	***3.15***	Div'd Decl'd per sh [B] ■ †	***3.35***
	--	--	--	8.07	7.43	10.35	9.85	10.84	9.80	7.81	***8.65***	***9.75***	Cap'l Spending per sh	***9.75***
	--	--	--	62.30	50.40	49.51	49.85	50.84	51.14	58.04	***58.50***	***59.60***	Book Value per sh [C]	***63.75***
	--	--	--	418.96	420.62	423.96	436.29	442.96	445.29	704.00	***706.00***	***707.00***	Common Shs Outst'g [D]	***710.00***
	--	--	--	--	16.1	17.3	13.3	12.7	13.8	17.5	***Bold figures are Value Line estimates***		Avg Ann'l P/E Ratio	***13.0***
	--	--	--	--	.85	1.04	.89	.81	.87	1.11			Relative P/E Ratio	***.85***
	--	--	--	--	4.4%	5.2%	6.2%	5.7%	5.2%	4.7%			Avg Ann'l Div'd Yield	***5.2%***
	--	--	--	10607	12720	13207	12731	14272	14529	19624	***25000***	***26000***	Revenues ($mill)	***29500***
	--	--	--	1080.0	1522.0	1279.0	1461.0	1765.0	1839.0	2136.0	***2790***	***3045***	Net Profit ($mill)	***3575***
	--	--	--	29.4%	31.9%	32.5%	34.4%	32.6%	31.3%	30.2%	***34.5%***	***34.5%***	Income Tax Rate	***34.5%***
	--	--	--	6.9%	7.2%	16.0%	17.5%	22.7%	23.2%	22.3%	***9.0%***	***9.0%***	AFUDC % to Net Profit	***8.0%***
	--	--	--	41.0%	30.9%	38.7%	42.6%	44.3%	45.1%	47.0%	***48.0%***	***49.0%***	Long-Term Debt Ratio	***52.0%***
	--	--	--	59.0%	69.1%	61.3%	57.4%	55.7%	54.9%	52.9%	***52.0%***	***51.0%***	Common Equity Ratio	***48.0%***
	--	--	--	44220	30697	34238	37863	40457	41451	77307	***79300***	***82850***	Total Capital ($mill)	***94400***
	--	--	--	41447	31110	34036	37950	40344	42661	68558	***71450***	***75050***	Net Plant ($mill)	***85300***
	--	--	--	3.1%	6.0%	4.8%	4.9%	5.5%	5.6%	3.6%	***4.5%***	***5.0%***	Return on Total Cap'l	***5.0%***
	--	--	--	4.1%	7.2%	6.1%	6.7%	7.8%	8.1%	5.2%	***7.0%***	***7.0%***	Return on Shr. Equity	***8.0%***
	--	--	--	4.1%	7.2%	6.1%	6.7%	7.8%	8.1%	5.2%	***7.0%***	***7.0%***	Return on Com Equity [E]	***8.0%***
	--	--	--	4.1%	2.0%	.6%	1.1%	2.1%	2.2%	.9%	***1.5%***	***2.0%***	Retained to Com Eq	***2.5%***
	--	--	--	--	72%	89%	84%	73%	72%	82%	***78%***	***73%***	All Div'ds to Net Prof	***67%***

BUSINESS: Duke Energy Corporation is a holding company for utilities with 7.1 mill. elec. customers in North Carolina, Florida, Indiana, South Carolina, Ohio, & Kentucky, and over 500,000 gas customers in Ohio & Kentucky. Owns independent power plants & has international ops. Acq'd Cinergy 4/06; spun off midstream gas ops. 1/07; acq'd Progress Energy 7/12. Elec. rev. breakdown: residential, 43%; commercial, 31%; industrial, 15%; other, 11%. Generating sources: coal, 38%; nuclear, 29%; gas, 18%; purch., 15%. Fuel costs: 39% of revs. '12 reported deprec. rates: 2.5%-3.2%. Has 27,900 empls. Chairman: James E. Rogers. President & CEO: Lynn J. Good. Inc.: DE. Address: 550 South Tryon St., Charlotte, NC 28202-1803. Tel.: 704-382-3853. Internet: www.duke-energy.com.

Duke Energy's utility subsidiaries have obtained some rate hikes this year and have reached regulatory settlements in other proceedings. A $179 million (5.5%) rate hike for Progress Energy, based on a 10.2% return on equity, took effect in North Carolina at the start of June. Duke Energy has reached settlements in North and South Carolina calling for tariff increases of $235 million (5.1%) and $119 million (8.2%), respectively, based on a 10.2% ROE. New rates would take effect in September, if the settlements are approved by the commission in each state. In Ohio, a $49 million (2.9%) electric distribution rate increase, based on a 9.84% ROE, took effect in May. Progress Energy might file a rate application in South Carolina in late 2013, but other than this, the company probably won't file any more rate cases for the next few years. **An important matter is pending in Ohio.** Duke is asking the commission for recovery of $729 million of capacity costs associated with its generating fleet there. Customers in Ohio can choose their power supplier and, due to competitive forces, Duke's profitability there has waned in recent years. A ruling is expected this fall. **Earnings are likely to rise in 2013 and 2014.** Duke is still booking merger-related costs stemming from its takeover of Progress Energy in July of 2012, but these are declining over time. (They reduced share net by $0.07 in the first half this year.) The company is also changing the way it records scheduled nuclear outage costs, levelizing them each year instead of booking them when the outage occurs. This will boost the bottom line in the fourth quarter of 2013. Even so, we have cut our estimate by $0.10 a share because June-quarter results (including an $0.08-a-share charge for nuclear development costs) fell short of our estimate. With this charge absent in 2014, and Duke benefiting from a full year of the aforementioned rate hikes, profits should advance nicely. The outcome of the aforementioned regulatory matter in Ohio will affect results next year, however. **This untimely stock's yield is fractionally above the utility average.** With the quotation near the top of our 2016-2018 Target Price Range, however, long-term total return potential is low.

Paul E. Debbas, CFA *August 23, 2013*

(A) Dil. EPS. Excl. nonrec. losses: '09, 63¢; '10, $1.02; '11, 30¢; '12, 70¢; '13, 26¢; gain on disc. ops., '12, 6¢. '12 EPS don't add due to chg. in shs. Next egs. report due early Nov. (B) Div'ds hist. paid in mid-Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. intang. In '12: $39.66/sh. (D) In mill., adj. for rev. split. (E) Rate base: Net orig. cost. Rates all'd on com. eq. in '12 in NC/SC: 10.5%; in '09 in OH: 10.63% (elec.); in '04 in IN: 10.3%; earn. on avg. com. eq., '12: 6.8%. Reg. Clim.: NC Avg.; SC, OH, IN Above Avg. (F) Carolinas only.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	70
Earnings Predictability	75

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EDISON INTERNAT'L NYSE-EIX

RECENT PRICE 49.70 | P/E RATIO 14.8 (Trailing: 10.3 / Median: 12.0) | RELATIVE P/E RATIO 0.82 | DIV'D YLD 2.8% | VALUE LINE

TIMELINESS 3 Raised 3/8/13
SAFETY 2 Raised 5/3/13
TECHNICAL 3 Lowered 7/26/13
BETA .75 (1.00 = Market)

2016-18 PROJECTIONS

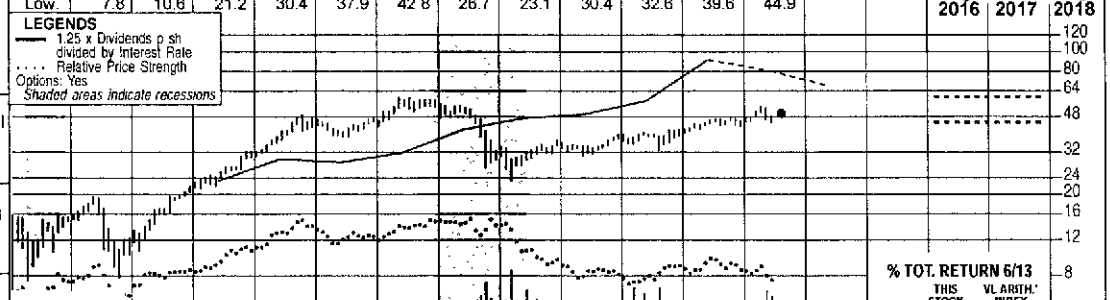
	Price	Gain	Ann'l Total Return
High	60	(+20%)	8%
Low	45	(-10%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	2	0	0	5	0	1
to Sell	0	0	0	2	0	0	5	0	1

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	175	181	224
to Sell	183	198	185
Hld's(000)	254007	253202	260823



1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
24.58	29.12	27.85	35.96	35.10	35.26	37.25	31.30	36.38	38.74	40.25	43.31	37.98	38.09	39.16	36.41	*37.30*	*40.35*	Revenues per sh	*48.00*
5.49	6.65	7.20	d.52	4.35	4.79	5.88	3.79	6.99	7.25	7.60	8.08	7.96	8.41	9.03	9.63	*8.70*	*9.20*	"Cash Flow" per sh	*10.75*
1.75	1.86	2.03	d5.84	1.30	1.82	2.38	.69	3.34	3.28	3.32	3.68	3.24	3.35	3.23	4.55	*3.35*	*3.50*	Earnings per sh [A]	*4.00*
1.00	1.04	1.08	.83	--	--	--	.80	1.02	1.10	1.18	1.23	1.25	1.27	1.29	1.31	*1.36*	*1.46*	Div'd Decl'd per sh [B] ■	*1.80*
2.08	2.75	3.55	4.57	2.86	4.88	3.95	5.32	5.73	7.78	8.67	8.67	10.07	13.94	14.76	12.73	*12.90*	*12.30*	Cap'l Spending per sh	*13.25*
14.71	14.55	15.01	7.43	10.04	13.62	16.52	18.57	20.30	23.66	25.92	29.21	30.20	32.44	30.86	28.95	*29.80*	*31.75*	Book Value per sh [C]	*37.50*
375.76	350.55	347.21	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	*325.81*	*325.81*	Common Shs Outst'g [D]	*325.81*
13.7	15.1	12.9	--	10.0	7.8	7.0	NMF	11.7	13.0	16.0	12.4	9.7	10.3	11.8	9.7	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*13.0*
.79	.79	.74	--	.51	.43	.40	NMF	.62	.70	.85	.75	.65	.66	.74	.62			Relative P/E Ratio	*.85*
4.2%	3.7%	4.1%	3.9%	--	--	--	3.1%	2.6%	2.6%	2.2%	2.7%	4.0%	3.7%	3.4%	3.0%			Avg Ann'l Div'd Yield	*3.5%*
12135	10199	11852	12622	13113	14112	12374	12409	12760	11862	*12150*	*13150*	Revenues ($mill)	*15650*
738.0	220.0	1132.0	1134.0	1151.0	1266.0	1115.0	1153.0	1112.0	1594.0	*1210*	*1265*	Net Profit ($mill)	*1420*
22.4%	--	26.0%	31.4%	27.3%	30.7%	33.0%	32.1%	25.7%	14.3%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
3.7%	11.4%	4.9%	5.1%	8.2%	8.9%	10.5%	16.9%	14.8%	8.5%	*12.0%*	*11.0%*	AFUDC % to Net Profit	*10.0%*
68.1%	60.5%	54.6%	51.3%	49.1%	51.2%	49.3%	51.8%	55.3%	45.2%	*47.5%*	*48.0%*	Long-Term Debt Ratio	*47.5%*
31.1%	37.8%	40.9%	43.5%	46.0%	44.5%	46.5%	44.3%	40.6%	46.2%	*44.0%*	*43.5%*	Common Equity Ratio	*45.0%*
17299	15995	16167	17725	18375	21374	21185	23861	24773	20422	*22075*	*23825*	Total Capital ($mill)	*27400*
12587	13475	14469	15913	17403	18969	21966	24778	32116	30273	*30775*	*32925*	Net Plant ($mill)	*39600*
7.2%	4.2%	9.4%	8.6%	8.3%	7.4%	6.9%	6.3%	6.0%	8.9%	*6.5%*	*6.5%*	Return on Total Cap'l	*6.5%*
13.4%	3.5%	15.4%	13.1%	12.3%	12.1%	10.4%	10.0%	10.0%	14.2%	*10.5%*	*10.0%*	Return on Shr. Equity	*10.0%*
13.6%	3.5%	16.7%	14.0%	13.0%	12.8%	10.8%	10.4%	10.5%	15.9%	*11.5%*	*11.0%*	Return on Com Equity [E]	*10.5%*
13.6%	NMF	12.2%	10.1%	9.2%	8.5%	6.7%	6.5%	6.3%	11.4%	*7.0%*	*6.5%*	Retained to Com Eq	*6.0%*
1%	NMF	29%	31%	33%	35%	41%	40%	43%	32%	*45%*	*46%*	All Div'ds to Net Prof	*50%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $10049 mill. **Due in 5 Yrs** $2720.0 mill.
LT Debt $8829.0 mill **LT Interest** $433.0 mill.
(LT interest earned: 5.1x)
Leases, Uncapitalized Annual rentals $1.03 bill.
Pension Assets-12/12 $3.54 bill. **Oblig.** $4.95 bill.
Pfd Stock $1754 mill. **Pfd Div'd** $103.0 mill.
4,800,198 shs. 4.08%-4.78%, $25 par, call. $25.50-$28.75/sh ; 8,500,000 shs. 4.32%-6.125%, non-cum., call. $100; 1,250,000 shs. 6.5%, cum., $100 liq. value; 350,000 shs. 6.25%, $1000 liq. value; 190,004 shs. 5.625%. $2500 liq. value.
Common Stock 325,811,206 shs. **as of 4/26/13**
MARKET CAP: $16 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-2.7	+.9	+2.6
Avg Indust. Use (MWH)	710	736	763
Avg Indust. Revs. per KWH (¢)	7.38	7.09	7.50
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	22771	22374	21981
Annual Load Factor (%)	50.7	50.7	52.7
% Change Customers (yr-end)	+.5	+.4	+.4
Fixed Charge Cov. (%)	240	209	308

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	.5%	-.5%	*4.0%*
"Cash Flow"	12.0%	4.5%	*3.0%*
Earnings	--	2.5%	*1.5%*
Dividends	--	3.0%	*5.5%*
Book Value	11.5%	5.5%	*3.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	2810	2742	3788	3069	12409
2011	2782	2983	3981	3014	12760
2012	2415	2653	3734	3060	11862
2013	2632	*2868*	*3900*	*2750*	*12150*
2014	*2900*	*3100*	*4150*	*3000*	*13150*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.70	.62	1.46	.57	3.35
2011	.62	.54	1.31	.76	3.23
2012	.54	.55	1.09	2.39	4.55
2013	.78	*.65*	*1.17*	*.75*	*3.35*
2014	*.80*	*.70*	*1.20*	*.80*	*3.50*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.31	.31	.31	.31	1.24
2010	.315	.315	.315	.315	1.26
2011	.32	.32	.32	.32	1.28
2012	.325	.325	.325	.325	1.30
2013	.3375	.3375	.3375		

BUSINESS: Edison International (formerly SCECorp) is a holding company for Southern California Edison (SCE), which supplies electricity to 4.9 million customers in a 50,000 sq mi area in central, coastal, and southern California (excl. Los Angeles and San Diego). Discontinued Edison Mission Energy (independent power producer) in '12. Electric revenue breakdown: residential, 44%; commercial, 43%; industrial, 6%; other, 7%. Generating sources: gas, 9%, nuclear, 7%; coal, 6%; hydro, 3%; purchased, 75%. Fuel costs: 35% of revs '12. reported deprec. rate: 4.3%. Has 16,600 employees. Chairman, President & CEO: Theodore F. Craver, Jr. Inc.: CA. Address: 2244 Walnut Grove Ave., P.O. Box 976, Rosemead, CA 91770. Tel.: 626-302-2222. Internet: www.edison.com

Edison International's utility subsidiary is closing the San Onofre nuclear station. Southern California Edison owns 78.21% of the two units. They have been out of service since January of 2012 after SCE found a leak in a tube inside a steam generator, and the utility determined that it was unlikely that even the unit that is in better condition would be able to be restarted by the end of 2013. Restarting the facility would have required the approval of the Nuclear Regulatory Commission, and keeping the plant ready for restart was costing about $30 million a month. The closing will force the company to take a charge (estimated at $300 million $425 million after taxes) against second-quarter results, which we will *exclude* from our presentation as a nonrecurring item. Part of this will be cash for refunds to customers. The announcement did not have a big effect on the share price, but the stock had been weak in recent weeks, perhaps in anticipation of a closing. Management had indicated that this was a possibility. It is not yet known how much of the costs are recoverable through insurance, warranties, or litigation. The company has filed suit against Mitsubishi, the designer and manufacturer of the steam generators.

The plant closing will lower ongoing earnings by $0.20 a share this year. Most of this amount is due to the removal of San Onofre from SCE's rate base, although it is possible that the state commission might still allow the utility a partial return on its asset. As a result, the company reduced its earnings guidance from $3.45-$3.65 a share to $3.25-$3.45. We have cut our estimate by $0.15 a share, to $3.35, and have lowered our 2014 forecast by $0.20 a share, to $3.50.

Earnings were headed down in 2013, anyway. SCE's allowed return on equity was lowered at the start of the year. Also, the tally in the fourth quarter of 2012 was inflated by a $0.71-a-share gain for the reversal of taxes that were paid in previous years.

We think this stock is overvalued. The dividend yield of less than 3% isn't appealing, by utility standards. Shareholders can expect respectable dividend growth over the 3- to 5-year period, but not enough to produce an attractive total return.

Paul E. Debbas, CFA *August 2, 2013*

(A) Diluted EPS. Excl. nonrec. gains (losses): '02, $1.48; '03, (12¢); '04, $2.12. '09, (64¢); '10, 54¢; '11, ($3.33); 2Q '13, *($1.10)*; gain (loss) from discont. ops.: '12, ($5.11); '13, 4¢. '10 & '12 EPS don't add due to rounding. Next earnings report due early Nov. (B) Div'ds paid late Jan., Apr., July, & Oct. ■ Div'd reinvestment plan avail. (C) Incl. deferred charges. In '12: $19.71/sh. (D) In mill. (E) Rate base: net orig. cost. Rate allowed on com. eq. in '13: 10.45%; earned on avg. com. eq., '12: 14.0%. Regulatory Climate: Above Average.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	65
Earnings Predictability	85

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AMERICAN ELEC. PWR. NYSE-AEP

RECENT PRICE 45.36 | P/E RATIO 14.6 (Trailing: 15.2 / Median: 13.0) | RELATIVE P/E RATIO 0.85 | DIV'D YLD 4.4% | VALUE LINE

TIMELINESS 3 Lowered 8/4/12
SAFETY 3 Lowered 10/4/02
TECHNICAL 3 Raised 5/17/13
BETA .65 (1.00 = Market)

2016-18 PROJECTIONS

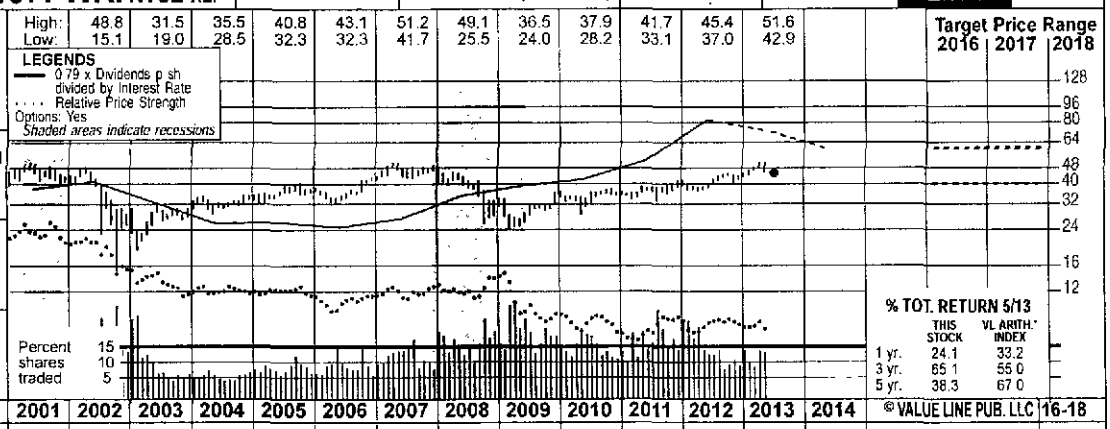
	Price	Gain	Ann'l Total Return
High	60	(+30%)	11%
Low	40	(-10%)	2%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	2	0	0	1	0
Options	0	0	0	0	1	0	0	0	0
to Sell	0	0	0	0	1	0	0	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	295	304	321
to Sell	255	271	264
Hld's(000)	299291	297607	307129



1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
32.43	33.08	35.63	42.53	190.10	42.96	36.82	35.51	30.76	31.82	33.41	35.56	28.22	30.01	31.27	30.77	*31.70*	*32.50*	Revenues per sh	*36.75*
6.47	6.03	6.36	5.11	7.65	6.99	5.76	5.89	5.96	6.67	6.80	6.84	6.32	6.29	6.83	6.64	*6.95*	*7.35*	"Cash Flow" per sh	*8.50*
3.28	2.81	2.69	1.04	3.27	2.86	2.53	2.61	2.64	2.86	2.86	2.99	2.97	2.60	3.13	2.98	*3.10*	*3.30*	Earnings per sh [A]	*3.75*
2.40	2.40	2.40	2.40	2.40	2.40	1.65	1.40	1.42	1.50	1.58	1.64	1.64	1.71	1.85	1.88	*1.94*	*2.04*	Div'd Decl'd per sh [B] ■	*2.30*
4.00	4.13	4.47	5.51	5.69	5.08	3.44	4.28	6.11	8.89	8.88	9.83	6.19	5.07	5.74	6.45	*7.55*	*7.75*	Cap'l Spending per sh	*7.50*
24.62	25.24	25.79	25.01	25.54	20.85	19.93	21.32	23.08	23.73	25.17	26.33	27.49	28.33	30.33	31.37	*32.55*	*33.85*	Book Value per sh [C]	*38.25*
189.99	191.82	194.10	322.02	322.24	338.84	395.02	395.86	393.72	396.67	400.43	406.07	478.05	480.81	483.42	485.67	*489.00*	*492.00*	Common Shs Outst'g [D]	*505.00*
13.4	17.0	14.3	NMF	13.9	12.7	10.7	12.4	13.7	12.9	16.3	13.1	10.0	13.4	11.9	13.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*13.5*
.77	.88	.82	NMF	.71	.69	.61	.66	.73	.70	.87	.79	.67	.85	.75	.88			Relative P/E Ratio	*.90*
5.5%	5.0%	6.2%	6.7%	5.3%	6.6%	6.1%	4.3%	3.9%	4.1%	3.4%	4.2%	5.5%	4.9%	5.0%	4.6%			Avg Ann'l Div'd Yield	*4.5%*
14545	14057	12111	12622	13380	14440	13489	14427	15116	14945	*15500*	*16000*	Revenues ($mill)	*18550*
984.0	1038.0	1036.0	1131.0	1147.0	1208.0	1365.0	1248.0	1513.0	1443.0	*1480*	*1595*	Net Profit ($mill)	*1890*
38.8%	33.1%	29.3%	33.0%	31.1%	31.3%	29.7%	34.8%	31.7%	33.9%	*36.0%*	*35.0%*	Income Tax Rate	*35.0%*
3.8%	3.6%	5.4%	9.9%	9.6%	9.9%	10.9%	10.4%	10.6%	11.2%	*7.0%*	*7.0%*	AFUDC % to Net Profit	*6.0%*
60.6%	56.2%	54.8%	56.7%	58.3%	59.1%	54.4%	53.1%	50.7%	50.6%	*49.5%*	*48.0%*	Long-Term Debt Ratio	*45.5%*
38.7%	43.1%	44.9%	43.0%	41.4%	40.7%	45.4%	46.7%	49.3%	49.4%	*50.5%*	*52.0%*	Common Equity Ratio	*54.5%*
20333	19584	20222	21902	24342	26290	28958	29184	29747	30823	*31475*	*31975*	Total Capital ($mill)	*35400*
22029	22801	24284	26781	29870	32987	34344	35674	36971	38763	*40575*	*42400*	Net Plant ($mill)	*47200*
6.6%	7.0%	6.6%	6.7%	6.3%	6.2%	6.2%	5.7%	6.6%	6.1%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.5%*
12.3%	12.1%	11.3%	11.9%	11.3%	11.2%	10.3%	9.1%	10.3%	9.5%	*9.5%*	*9.5%*	Return on Shr. Equity	*10.0%*
12.4%	12.2%	11.3%	12.0%	11.4%	11.3%	10.4%	9.1%	10.3%	9.5%	*9.5%*	*10.0%*	Return on Com Equity [E]	*10.0%*
4.5%	5.7%	5.2%	5.7%	5.1%	5.1%	4.6%	3.1%	4.2%	3.5%	*3.5%*	*4.0%*	Retained to Com Eq	*4.0%*
64%	54%	54%	53%	55%	55%	56%	66%	60%	63%	*64%*	*63%*	All Div'ds to Net Prof	*61%*

CAPITAL STRUCTURE as of 3/31/13
Total Debt $18880 mill. **Due in 5 Yrs** $8591 mill.
LT Debt $15899 mill. **LT Interest** $795 mill.
Incl. $2098 mill. securitized bonds
(LT interest earned 3.2x)

Leases, Uncapitalized Annual rentals $302 mill.
Pension Assets-12/12 $4.70 bill.
Oblig. $5.21 bill.
Pfd Stock None

Common Stock 486,045,098 shs.
as of 4/25/13
MARKET CAP: $22 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+4.5	+1.2	-2.1
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	4.95	4.95	4.69
Capacity at Peak (Mw)	NA	NA	NA
Peak Load (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	257	286	280

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-10.5%	-1.0%	3.0%
"Cash Flow"	--	.5%	4.5%
Earnings	2.0%	1.0%	4.5%
Dividends	-3.0%	4.0%	4.0%
Book Value	2.5%	4.5%	4.0%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	3569	3360	4064	3434	14427
2011	3730	3609	4333	3444	15116
2012	3625	3551	4156	3613	14945
2013	3826	*3650*	*4374*	*3650*	*15500*
2014	*3900*	*3800*	*4500*	*3800*	*16000*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.72	.35	1.16	.37	2.60
2011	.83	.73	1.17	.41	3.13
2012	.80	.75	1.00	.43	2.98
2013	.75	*.80*	*1.10*	*.45*	*3.10*
2014	*.85*	*.85*	*1.15*	*.45*	*3.30*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.41	.41	.41	.41	1.64
2010	.41	.42	.42	.46	1.71
2011	.46	.46	.46	.47	1.85
2012	.47	.47	.47	.47	1.88
2013	.47	.49			

BUSINESS: American Electric Power Company, Inc. (AEP), through 10 operating utilities, serves 5.3 mill. customers in Arkansas, Kentucky, Indiana, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia, and West Virginia. Electric revenue breakdown: residential, 38%; commercial, 24%; industrial, 20%; wholesale, 16%; other, 2%. Sold 50% stake in Yorkshire Holdings (British utility) '01; sold SEEBOARD (British utility) '02; sold Houston Pipeline '05. Generating sources not available. Fuel costs: 35% of revenues. '12 reported depr. rates (utility): 1.2%-3.9%. Has 18,500 employees. Chairman: Michael G. Morris. President & CEO: Nicholas K. Akins. Inc.: NY. Address: 1 Riverside Plaza, Columbus, OH 43215-2373. Tel.: 614-716-1000. Internet: www.aep.com

American Electric Power's board of directors has raised the dividend for the first time in more than a year. The increase was two cents a share (4.3%) quarterly. AEP is targeting a payout ratio of 60%-70%, up from the previous 50%-60%. This reflects the fact that, following some asset transfers (see below), an estimated 86% of corporate profits will come from regulated operations.

The company is seeking regulatory approvals for some generating asset transfers. AEP needs the approval of the Federal Energy Regulatory Commission to effect a corporate separation of its generating assets in Ohio as a key step in its transition to competitive markets in the state. The company requires state regulatory approvals to transfer ownership interests in two plants to Appalachian Power (in Virginia and West Virginia) and Kentucky Power. AEP is targeting an effective date of January 1, 2014 for these moves.

AEP's coal-fired plants are facing more-stringent environmental rules. The company plans to retire 1,920 megawatts of capacity and spend $4 billion-$5 billion (through 2020) for upgrades to other units.

Most of the company's utilities earned an adequate return on equity in the 12-month period that ended on March 31st. A notable exception is Indiana & Michigan Power, but its results will improve following an $85 million rate hike that took effect in February. The only pending rate case is that of SWEPCO in Texas. The utility filed for an $83.1 million tariff hike, based on an 11.25% return on equity, but an administrative law judge recommended an increase of just $40 million, based on a 9.65% ROE. An order is expected next month, and will be retroactive to late January. Rate relief is a key reason why we expect higher earnings in 2013.

Electric transmission is a source of growth for AEP. Allowed ROEs for transmission investment are attractive. In fact, much of the profit growth we expect in 2014 can be attributed to transmission.

This stock's dividend yield is a cut above the utility average. Total return potential to 2016-2018 is higher than the utility average, as well.

Paul E. Debbas, CFA *June 21, 2013*

(A) Diluted EPS. Excl. nonrec. gains (losses): '02, ($3.86); '03, ($1.92): '04, 24¢; '05, (62¢); '06, (20¢); '07, (20¢); '08, 40¢, '10, (7¢), '11, 89¢; '12, (38¢); gains (losses) on disc. ops.: '02, (57¢); '03, (32¢), '04, 15¢; '05, 7¢; '06, 2¢; '08, 3¢. '11 EPS don't add due to rounding. Next egs. report due late July. (B) Div'ds histor. paid early Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. intang. In '12: $18.41/sh. (D) In mill. (E) Rate base: various. Rates all'd on com. eq.: 9.96%-10.9%, earned on avg. com. eq., '12: 9.6%. Reg. Clim.: Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	65
Earnings Predictability	90

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ALLETE NYSE-ALE

RECENT PRICE 48.40 | P/E RATIO 17.6 (Trailing: 17.6 Median: NMF) | RELATIVE P/E RATIO 1.02 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 3 Lowered 5/24/13
SAFETY 2 New 10/1/04
TECHNICAL 3 Raised 3/15/13
BETA .70 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+15%)	7%
Low	40	(-15%)	Nil

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	1	1	0	0	0	0	5	5
to Sell	1	2	2	1	1	1	0	5	5

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	73	72	79
to Sell	68	65	61
Hld's(000)	22336	22657	24313

LEGENDS
0.98 x Dividends p sh divided by Interest Rate
Relative Price Strength
Options Yes
Shaded areas indicate recessions

High: 37.5 51.7 49.3 51.3 49.0 35.3 37.9 42.5 42.7 52.3
Low: 30.8 35.7 42.6 38.2 28.3 23.3 30.0 35.1 37.7 41.4

Target Price Range 2016 | 2017 | 2018

Percent shares traded 15 10 5

% TOT. RETURN 5/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	26.4	33.2
3 yr.	56.9	55.0
5 yr.	35.6	67.0

ALLETE, in its current configuration, began trading on September 21, 2004, the day after it spun off its automotive services business, ADESA (now KAR Auction Services, NYSE: KAR), to shareholders and effected a 1-for-3 reverse stock split. ALLETE shareholders received one share of ADESA for each ALLETE share held. Data for the "old" ALLETE are not shown because they are not comparable.

CAPITAL STRUCTURE as of 3/31/13
Total Debt $1016.3 mill. **Due in 5 Yrs** $269.6 mill.
LT Debt $975.1 mill. **LT Interest** $46.6 mill.
(LT interest earned: 4.1x)
Leases, Uncapitalized Annual rentals $11.5 mill.

Pension Assets-12/12 $460.1 mill.
Oblig. $652.1 mill.

Pfd Stock None

Common Stock 39,921,805 shs

MARKET CAP: $1.9 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	+29.1	+5.6	+1.1
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	5.20	5.30	5.24
Capacity at Peak (Mw)	1812	1789	1790
Peak Load, Winter (Mw) F	1604	1599	1633
Annual Load Factor (%)	79.0	79.0	79.0
% Change Customers (avg.)	+1.0	+.5	+.5
Fixed Charge Cov. (%)	334	344	341

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	--	-.5%	2.0%
"Cash Flow"	--	3.0%	6.0%
Earnings	--	-2.5%	7.0%
Dividends	--	4.5%	3.5%
Book Value	--	5.5%	4.0%

Calendar	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
	--	25.30	24.50	25.23	27.33	24.57	21.57	25.34	24.75	24.40	*24.45*	*25.30*	Revenues per sh	*28.25*
	--	2.97	3.85	4.14	4.42	4.23	3.57	4.35	4.91	5.01	*5.15*	*5.40*	"Cash Flow" per sh	*6.75*
	--	1.35	2.48	2.77	3.08	2.82	1.89	2.19	2.65	2.58	*2.75*	*2.95*	Earnings per sh A	*3.75*
	--	.30	1.25	1.45	1.64	1.72	1.76	1.76	1.78	1.84	*1.90*	*1.96*	Div'd Decl'd per sh B ■ †	*2.20*
	--	2.12	1.95	3.37	6.82	9.24	9.05	6.95	6.38	10.30	*7.45*	*8.30*	Cap'l Spending per sh	*7.50*
	--	21.23	20.03	21.90	24.11	25.37	26.41	27.26	28.78	30.48	*31.60*	*32.80*	Book Value per sh C	*36.50*
	--	29.70	30.10	30.40	30.80	32.60	35.20	35.80	37.50	39.40	*41.50*	*43.50*	Common Shs Outst'g D	*45.00*
	--	25.2	17.9	16.5	14.8	13.9	16.1	16.0	14.7	15.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*13.0*
	--	1.33	.95	.89	.79	.84	1.07	1.02	.92	1.01			Relative P/E Ratio	*.85*
	--	.9%	2.8%	3.2%	3.6%	4.4%	5.8%	5.0%	4.6%	4.5%			Avg Ann'l Div'd Yield	*4.5%*
	--	751.4	737.4	787.1	841.7	801.0	759.1	907.0	928.2	961.2	*1015*	*1100*	Revenues ($mill)	*1275*
	--	38.5	68.0	77.3	87.6	82.5	61.0	75.3	93.8	97.1	*105*	*120*	Net Profit ($mill)	*160*
	--	38.8%	28.4%	37.5%	34.8%	34.3%	33.7%	37.2%	27.6%	28.1%	*20.0%*	*20.0%*	Income Tax Rate	*20.0%*
	--	1.8%	.4%	1.4%	6.6%	5.8%	12.8%	8.9%	2.7%	5.3%	*5.0%*	*3.0%*	AFUDC % to Net Profit	*2.0%*
	--	38.2%	39.1%	35.1%	35.6%	41.6%	42.8%	44.2%	44.3%	43.7%	*45.5%*	*46.0%*	Long-Term Debt Ratio	*41.5%*
	--	61.8%	60.9%	64.9%	64.4%	58.4%	57.2%	55.8%	55.7%	56.3%	*54.5%*	*54.0%*	Common Equity Ratio	*58.5%*
	--	1020.7	990.6	1025.6	1153.5	1415.4	1625.3	1747.6	1937.2	2134.6	*2395*	*2635*	Total Capital ($mill)	*2800*
	--	883.1	860.4	921.6	1104.5	1387.3	1622.7	1805.6	1982.7	2347.6	*2550*	*2795*	Net Plant ($mill)	*3225*
	--	5.1%	8.0%	8.6%	8.6%	6.7%	4.8%	5.4%	6.0%	5.6%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.5%*
	--	6.1%	11.3%	11.6%	11.8%	10.0%	6.6%	7.7%	8.7%	8.1%	*8.0%*	*8.5%*	Return on Shr. Equity	*9.5%*
	--	6.1%	11.3%	11.6%	11.8%	10.0%	6.6%	7.7%	8.7%	8.1%	*8.0%*	*8.5%*	Return on Com Equity E	*9.5%*
	--	4.7%	5.2%	5.0%	5.8%	3.9%	.5%	1.5%	2.9%	2.3%	*2.5%*	*2.5%*	Retained to Com Eq	*3.5%*
	--	23%	54%	57%	51%	61%	93%	81%	66%	71%	*72%*	*70%*	All Div'ds to Net Prof	*62%*

BUSINESS: ALLETE, Inc. is the parent company of Minnesota Power, which supplies electricity to 146,000 customers in northeastern MN, & Superior Water, Light & Power in northwestern WI. Electric revenue breakdown: taconite mining/processing, 24%; paper/wood products, 9%; other industrial, 10%; residential, 13%; commercial, 14%; wholesale, 13%; other, 17%. Has real estate operation in FL. Disc. water-utility ops. in '01. Spun off automotive remarketing operation in '04. Generating sources: coal & lignite, 74%; biomass, 4%; hydro, 4%; wind, 2%; purch., 16%. '12 deprec. rate: 2.9%. Has 1,400 employees. Chairman, President & CEO: Alan R. Hodnik. Inc.: MN. Address: 30 West Superior St., Duluth, MN 55802-2093. Tel.: 218-279-5000. Internet: www.allete.com.

We estimate that ALLETE's earnings will climb 7% in 2013 and 2014. This year started well, thanks in part to a return to normal weather conditions in the first quarter. Also, Minnesota Power is benefiting from a full year of income from two wind projects that went into service in late 2012. And the taconite mines in the company's service area are running at full capacity. (Taconite is used in steelmaking.) Our estimate, which we've raised by $0.05 a share, is near the upper end of management's guidance of $2.58-$2.78. A key factor in 2014 is a taconite plant that Essar Steel is building. It will likely start up in the fourth quarter of 2013, with full production attained next year. Thus, we expect good growth in share profits, despite some dilution from equity issuances.

The company has other potential sources of profit growth. Other industrial customers in northern Minnesota have expansion plans. Also, Minnesota Power will likely add additional wind capacity at some point to meet the state's renewable-energy requirements. This points to good earnings growth through 2016-2018.

Minnesota Power is awaiting a regulatory decision. The utility is seeking permission for a $350 million-$400 million environmental upgrade to a coal-fired generating unit. It expects a ruling in the latter part of 2013.

ALLETE Properties is a drag on the bottom line. When the real estate market in Florida was doing well, this was a contributor to corporate profits. However, this operation fell into the red after the real estate market declined. It lost about $3.5 million last year, and a similar deficit is likely in 2013. ALLETE plans to sell its acreage over time.

Finances are sound. The fixed-charge coverage is healthy, and the common-equity ratio is high, by utility standards. ALLETE merits a Financial Strength rating of A.

ALLETE stock has outperformed its peers so far this year, having risen over 15%. We believe this is in anticipation of strong earnings growth, and continued respectable dividend hikes. The yield and 3- to 5-year total return potential are comparable with the industry averages.

Paul E. Debbas, CFA *June 21, 2013*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2010	233.6	211.2	224.1	238.1	907.0
2011	242.2	219.9	226.9	239.2	928.2
2012	240.0	216.4	248.8	256.0	961.2
2013	263.8	*235*	*255*	*261.2*	*1015*
2014	*275*	*260*	*280*	*285*	*1100*

Calendar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2010	.68	.57	.56	.38	2.19
2011	1.07	.48	.57	.53	2.65
2012	.66	.39	.78	.75	2.58
2013	.83	*.49*	*.74*	*.69*	*2.75*
2014	*.85*	*.59*	*.78*	*.73*	*2.95*

Calendar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.44	.44	.44	.44	1.76
2010	.44	.44	.44	.44	1.76
2011	.445	.445	.445	.445	1.78
2012	.46	.46	.46	.46	1.84
2013	.475	.475			

(A) Diluted EPS. Excl. nonrec. gain (loss): '04, 2¢; '05, ($1.84); gain (losses) on disc. ops.: '04, $2.57; '05, (16¢); '06, (2¢); loss from accounting change: '04, 27¢. Next egs. report due late July. (B) Div'ds historically paid in early Mar., June, Sept. and Dec. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. deferred chgs. In '12: $8.64/sh. (D) In mill. (E) Rate base: Original cost deprec. Rate allowed on com. eq. in '10: 10.38%; earned on avg. com. eq., '12: 8.6%. Regulatory Climate: Avg. (F) Summer peak in '10 & '12.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	50
Earnings Predictability	80

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AMEREN NYSE-AEE

RECENT PRICE 33.83 | P/E RATIO 16.5 (Trailing: 17.6 Median: 14.0) | RELATIVE P/E RATIO 0.96 | DIV'D YLD 4.7% | VALUE LINE

TIMELINESS 3 Raised 3/29/13
SAFETY 3 Lowered 6/26/09
TECHNICAL 2 Raised 6/21/13
BETA .80 (1.00 = Market)

2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+20%)	8%
Low	25	(-25%)	-2%

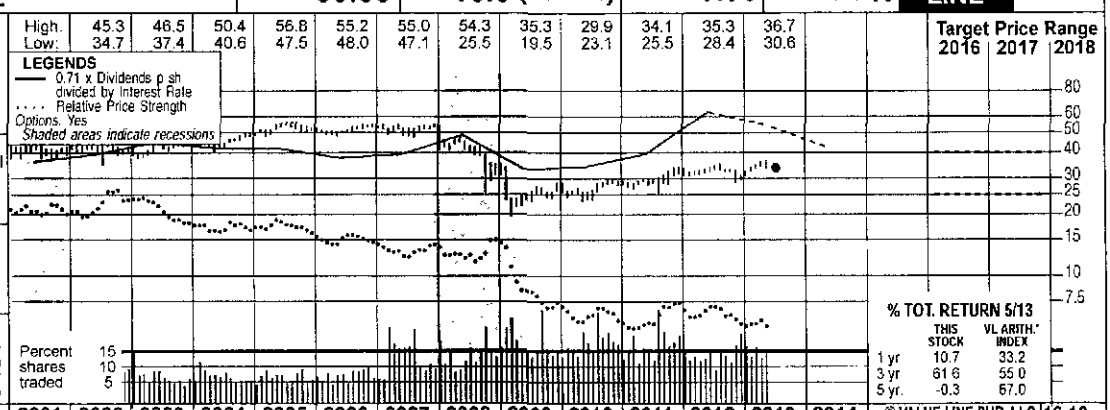
Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2012	4Q2012	1Q2013
to Buy	183	177	160
to Sell	154	186	207
Hld's(000)	149049	146944	143859

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
	24.24	24.18	25.68	26.10	32.64	24.93	28.20	26.43	33.12	33.30	36.23	36.92	29.87	31.77	31.04	28.15	24.50	25.20	Revenues per sh	27.50
	4.96	5.36	5.36	6.11	6.33	5.28	6.29	5.57	6.10	6.02	6.76	6.44	6.06	6.33	5.87	5.87	5.30	5.60	"Cash Flow" per sh	6.25
	2.44	2.82	2.81	3.33	3.41	2.66	3.14	2.82	3.13	2.66	2.98	2.68	2.78	2.77	2.47	2.41	2.05	2.25	Earnings per sh [A]	2.50
	2.54	2.54	2.54	2.54	2.54	2.54	2.54	2.54	2.54	2.54	2.54	2.54	1.54	1.54	1.56	1.60	1.60	1.60	Div'd Decl'd per sh [B] ■	1.70
	2.77	2.37	4.16	6.77	7.99	5.11	4.19	4.13	4.63	4.99	6.96	9.75	7.51	4.66	4.50	5.49	6.35	7.40	Cap'l Spending per sh	6.50
	22.00	22.27	22.52	23.30	24.26	24.93	26.73	29.71	31.09	31.86	32.41	32.80	33.08	32.15	32.64	27.27	26.50	27.15	Book Value per sh [C]	29.50
	137.22	137.22	137.22	137.22	138.05	154.10	162.90	195.20	204.70	206.60	208.30	212.30	237.40	240.40	242.60	242.60	242.65	246.00	Common Shs Outst'g [D]	255.00
	15.5	14.2	13.5	11.0	12.1	15.8	13.5	16.3	16.7	19.4	17.4	14.2	9.3	9.7	11.9	13.4	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	13.5
	.89	.74	.77	.72	.62	.86	.77	.86	.89	1.05	.92	.85	.62	.62	.75	.85			Relative P/E Ratio	.90
	6.7%	6.3%	6.7%	6.9%	6.2%	6.1%	6.0%	5.5%	4.9%	4.9%	4.9%	6.2%	6.0%	5.8%	5.3%	5.0%			Avg Ann'l Div'd Yield	5.0%
	4593.0	5160.0	6780.0	6880.0	7546.0	7839.0	7090.0	7638.0	7531.0	6828.0	5950	6200	Revenues ($mill)	7000
	517.0	541.0	628.0	547.0	629.0	615.0	624.0	689.0	602.0	589.0	500	555	Net Profit ($mill)	655
	36.8%	34.3%	35.6%	32.7%	33.5%	33.7%	34.7%	36.8%	37.3%	36.9%	38.0%	38.0%	Income Tax Rate	38.0%
	1.9%	1.8%	2.9%	7%	.8%	4.6%	5.8%	7.8%	5.6%	6.1%	6.0%	6.0%	AFUDC % to Net Profit	6.0%
	47.3%	45.5%	44.9%	43.8%	45.0%	47.8%	49.7%	48.2%	45.3%	49.5%	46.0%	47.0%	Long-Term Debt Ratio	44.0%
	50.6%	52.6%	53.3%	54.6%	53.4%	50.8%	49.1%	50.9%	53.7%	49.4%	52.5%	51.5%	Common Equity Ratio	55.0%
	8606.0	11036	11932	12063	12654	13712	15991	15185	14738	13384	12200	12925	Total Capital ($mill)	13700
	10917	13297	13572	14286	15069	16567	17610	17853	18127	16096	16100	17100	Net Plant ($mill)	19500
	7.4%	6.0%	6.5%	5.7%	6.2%	5.7%	5.3%	6.0%	5.6%	6.0%	5.5%	5.5%	Return on Total Cap'l	6.0%
	11.4%	9.0%	9.5%	8.1%	9.0%	8.6%	7.8%	8.5%	7.5%	8.7%	7.5%	8.0%	Return on Shr. Equity	8.5%
	11.6%	9.1%	9.7%	8.1%	9.2%	8.7%	7.8%	8.6%	7.5%	8.8%	7.5%	8.0%	Return on Com Equity [E]	8.5%
	2.2%	.9%	1.7%	2%	1.3%	1.0%	3.5%	3.8%	2.8%	3.0%	1.5%	2.5%	Retained to Com Eq	3.0%
	81%	91%	83%	97%	86%	88%	56%	56%	63%	66%	79%	71%	All Div'ds to Net Prof	67%



CAPITAL STRUCTURE as of 3/31/13
Total Debt $6158.0 mill. **Due in 5 Yrs** $2085.0 mill
LT Debt $5803.0 mill. **LT Interest** $337.0 mill.
(LT interest earned: 3.1x)
Leases, Uncapitalized Annual rentals $31.0 mill.
Pension Assets-12/12 $3.19 bill. **Oblig.** $4.15 bill.
Pfd Stock $142.0 mill. **Pfd Div'd** $8.0 mill.
807,595 shs. $3.50 to $5.50 cum. (no par), $100 stated value, redeemable at $102.176-$110/sh.
616,323 shs. 4.00% to 6.625%, $100 par, redeemable at $100-$104/sh
Common Stock 242,634,671 shs.
as of 4/30/13
MARKET CAP: $8.2 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWh)	+8.5	-1.9	-.7
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	4.63	4.93	4.80
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	293	295	291

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	.5%	-2.5%	-1.5%
"Cash Flow"	--	-1.0%	5%
Earnings	-2.0%	-2.5%	-.5%
Dividends	-4.5%	-9.0%	1.5%
Book Value	2.5%	-.5%	-.5%

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1940	1725	2267	1706	7638.0
2011	1904	1781	2268	1578	7531.0
2012	1658	1660	2001	1509	6828.0
2013	1475	*1425*	*1750*	*1300*	*5950*
2014	*1550*	*1475*	*1825*	*1350*	*6200*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.43	.64	1.49	.21	2.77
2011	.29	.57	1.50	.10	2.47
2012	d.11	.87	1.54	.11	2.41
2013	.22	*.50*	*1.25*	*.08*	*2.05*
2014	*.25*	*.70*	*1.30*	*Nil*	*2.25*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.385	.385	.385	.385	1.54
2010	.385	.385	.385	.385	1.54
2011	.385	.385	.385	.40	1.56
2012	.40	.40	.40	.40	1.60
2013	.40				

BUSINESS: Ameren Corp. is a holding company formed through the merger of Union Electric and CIPSCO. Acquired CILCORP 1/03; Illinois Power 10/04. Has 1.2 million electric and 127,000 gas customers in Missouri; 1.2 million electric and 811,000 gas customers in Illinois. Discontinued power-generation operation in '13. Electric revenue breakdown: residential, 48%, commercial 31%, industrial, 11%; other, 10%. Generating sources: coal, 67%, nuclear 9%, hydro, 1%; gas, 1%; purchased, 22%. Fuel costs: 37% of revenues. '12 reported deprec. rates: 3%-4%. Has 8,400 employees. Chairman, President & CEO: Thomas R. Voss. Inc.: MO. Address: One Ameren Plaza, 1901 Chouteau Ave., P.O. Box 66149, St. Louis, MO 63166-6149. Tel.: 314-621-3222. Internet: www.ameren.com.

Ameren has discontinued its merchant power-generation business. This operation is facing low power prices, rising coal costs, and a need for extensive capital spending to meet stricter environmental rules. Because coal-fired generating assets have become less desirable under such conditions, Ameren won't even get any cash when the deal is completed. Instead, *the company will shed $825 million of* long-term debt and reap $180 million (net present value) of tax benefits, most of which will be realized in 2015. Ameren booked an $0.82-a-share loss from discontinued operations in the March quarter, and smaller losses will continue over the remainder of 2013. The transaction requires the approval of the Federal Energy Regulatory Commission and the Illinois Pollution Control Board, and is expected to close in the fourth quarter of 2013. Ameren is also selling three nonregulated gas-fired generating units.

Ameren will benefit from new legislation in Illinois. Last year, a regulatory plan was enacted that provides electric utilities in the state with rate relief annually for certain kinds of capital spending. This should reduce the effects of regulatory lag. However, the law was implemented in a way that was not favorable for the utilities, which pressed for (and got) a new law that amended the previous one, and is more to the companies' liking. A similar mechanism for spending on utilities' gas systems was passed by the legislature. For now, Ameren is seeking a gas tariff hike of $50 million, based on a 10.4% return on a 51.82% common-equity ratio.

Earnings should improve in 2014. Our 2013 estimate is within Ameren's targeted range of $2.00-$2.20 a share. Next year, the company will benefit from formula rate relief in Illinois and the refinancing of $425 million of high-cost debt at the parent level. Increased spending on electric transmission projects—which offer an attractive allowed ROE—should be another plus in 2014 and beyond. However, we look for no dividend hike until 2015, although we don't rule one out next year.

Ameren stock offers a dividend yield that is well above the utility average. Like most utility issues, 3- to 5-year total return potential is mediocre.

Paul E. Debbas, CFA *June 21, 2013*

(A) Diluted EPS. Excl. nonrecur. gain (losses): '03, 11¢; '05, (11¢); '10, ($2.19); '11, (32¢); '12, ($6.42); loss from disc. ops.: '13, 82¢. '11 EPS don't add due to rounding. Next egs. report due early Aug. (B) Div'ds histor. paid in late Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail. (C) Incl. intang. in '12: $9.12/sh. (D) In mill. (E) Rate base: Orig. cost deprec. Rate allowed on com. eq. in MO in '13, 9.8% elec., in '10: 10.1% gas; in IL in '10: 9.9%-10.3% elec., in '12: 9.06% gas; earned on avg. com. eq., '12: 7.3%. Reg. Clim.: MO, Avg.; IL, Below Avg.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	5
Earnings Predictability	95

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THE VALUE LINE Investment Survey®

Part 1 Summary & Index

File at the front of the *Ratings & Reports* binder. Last week's *Summary & Index* should be removed.

August 23, 2013

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The Median of Estimated
PRICE-EARNINGS RATIOS
of all stocks with earnings

17.6

26 Weeks Ago	Market Low 3-9-09	Market High 5-21-13
16.2	10.3	17.5

The Median of Estimated
DIVIDEND YIELDS
(next 12 months) of all dividend paying stocks under review

2.0%

26 Weeks Ago	Market Low 3-9-09	Market High 5-21-13
2.2%	4.0%	2.1%

The Estimated Median Price
APPRECIATION POTENTIAL
of all 1700 stocks in the hypothesized economic environment 3 to 5 years hence

40%

26 Weeks Ago	Market Low 3-9-09	Market High 5-21-13
50%	185%	40%

ANALYSES OF INDUSTRIES IN ALPHABETICAL ORDER WITH PAGE NUMBER

Numeral in parenthesis after the industry is rank for probable performance (next 12 months).

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*Automotive (8)	101	Entertainment Tech (59)	2007	*Med Supp Non-Invasive (79)	203	Retail Automotive (22)	2121
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Building Materials (35)	1101	Furn/Home Furnishings (62)	1145	Office Equip/Supplies (19)	1421	Securities Brokerage (27)	1779
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Chemical (Basic) (49)	2454, 1585	*Heavy Truck & Equip (60)	155	Oilfield Svcs/Equip. (24)	2407	Semiconductor Equip (87)	1388
Chemical (Diversified) (50)	2433	Homebuilding (12)	1121	Packaging & Container (28)	1172	Shoe (82)	2155
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E-Commerce (97)	1794	Insurance (Life) (2)	1550	Precious Metals (86)	1563	Toiletries/Cosmetics (90)	1011
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*Reviewed in this week's issue.

In three parts: This is Part 1, the Summary & Index. Part 2 is Selection & Opinion. Part 3 is Ratings & Reports. Volume LXIX, No. 1.
Published weekly by VALUE LINE PUBLISHING LLC, 485 Lexington Avenue, New York, N.Y. 10017-2630

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Index to Stocks

Prices quoted are as of August 12, 2013.
All shares are traded on the New York Stock Exchange except where noted.

PAGE NUMBERS
Bold type refers to Ratings and Reports; *italics to Selection & Opinion*

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS: Timeliness	Safety	Technical	Beta	3-5 year Target Price Range	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS: Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	702	AAR Corp.		AIR	25.07	2	3	4	1.25	40- 55 (60-120%)	15.2	1.2	1.65	.30	37	5/31	.01	.32	9/30	.075	.075	YES
	1965	AB InBev ADR		BUD	100.03	3	1	3	.90	100- 120 (N- 20%)	21.1	2.2	4.75	2.22	68	6/30	.93	1.20	6/30	2.219	1.56	YES
	379	ABM Industries Inc.		ABM	25.97	2	3	3	.90	25- 40 (N- 55%)	17.5	2.3	1.48	.60	43	4/30	.36	.30	9/30	.15	.145	YES
	1422	ACCO Brands		ACCO	7.21	–	5	–	1.70	16- 30 (120-315%)	6.9	NIL	1.05	NIL	19	6/30	.19	.26	6/30	NIL	NIL	YES
	757	ACE Limited		ACE	89.82	3	2	4	.80	70- 90 (N- N%)	10.7	2.3	8.38	2.04	48	6/30	2.29	.96	9/30	▲.51	.49	YES
	2597	ACI Worldwide	(NDQ)	ACIW	51.50	3	3	3	.85	60- 90 (15- 75%)	25.8	NIL	2.00	NIL	42	6/30	◆.05	d.12	6/30	NIL	NIL	YES
	1318	ADT Corp. (The)		ADT	40.96	–	3	–	NMF	50- 75 (20- 85%)	22.1	1.2	1.85	.50	40	6/30	.52	.43	9/30	.125	NIL	YES
	1216	AES Corp.		AES	13.08	1	3	3	1.20	18- 25 (40- 90%)	9.8	1.2	1.34	.16	38	6/30	◆.32	.18	9/30	.04	NIL	YES
	348	AFC Enterprises	(NDQ)	AFCE	38.35	3	3	3	1.10	30- 50 (N- 30%)	25.7	NIL	1.49	NIL	66	3/31	.40	.34	6/30	NIL	NIL	YES
	156	AGCO Corp.		AGCO	57.45	2	3	3	1.50	75- 115 (30-100%)	9.6	0.7	6.01	.40	60	6/30	2.15	2.08	9/30	.10	NIL	YES
	540	AGL Resources		GAS	46.23	2	1	4	.75	55- 70 (20- 50%)	14.7	4.1	3.15	1.88	25	6/30	.41	.28	9/30	.47	.46	YES
	2376	A.H. Belo		AHC	7.30	2	5	4	1.45	9- 17 (25-135%)	27.0	4.4	.27	.32	17	6/30	.05	.01	9/30	▲.08	.06	
	742	*AK Steel Holding*		AKS	3.74	2	5	2	*1.90*	6- 12 (60-220%)	*NMF*	*NIL*	d.50	*NIL*	*61*	*6/30*	*d.30*	.10	6/30	*NIL*	.05	YES
	2325	AMC Networks	(NDQ)	AMCX	67.67	–	3	–	NMF	75- 115 (10- 70%)	20.6	NIL	3.28	NIL	78	3/31	.85	.60	6/30	NIL	NIL	YES
	1636	AMN Healthcare		AHS	15.46	2	3	3	1.05	17- 25 (10- 60%)	25.8	NIL	.60	NIL	20	6/30	.18	NIL	6/30	NIL	NIL	YES
	2617	AOL, Inc.		AOL	37.41	3	3	2	1.15	35- 50 (N- 35%)	24.0	NIL	1.56	NIL	54	6/30	.35	.85	6/30	NIL	NIL	YES
	1564	ASA Gold & Precious		ASA	14.06	–	3	2	1.10	25- 40 (80-185%)	NMF	2.8	.10	.40	86	5/31	15.67(q)	23.60(q)	6/30	.03	.03	YES
2259	922	AT&T Inc.		T	34.92	2	1	3	.70	45- 50 (30- 45%)	13.7	5.2	2.54	1.82	1	6/30	.71	.66	9/30	.45	.44	YES
	1389	ATMI, Inc.	(NDQ)	ATMI	24.69	3	3	2	1.25	35- 55 (40-125%)	16.8	NIL	1.47	NIL	87	6/30	.29	.35	6/30	NIL	NIL	YES
	1319	AVX Corp.		AVX	13.21	3	3	3	.90	12- 18 (N- 35%)	20.0	2.6	.66	.35	40	6/30	.16	.17	9/30	.088	.075	YES
	2135	Aaron's Inc.		AAN	28.38	3	3	4	.85	35- 50 (25- 75%)	12.4	0.2	2.28	.07	31	6/30	.50	.47	12/31	◆.017	.032	YES
2448	204	Abaxis, Inc.	(NDQ)	ABAX	40.96	▼5	3	3	1.15 ▼	50- 75 (20- 85%)	45.5	NIL	.90	NIL	79	6/30	.14	.13	6/30	NIL	NIL	YES
	1599	Abbott Labs.		ABT	35.90	–	1	–	NMF	45- 55 (25- 55%)	18.9	1.6	1.90	.56	81	6/30	.30	1.23	9/30	.14	.51	YES
	1600	AbbVie Inc.		ABBV	45.04	–	2	–	NMF	50- 70 (10- 55%)	14.9	3.6	3.03	1.60	81	6/30	.66	1.01	9/30	.40	NIL	YES
625	2201	Abercrombie & Fitch		ANF	50.17	3	3	3	1.20	55- 85 (10- 70%)	14.9	1.6	3.36	.80	69	4/30	d.09	d.25	6/30	.20	.175	YES
	420	Aberdeen Australia Fd.	(ASE)	IAF	10.25	–	3	3	1.30	18- 25 (75-145%)	NMF	4.9	NMF	.50	–	4/30	10.54(q)	9.96(q)	6/30	.08	.28	
	1203	Aberdeen Asia-Pac. Fd.	(ASE)	FAX	6.11	–	4	3	.85	7- 12 (15- 95%)	NMF	6.9	NMF	.42	–	4/30	7.75(q)	7.55(q)	9/30	.105	.105	
1647	2598	Accenture Plc		ACN	72.79	3	1	3	.85	80- 100 (10- 35%)	16.2	2.2	4.48	1.62	42	5/31	1.21	1.03	6/30	.81	.675	YES
453	1601	Actavis, Inc.		ACT	133.24	▼3	2	3	.75	125- 170 (N- 30%)	15.6	NIL	8.52	NIL	81	6/30	2.01	1.42	6/30	NIL	NIL	YES
2448	2008	Activision Blizzard	(NDQ)	ATVI	17.18	3	3	2	.75	19- 30 (10- 75%)	23.5	1.2	.73	.20	59	6/30	.28	.16	6/30	▲.19	.18	YES
	157	Actuant Corp.		ATU	36.55	3	3	2	1.35 ▲	40- 60 (10- 65%)	18.5	0.1	1.98	.04	60	5/31	.62	.60	12/31	.04	.04	YES
	1302	Acuity Brands		AYI	87.88	3	3	3	1.15	55- 85 (N- N%)	26.1	0.6	3.37	.54	51	5/31	.97	.82	9/30	.13	.13	YES
	1204	Adams Express		ADX	12.41	–	2	3	.95	14- 19 (15- 55%)	NMF	1.6	NMF	.20	–	3/31	13.58(q)	12.92(q)	9/30	.05	.05	
	2574	Adobe Systems	(NDQ)	ADBE	47.20	5	3	5	1.20	50- 70 (5- 50%)	65.6	NIL	.72	NIL	94	5/31	.15	.45	6/30	NIL	NIL	YES
	945	ADTRAN, Inc.	(NDQ)	ADTN	26.18	4	3	2	.95	30- 45 (15- 70%)	31.9	1.4	.82	.36	56	6/30	.21	.33	9/30	.09	.09	YES
	2122	Advance Auto Parts		AAP	82.45	3	3	3	.80	100- 145 (20- 75%)	14.6	0.3	5.65	.24	22	6/30	◆1.59	1.34	9/30	.06	.06	YES
	1347	Advanced Energy	(NDQ)	AEIS	20.78	3	3	1	1.40	30- 40 (45- 90%)	16.4	NIL	1.27	NIL	88	6/30	.35	.18	6/30	NIL	NIL	YES
2250	1348	Advanced Micro Dev.		AMD	3.65	4	4	1	1.55	3- 4 (N- 10%)	NMF	NIL	d.22	NIL	88	6/30	d.09	.06	6/30	NIL	NIL	YES
1433	2575	Advent Software	(NDQ)	ADVS	28.95	–	3	–	.95	40- 60 (40-105%)	43.2	NIL	.67	NIL	94	6/30	d.08	.14	6/30	NIL	NIL	YES
	435	Advisory Board	(NDQ)	ABCO	58.58	5	2	4	.80	35- 50 (N- N%)	90.1	NIL	.65	NIL	83	6/30	.10	.11	6/30	NIL	NIL	YES

★★ Supplementary Report in this week's issue.
▲ *Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.*

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks

Volume LXIX, Number 1, Issue 1. The Value Line Investment Survey (ISSN 0042-2401) is published weekly by Value Line Publishing LLC, 220 East 42nd St., New York, NY 10017-5891 and is accorded expeditious treatment prescribed for newspapers. Subscription rate for one year in the United States and US possessions is $598. Foreign rates upon request. Periodical Postage Paid at New York, NY and additional mailing offices.

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CHANGE OF ADDRESS: Postmaster: Send address change to:
The Value Line Investment Survey, 485 Lexington Avenue, New York, N.Y. 10017-2630

Insider and Institutional decisions are obtained from Vickers Stock Research Corporation.

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
2652	1232	AECOM Techn.		ACM	30.00	3	3	3	1.20	45-	70	(50-135%)	11.9	NIL	2.53	NIL	11	6/30	.70	.63	6/30	NIL	NIL	YES
	1102	Aegion Corp.	(NDQ)	AEGN	22.81	3	3	2	1.15	35-	50	(55-120%)	11.5	NIL	1.98	NIL	35	6/30	.34	.33	6/30	NIL	NIL	YES
	1551	AEGON		AEG	7.70	3	3	5	1.80	8-	12	(5- 55%)	9.7	3.9	.79	.30	2	3/31	.18	.20	6/30	.142	.132	YES
	2202	Aeropostale		ARO	13.22	4	3	1	1.10	15-	25	(15- 90%)	29.4	NIL	.45	NIL	69	4/30	d.16	.13	6/30	NIL	NIL	YES
2038	703	AeroVironment	(NDQ)	AVAV	22.69	4	3	2	.75	35-	55	(55-140%)	28.4	NIL	.80	NIL	37	4/30	d.04	.80	6/30	NIL	NIL	YES
	797	Aetna Inc.		AET	63.44	2	3	5	.95	85-	130	(35-105%)	10.7	1.3	5.95	.80	18	6/30	1.52	1.31	9/30	.20	.175	YES
	2532	Affiliated Managers		AMG	178.08	3	3	3	1.60	140-	210	(N- 20%)	34.6	NIL	5.15	NIL	26	6/30	1.18	.82	6/30	NIL	NIL	YES
	205	Affymetrix Inc.	(NDQ)	AFFX	4.99	2	5	3	1.30	5-	10	(N-100%)	NMF	NIL	d.30	NIL	79	6/30	.04	d.02	6/30	NIL	NIL	YES
	1552	Aflac Inc.		AFL	61.53	3	3	4	1.25	65-	95	(5- 55%)	10.0	2.4	6.15	1.46	2	6/30	1.62	1.03	9/30	.35	.33	YES
	111	Agilent Technologies		A	46.45	4	3	3	1.20	55-	85	(20- 85%)	15.4	1.0	3.02	.48	96	4/30	.48	.72	9/30	.12	.10	YES
	1320	Agilysys, Inc.	(NDQ)	AGYS	11.41	2	4	4	1.60	13-	20	(15- 75%)	33.6	NIL	.34	NIL	40	6/30	.06	d.03	6/30	NIL	NIL	YES
	1565	Agnico-Eagle Mines		AEM	29.26	4	3	4	1.05	25-	35	(N- 20%)	NMF	3.0	.10	.88-.20	86	6/30	d.05	.35	9/30	.22	.20	YES
	1586	Agrium, Inc.		AGU	86.91	▲4	3	4	1.45	135-	205	(55-135%)	9.1	2.5	9.51	2.20	49	6/30	◆5.02	5.44	12/31	◆.50	NIL	YES
	2434	Air Products & Chem.		APD	103.20	2	2	3	1.10	100-	140	(N- 35%)	18.3	2.8	5.65	2.84	50	6/30	1.36	1.41	9/30	.71	.64	YES
	2533	Aircastle Ltd.		AYR	16.91	3	4	3	1.45	17-	30	(N- 75%)	10.6	3.9	1.60	.66	26	6/30	.48	.23	9/30	.165	.15	YES
	552	Airgas Inc.		ARG	104.00	3	2	2	.95	130-	175	(25- 70%)	20.6	1.9	5.04	2.01	63	6/30	1.14	1.15	9/30	.48	.40	YES
	1795	Akamai Technologies	(NDQ)	AKAM	46.71	3	3	2	1.20	65-	100	(40-115%)	31.3	NIL	1.49	NIL	97	6/30	.34	.24	6/30	NIL	NIL	YES
	302	Alaska Air Group		ALK	60.61	▼4	3	3	1.00	55-	85	(N- 40%)	11.3	1.3	5.35	.80	10	6/30	1.53	1.55	9/30	▲.20	NIL	YES
2652	1032	Alaska Communic.	(NDQ)	ALSK	3.79	2	4	2	.80	3-	4	(N- 5%)	9.0	NIL	.42	NIL	13	6/30	.22	d.02	6/30	NIL	.05	YES
	1702	*Albany Int'l 'A'*		AIN	*34.00*	3	3	3	*1.45*	35-	*50*	(5- 45%)	*25.4*	*1.8*	*1.34*	*.60*	*70*	*6/30*	*.33*	*.50*	*9/30*	▲*.15*	*.14*	YES
	1602	Albany Molecular	(NDQ)	AMRI	11.31	2	4	3	1.20	10-	16	(N- 40%)	37.7	NIL	.30	NIL	81	6/30	d.07	.01	6/30	NIL	NIL	YES
	2435	Albemarle Corp.		ALB	63.40	4	3	3	1.30	70-	110	(10- 75%)	15.4	1.5	4.12	.96	50	6/30	.98	.56	12/31	.24	.20	YES
	946	Alcatel-Lucent ADR(g)		ALU	2.66	4	5	5	1.55	2-	4	(N- 50%)	4.2	NIL	.64	NIL	56	6/30	d.50	d.13	6/30	NIL	NIL	YES
1818	1575	Alcoa Inc.		AA	8.26	1	3	3	1.45	13-	20	(55-140%)	25.0	1.5	.33	.12	45	6/30	.07	NIL	9/30	.03	.03	YES
2448	206	Alere Inc.		ALR	32.02	1	3	4	1.20	45-	65	(40-105%)	13.2	NIL	2.42	NIL	79	6/30	.64	.48	6/30	NIL	NIL	YES
2034	1603	Alexion Pharmac.	(NDQ)	ALXN	109.26	3	3	2	.80	105-	155	(N- 40%)	55.2	NIL	1.98	NIL	81	6/30	.48	.18	6/30	NIL	NIL	YES
	207	Align Techn.	(NDQ)	ALGN	44.44	4	3	1	1.15	40-	65	(N- 45%)	35.0	NIL	1.27	NIL	79	6/30	.36	.34	6/30	NIL	NIL	YES
	758	Alleghany Corp.		Y	401.91	3	2	3	.80	445-	605	(10- 50%)	14.2	NIL	28.26	NIL	48	3/31	8.64	6.50	6/30	NIL	NIL	YES
	1576	Allegheny Techn.		ATI	28.46	3	3	3	1.60	50-	80	(75-180%)	79.1	2.5	.36	.72	45	6/30	.04	.50	9/30	.18	.18	YES
2250	303	Allegiant Travel	(NDQ)	ALGT	97.62	4	3	4	.70	100-	150	(N- 55%)	18.9	NIL	5.16	NIL	10	6/30	1.34	1.30	6/30	NIL	NIL	YES
	1604	Allergan, Inc.		AGN	91.07	3	1	4	.90	130-	160	(45- 75%)	19.9	0.2	4.57	.20	81	6/30	1.17	.98	9/30	.05	.05	YES
	902	ALLETE		ALE	51.71	4	2	4	.70	40-	55	(N- 8%)	18.7	3.7	2.77	1.93	65	6/30	.35	.39	9/30	.475	.46	YES
	436	Alliance Data Sys.		ADS	206.70	3	3	3	1.10	150-	225	(N- 10%)	20.3	NIL	10.20	NIL	83	6/30	2.41	2.13	6/30	NIL	NIL	YES
	594	Alliance Resource	(NDQ)	ARLP	74.47	2	3	4	1.15	70-	105	(N- 40%)	10.6	6.3	7.05	4.70	32	6/30	1.96	1.83	9/30	▲1.153	1.063	YES
	2534	AllianceBernstein Hldg.		AB	21.01	1	3	3	1.40	30-	50	(45-140%)	11.4	7.2	1.85	1.52	26	6/30	.41	.24	9/30	.41	.21	YES
	1205	AllianceBernstein Income		ACG	7.04	–	3	3	.45	8-	12	(15- 70%)	NMF	7.8	NMF	.55	–	12/31	8.89(q)	8.93(q)	6/30	.12	.12	
	903	Alliant Energy		LNT	52.91	3	2	3	.75	40-	55	(N- 5%)	16.2	3.6	3.27	1.92	65	6/30	.59	.58	9/30	.47	.45	YES
	704	*Alliant Techsystems*		ATK	*100.00*	2	3	5	*.80*	85-	125	(N- 25%)	*12.3*	*1.0*	*8.14*	*1.04*	*37*	*6/30*	*2.24*	*2.16*	*9/30*	*.26*	*.26*	YES
	980	Allison Transmission		ALSN	22.60	–	3	–	NMF	25-	35	(10- 55%)	21.5	2.1	1.05	.48	6	6/30	.26	.56	9/30	◆.12	.06	YES
	820	Allscripts Healthcare	(NDQ)	MDRX	15.58	–	3	–	NMF	18-	25	(15- 60%)	NMF	NIL	d.04	NIL	92	3/31	d.07	.03	6/30	NIL	NIL	YES
	759	Allstate Corp.		ALL	50.26	▼3	2	4	1.10	70-	95	(40- 90%)	10.5	2.0	4.78	1.00	48	6/30	1.12	.87	12/31	.25	.44	YES
1816	828	Alnylam Pharmac.	(NDQ)	ALNY	48.61	4	4	3	1.20	30-	40	(N- N%)	NMF	NIL	d1.55	NIL	93	6/30	◆d.29	d.25	6/30	NIL	NIL	YES
	595	Alpha Natural Res.		ANR	5.84	2	4	5	2.05	9-	16	(55-175%)	NMF	NIL	d1.93	NIL	32	6/30	d.59	d.33	6/30	NIL	NIL	YES
	1349	Altera Corp.	(NDQ)	ALTR	36.12	5	2	2	1.00	45-	60	(25- 65%)	20.6	1.7	1.75	.60	88	6/30	.31	.50	9/30	▲.15	.10	YES
2448	1703	Altra Holdings, Inc.	(NDQ)	AIMC	25.25	4	3	2	1.45	25-	40	(N- 60%)	13.6	1.6	1.86	.40	70	6/30	.40	.40	12/31	.10	.06	YES
	1990	Altria Group		MO	35.16	4	2	3	.55	35-	50	(N- 40%)	14.6	5.0	2.41	1.76	80	6/30	.62	.60	9/30	.44	.44	YES
	2618	Amazon.com	(NDQ)	AMZN	296.69	4	3	3	1.05	375-	565	(25- 90%)	NMF	NIL	1.22	NIL	54	6/30	d.02	.01	6/30	NIL	NIL	YES
	1577	AMCOL Int'l		ACO	35.00	3	3	3	1.35	40-	60	(15- 70%)	16.1	2.3	2.17	.80	45	6/30	.57	.65	12/31	.20	.20	YES
	2599	Amdocs Ltd.		DOX	38.34	3	3	3	.90	45-	70	(15- 85%)	13.9	1.4	2.75	.52	42	6/30	.73	.59	12/31	.13	NIL	YES
★★	798	Amedisys, Inc.	(NDQ)	AMED	17.54	▲2	3	1	1.15	10-	15	(N- N%)	29.7	NIL	.59	NIL	18	6/30	.07	.27	6/30	NIL	NIL	YES
	904	Ameren Corp.		AEE	35.19	3	3	3	.80	25-	40	(N- 15%)	16.9	4.5	2.08	1.60	65	6/30	.44	.87	9/30	◆.40	.40	YES
	923	America Movil		AMX	20.76	3	3	4	1.15	30-	40	(45- 95%)	10.9	1.7	1.91	.35	1	6/30	.30	.27	9/30	.175	.15	YES
	981	Amer. Axle		AXL	20.14	3	5	2	2.10	20-	35	(N- 75%)	10.1	NIL	1.99	NIL	6	6/30	.34	.55	6/30	NIL	NIL	YES
	2644	Amer. Capital, Ltd.	(NDQ)	ACAS	13.24	3	5	3	2.35	18-	35	(35-165%)	10.9	NIL	1.21	NIL	55	6/30	.07	.71	6/30	NIL	NIL	YES
2657	2203	Amer. Eagle Outfitters		AEO	16.84	▲3	3	2	.90	25-	35	(50-110%)	11.4	3.0	1.46	.50	69	4/30	.18	.22	9/30	▲.125	.11	YES
	905	Amer. Elec. Power		AEP	44.69	4	3	3	.70	40-	60	(N- 35%)	14.4	4.5	3.10	2.00	65	6/30	.73	.75	9/30	.49	.47	YES
2034	2535	Amer. Express		AXP	75.49	3	2	3	1.25	80-	105	(5- 40%)	15.1	1.2	5.01	.92	26	6/30	1.27	1.15	9/30	▲.23	.20	YES
	760	Amer. Financial Group		AFG	52.24	3	3	3	1.05	50-	80	(N- 55%)	13.1	1.5	3.98	.80	48	6/30	.96	.91	9/30	.195	.175	YES
★★	2366	Amer. Greetings		AM	SEE FINAL SUPPLEMENT - PAGE 239																			
	2536	Amer. Int'l Group		AIG	47.75	3	4	3	1.55	55-	90	(15- 90%)	11.8	0.8	4.06	.40	26	6/30	1.12	1.23	9/30	▲.10	NIL	YES
	1771	Amer. States Water		AWR	62.91	3	2	3	.70	55-	75	(N- 20%)	46.3	2.6	1.36	1.66	53	6/30	◆.85	.79	9/30	▲.405	.355	YES
	1217	Amer. Superconductor	(NDQ)	AMSC	2.56	3	5	1	1.65	2-	5	(N- 95%)	NMF	NIL	d.70	NIL	38	6/30	◆d.14	d.20	6/30	NIL	NIL	YES
	577	Amer. Tower 'A'		AMT	69.66	4	3	3	.85	110-	165	(60-135%)	34.5	1.6	2.02	1.14	89	6/30	.25	.12	9/30	▲.27	.22	YES
1434	553	Amer. Vanguard Corp.		AVD	25.87	4	3	2	1.05	50-	70	(95-170%)	13.2	0.8	1.96	.20	63	6/30	.29	.30	9/30	▲.05	NIL	YES
	1772	Amer. Water Works		AWK	42.77	4	3	3	.65	40-	60	(N- 40%)	18.8	2.7	2.28	1.15	53	6/30	◆.57	.66	9/30	.28	.25	YES
	1103	Amer. Woodmark	(NDQ)	AMWD	33.86	2	3	4	1.00	40-	55	(20- 60%)	24.4	NIL	1.39	NIL	35	4/30	.34	d.16	6/30	NIL	NIL	YES
	2537	Ameriprise Fin'l		AMP	89.31	3	3	3	1.40	90-	135	(N- 50%)	13.3	2.3	6.72	2.08	26	6/30	1.54	.99	9/30	.52	.35	YES
	208	*AmerisourceBergen*		ABC	58.67	3	1	5	*.70*	95-	115	(60- 95%)	*18.2*	*1.4*	*3.23*	*.84*	*79*	*6/30*	*.73*	*.70*	*9/30*	◆*.21*	*.13*	YES
	1738	Ametek, Inc.		AME	45.76	3	2	3	1.00	40-	55	(N- 20%)	21.7	0.5	2.11	.24	74	6/30	.52	.47	9/30	.06	.06	YES
	829	Amgen	(NDQ)	AMGN	108.21	3	1	4	.70	130-	160	(20- 50%)	14.7	1.8	7.38	1.94	93	6/30	1.89	1.82	9/30	.47	.36	YES
	1390	Amkor Technology	(NDQ)	AMKR	4.19	2	5	2	1.65	7-	14	(65-235%)	7.6	NIL	.55	NIL	87	6/30	.14	NIL	6/30	NIL	NIL	YES
	743	Ampco-Pittsburgh		AP	19.01	3	3	3	1.65	30-	40	(60-110%)	27.6	3.8	.69	.72	61	6/30	.11	.15	9/30	.18	.18	
	1321	Amphenol Corp.		APH	77.49	4	3	3	1.10	70-	100	(N- 30%)	19.6	1.0	3.96	.80	40	6/30	.95	.79	12/31	▲.20	.105	YES
	2395	Anadarko Petroleum		APC	89.14	2	3	3	1.35	90-	140	(N- 55%)	14.5	0.8	6.14	.72	9	6/30	1.05	d.18	9/30	▲.18	.09	YES
	1350	ANADIGICS Inc.	(NDQ)	ANAD	1.85	4	5	5	1.45	8-	15	(330-710%)	NMF	NIL	d.41	NIL	88	6/30	d.17	d.30	6/30	NIL	NIL	YES
	1351	Analog Devices	(NDQ)	ADI	49.41	5	2	3	1.00	50-	70	(N- 40%)	21.3	2.8	2.32	1.36	88	4/30	.52	.53	6/30	.34	.30	YES
	112	Analogic Corp.	(NDQ)	ALOG	75.38	3	3	3	.85	80-	120	(5- 60%)	22.6	0.5	3.33	.40	96	4/30	.76	.59	6/30	.10	.10	YES
	173	AngioDynamics	(NDQ)	ANGO	11.82	3	3	2	.80	15-	25	(25-110%)	65.7	NIL	.18	NIL	75	5/31	d.02	d.27	6/30	NIL	NIL	YES
	1566	AngloGold Ashanti ADS		AU	13.48	2	3	2	1.15	18-	30	(35-125%)	NMF	1.6	d.10	.21	86	3/31	.29	.80	6/30	.053	.118	YES
	1322	Anixter Int'l		AXE	86.55	3	3	3	1.20	95-	145	(10- 70%)	14.3	NIL	6.05	NIL	40	6/30	1.39	1.28	6/30	NIL	NIL	YES
	2204	ANN Inc.		ANN	32.21	4	3	2	1.25	40-	65	(25-100%)	14.6	NIL	2.20	NIL	69	4/30	.44	.58	6/30	NIL	NIL	YES
	1514	Annaly Capital Mgmt.		NLY	11.97	3	3	2	.60	14-	20	(15- 65%)	7.7	11.9	1.55	1.43	58	6/30	◆.47	.55	9/30	▼.40	.55	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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RANKS

		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	Do Options Trade?
	2576	ANSYS, Inc.	(NDQ)	ANSS	88.35	5	3	3	1.05	80- 120 (N- 35%)	36.8	NIL	2.40	NIL	94	YES
	2538	Aon plc		AON	68.15	3	2	3	.70	95- 130 (40- 90%)	18.3	1.0	3.73	.70	26	YES
	2396	Apache Corp.		APA	82.70	3	3	3	1.30	105- 155 (25- 85%)	9.7	1.0	8.54	.80	9	YES
	1515	Apartment Investment		AIV	29.01	2	3	3	1.45	25- 40 (N- 40%)	NMF	3.3	.12	.96	58	YES
	1104	Apogee Enterprises	(NDQ)	APOG	27.57	3	3	3	1.40	30- 45 (10- 65%)	32.1	1.3	.86	.36	35	YES
	1998	Apollo Group 'A'	(NDQ)	APOL	19.77	2	3	2	.75	20- 35 (N- 75%)	8.6	NIL	2.29	NIL	44	YES
	2645	Apollo Investment	(NDQ)	AINV	8.10	▲2	4	3	1.35	16- 25 (100-210%)	5.4	9.9	1.50	.80	55	YES
2250	1399	Apple Inc.	(NDQ)	AAPL	467.36	4	2	1	1.00	830-1120 (80-140%)	11.6	2.6	40.32	12.20	57	YES
	1704	Applied Ind'l Techn.		AIT	51.96	4	3	2	1.05	45- 65 (N- 25%)	17.6	1.8	2.95	.92	70	YES
	1391	Applied Materials	(NDQ)	AMAT	15.65	3	2	3	1.15	20- 30 (30- 90%)	18.4	2.6	.85	.40	87	YES
2250	1352	Applied Micro	(NDQ)	AMCC	11.72	3	3	5	1.35	7- 11 (N- N%)	NMF	NIL	d.10	NIL	88	YES
	1173	AptarGroup		ATR	60.22	3	2	3	.90	65- 85 (10- 40%)	20.9	1.7	2.88	1.00	28	YES
	1773	Aqua America		WTR	32.49	3	2	3	.60	30- 40 (N- 25%)	22.1	2.4	1.47	.77	53	YES
	437	Arbitron Inc.		ARB	46.26	–	3	–	.95	45- 70 (N- 50%)	21.0	0.9	2.20	.42	83	YES
	744	ArcelorMittal		MT	13.72	3	3	3	1.75	25- 35 (80-155%)	NMF	1.5	.07	.20	61	YES
	596	Arch Coal		ACI	4.51	2	4	3	1.80	9- 15 (100-235%)	NMF	2.7	d.86	.12	32	YES
	1902	Archer Daniels Midl'd		ADM	38.56	2	2	3	.90	40- 50 (5- 30%)	15.6	2.0	2.47	.76	76	YES
1648	318	Arkansas Best	(NDQ)	ABFS	23.53	2	3	1	1.20	25- 40 (5- 70%)	41.3	0.5	.57	.12	5	YES
	1353	ARM Holdings plc	(NDQ)	ARMH	41.27	4	3	3	1.10	50- 75 (20- 80%)	56.5	0.6	.73	.26	88	YES
	1105	Armstrong World Inds.		AWI	50.74	–	3	–	NMF	60- 90 (20- 75%)	21.6	NIL	2.35	NIL	35	YES
	947	Arris Group	(NDQ)	ARRS	16.97	1	3	3	1.20	30- 45 (75-165%)	10.0	NIL	1.70	NIL	56	YES
	1323	*Arrow Electronics*		ARW	47.43	3	3	3	1.20	40- 60 (N- 25%)	9.0	NIL	5.25	NIL	40	YES
	174	ArthroCare Corp.	(NDQ)	ARTC	35.21	5	3	4	1.55	35- 55 (N- 56%)	47.6	NIL	.74	NIL	75	YES
453	578	Aruba Networks	(NDQ)	ARUN	18.70	5	3	5	1.40	30- 45 (60-140%)	NMF	NIL	d.28	NIL	89	YES
	2123	Asbury Automotive		ABG	51.42	3	3	3	1.90	40- 65 (N- 25%)	14.9	NIL	3.44	NIL	22	YES
846	2205	Ascena Retail Group	(NDQ)	ASNA	17.57	4	3	1	1.05	30- 40 (70-130%)	13.7	NIL	1.28	NIL	69	YES
	554	Ashland Inc.		ASH	90.41	4	3	3	1.45	100- 150 (10- 65%)	12.5	1.5	7.22	1.36	63	YES
	2026	Aspen Insurance Hldgs.		AHL	36.34	▼5	3	4	.85	40- 60 (10- 65%)	13.7	2.0	2.65	.72	67	YES
	778	Assoc. Banc-Corp	(NDQ)	ASBC	17.12	2	3	3	.95	18- 25 (5- 45%)	16.0	1.9	1.07	.32	30	YES
	2539	Assurant Inc.		AIZ	55.69	4	3	4	1.05	45- 65 (N- 15%)	9.3	1.8	5.99	1.00	26	YES
★★	2027	Assured Guaranty		AGO	22.13	▼3	4	2	1.90	20- 35 (N- 60%)	10.2	1.8	2.16	.40	67	YES
	158	Astec Inds.	(NDQ)	ASTE	35.02	3	3	3	1.35	45- 65 (30- 85%)	18.1	1.1	1.93	.40	60	YES
	1502	Astoria Financial		AF	12.76	3	3	3	.95	14- 20 (10- 55%)	24.1	1.3	.53	.16	33	YES
	1605	AstraZeneca PLC (ADS)		AZN	51.00	3	2	4	.75	35- 45 (N- N%)	12.2	5.5	4.19	2.80	81	YES
	705	Astronics Corp.	(NDQ)	ATRO	41.18	4	3	1	1.20	50- 70 (20- 70%)	21.0	NIL	1.96	NIL	37	YES
2038	821	athenahealth	(NDQ)	ATHN	115.66	5	3	3	1.10	80- 120 (N- 5%)	NMF	NIL	.04	NIL	92	YES
	1218	Atlantic Power Corp.		AT	4.25	3	4	3	.70	6- 10 (40-135%)	NMF	9.2	d.70	.39	38	YES
	924	Atlantic Tele-Network	(NDQ)	ATNI	50.37	–	3	–	1.05	45- 70 (N- 40%)	23.0	2.0	2.19	1.02	1	YES
	304	Atlas Air Worldwide	(NDQ)	AAWW	42.92	3	4	1	1.70	60- 100 (40-135%)	8.7	NIL	4.96	NIL	10	YES
	1354	Atmel Corp.	(NDQ)	ATML	7.49	4	3	3	1.05	10- 15 (35-100%)	25.0	NIL	.30	NIL	88	YES
	541	Atmos Energy		ATO	43.99	3	2	3	.70	35- 50 (N- 15%)	17.2	3.2	2.56	1.42	25	YES
454	2577	Autodesk, Inc.	(NDQ)	ADSK	35.95	4	3	3	1.25	45- 65 (25- 80%)	28.1	NIL	1.28	NIL	94	YES
	982	Autoliv, Inc.		ALV	83.26	3	3	3	1.35	95- 145 (15- 75%)	14.5	2.4	5.74	2.00	6	YES
	2600	Automatic Data Proc.	(NDQ)	ADP	72.80	4	1	3	.80	85- 105 (15- 45%)	23.3	2.5	3.12	1.80	42	YES
	2124	AutoNation, Inc.		AN	47.98	3	3	4	1.10	45- 65 (N- 35%)	15.9	NIL	3.02	NIL	22	YES
	2125	AutoZone Inc.		AZO	425.60	3	3	3	.60	430- 640 (N- 50%)	14.6	NIL	29.11	NIL	22	YES
	1606	Auxilium Pharmac.	(NDQ)	AUXL	18.92	2	3	3	.85	20- 30 (5- 60%)	NMF	NIL	.07	NIL	81	YES
	1355	Avago Technologies	(NDQ)	AVGO	37.70	4	3	3	1.10	40- 55 (5- 45%)	18.0	2.3	2.09	.85	88	YES
	1516	AvalonBay Communities		AVB	131.77	4	3	3	1.00	140- 210 (5- 60%)	65.9	3.4	2.00	4.42	58	YES
	555	Avery Dennison		AVY	45.51	2	3	3	1.10	45- 65 (N- 45%)	16.7	2.5	2.72	1.16	63	YES
	2009	Avid Technology	(NDQ)	AVID	5.79	–	3	–	1.10	11- 16 (90-175%)	NMF	NIL	d.05	NIL	59	YES
	2165	Avis Budget Group		CAR	28.62	3	4	3	2.30	30- 45 (5- 55%)	11.8	NIL	2.42	NIL	47	YES
	2235	Avista Corp.		AVA	28.56	2	2	3	.70	25- 35 (N- 25%)	16.4	4.4	1.74	1.25	23	YES
	1324	Avnet, Inc.		AVT	38.99	2	3	3	1.20	35- 50 (N- 30%)	9.6	NIL	4.06	NIL	40	YES
	1012	Avon Products		AVP	21.96	3	4	3	1.10	25- 45 (15-105%)	20.3	1.1	1.08	.24	90	YES
	1587	Axiall Corp.		AXLL	44.05	3	4	3	1.85	70- 115 (60-160%)	9.3	0.9	4.76	.41	49	YES
	2028	AXIS Capital Hldgs.		AXS	42.56	3	3	4	.85	40- 60 (N- 40%)	11.7	2.4	3.65	1.01	67	YES
	1903	**B&G Foods**		BGS	35.60	5	3	4	1.10	30- 45 (N- 25%)	23.0	3.6	1.55	1.28	76	YES
	2502	BB&T Corp.		BBT	35.57	2	3	3	1.05	35- 50 (N- 40%)	12.1	2.7	2.95	.96	7	YES
	1033	BCE Inc.		BCE	40.37	4	3	2	.70	60- 85 (50-110%)	13.5	5.8	2.98	2.33	13	YES
	706	B/E Aerospace	(NDQ)	BEAV	72.89	3	3	4	1.55	75- 110 (5- 50%)	19.8	NIL	3.68	NIL	37	YES
	1780	BGC Partners Inc.	(NDQ)	BGCP	6.05	–	4	–	1.40	8- 13 (30-115%)	9.2	7.9	.66	.48	27	YES
	1578	BHP Billiton Ltd. ADR		BHP	67.62	3	3	3	1.40	80- 115 (20- 70%)	14.1	3.5	4.81	2.36(h)	45	YES
	349	BJ's Restaurants	(NDQ)	BJRI	31.89	5	3	2	1.00	65- 100 (105-215%)	24.3	NIL	1.31	NIL	66	YES
	2578	BMC Software	(NDQ)	BMC	46.02	–	3	–	.85	55- 80 (20- 75%)	18.8	NIL	2.45	NIL	94	YES
2456	779	BOK Financial	(NDQ)	BOKF	65.99	5	2	2	.90	65- 85 (N- 30%)	13.8	2.3	4.77	1.52	30	YES
	502	BP PLC ADR		BP	41.08	2	3	4	1.05	60- 90 (45-120%)	7.6	5.3	5.43	2.16	36	YES
	1517	BRE Properties		BRE	50.27	3	3	3	1.00	55- 80 (10- 60%)	35.7	3.2	1.41	1.60	58	YES
	1034	BT Group ADR(g)		BT	50.95	2	3	3	1.00	40- 65 (N- 30%)	13.1	3.0	3.90	1.55	13	YES
	1233	Babcock & Wilcox		BWC	31.32	1	3	3	1.15	30- 50 (N- 60%)	13.7	1.1	2.28	.34	11	YES
	113	Badger Meter		BMI	49.66	5	3	5	.95	50- 75 (N- 50%)	26.1	1.4	1.90	.72	96	YES
2251	2619	Baidu, Inc.	(NDQ)	BIDU	136.73	4	3	4	1.25	130- 195 (N- 45%)	25.3	NIL	5.40	NIL	54	YES
	2408	Baker Hughes		BHI	47.53	3	3	3	1.40	75- 115 (60-140%)	15.3	1.3	3.10	.60	24	YES
	1174	Ball Corp.		BLL	44.96	4	2	4	.90	55- 75 (20- 65%)	14.6	1.2	3.08	.52	28	YES
625	1219	Ballard Power Sys.	(NDQ)	BLDP	1.98	3	5	3	1.15	2- 4 (N-100%)	NMF	NIL	d.22	NIL	38	YES
2039	2342	Bally Technologies		BYI	73.85	2	3	3	1.30	95- 145 (30- 95%)	19.7	NIL	3.75	NIL	15	YES
	2503	BancorpSouth		BXS	19.78	3	3	2	1.05	20- 30 (N- 50%)	19.0	0.2	1.04	.04	7	YES
2034	2504	Bank of America		BAC	14.41	2	3	4	1.65	15- 20 (5- 40%)	12.9	0.3	1.12	.04	7	YES
	2505	Bank of Hawaii		BOH	55.36	4	3	3	.95	50- 75 (N- 35%)	16.0	3.3	3.46	1.80	7	YES
	2506	*Bank of Montreal*	(TSE)	BMO.TO	63.42b	3	2	3	.80	65- 90 (N- 40%)	10.7	4.8	5.92	3.02	7	YES
	2507	Bank of New York Mellon		BK	30.75	2	3	3	1.20	55- 80 (80-160%)	13.4	2.0	2.30	.60	7	YES
	2508	Bank of Nova Scotia	(TSE)	BNS.TO	57.92b	2	2	2	.80	65- 85 (10- 45%)	11.4	4.2	5.09	2.46	7	YES

LATEST RESULTS

	Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago
	6/30	.59	.53	6/30	NIL	NIL
	6/30	.76	.73	9/30	.175	.158
	6/30	2.54	.86	9/30	.20	.17
	6/30	.07	d.26	9/30	.24	.20
	5/31	.14	.06	9/30	.09	.09
	5/31	1.05	1.20	6/30	NIL	NIL
	6/30	◆.09	d.06	12/31	◆.20	.20
	6/30	7.47	9.32	9/30	3.05	2.65
	3/31	.69	.69	9/30	.23	.21
	4/30	d.11	.22	9/30	.10	.09
	6/30	.01	d.37	6/30	NIL	NIL
	6/30	.77	.61	9/30	.25	.22
	6/30	.38	.30	9/30	▲.19	.165
	6/30	.43	.37	9/30	.10	.10
	6/30	d.44	.56	9/30	.20	.188
	6/30	d.29	d.10	9/30	.03	.03
	6/30	.46	.43	9/30	◆.19	.175
	6/30	◆.18	.18	9/30	.03	.03
	3/31	.17	.13	6/30	.128	.099
	6/30	.62	.72	6/30	NIL	NIL
	6/30	◆.46	.25	6/30	NIL	NIL
	6/30	1.12	1.02	6/30	NIL	NIL
	6/30	d.27	.34	6/30	NIL	NIL
	4/30	d.18	.05	6/30	NIL	NIL
	6/30	.98	.67	6/30	NIL	NIL
	4/30	.20	.31	6/30	NIL	NIL
	6/30	1.82	2.04	9/30	.34	.225
	6/30	.36	1.03	9/30	.18	.17
	6/30	.28	.24	9/30	.08	.05
	6/30	1.70	1.94	9/30	.25	.21
	6/30	◆.52	2.01	9/30	◆.10	.09
	6/30	.48	.45	9/30	.10	NIL
	6/30	.13	.13	9/30	.04	.04
	6/30	1.20	1.27	9/30	.90	.90
	6/30	.34	.34	6/30	NIL	NIL
	6/30	d.34	.11	6/30	NIL	NIL
	6/30	◆d.03	d.23	6/30	▼.098	.285
	6/30	.56	.67	9/30	.25	.23
	6/30	.79	1.16	6/30	NIL	NIL
	6/30	.03	NIL	6/30	NIL	NIL
	9/30	.42	.31	9/30	.35	.345
	4/30	.24	.34	6/30	NIL	NIL
	6/30	1.44	1.33	9/30	.50	.47
	6/30	.55	.53	12/31	.435	.395
	6/30	.73	.66	6/30	NIL	NIL
	5/31	7.27	6.28	6/30	NIL	NIL
	6/30	.22	.16	6/30	NIL	NIL
	4/30	.45	.54	6/30	▲.21	.15
	6/30	◆.28	.63	9/30	1.07	.97
	6/30	.71	.56	9/30	.29	.27
	9/30	d.08	.01	6/30	NIL	NIL
	6/30	.50	.94	6/30	NIL	NIL
	6/30	.43	.31	6/30	.305	.29
	6/30	.98	.91	6/30	NIL	NIL
	6/30	.19	.14	9/30	.06	.23
	6/30	1.03	.39	9/30	.08	.08
	6/30	.43	.90	9/30	.25	.24
	6/30	.33	.33	12/31	▲.32	.27
	6/30	.77	.72	9/30	.23	.20
	6/30	◆.77	1.00	12/31	◆.583	.568
	6/30	.89	.69	6/30	NIL	NIL
	6/30	.18	.27	9/30	.12	.17
	12/31	1.59(p)	3.72(p)	6/30	NIL	NIL
	6/30	.31	.31	6/30	NIL	NIL
	6/30	.36	.33	6/30	NIL	NIL
	6/30	1.16	1.43	9/30	.38	.38
	6/30	1.00	1.16	9/30	.54	.48
	6/30	.28	.25	9/30	.395	.385
	6/30	.86	.82	6/30	NIL	NIL
	6/30	◆.65	.54	9/30	◆.08	NIL
	6/30	.44	.52	9/30	▲.18	.17
	6/30	1.22	1.24	6/30	NIL	NIL
	6/30	.54	1.00	9/30	.15	.15
	6/30	.63	.88	9/30	.13	.10
	6/30	d.05	d.08	6/30	NIL	NIL
	3/31	.93	.67	6/30	NIL	NIL
	6/30	.22	.22	9/30	.01	.01
	6/30	.32	.19	9/30	.01	.01
	6/30	.85	.90	9/30	.45	.45
	4/30	1.42(b)	1.51(b)	9/30	.74(b)	.70(b)
	6/30	.62	.61	9/30	.15	.13
	4/30	1.23(b)	1.15(b)	9/30	.60(b)	.55(b)

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS: Timeliness	RANKS: Safety	RANKS: Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS: Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	175	Bard (C.R.)		BCR	116.72	4	1	3	.65	160- 200 (35- 70%)	18.6	0.7	6.28	.84	75	6/30	1.42	1.62	9/30	▲.21	.20	YES
1437	2166	Barnes & Noble		BKS	18.38	–	4	–	.95	8- 13 (N- N%)	NMF	NIL	d1.35	NIL	47	4/30	d2.11	d.98	6/30	NIL	NIL	YES
	1739	Barnes Group		B	32.75	3	3	1	1.30	40- 60 (20- 85%)	16.2	1.3	2.02	.44	74	6/30	.47	.45	9/30	▲.11	.10	YES
	1567	Barrick Gold		ABX	18.21	3	3	2	.95	30- 40 (65-120%)	7.7	1.1	2.36	.20	86	6/30	.66	.75	9/30	▼.05	.20	YES
	1146	Bassett Furniture	(NDQ)	BSET	16.19	3	4	4	1.10	14- 25 (N- 55%)	42.6	1.5	.38	.24	62	5/31	.18	.59	9/30	▲.06	.05	YES
	176	Baxter Int'l Inc.		BAX	73.67	3	1	3	.70	80- 100 (10- 35%)	15.5	2.7	4.75	1.96	75	6/30	1.07	1.12	12/31	.49	.45	YES
	1106	Beacon Roofing	(NDQ)	BECN	38.00	▼4	3	3	1.05	45- 65 (20- 70%)	19.4	NIL	1.96	NIL	35	6/30	◆.55	.53	6/30	NIL	NIL	YES
	1966	Beam Inc.		BEAM	64.02	–	3	–	NMF	75- 110 (15- 70%)	23.4	1.4	2.74	.90	68	3/31	.67	.49	9/30	.225	.205	YES
	1122	Beazer Homes USA		BZH	16.72	3	5	1	2.50	20- 40 (20-140%)	NMF	NIL	d.74	NIL	12	6/30	d.23	d1.92	6/30	NIL	NIL	YES
	2206	bebe stores	(NDQ)	BEBE	5.97	4	3	2	1.05	8- 12 (35-100%)	NMF	1.7	d.27	.10	69	3/31	d.14	NIL	6/30	.025	.025	YES
	177	Becton, Dickinson		BDX	100.00	3	1	3	.65	115- 140 (15- 40%)	16.6	2.0	6.01	1.98	75	6/30	1.54	1.52	9/30	.495	.45	YES
	2167	Bed Bath & Beyond	(NDQ)	BBBY	75.97	3	1	3	.90	115- 140 (50- 85%)	15.0	NIL	5.05	NIL	47	5/31	.93	.89	6/30	NIL	NIL	YES
	1303	Belden Inc.		BDC	58.98	3	3	2	1.60	55- 80 (N- 35%)	25.5	0.3	2.31	.20	51	6/30	◆.99	.87	9/30	.05	.05	YES
1043	2326	Belo Corp. 'A'		BLC	14.35	–	5	–	1.80	11- 20 (N- 40%)	18.6	2.2	.77	.32	78	6/30	.24	.24	9/30	.08	.08	YES
	1175	Bemis Co.		BMS	41.78	▼3	2	4	.85	50- 65 (20- 55%)	17.3	2.5	2.42	1.04	28	6/30	.61	.54	9/30	.26	.25	YES
	1325	Benchmark Electronics		BHE	22.86	3	3	2	1.10	20- 30 (N- 30%)	19.9	NIL	1.15	NIL	40	6/30	.31	.32	6/30	NIL	NIL	YES
	761	Berkley (W.R.)		WRB	41.95	3	2	4	.65	50- 70 (20- 65%)	14.3	1.0	2.93	.40	48	6/30	.70	.65	12/31	◆.10	.18	YES
626	762	Berkshire Hathaway 'B'		BRKB	117.13	3	1	3	.80	130- 160 (10- 35%)	17.2	NIL	6.81	NIL	48	6/30	◆1.84	1.25	6/30	NIL	NIL	YES
	2397	Berry Petroleum 'A'		BRY	40.96	–	4	–	1.85	55- 90 (35-120%)	12.9	0.8	3.18	.32	9	6/30	.73	.72	6/30	.08	.08	YES
	2168	Best Buy Co.		BBY	30.86	3	3	3	1.10	40- 60 (30- 95%)	13.8	2.2	2.23	.68	47	4/30	.32	.72	9/30	.17	.16	YES
2447	2169	Big 5 Sporting Goods	(NDQ)	BGFV	19.55	1	4	1	1.50	20- 35 (N- 80%)	14.9	2.0	1.31	.40	47	6/30	.28	.12	9/30	.10	.075	YES
	2136	Big Lots Inc.		BIG	35.80	3	3	2	1.00	50- 80 (40-125%)	12.0	NIL	2.99	NIL	31	4/30	.56	.63	6/30	NIL	NIL	YES
	350	Biglari Hldgs.		BH	438.67	▲3	3	3	1.05	▼ 335- 500 (N- 15%)	28.6	NIL	15.35	NIL	66	6/30	◆4.30	3.63	6/30	NIL	NIL	
	209	Bio-Rad Labs. 'A'		BIO	119.14	4	3	3	.90	135- 205 (15- 70%)	22.4	NIL	5.32	NIL	79	6/30	1.20	1.69	6/30	NIL	NIL	YES
	1607	Biogen Idec Inc.	(NDQ)	BIIB	206.89	4	2	3	.75	205- 275 (N- 35%)	30.4	NIL	6.81	NIL	81	6/30	2.06	1.61	6/30	NIL	NIL	YES
	830	BioMarin Pharmac.	(NDQ)	BMRN	64.61	5	3	3	1.10	75- 100 (15- 55%)	NMF	NIL	d.80	NIL	93	6/30	d.15	d.27	6/30	NIL	NIL	YES
	970	BioScrip, Inc.	(NDQ)	BIOS	14.13	5	4	5	1.25	16- 25 (15- 75%)	58.9	NIL	.24	NIL	14	6/30	◆.04	d.07	6/30	NIL	NIL	YES
	948	Black Box	(NDQ)	BBOX	28.51	3	3	1	1.10	35- 50 (25- 75%)	15.0	1.3	1.90	.36	56	6/30	.43	.34	12/31	◆.09	.08	YES
	2236	Black Hills		BKH	53.18	2	3	3	.85	30- 45 (N- N%)	22.8	2.9	2.33	1.54	23	6/30	.69	.11	9/30	.38	.37	YES
**	579	BlackBerry	(NDQ)	BBRY	10.78	–	3	–	1.25	14- 20 (30- 85%)	NMF	NIL	.09	NIL	89	5/31	d.13	d.37	6/30	NIL	NIL	YES
	2540	BlackRock, Inc.		BLK	278.21	3	3	3	1.20	230- 345 (N- 25%)	16.9	2.4	16.48	6.72	26	6/30	4.19	3.08	9/30	1.68	1.50	YES
	2646	Blackstone Group LP		BX	22.94	2	3	3	1.40	30- 45 (30- 95%)	9.4	5.8	2.45	1.32	55	6/30	.62	.19	9/30	.23	.10	YES
	2541	Block (H&R)		HRB	31.39	2	3	4	.80	25- 40 (N- 25%)	17.9	2.7	1.75	.85	26	4/30	2.51	2.01	9/30	.20	.20	YES
	351	Bloomin' Brands	(NDQ)	BLMN	24.28	–	3	–	NMF	25- 40 (5- 65%)	21.7	NIL	1.12	NIL	66	6/30	.65	.16	6/30	NIL	NIL	YES
	2620	Blue Nile	(NDQ)	NILE	37.65	3	3	2	1.20	45- 65 (20- 75%)	42.8	NIL	.88	NIL	54	6/30	.17	.11	6/30	NIL	NIL	YES
1434	1136	BlueLinx Holdings		BXC	1.78	4	5	5	1.25	3- 5 (70-180%)	NMF	NIL	d.19	NIL	77	6/30	d.10	d.04	6/30	NIL	NIL	
2654	1187	Blyth Inc.		BTH	10.93	4	3	1	1.30	35- 50 (220-355%)	22.3	1.8	.49	.20	84	6/30	d.08	.68	12/31	◆.10	.10	YES
	614	Boardwalk Pipeline		BWP	29.45	4	3	4	.80	30- 50 (N- 70%)	21.3	7.2	1.38	2.13	95	6/30	.28	.30	9/30	.533	.533	YES
	352	Bob Evans Farms	(NDQ)	BOBE	49.90	3	3	4	.95	45- 70 (N- 40%)	18.8	2.3	2.65	1.16	66	4/30	.71	.67	6/30	.275	.25	YES
2652	2207	Body Central Corp.	(NDQ)	BODY	7.56	4	3	4	1.00	25- 40 (230-430%)	11.1	NIL	.68	NIL	69	6/30	d.15	.21	6/30	NIL	NIL	YES
2251	707	Boeing		BA	104.24	3	2	3	1.05	100- 135 (N- 30%)	18.4	1.9	5.66	1.94	37	6/30	1.41	1.27	9/30	.485	.44	YES
	708	Bombardier Inc. 'B'	(TSE)	BBDB.TO	4.88b	3	3	3	1.10	6- 10 (25-105%)	13.2	2.0	.37	.10	37	3/31	.08(b)	.10(b)	9/30	.025	.025	YES
	380	Booz Allen Hamilton		BAH	20.76	–	3	–	NMF	20- 25 (N- 20%)	13.4	1.9	1.55	.40	43	6/30	.48	.43	9/30	.10	.09	YES
	983	BorgWarner		BWA	97.57	2	3	2	1.30	105- 155 (10- 60%)	16.8	1.0	5.80	1.00	6	6/30	1.50	1.34	9/30	▲.25	NIL	YES
2455	1967	Boston Beer 'A'		SAM	211.65	3	2	5	.75	130- 180 (N- N%)	39.6	NIL	5.34	NIL	68	6/30	1.45	1.06	6/30	NIL	NIL	YES
	1518	Boston Properties		BXP	103.83	4	3	3	1.15	105- 155 (N- 50%)	23.4	2.6	4.44	2.65	58	6/30	2.94	.57	9/30	.65	.55	YES
	178	Boston Scientific		BSX	11.33	2	3	3	1.05	▲ 12- 18 (5- 60%)	24.1	NIL	.47	NIL	75	6/30	.12	.11	6/30	NIL	NIL	YES
	1904	Boulder Brands	(NDQ)	BDBD	16.22	5	3	5	.85	11- 17 (N- 5%)	49.2	NIL	.33	NIL	76	6/30	.06	.05	6/30	NIL	NIL	YES
	2343	Boyd Gaming		BYD	12.07	2	4	2	2.00	12- 20 (N- 65%)	NMF	NIL	d.04	NIL	15	6/30	NIL	.04	6/30	NIL	NIL	YES
	1740	Brady Corp.		BRC	35.54	3	3	3	1.10	35- 50 (N- 40%)	16.8	2.1	2.11	.76	74	4/30	.55	.52	9/30	.19	.185	YES
1816	1999	Bridgepoint Education		BPI	16.71	3	4	3	1.30	11- 19 (N- 15%)	20.9	NIL	.80	NIL	44	6/30	.25	.84	6/30	NIL	NIL	YES
	1705	Briggs & Stratton		BGG	20.33	3	3	2	1.10	25- 35 (25- 70%)	13.8	2.4	1.47	.48	70	3/31	.89	.99	6/30	.12	.22	YES
	353	Brinker Int'l		EAT	42.60	2	3	3	1.20	40- 60 (N- 40%)	16.4	2.1	2.59	.89	66	6/30	.77	.61	6/30	.20	.16	YES
	381	Brink's (The) Co.		BCO	28.47	3	3	4	1.05	35- 50 (25- 75%)	15.7	1.4	1.81	.40	43	6/30	.27	.69	9/30	.10	.10	YES
	1608	Bristol-Myers Squibb		BMY	43.11	5	1	3	.70	50- 60 (15- 40%)	24.9	3.2	1.73	1.40	81	6/30	.32	.38	9/30	.35	.34	YES
	305	Bristow Group		BRS	69.37	2	3	3	1.30	105- 155 (50-125%)	15.6	1.4	4.45	1.00	10	6/30	1.00	.81	9/30	.25	.20	YES
	1991	Brit. Amer Tobac. ADR		BTI	107.25	3	2	2	.70	125- 170 (15- 60%)	14.8	4.2	7.24	4.50	80	6/30	◆3.49(p)	3.22(p)	6/30	2.88	2.86	YES
2253	949	Broadcom Corp. 'A'	(NDQ)	BRCM	26.06	4	3	2	1.10	40- 60 (55-130%)	9.3	1.7	2.80	.44	56	6/30	.70	.72	6/30	.11	.10	YES
**	1400	Brocade Communic.	(NDQ)	BRCD	6.83	▲2	3	3	1.35	7- 11 (N- 60%)	12.0	NIL	.57	NIL	57	7/31	◆.26	.09	6/30	NIL	NIL	YES
	799	Brookdale Senior Living		BKD	28.45	2	4	3	1.90	25- 45 (N- 60%)	NMF	NIL	.11	NIL	18	6/30	◆d.04	d.15	6/30	NIL	NIL	YES
	382	Brookfield Asset Mgmt.		BAM	37.12	▲2	3	3	1.20	45- 65 (20- 75%)	17.3	1.6	2.14	.60	43	6/30	◆.31	.17	12/31	◆.15	.14	YES
	1706	Brooks Automation	(NDQ)	BRKS	9.35	4	3	2	1.50	14- 20 (50-115%)	15.8	3.4	.59	.32	70	6/30	◆.03	.14	9/30	◆.08	.08	YES
	2542	Brown & Brown		BRO	32.86	3	2	3	.75	40- 55 (20- 65%)	21.3	1.1	1.54	.36	26	6/30	.36	.29	9/30	.09	.085	YES
	1968	Brown-Forman 'B'		BFB	71.50	4	1	3	.70	75- 90 (5- 25%)	23.8	1.5	3.01	1.06	68	4/30	.45	.49	12/31	.255	.488	YES
	2156	Brown Shoe		BWS	23.77	▼2	3	4	1.35	20- 35 (N- 45%)	17.7	1.2	1.34	.28	82	4/30	.32	.23	9/30	.07	.07	YES
	114	Bruker Corp.	(NDQ)	BRKR	20.03	4	3	4	1.20	25- 40 (25-100%)	25.4	NIL	.79	NIL	96	6/30	.14	.06	6/30	NIL	NIL	YES
	2302	Brunswick Corp.		BC	38.30	1	4	3	1.95	40- 70 (5- 85%)	14.3	0.1	2.67	.05	29	6/30	1.23	.93	6/30	NIL	NIL	YES
	615	Buckeye Partners L.P.		BPL	67.96	3	3	3	.85	60- 90 (N- 30%)	23.5	6.3	2.89	4.25	95	6/30	.72	.55	9/30	▲1.063	1.038	YES
	2208	Buckle (The), Inc.		BKE	54.79	4	3	2	1.05	60- 85 (10- 55%)	15.3	1.5	3.58	.80	69	4/30	.78	.79	9/30	.20	.20	YES
	354	Buffalo Wild Wings	(NDQ)	BWLD	106.25	3	3	3	.90	105- 155 (N- 45%)	27.0	NIL	3.93	NIL	66	6/30	.88	.62	6/30	NIL	NIL	YES
	1905	Bunge Ltd.		BG	77.21	3	3	3	1.35	75- 115 (N- 50%)	11.5	1.6	6.70	1.24	76	6/30	.74	1.20	12/31	.30	.27	YES
	355	Burger King Worldwide		BKW	19.63	–	3	–	NMF	20- 35 (N- 80%)	27.3	1.2	.72	.24	66	6/30	.18	.14	9/30	.06	NIL	YES
	2579	CA, Inc.		CA	31.12	3	2	2	.95	40- 55 (30- 75%)	15.2	3.2	2.05	1.00	94	6/30	.73	.51	9/30	.25	.25	YES
	2601	CACI Int'l		CACI	68.34	3	3	3	.85	100- 150 (45-120%)	11.2	NIL	6.10	NIL	42	3/31	1.62	1.45	6/30	NIL	NIL	YES
	709	CAE Inc.	(TSE)	CAE.TO	11.36	▼3	3	4	.90	15- 20 (30- 75%)	15.1	1.8	.75	.20	37	6/30	◆.15(b)	.18(b)	9/30	◆.05(b)	.05(b)	YES
	383	CBRE Group		CBG	23.30	2	4	3	1.70	25- 45 (5- 95%)	16.2	NIL	1.44	NIL	43	6/30	.31	.27	6/30	NIL	NIL	YES
	2327	CBS Corp. 'B'		CBS	53.68	3	3	3	1.50	40- 60 (N- 10%)	17.5	0.9	3.06	.48	78	6/30	.76	.68	12/31	.12	.12	YES
	1637	CDI Corp.		CDI	15.30	3	3	5	1.25	19- 30 (25- 95%)	18.4	3.4	.83	.52	20	6/30	.17	.25	9/30	.13	.13	YES
	356	CEC Entertainment		CEC	42.55	2	3	3	1.10	50- 75 (20- 75%)	14.1	2.3	3.01	.96	66	6/30	.42	.23	12/31	.24	.46	YES
	1356	CEVA, Inc.	(NDQ)	CEVA	17.78	5	3	4	1.25	30- 40 (70-125%)	34.2	NIL	.52	NIL	88	6/30	.10	.15	6/30	NIL	NIL	YES
	1588	CF Industries		CF	190.12	▲3	3	3	1.30	230- 345 (20- 80%)	7.4	0.9	25.85	1.70	49	6/30	8.53	8.74	9/30	.40	.40	YES
	1647	CH Energy Group		CHG						SEE FINAL SUPPLEMENT - PAGE 1647												

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS: Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS: Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	384	C.H. Robinson	(NDQ)	CHRW	57.06	4	2	5	.90	90- 120 (60-110%)	17.9	2.5	3.19	1.40	43	6/30	.70	.71	6/30	.35	.33	YES
	1781	CME Group	(NDQ)	CME	71.55	3	3	3	1.05	70- 105 (N- 45%)	21.2	2.6	3.38	1.80	27	6/30	.93	.89	9/30	◆.45	.45	YES
	906	CMS Energy Corp.		CMS	27.90	4	3	4	.75	20- 35 (N- 26%)	16.7	3.8	1.67	1.05	65	6/30	.29	.37	9/30	.255	.24	YES
	763	CNA Fin'l		CNA	35.68	3	3	3	1.30	50- 70 (40- 95%)	12.3	2.2	2.89	.80	48	6/30	.75	.56	9/30	.20	.15	YES
	159	CNH Global NV		CNH	47.49	–	3	–	1.85	70- 105 (45-120%)	8.7	NIL	5.47	NIL	60	6/30	1.93	1.47	6/30	NIL	NIL	YES
	2602	CSG Systems Int'l	(NDQ)	CSGS	25.17	3	3	3	.85	25- 35 (N- 40%)	17.5	2.4	1.44	.60	42	6/30	.37	.37	9/30	▲.15	NIL	YES
	338	CSX Corp.		CSX	25.40	3	3	2	1.20	35- 50 (40- 95%)	13.4	2.4	1.90	.60	52	6/30	.52	.49	9/30	.15	.14	YES
	1326	CTS Corp.		CTS	14.32	1	3	3	1.25	13- 20 (N- 40%)	17.3	1.0	.83	.14	40	6/30	.20	.18	9/30	.035	.035	YES
	1589	CVR Partners, LP		UAN	19.77	–	3	–	NMF	30- 45 (50-130%)	11.3	12.3	1.75	2.44	49	6/30	.48	.48	9/30	.583	.60	YES
	971	CVS Caremark Corp.		CVS	59.88	3	1	4	.85	80- 100 (35- 65%)	14.7	1.5	4.08	.90	14	6/30	.97	.81	9/30	.225	.163	YES
	2170	Cabela's Inc.		CAB	69.98	3	3	2	1.25	55- 80 (N- 15%)	20.3	NIL	3.45	NIL	47	6/30	.62	.47	6/30	NIL	NIL	YES
	1021	Cablevision Sys. 'A'		CVC	19.79	–	4	–	NMF	18- 30 (N- 50%)	26.0	3.0	.76	.60	39	6/30	.51	.24	9/30	.15	.15	YES
	2436	Cabot Corp.		CBT	39.95	3	3	3	1.25	40- 60 (N- 50%)	11.5	2.0	3.46	.80	50	6/30	.90	1.00	9/30	.20	.20	YES
	556	Cabot Microelectr's	(NDQ)	CCMP	36.75	–	3	–	NMF	55- 85 (50-130%)	16.8	NIL	2.19	NIL	63	6/30	.65	.55	6/30	NIL	NIL	YES
	519	Cabot Oil & Gas 'A'(•)		COG	37.75	3	3	3	1.30	40- 60 (5- 60%)	20.4	0.2	.97	.08	4	3/31	.13	.07	9/30	▲.02	.01	YES
	2580	Cadence Design Sys.	(NDQ)	CDNS	14.26	3	3	2	1.25	15- 20 (5- 40%)	33.2	NIL	.43	NIL	94	6/30	.03	.13	6/30	NIL	NIL	YES
1817	2344	Caesars Entertainment	(NDQ)	CZR	18.80	–	4	–	NMF	12- 18 (N- N%)	NMF	NIL	d5.59	NIL	15	6/30	d1.69	d1.93	6/30	NIL	NIL	YES
	1906	Cal-Maine Foods	(NDQ)	CALM	49.32	3	3	3	.95	35- 50 (N- N%)	14.5	2.1	3.39	1.05	76	5/31	.55	.44	9/30	▼NIL	.52	YES
846	1907	Calavo Growers	(NDQ)	CVGW	27.09	5	3	1	.90	50- 70 (85-160%)	16.6	2.4	1.63	.65	76	4/30	.15	.17	6/30	NIL	NIL	YES
	408	Calgon Carbon		CCC	18.08	2	3	2	1.10	20- 35 (10- 95%)	19.2	NIL	.94	NIL	64	6/30	.24	.19	6/30	NIL	NIL	YES
	1774	California Water		CWT	21.64	3	3	3	.65	20- 30 (N- 40%)	24.6	3.0	.88	.65	53	6/30	.28	.31	9/30	.16	.158	YES
	2303	*Callaway Golf*		ELY	7.25	3	4	3	*1.00*	7- 11 (N- 50%)	NMF	0.6	*d.08*	.04	29	6/30	.12	.05	9/30	.01	.01	YES
	2437	Cambrex Corp.		CBM	14.42	2	4	4	1.10	12- 20 (N- 40%)	27.2	NIL	.53	NIL	50	6/30	.10	.33	6/30	NIL	NIL	YES
	1519	Camden Property Trust		CPT	68.04	2	3	3	1.05	75- 115 (10- 70%)	33.4	3.7	2.04	2.52	58	6/30	.81	.26	9/30	.63	.56	YES
	1579	Cameco Corp.	(TSE)	CCO.TO	20.35	4	3	1	1.15	30- 45 (45-120%)	17.7	2.0	1.15	.40	45	6/30	.15	.16	9/30	.10	.10	YES
	2409	Cameron Int'l Corp.		CAM	57.11	4	3	3	1.50	90- 135 (60-135%)	15.2	NIL	3.75	NIL	24	6/30	.79	.73	6/30	NIL	NIL	YES
	1908	Campbell Soup		CPB	47.83	3	2	3	.55	45- 60 (N- 25%)	17.6	2.4	2.71	1.16	76	4/30	.62	.56	9/30	.29	.29	YES
	2509	Can. Imperial Bank	(TSE)	CM.TO	78.47b	2	2	3	.85	90- 120 (15- 55%)	9.4	4.9	8.32	3.86	7	4/30	2.12(b)	1.90(b)	9/30	▲.96(b)	.90(b)	YES
	339	Can. National Railway		CNI	98.36	3	2	2	1.05	115- 155 (15- 60%)	15.5	1.7	6.34	1.72	52	6/30	1.66	1.52	9/30	.43	.379	YES
	2398	Can. Natural Res.	(TSE)	CNQ.TO	31.07	3	3	2	1.30	50- 75 (60-140%)	13.9	1.8	2.23	.55	9	6/30	◆.42	.55	12/31	◆.125	.105	YES
	340	Can. Pacific Railway		CP	122.00	3	3	3	1.30	125- 185 (N- 50%)	19.6	1.1	6.23	1.40	52	6/30	1.43	.61	12/31	.35	.35	YES
	1981	Canon Inc. ADR(g)		CAJ	32.34	▲1	2	3	1.00	50- 65 (55-100%)	13.8	4.6	2.34	1.49	3	6/30	.58	.51	6/30	.747	.726	YES
	2543	Capital One Fin'l		COF	68.42	2	3	3	1.35	65- 95 (N- 40%)	9.9	1.8	6.94	1.20	26	6/30	1.89	.33	9/30	.30	.05	YES
2252	2647	*CapitalSource*		CSE	11.98	–	4	–	*1.60*	10- 17 (N- 40%)	17.6	0.3	.68	.04	55	6/30	.15	.17	6/30	.01	.01	YES
	1503	Capitol Fed. Fin'l	(NDQ)	CFFN	12.70	3	3	3	.60	13- 20 (N- 56%)	25.4	2.4	.50	.30	33	6/30	.13	.12	9/30	.075	.075	YES
	2410	CARBO Ceramics		CRR	84.99	4	3	4	1.10	90- 140 (5- 65%)	25.8	1.4	3.29	1.20	24	6/30	.71	1.38	9/30	▲.30	.27	YES
	210	Cardinal Health		CAH	51.60	2	1	3	.80	75- 95 (45- 85%)	14.4	2.4	3.59	1.22	79	6/30	.79	.68	12/31	◆.303	.238	YES
	2000	Career Education	(NDQ)	CECO	3.07	4	4	2	.85	3- 6 (N- 95%)	NMF	NIL	d1.73	NIL	44	6/30	◆d.31	d.17	6/30	NIL	NIL	YES
	179	CareFusion Corp		CFN	37.10	3	3	4	.75	40- 65 (10- 75%)	17.8	NIL	2.09	NIL	75	6/30	◆.49	.41	6/30	NIL	NIL	YES
	1741	Carlisle Cos.		CSL	68.51	4	2	3	1.05	85- 115 (25- 70%)	14.9	1.3	4.59	.88	74	6/30	1.14	1.39	9/30	▲.22	.20	YES
	2126	CarMax, Inc.		KMX	49.51	3	3	4	1.15	45- 70 (N- 40%)	23.0	NIL	2.15	NIL	22	5/31	.64	.52	6/30	NIL	NIL	YES
	2304	Carmike Cinemas	(NDQ)	CKEC	17.98	2	4	5	1.35	20- 30 (10- 65%)	14.7	NIL	1.22	NIL	29	6/30	.37	.07	6/30	NIL	NIL	YES
	2305	Carnival Corp.		CCL	36.29	3	3	4	1.10	35- 55 (N- 50%)	20.5	2.8	1.77	1.00	29	5/31	.09	.20	9/30	.25	.25	YES
	745	Carpenter Technology		CRS	55.40	3	3	3	1.35	80- 115 (45-110%)	17.2	1.3	3.22	.72	61	6/30	.77	.77	6/30	.18	.18	YES
	1810	Carriage Services		CSV	18.60	3	3	3	.75	20- 30 (10- 60%)	17.2	0.5	1.08	.10	72	6/30	◆.23	.15	9/30	.025	.025	YES
	2102	Carter's Inc.		CRI	70.35	3	3	3	.80	80- 120 (15- 70%)	22.3	1.0	3.16	.72	71	6/30	.33	.35	6/30	▲.16	NIL	YES
	409	Casella Waste Sys.	(NDQ)	CWST	4.75	4	5	4	1.65	12- 20 (155-320%)	23.8	NIL	.20	NIL	64	4/30	d.34	d.30	6/30	NIL	NIL	YES
	1944	Casey's Gen'l Stores	(NDQ)	CASY	67.15	3	3	2	.70	60- 85 (N- 25%)	19.8	1.1	3.40	.72	34	4/30	.60	.60	9/30	▲.18	.165	YES
	2544	Cash Amer. Int'l		CSH	40.65	4	3	2	1.00	65- 95 (60-135%)	9.2	0.3	4.40	.14	26	6/30	.81	.94	9/30	.035	.035	YES
	972	Catamaran Corp.	(NDQ)	CTRX	57.22	3	3	5	.90	50- 75 (N- 30%)	44.4	NIL	1.29	NIL	14	6/30	.27	.18	6/30	NIL	NIL	YES
2253	160	Caterpillar Inc.		CAT	86.32	3	3	3	1.35	▼ 105- 160 (20- 85%)	13.3	2.8	6.49	2.40	60	6/30	1.45	2.54	9/30	▲.60	.52	YES
	2209	Cato Corp.		CATO	28.57	3	3	2	.95	25- 40 (N- 40%)	15.9	2.5	1.80	.70	69	4/30	1.05	1.09	6/30	.05	.25	
2447	925	Cbeyond, Inc.	(NDQ)	CBEY	6.64	2	4	3	1.00	9- 16 (35-140%)	NMF	NIL	d.21	NIL	1	6/30	NIL	.09	6/30	NIL	NIL	YES
	2306	Cedar Fair L.P.		FUN	44.20	▲3	3	4	1.05	45- 70 (N- 60%)	16.0	5.7	2.76	2.50	29	6/30	◆.85	.65	6/30	.625	.40	YES
	2438	Celanese Corp.		CE	48.92	3	3	3	1.70	55- 80 (10- 65%)	11.7	1.5	4.19	.72	50	6/30	.83	1.31	9/30	▲.18	.075	YES
	1327	Celestica Inc.		CLS	10.78	3	3	2	1.30	13- 19 (20- 75%)	13.3	NIL	.81	NIL	40	6/30	.15	.11	6/30	NIL	NIL	YES
	1609	Celgene Corp.	(NDQ)	CELG	140.83	4	2	4	.85	95- 125 (N- N%)	33.0	NIL	4.27	NIL	81	6/30	1.11	.82	6/30	NIL	NIL	YES
	1107	CEMEX ADS		CX	12.15	4	4	4	1.70	13- 20 (5- 65%)	NMF	NIL	d.15	NIL	35	6/30	d.13	d.19	6/30	NIL	NIL	YES
	907	CenterPoint Energy		CNP	24.11	3	2	3	.80	20- 25 (N- 5%)	19.1	3.5	1.26	.84	65	6/30	.30	.29	9/30	.208	.203	YES
	421	Central Europe/Russia		CEE	31.00	–	4	3	1.45	40- 70 (30-125%)	NMF	0.8	NMF	.25	–	4/30	36.24(q)	36.72(q)	6/30	NIL	NIL	
2654	1188	Central Garden & Pet	(NDQ)	CENT	6.62	3	4	3	1.00	14- 25 (110-280%)	11.8	NIL	.56	NIL	84	6/30	◆.28	.47	6/30	NIL	NIL	
	1035	CenturyLink Inc.		CTL	34.08	▼3	3	4	.75	35- 55 (5- 60%)	12.6	6.3	2.70	2.16	13	6/30	◆.69	.12	6/30	.54	.725	YES
	211	Cepheid	(NDQ)	CPHD	35.89	5	4	1	1.40	40- 70 (10- 95%)	NMF	NIL	d.13	NIL	79	6/30	.02	.02	6/30	NIL	NIL	YES
	822	Cerner Corp.	(NDQ)	CERN	48.93	4	3	3	.85	55- 80 (10- 65%)	35.7	NIL	1.37	NIL	92	6/30	.32	.28	6/30	NIL	NIL	YES
	212	Charles River		CRL	47.72	3	3	3	1.00	55- 85 (15- 80%)	20.1	NIL	2.37	NIL	79	6/30	.58	.63	6/30	NIL	NIL	YES
2449	731	Chart Industries	(NDQ)	GTLS	114.44	4	3	1	1.90	85- 125 (N- 10%)	29.8	NIL	3.84	NIL	73	6/30	.64	.59	6/30	NIL	NIL	YES
	1022	Charter Communications	(NDQ)	CHTR	126.56	3	3	3	.90	110- 165 (N- 30%)	NMF	NIL	d.90	NIL	39	6/30	d.35	d.24	6/30	NIL	NIL	YES
	1796	Check Point Software	(NDQ)	CHKP	58.87	3	1	2	.80	80- 100 (35- 70%)	17.7	NIL	3.32	NIL	97	6/30	.76	.71	6/30	NIL	NIL	YES
2654	115	Checkpoint Systems		CKP	17.35	3	3	3	1.10	15- 25 (N- 45%)	26.3	NIL	.66	NIL	96	6/30	.03	d2.24	6/30	NIL	NIL	YES
	357	Cheesecake Factory	(NDQ)	CAKE	43.50	4	3	3	1.20	45- 70 (5- 60%)	20.1	1.3	2.16	.56	66	6/30	.54	.51	9/30	▲.14	.12	YES
	1742	Chemed Corp.		CHE	72.09	4	3	5	.80	75- 115 (5- 60%)	19.4	1.1	3.72	.80	74	6/30	.77	1.10	9/30	▲.20	.18	YES
	780	Chemical Financial	(NDQ)	CHFC	29.06	3	3	3	1.00	30- 45 (5- 55%)	14.5	2.9	2.00	.84	30	6/30	.51	.50	6/30	.21	.20	YES
	520	Chesapeake Energy		CHK	25.02	1	3	2	1.45	30- 45 (20- 80%)	17.3	1.4	1.45	.35	4	6/30	.51	.06	9/30	.088	.088	YES
2653	503	Chevron Corp.		CVX	121.80	4	1	3	.95	140- 170 (15- 40%)	9.1	3.3	13.42	4.00	36	6/30	2.77	3.66	9/30	1.00	.90	YES
	1234	Chicago Bridge & Iron		CBI	59.65	3	3	3	1.75	75- 110 (25- 85%)	14.1	0.4	4.23	.24	11	6/30	.98	.74	6/30	.05	.05	YES
	2210	Chico's FAS		CHS	16.54	3	3	2	1.20	25- 40 (50-140%)	14.0	1.4	1.18	.23	69	4/30	.31	.32	9/30	.055	.053	YES
	2211	Children's Place	(NDQ)	PLCE	52.96	2	3	3	1.00	70- 105 (30-100%)	16.4	NIL	3.22	NIL	69	4/30	.83	1.00	6/30	NIL	NIL	YES
★★	984	China Auto. Sys.	(NDQ)	CAAS	9.41	▼2	4	4	1.40	8- 14 (N- 50%)	12.5	NIL	.75	NIL	6	3/31	.21	d.03	6/30	NIL	NIL	YES
	422	China Fund (The)		CHN	21.19	–	3	3	1.00	35- 50 (65-135%)	NMF	1.2	NMF	.25	–	4/30	23.64(q)	25.10(q)	6/30	NIL	NIL	
	1590	*China Green Agriculture*		CGA	3.06	–	5	–	*1.10*	10- 18 (225-490%)	1.8	NIL	1.72	NIL	49	3/31	.48	.46	6/30	NIL	NIL	YES
	358	Chipotle Mex. Grill		CMG	402.97	3	3	2	.95	450- 680 (10- 70%)	37.7	NIL	10.70	NIL	66	6/30	2.82	2.56	6/30	NIL	NIL	YES
	1909	Chiquita Brands Int'l		CQB	12.59	3	4	5	1.30	12- 20 (N- 60%)	18.0	NIL	.70	NIL	76	6/30	◆.66	.12	6/30	NIL	NIL	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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RANKS: Recent Price; Safety; Timeliness; Technical; Beta; 3-5 year Target Price Range and % appreciation potential; Current P/E Ratio; % Est'd Yield next 12 mos.; Est'd Earns. 12 mos. to 3-31-14; (f) Est'd Div'd next 12 mos.; Industry Rank

LATEST RESULTS: Qtr. Ended; Earns. Per sh.; Year Ago; Qtr. Ended; Latest Div'd; Year Ago

Do Options Trade?

		NAME OF STOCK		Ticker Symbol	Recent Price	Safety	Timeliness	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	2345	Choice Hotels Int'l		CHH	41.33	–	3	–	NMF	40- 60 (N- 45%)	22.5	1.8	1.84	.74	15	6/30	.48	.55	9/30	.185	.185	YES
	2212	Christopher & Banks		CBK	6.70	3	5	5	1.25	7- 14 (5-110%)	37.2	NIL	.18	NIL	69	4/30	.02	d.38	6/30	NIL	NIL	YES
	764	Chubb Corp.		CB	85.52	3	1	3	.80	90- 110 (5- 30%)	12.7	2.1	6.72	1.76	48	6/30	1.77	1.37	9/30	.44	.41	YES
	1189	Church & Dwight		CHD	61.27	3	1	3	.60	70- 85 (15- 40%)	21.7	1.8	2.83	1.12	84	6/30	.61	.56	9/30	.28	.24	YES
	2346	Churchill Downs	(NDQ)	CHDN	82.05	3	3	4	1.05	70- 110 (N- 35%)	21.1	0.9	3.89	.72	15	6/30	2.81	2.77	6/30	NIL	NIL	YES
846	950	Ciena Corp.	(NDQ)	CIEN	22.35	3	5	4	1.45	17- 30 (N- 35%)	NMF	NIL	d.20	NIL	56	4/30	d.27	d.28	6/30	NIL	NIL	YES
	800	Cigna Corp.		CI	78.49	2	3	5	1.05	80- 120 (N- 55%)	11.9	0.1	6.56	.04	18	6/30	1.78	1.49	6/30	04	.04	YES
	521	Cimarex Energy		XEC	79.63	2	3	3	1.35	70- 105 (N- 30%)	15.3	0.7	5.20	.56	4	6/30	1.37	.79	9/30	.14	.12	YES
	1036	*Cincinnati Bell*		CBB	3.29	3	4	5	*1.10*	2- 4 (N- 20%)	NMF	NIL	d.08	NIL	*13*	6/30	◆d.01	.01	6/30	NIL	NIL	YES
	765	Cincinnati Financial	(NDQ)	CINF	48.53	3	2	3	.90	45- 65 (N- 35%)	19.5	3.4	2.49	1.63	48	6/30	.61	.20	9/30	.408	.403	YES
	2307	Cinemark Hldgs.		CNK	31.21	2	3	4	1.00	35- 55 (10- 75%)	16.7	3.1	1.87	.96	29	6/30	.62	.45	6/30	.21	.21	YES
	385	Cintas Corp.	(NDQ)	CTAS	49.09	2	2	3	.90	50- 70 (N- 45%)	17.6	1.3	2.79	.64	43	5/31	.69	.60	6/30	NIL	NIL	YES
2456	1357	Cirrus Logic	(NDQ)	CRUS	20.34	4	3	1	1.20	30- 45 (45-120%)	8.8	NIL	2.31	NIL	88	6/30	.56	.22	6/30	NIL	NIL	YES
	951	Cisco Systems	(NDQ)	CSCO	26.34	1	1	3	1.00	30- 35 (15- 35%)	12.3	2.6	2.15	.68	56	4/30	.51	.48	9/30	.17	.08	YES
	2213	Citi Trends	(NDQ)	CTRN	14.04	3	4	4	1.05	14- 25 (N- 80%)	50.1	NIL	.28	NIL	69	4/30	.42	.69	6/30	NIL	NIL	YES
	2510	Citigroup Inc.		C	50.90	1	3	4	2.05	75- 115 (45-125%)	9.9	0.7	5.12	.38	7	6/30	1.34	1.00	9/30	.01	.01	YES
	2581	Citrix Sys.	(NDQ)	CTXS	73.34	5	3	2	1.05	100- 155 (35-110%)	36.1	NIL	2.03	NIL	94	6/30	.34	.49	6/30	NIL	NIL	YES
	2511	City National Corp.		CYN	69.42	3	3	2	1.00	55- 80 (N- 15%)	17.2	1.4	4.03	1.00	7	6/30	1.04	1.01	9/30	.25	.25	YES
	1176	CLARCOR Inc.		CLC	56.41	5	3	2	.90	55- 85 (N- 50%)	21.4	1.0	2.63	.54	28	5/31	.66	.65	9/30	.135	.12	YES
	605	Clean Energy Fuels	(NDQ)	CLNE	13.03	4	4	2	1.40	15- 25 (15- 90%)	NMF	NIL	d.31	NIL	91	6/30	◆d.07	d.13	6/30	NIL	NIL	YES
	410	Clean Harbors		CLH	53.81	4	3	3	.85	80- 120 (50-125%)	17.2	NIL	3.13	NIL	64	6/30	◆.38	.44	6/30	NIL	NIL	YES
1816	926	Clearwire Corp.		CLWR	SEE FINAL SUPPLEMENT - PAGE 1816																	
	908	Cleco Corp.		CNL	48.33	4	1	4	.65	40- 50 (N- 5%)	19.0	3.1	2.55	1.50	65	6/30	.69	.77	9/30	.363	.338	YES
	746	Cliffs Natural Res.		CLF	24.47	3	3	3	2.05	45- 65 (85-165%)	8.4	2.5	2.90	.60	61	6/30	.82	1.79	9/30	.15	.625	YES
	1190	Clorox Co.		CLX	86.16	▼4	2	3	.60	95- 130 (10- 50%)	19.1	3.3	4.51	2.88	84	6/30	1.37	1.32	9/30	▲.71	.64	YES
	2171	Coach Inc.		COH	53.06	3	3	3	1.20	75- 110 (40-105%)	13.3	2.5	3.99	1.35	47	6/30	.89	.86	9/30	▲.338	.30	YES
	1969	Coca-Cola		KO	39.83	4	1	3	.65	50- 65 (25- 65%)	18.7	3.0	2.13	1.18	68	6/30	.63	.61	12/31	.28	.51	YES
	1970	Coca-Cola Bottling	(NDQ)	COKE	64.46	2	3	3	.65	80- 125 (25- 95%)	17.9	1.6	3.60	1.00	68	6/30	1.22	1.17	9/30	.25	.25	
	1971	Coca-Cola Enterprises		CCE	38.25	4	3	3	.95	50- 80 (30-110%)	15.1	2.2	2.53	.84	68	6/30	.66	.67	9/30	.20	.16	YES
2447	116	Cognex Corp.	(NDQ)	CGNX	55.65	5	3	2	1.05	50- 75 (N- 35%)	32.7	NIL	1.70	NIL	96	6/30	.38	.45	6/30	NIL	.11	YES
	2603	Cognizant Technology	(NDQ)	CTSH	73.39	3	2	4	1.10	145- 195 (100-165%)	17.5	NIL	4.20	NIL	42	6/30	1.00	.82	6/30	NIL	NIL	YES
	117	Coherent, Inc.	(NDQ)	COHR	58.63	3	3	2	1.05	70- 105 (20- 80%)	21.6	NIL	2.71	NIL	96	6/30	.68	.72	6/30	NIL	NIL	YES
		Coinstar Inc.			NAME CHANGED TO OUTERWALL INC.																	
847	2214	Coldwater Creek	(NDQ)	CWTR	2.57	4	5	2	1.45	3- 6 (15-135%)	NMF	NIL	d2.22	NIL	69	4/30	d.63	d.80	6/30	NIL	NIL	YES
	1191	Colgate-Palmolive		CL	60.96	4	1	3	.60	80- 95 (30- 55%)	22.8	2.3	2.67	1.39	84	6/30	.60	.65	9/30	.34	.31	YES
	2103	Columbia Sportswear	(NDQ)	COLM	61.59	4	3	2	.95	55- 85 (N- 40%)	21.7	1.4	2.84	.88	71	6/30	d.21	d.23	9/30	.22	.22	YES
	1707	Columbus McKinnon	(NDQ)	CMCO	22.52	4	3	3	1.35	20- 35 (N- 55%)	14.1	NIL	1.60	NIL	70	6/30	.35	.43	6/30	NIL	NIL	YES
	1023	Comcast Corp.	(NDQ)	CMCSA	44.78	2	3	3	.95	45- 65 (N- 45%)	17.5	1.7	2.56	.78	39	6/30	.65	.50	12/31	.195	.163	YES
	781	Comerica Inc.		CMA	42.06	2	3	3	1.15	45- 70 (5- 65%)	14.9	1.6	2.82	.68	30	6/30	.76	73	12/31	.17	.15	YES
	782	Commerce Bancshs.	(NDQ)	CBSH	45.45	5	1	3	.80	40- 50 (N- 10%)	16.1	2.0	2.83	.91	30	6/30	.72	.76	9/30	.225	.219	YES
	747	Commercial Metals		CMC	16.20	3	3	3	1.60	20- 30 (25- 85%)	17.1	3.0	.95	.48	61	5/31	.16	.24	9/30	.12	.12	YES
	985	Commercial Vehicle	(NDQ)	CVGI	7.14	4	5	1	1.75	11- 20 (55-180%)	23.0	NIL	.31	NIL	6	6/30	d.06	.46	6/30	NIL	NIL	YES
2449	801	Community Health		CYH	43.75	3	3	4	1.35	55- 80 (25- 85%)	14.1	NIL	3.10	NIL	18	6/30	.32	.93	6/30	NIL	NIL	YES
	1591	Compass Minerals Int'l		CMP	76.26	3	3	3	.90	95- 145 (25- 90%)	17.2	3.0	4.44	2.29	49	6/30	.32	.31	9/30	◆.545	.495	YES
	823	Computer Prog. & Sys.	(NDQ)	CPSI	56.95	3	3	3	.80	80- 120 (40-110%)	19.4	3.6	2.93	2.04	92	6/30	.77	.75	9/30	.51	.46	YES
	2604	Computer Sciences		CSC	52.13	1	3	3	1.00	45- 70 (N- 35%)	15.8	1.5	3.30	.80	42	6/30	1.02	.15	9/30	.20	.20	YES
	2582	Compuware Corp.	(NDQ)	CPWR	11.17	–	3	–	.95	12- 18 (5- 60%)	31.9	4.5	.35	.50	94	6/30	.10	.05	6/30	▲.125	NIL	YES
	952	Comtech Telecom.	(NDQ)	CMTL	26.50	3	3	2	.70	20- 35 (N- 30%)	28.5	4.5	.93	1.20	56	4/30	.17	.29	9/30	.275	.275	YES
	319	Con-way Inc.		CNW	44.19	2	3	2	1.30	50- 75 (15- 70%)	19.6	0.9	2.26	.40	5	6/30	.67	.66	9/30	.10	.10	YES
	1910	ConAgra Foods		CAG	36.65	3	1	4	.65	45- 60 (25- 65%)	15.5	2.7	2.37	1.00	76	5/31	.60	.51	9/30	.25	.24	YES
	1797	Concur Techn.	(NDQ)	CNQR	100.93	4	3	1	1.20	90- 140 (N- 40%)	NMF	NIL	d.07	NIL	97	6/30	.05	.12	6/30	NIL	NIL	YES
	180	Conmed Corp.	(NDQ)	CNMD	32.89	4	3	3	.90	35- 50 (5- 50%)	18.1	1.8	1.82	.60	75	6/30	.43	.43	9/30	.15	.15	YES
	2172	Conn's, Inc.	(NDQ)	CONN	67.11	3	4	4	1.30	65- 105 (N- 55%)	23.6	NIL	2.84	NIL	47	4/30	.61	.35	6/30	NIL	NIL	YES
	1775	Conn. Water Services	(NDQ)	CTWS	30.04	4	3	3	.75	30- 40 (N- 35%)	18.1	3.3	1.66	.99	53	6/30	◆.39	.47	6/30	.243	.238	
	2399	ConocoPhillips		COP	66.10	–	1	–	NMF	75- 95 (15- 45%)	11.6	4.2	5.71	2.76	9	6/30	1.65	1.35	9/30	▲.69	.66	YES
	597	CONSOL Energy		CNX	31.58	3	3	3	1.70	40- 60 (25- 90%)	90.2	1.6	.35	.50	32	6/30	d.11	.28	9/30	.125	.125	YES
	1037	Consol. Communic.	(NDQ)	CNSL	17.32	2	3	3	.85	20- 30 (15- 75%)	24.4	8.9	.71	1.55	13	6/30	◆.22	.09	12/31	.387	.387	YES
	141	Consol. Edison		ED	59.28	3	1	3	.60	50- 65 (N- 10%)	16.1	4.2	3.68	2.49	16	6/30	.55	.73	9/30	.615	.605	YES
	2367	Consolidated Graphics		CGX	57.00	1	3	3	1.35	50- 75 (N- 30%)	19.0	NIL	3.00	NIL	21	6/30	.37	d.05	6/30	NIL	NIL	YES
	1972	Constellation Brands		STZ	54.07	3	3	2	.95	60- 95 (10- 75%)	19.3	NIL	2.80	NIL	68	5/31	.38	.40	6/30	NIL	NIL	YES
	387	Convergys Corp.		CVG	19.39	3	3	3	1.20	19- 30 (N- 55%)	17.6	1.2	1.10	.24	43	6/30	.20	.19	12/31	.06	.05	YES
	213	Cooper Cos.		COO	131.72	3	3	4	.90	110- 170 (N- 30%)	20.1	NIL	6.55	.06	79	4/30	1.52	1.12	9/30	.03	.03	YES
	986	Cooper Tire & Rubber		CTB	33.01	–	3	–	1.60	30- 45 (N- 35%)	9.5	1.3	3.48	.42	6	6/30	◆.82	.82	9/30	◆.105	.105	YES
	306	Copa Holdings, S.A.		CPA	137.96	3	3	4	.95	135- 200 (N- 45%)	14.7	NIL	9.39	NIL	10	6/30	◆1.68	.72	6/30	NIL	2.10	YES
	2127	Copart, Inc.	(NDQ)	CPRT	33.18	4	2	2	.85	35- 50 (5- 50%)	20.7	NIL	1.60	NIL	22	4/30	.41	.43	6/30	NIL	NIL	YES
	1945	Core-Mark Holding	(NDQ)	CORE	64.32	3	3	4	.75	65- 95 (N- 50%)	14.9	1.2	4.33	.76	34	6/30	1.01	.87	9/30	.19	.17	
	2411	Core Laboratories		CLB	147.67	3	3	2	1.10	135- 205 (N- 40%)	27.4	0.9	5.38	1.32	24	6/30	.38	1.11	9/30	.32	.28	YES
1045	2001	Corinthian Colleges	(NDQ)	COCO	2.31	2	5	2	1.10	3- 5 (30-115%)	9.6	NIL	.24	NIL	44	3/31	.04	.15	6/30	NIL	NIL	YES
	1304	Corning Inc.		GLW	15.11	2	3	2	1.25	20- 30 (30-100%)	9.9	2.6	1.53	.40	51	6/30	.43	.30	9/30	.10	.075	YES
	438	Corporate Executive		CEB	68.63	2	3	3	1.00	45- 65 (N- N%)	35.4	1.4	1.94	.97	83	6/30	.40	.44	9/30	.225	.175	YES
	1520	Corrections Corp. Amer.		CXW	34.83	3	3	3	1.05	35- 55 (N- 60%)	18.1	5.7	1.92	1.97	58	6/30	◆.52	.37	9/30	▼.48	.20	YES
	439	CoStar Group	(NDQ)	CSGP	162.82	3	3	4	.95	120- 180 (N- 10%)	64.6	NIL	2.52	NIL	83	6/30	.61	.39	6/30	NIL	NIL	YES
	2137	*Costco Wholesale*	(NDQ)	COST	115.73	3	1	3	.70	130- 155 (10- 35%)	24.3	1.1	4.76	1.24	31	5/31	1.04	.88	9/30	.31	.275	YES
	1973	Cott Corp.		COT	8.35	3	4	4	1.10	14- 25 (70-200%)	19.9	2.9	.42	.24	68	6/30	.17	.26	9/30	.06	NIL	YES
	1610	Covance Inc.		CVD	84.32	2	3	5	1.05	80- 120 (N- 40%)	27.3	NIL	3.09	NIL	81	6/30	.72	d.23	6/30	NIL	NIL	YES
	1220	Covanta Holding Corp.		CVA	20.87	3	3	3	.95	20- 35 (N- 70%)	34.8	3.2	.60	.66	38	6/30	.10	.15	9/30	.165	.15	YES
	181	Covidien Plc		COV	63.79	3	2	3	.85	60- 80 (N- 25%)	16.2	1.7	3.93	1.08	75	6/30	.85	1.07	9/30	.26	.225	YES
846	359	Cracker Barrel	(NDQ)	CBRL	98.99	3	3	2	.90	70- 105 (N- 5%)	18.5	3.0	5.34	3.00	66	4/30	1.02	.86	9/30	▲.75	.40	YES
	1743	Crane Co.		CR	61.20	3	3	3	1.35	70- 105 (15- 70%)	14.0	2.0	4.36	1.20	74	6/30	1.06	.93	9/30	▲.30	.28	YES
	2545	Crawford & Co. 'B'		CRDB	7.59	3	4	3	1.20	12- 20 (60-165%)	9.3	2.1	.82	.16	26	6/30	.30	.18	9/30	▲.04	.03	
★★	1358	Cree, Inc.	(NDQ)	CREE	74.75	▼4	3	3	1.20	65- 95 (N- 25%)	57.5	NIL	1.30	NIL	88	6/30	◆.23	.09	6/30	NIL	NIL	YES
	2157	Crocs, Inc.	(NDQ)	CROX	13.41	4	4	1	1.65	20- 35 (50-160%)	12.4	NIL	1.08	NIL	82	6/30	.47	.68	6/30	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1638	Cross Country Health.	(NDQ)	CCRN	5.50	3	3	3	1.05	12- 19 (120-245%)	NMF	NIL	.01	NIL	20	6/30	d.02	d.22	6/30	NIL	NIL	YES
	522	Crosstex Energy	(NDQ)	XTXI	19.60	3	5	4	2.35	25- 50 (30-155%)	NMF	2.4	d.38	.48	4	6/30	◆d.09	d.08	9/30	.12	.12	YES
	580	Crown Castle Int'l		CCI	67.44	5	3	3	1.20	85- 125 (25- 85%)	74.9	NIL	.90	NIL	89	6/30	.18	.40	6/30	NIL	NIL	YES
	1177	Crown Holdings		CCK	44.91	2	3	3	.85	65- 100 (45-125%)	13.2	NIL	3.41	NIL	28	6/30	.96	.84	6/30	NIL	NIL	YES
	182	CryoLife Inc.		CRY	6.87	4	3	3	1.10	14- 20 (105-190%)	25.4	1.6	.27	.11	75	6/30	.06	.12	6/30	▲.028	NIL	YES
2456	2621	Ctrip.com Int'l ADR	(NDQ)	CTRP	43.25	4	3	4	1.15	40- 60 (N- 40%)	39.7	NIL	1.09	NIL	54	6/30	.24	.13	6/30	NIL	NIL	YES
	1328	Cubic Corp.		CUB	51.38	3	3	2	1.00	60- 85 (15- 65%)	17.3	0.5	2.97	.24	40	6/30	.69	1.00	9/30	.12	.12	YES
	1611	Cubist Pharm.	(NDQ)	CBST	61.72	5	3	2	.80	45- 65 (N- 5%)	27.9	NIL	2.21	NIL	81	6/30	.42	.58	6/30	NIL	NIL	YES
	2512	*Cullen/Frost Bankers*		*CFR*	*71.43*	4	1	3	.60	60- 75 (N- 5%)	*18.8*	*2.8*	*3.79*	*2.02*	7	*6/30*	*.94*	*.94*	*9/30*	*.50*	*.48*	YES
	1147	Culp Inc.		CFI	19.01	3	3	5	.95	20- 35 (5- 85%)	12.3	0.8	1.55	.16	62	4/30	.41	.35	9/30	▲.04	.03	
	161	Cummins Inc.		CMI	125.84	4	3	3	1.40	145- 220 (15- 75%)	14.2	2.0	6.86	2.50	60	6/30	2.20	2.45	9/30	▲.625	.50	YES
	1708	Curtiss-Wright		CW	42.60	1	3	3	1.10	45- 65 (5- 55%)	14.9	0.9	2.86	.40	70	6/30	.70	.48	9/30	▲.10	.09	YES
	214	Cutera, Inc.	(NDQ)	CUTR	9.29	4	3	5	.75	▲ 18- 25 (95-170%)	NMF	NIL	d.02	NIL	79	6/30	d.04	d.10	6/30	NIL	NIL	YES
	183	Cyberonics	(NDQ)	CYBX	54.68	3	3	2	.85	70- 105 (30- 90%)	27.3	NIL	2.00	NIL	75	4/30	.46	.38	6/30	NIL	NIL	YES
	846	Cymer Inc.		CYMI						SEE FINAL SUPPLEMENT - PAGE 846												
	1359	Cypress Semic.	(NDQ)	CY	12.75	3	3	1	1.25	19- 30 (50-135%)	17.5	3.5	.73	.44	88	6/30	.14	.18	12/31	.11	.11	YES
	2439	*Cytec Inds*		*CYT*	*80.35*	3	3	4	1.45	85- 125 (5- 55%)	*14.6*	*0.6*	*5.52*	*.50*	*50*	*6/30*	*1.51*	*.73*	*9/30*	*.125*	*.125*	YES
	1521	**DDR Corp.**		DDR	16.52	3	4	2	2.05	20- 35 (20-110%)	NMF	3.3	NIL	.54	58	6/30	d.11	d.16	9/30	.135	.12	YES
	1206	DNP Select Inc. Fund		DNP	10.09	–	2	3	.70	10- 14 (N- 40%)	NMF	4.5	NMF	.45	–	12/31	8.23(q)	8.33(q)	12/31	NIL	NIL	
	581	DSP Group	(NDQ)	DSPG	7.00	3	3	2	1.15	10- 15 (45-115%)	63.6	NIL	.11	NIL	89	6/30	.03	d.10	6/30	NIL	NIL	YES
	2605	DST Systems		DST	73.43	3	2	3	1.00	90- 120 (25- 65%)	16.1	1.6	4.56	1.20	42	6/30	1.04	.77	9/30	.30	NIL	YES
	2215	DSW Inc.		DSW	80.87	3	3	3	1.05	85- 125 (5- 55%)	21.3	1.2	3.80	1.00	69	4/30	1.00	.98	6/30	▲.25	.18	YES
	909	DTE Energy		DTE	70.45	4	2	4	.75	60- 80 (N- 15%)	18.0	3.7	3.91	2.62	65	6/30	.60	.87	9/30	▲.655	.588	YES
	2010	DTS, Inc.	(NDQ)	DTSI	23.99	4	3	2	1.20	30- 45 (25- 90%)	NMF	NIL	.23	NIL	59	6/30	◆d.11	d.04	6/30	NIL	NIL	YES
	1207	DWS High Income		KHI	9.20	–	4	2	.75	8- 13 (N- 40%)	NMF	10.9	NMF	1.00	–	11/30	9.97(q)	9.11(q)	6/30	.191	.225	
	102	Daimler AG	(PNK)	DDAIF	71.81	3	3	2	1.55	95- 140 (30- 95%)	10.7	4.0	6.74	2.89	8	3/31	.66	1.69	6/30	2.867	2.874	
	2011	Daktronics Inc.	(NDQ)	DAKT	10.94	3	3	4	1.10	19- 30 (75-175%)	18.2	·2.3	.60	.25	59	4/30	.04	d.01	6/30	▲.12	.115	YES
	987	*Dana Holding Corp.*		*DAN*	*22.53*	2	4	3	*2.50*	25- 40 (10- 80%)	*12.7*	*0.9*	*1.77*	*.20*	*5*	*6/30*	*.44*	*.40*	*9/30*	*.05*	*.05*	YES
	1744	Danaher Corp.		DHR	66.52	4	2	3	1.00	95- 130 (45- 95%)	18.7	0.2	3.56	.10	74	6/30	.87	.84	9/30	.025	.025	YES
	360	Darden Restaurants		DRI	49.26	3	3	2	1.00	65- 100 (30-105%)	15.3	4.5	3.21	2.20	66	5/31	1.01	1.15	9/30	▲.55	.50	YES
	802	DaVita HealthCare		DVA	114.73	3	2	4	.70	150- 200 (30- 75%)	15.0	NIL	7.66	NIL	18	6/30	1.84	1.49	6/30	NIL	NIL	YES
	2606	DealerTrack Techn.	(NDQ)	TRAK	41.20	4	3	4	1.20	30- 45 (N- 10%)	NMF	NIL	.35	NIL	42	6/30	.09	.10	6/30	NIL	NIL	YES
	1911	Dean Foods		DF	10.64	–	3	–	NMF	13- 20 (20- 90%)	18.0	NIL	.59	NIL	76	3/31	.16	.31	6/30	NIL	NIL	YES
	2158	Deckers Outdoor	(NDQ)	DECK	58.34	5	3	3	1.30	70- 105 (20- 80%)	14.9	NIL	3.92	NIL	82	6/30	d.85	d.53	6/30	NIL	NIL	YES
	162	Deere & Co.		DE	83.38	2	2	3	1.35	120- 165 (45-100%)	9.9	2.4	8.44	2.04	60	4/30	2.76	2.61	9/30	.51	.46	YES
2653	1401	Dell Inc.	(NDQ)	DELL	13.73	–	3	–	.95	18- 25 (30- 80%)	23.7	2.3	.58	.32	57	4/30	.07	.36	9/30	.08	NIL	YES
	988	Delphi Automotive PLC		DLPH	55.68	–	3	–	NMF	45- 70 (N- 25%)	12.3	1.2	4.52	.68	6	6/30	1.17	1.01	9/30	.17	NIL	YES
	307	Delta Air Lines		DAL	21.04	1	4	4	1.35	18- 30 (N- 45%)	7.9	1.1	2.68	.24	10	6/30	.98	.69	9/30	▲.06	NIL	YES
	2368	Deluxe Corp.		DLX	42.86	2	3	3	1.25	40- 65 (N- 50%)	11.1	2.3	3.86	1.00	21	6/30	.94	.82	9/30	.25	.25	YES
	2400	Denbury Resources		DNR	17.54	2	3	3	1.70	25- 40 (45-130%)	12.0	NIL	1.46	NIL	9	6/30	.41	.35	6/30	NIL	NIL	YES
	831	Dendreon Corp.	(NDQ)	DNDN	3.37	4	5	4	1.45	10- 15 (195-345%)	NMF	NIL	d1.35	NIL	93	6/30	◆d.45	d.65	6/30	NIL	NIL	YES
	184	Dentsply Int'l	(NDQ)	XRAY	42.71	▲2	2	3	.95	55- 70 (30- 65%)	17.8	0.6	2.40	.25	75	6/30	.66	.62	12/31	.063	.055	YES
	1038	Deutsche Telekom ADR	(PNK)	DTEGY	13.16	1	2	3	.85	20- 30 (50-130%)	14.2	5.0	.93	.66	13	6/30	◆.15	.19	6/30	.926	.88	
2655	523	Devon Energy		DVN	57.89	1	3	2	1.25	70- 105 (20- 80%)	12.9	1.5	4.50	.88	4	6/30	1.21	.55	9/30	.22	.20	YES
	2002	DeVry Inc.		DV	29.10	3	3	4	.70	40- 60 (35-105%)	11.7	1.2	2.49	.34	44	6/30	◆.54	.47	6/30	.17	NIL	YES
2655	215	DexCom Inc.	(NDQ)	DXCM	26.92	5	4	3	1.25	▲ 25- 45 (N- 65%)	NMF	NIL	d.42	NIL	79	6/30	◆d.14	d.21	6/30	NIL	NIL	YES
	1974	Diageo plc		DEO	129.07	3	1	3	.85	130- 155 (N- 20%)	22.0	2.5	5.86	3.25	68	12/31	3.89(p)	2.37(p)	6/30	1.105	1.037	YES
	1912	Diamond Foods	(NDQ)	DMND	20.08	–	4	–	.60	20- 35 (N- 75%)	43.7	NIL	.46	NIL	76	4/30	.05	d.22	6/30	NIL	NIL	YES
	2412	Diamond Offshore		DO	67.70	3	3	4	1.20	95- 140 (40-105%)	13.7	5.2	4.93	3.50	24	6/30	1.33	1.45	9/30	.875	.875	YES
	2173	Dick's Sporting Goods		DKS	51.74	3	3	2	1.15	80- 120 (55-130%)	17.6	1.0	2.94	.50	47	4/30	.48	.45	6/30	.125	.125	YES
	1423	Diebold, Inc.		DBD	30.11	4	2	3	.95	35- 50 (15- 65%)	16.5	3.9	1.82	1.16	19	6/30	d.25	.49	9/30	.288	.285	YES
	1522	Digital Realty Trust		DLR	55.20	3	3	3	1.00	80- 115 (45-110%)	36.8	6.0	1.50	3.33	58	6/30	.37	.38	9/30	.78	.73	YES
	1798	Digital River	(NDQ)	DRIV	18.10	4	4	1	1.05	25- 40 (40-120%)	NMF	NIL	d.38	NIL	97	6/30	d.03	.01	6/30	NIL	NIL	YES
	710	DigitalGlobe, Inc.		DGI	32.12	3	3	5	1.00	20- 35 (N- 10%)	NMF	NIL	.12	NIL	37	6/30	d.30	.21	6/30	NIL	NIL	YES
	2138	Dillard's, Inc.		DDS	80.80	2	3	3	1.55	85- 130 (5- 60%)	10.6	0.2	7.59	.20	31	4/30	2.40	1.89	9/30	.05	.05	YES
	361	DineEquity Inc.		DIN	70.08	4	4	4	1.35	65- 105 (N- 50%)	19.6	4.3	3.57	3.00	66	6/30	.87	.88	9/30	.75	NIL	YES
1435	1024	DIRECTV	(NCQ)	DTV	62.10	3	3	3	.90	105- 160 (70-160%)	10.5	NIL	5.90	NIL	39	6/30	1.18	1.09	6/30	NIL	NIL	YES
	2546	Discover Fin'l Svcs.		DFS	50.29	3	3	3	1.25	55- 85 (10- 70%)	10.7	1.6	4.72	.80	26	6/30	1.20	NA	9/30	.20	.10	YES
	2328	Discovery Communic	(NDQ)	DISCA	82.84	4	3	3	.95	75- 110 (N- 35%)	22.0	NIL	3.76	NIL	78	6/30	.82	.76	6/30	NIL	NIL	YES
	1025	Dish Network 'A'	(NDQ)	DISH	45.76	▲3	3	5	1.25	45- 70 (N- 55%)	16.8	NIL	2.73	NIL	39	6/30	.54	.50	6/30	NIL	NIL	YES
2654	2329	Disney (Walt)		DIS	63.93	3	1	3	1.05	65- 80 (N- 25%)	18.3	1.2	3.50	.75	78	6/30	1.01	1.01	6/30	NIL	NIL	YES
2655	1148	Dixie Group	(NDQ)	DXYN	11.45	2	4	3	1.05	8- 14 (N- 20%)	54.5	NIL	.21	NIL	62	6/30	.13	d.03	6/30	NIL	NIL	
	2012	Dolby Labs.		DLB	33.07	4	3	2	.90	45- 70 (35-110%)	17.9	NIL	1.85	NIL	59	6/30	.29	.48	6/30	NIL	NIL	YES
1043	1913	Dole Food		DOLE	13.49	–	3	–	1.10	8- 12 (N- N%)	36.5	NIL	.37	NIL	76	6/30	.01	.74	6/30	NIL	NIL	YES
847	2139	Dollar General		DG	54.35	3	2	2	.60	85- 115 (55-110%)	16.3	NIL	3.34	NIL	31	4/30	.67	.63	6/30	NIL	NIL	YES
	2140	Dollar Tree, Inc.	(NDQ)	DLTR	52.97	▲3	1	1	.50	75- 95 (40- 80%)	18.3	NIL	2.89	NIL	31	4/30	.59	.50	6/30	NIL	NIL	YES
	142	Dominion Resources		D	60.07	3	2	3	.70	50- 65 (N- 10%)	18.8	3.8	3.19	2.31	16	6/30	.47	.48	6/30	.563	.527	YES
	362	Domino's Pizza		DPZ	62.41	3	4	4	1.15	35- 55 (N- N%)	25.7	1.3	2.43	.80	66	6/30	.57	.47	9/30	.20	NIL	YES
	1162	Domtar Corp.		UFS	69.40	3	3	4	1.55	65- 125 (20- 80%)	14.1	3.2	4.93	2.20	46	6/30	.48	1.61	12/31	.55	.45	YES
	1709	Donaldson Co.		DCI	37.25	5	3	2	1.10	40- 55 (5- 50%)	21.3	1.4	1.75	.52	70	4/30	.47	.46	9/30	.13	.08	YES
	2369	Donnelley (R.R) & Sons	(NDQ)	RRD	19.20	2	3	2	1.35	15- 25 (N- 30%)	11.9	5.4	1.61	1.04	21	6/30	.45	.49	9/30	.26	.26	YES
	989	Dorman Products	(NDQ)	DORM	49.18	3	3	2	1.20	35- 55 (N- 10%)	22.1	NIL	2.23	NIL	6	6/30	.53	.44	6/30	NIL	NIL	YES
	163	Douglas Dynamics		PLOW	14.93	4	2	2	.80	▼ 16- 20 (5- 35%)	27.1	5.6	.55	.83	60	6/30	.26	.40	6/30	.208	.205	YES
	1710	Dover Corp.		DOV	88.27	3	2	3	1.20	110- 145 (25- 65%)	16.2	1.7	5.46	1.50	70	6/30	1.36	1.10	9/30	▲.375	.35	YES
	1592	Dow Chemical		DOW	37.48	1	3	3	1.30	55- 85 (45-125%)	15.0	4.1	2.50	1.52	49	6/30	.64	.55	9/30	.32	.32	YES
	1975	Dr Pepper Snapple		DPS	46.62	3	3	3	.75	60- 90 (30- 95%)	15.8	3.3	2.96	1.54	68	6/30	.76	.83	12/31	◆.38	.34	YES
1245	2330	DreamWorks Animation	(NDQ)	DWA	28.28	3	3	4	1.00	25- 35 (N- 25%)	38.2	NIL	.74	NIL	78	6/30	.26	.15	6/30	NIL	NIL	YES
	1711	Dresser-Rand Group		DRC	60.94	3	3	3	1.35	90- 130 (50-115%)	17.5	NIL	3.49	NIL	70	6/30	.69	.45	6/30	NIL	NIL	YES
	990	Drew Industries		DW	43.87	3	3	4	1.15	40- 60 (N- 35%)	23.6	NIL	1.86	NIL	6	6/30	.69	.52	6/30	NIL	NIL	YES
	2413	Dril-Quip, Inc.		DRQ	102.17	3	3	2	1.55	105- 155 (5- 50%)	27.6	NIL	3.70	NIL	24	6/30	1.05	.74	6/30	NIL	NIL	YES
2252	1593	Du Pont		DD	59.88	3	1	2	1.15	75- 90 (25- 50%)	15.7	3.0	3.81	1.82	49	6/30	1.28	1.40	9/30	.45	.43	YES
	143	Duke Energy		DUK	70.77	4	2	4	.60	55- 75 (N- 5%)	16.8	4.4	4.21	3.12	16	6/30	.74	.99	9/30	▲.78	.765	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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RANKS: Recent Price; Timeliness; Safety; Technical; Beta; 3-5 year Target Price Range and % appreciation potential; Current P/E Ratio; % Est'd Yield next 12 mos.; Est'd Earns. 12 mos. to 3-31-14; (f) Est'd Div'd next 12 mos.; Industry Rank; Do Options Trade?

LATEST RESULTS: Qtr. Ended; Earns. Per sh.; Year Ago; Qtr. Ended; Latest Div'd; Year Ago

		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range	% appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1523	Duke Realty Corp.		DRE	15.80	▼3	3	3	1.50	16- 25	(N- 60%)	NMF	4.3	d.19	.68	58	6/30	d.07	d.11	9/30	.17	.17	YES
	440	Dun & Bradstreet		DNB	106.50	3	3	3	.75	115- 170	(10- 60%)	13.9	1.5	7.65	1.60	83	6/30	1.53	1.50	9/30	.40	.38	YES
	363	Dunkin' Brands Group	(NDQ)	DNKN	44.12	–	3	–	NMF	45- 65	(N- 45%)	27.7	1.7	1.59	.76	66	3/31	.29	.25	9/30	.19	.15	YES
449	927	Dycom Inds.		DY	26.54	1	3	3	1.45	30- 50	(15- 90%)	19.0	NIL	1.40	NIL	1	4/30	.21	.28	6/30	NIL	NIL	YES
	732	Dynamic Materials	(NDQ)	BOOM	20.52	2	4	1	1.65	25- 40	(20- 95%)	16.7	0.8	1.23	.16	73	6/30	.25	.20	9/30	.04	.04	YES
	1782	E*Trade Fin'l	(NDQ)	ETFC	14.51	▲1	4	3	1.55	11- 19	(N- 30%)	21.0	NIL	.69	NIL	27	6/30	.21	.14	6/30	NIL	NIL	YES
	1402	EMC Corp.		EMC	26.97	▲2	2	2	.95	40- 50	(50- 85%)	19.3	1.5	1.40	.40	57	6/30	.32	.29	9/30	▲.10	NIL	YES
	524	EOG Resources		EOG	158.76	2	3	3	1.25	145- 215	(N- 35%)	21.5	0.5	7.40	.76	4	6/30	2.10	1.16	9/30	.188	.17	YES
	525	EQT Corp.		EQT	83.56	3	3	3	1.20	80- 120	(N- 45%)	32.5	0.1	2.57	.12	4	6/30	.57	.28	9/30	.03	.22	YES
	329	Eagle Bulk Shipping	(NDQ)	EGLE	3.38	4	5	3	2.10	5- 9	(50-165%)	NMF	NIL	d5.70	NIL	85	6/30	◆d1.69	d1.47	6/30	NIL	NIL	YES
	1108	Eagle Materials		EXP	67.21	3	3	3	1.20	85- 125	(25- 85%)	23.5	0.6	2.86	.40	35	6/30	◆.60	.31	9/30	.10	.10	YES
	2622	EarthLink, Inc.	(NDQ)	ELNK	5.15	2	3	4	.70	9- 13	(75-150%)	85.8	3.9	.06	.20	54	6/30	d.11	d.01	9/30	.05	.05	YES
	2513	East West Bancorp	(NDQ)	EWBC	31.10	2	3	3	1.30	30- 40	(N- 30%)	15.4	1.9	2.02	.60	7	6/30	.52	.47	9/30	.15	.10	YES
	2440	Eastman Chemical		EMN	79.29	2	3	4	1.30	85- 130	(5- 65%)	12.0	1.5	6.63	1.20	50	6/30	1.80	1.40	12/31	.30	.30	YES
	991	Eaton Corp. plc		ETN	66.47	4	2	2	1.15	80- 110	(20- 65%)	14.4	2.5	4.61	1.68	6	6/30	1.09	1.15	9/30	.42	.38	YES
	2547	Eaton Vance Corp.		EV	39.99	2	3	3	1.35	50- 75	(25- 90%)	17.0	2.0	2.35	.80	26	4/30	.50	.44	9/30	.20	.19	YES
	2623	eBay Inc.	(NDQ)	EBAY	53.28	3	2	4	1.15	65- 85	(20- 60%)	23.8	NIL	2.24	NIL	54	6/30	.49	.53	6/30	NIL	NIL	YES
	582	Echelon Corp.	(NDQ)	ELON	2.24	4	4	1	1.15	5- 8	(125-255%)	NMF	NIL	d.38	NIL	89	6/30	◆d.02	d.04	6/30	NIL	NIL	YES
	1026	EchoStar Corp.	(NDQ)	SATS	43.80	4	3	4	.90	30- 45	(N- 5%)	43.4	NIL	1.01	NIL	39	6/30	d.11	.41	6/30	NIL	NIL	YES
	557	Ecolab Inc.		ECL	92.79	3	1	3	.80	95- 115	(N- 25%)	25.1	1.0	3.70	.92	63	6/30	.86	.72	12/31	.23	.43	YES
	2237	Edison Int'l		EIX	48.44	2	2	4	.75	45- 60	(N- 25%)	14.4	2.9	3.37	1.39	23	6/30	.79	.55	9/30	.338	.325	YES
	185	Edwards Lifesciences		EW	72.32	3	2	3	.70	120- 165	(65-130%)	22.5	NIL	3.22	NIL	75	6/30	.82	.67	6/30	NIL	NIL	YES
	364	Einstein Noah Rest.	(NDQ)	BAGL	16.15	–	3	–	NMF	16- 25	(N- 55%)	16.8	3.1	.96	.50	66	6/30	.19	.19	12/31	.125	.125	
	2238	El Paso Electric		EE	37.49	4	2	3	.70	30- 45	(N- 20%)	15.6	2.9	2.41	1.08	23	6/30	.72	.77	9/30	.265	.25	YES
	616	El Paso Pipeline		EPB	41.86	5	3	4	.75	40- 60	(N- 45%)	19.7	6.0	2.13	2.52	95	6/30	.40	.44	9/30	▲.63	.55	YES
	711	Elbit Systems	(NDQ)	ESLT	44.20	▲1	2	4	.75	65- 90	(45-105%)	11.0	2.7	4.02	1.20	37	6/30	◆1.17	.90	6/30	.30	.60	
	1392	*Electro Scientific*	(NDQ)	*ESIG*	*10.85*	4	3	1	1.10	16- 25	(45-130%)	21.7	2.9	.50	.32	87	6/30	.01	.06	6/30	.08	.08	YES
	2013	Electronic Arts	(NDQ)	EA	26.68	2	3	1	1.05	35- 50	(30- 85%)	19.1	NIL	1.40	NIL	59	6/30	d.40	d.41	6/30	NIL	NIL	YES
	1424	Electr. for Imaging	(NDQ)	EFII	30.88	3	3	4	1.05	30- 45	(N- 45%)	26.6	NIL	1.16	NIL	19	6/30	.28	.22	6/30	NIL	NIL	YES
2659	1013	Elizabeth Arden	(NDQ)	RDEN	35.00	5	3	3	1.30	50- 75	(45-115%)	13.0	NIL	2.69	NIL	90	6/30	◆.10	.12	6/30	NIL	NIL	YES
	388	EMCOR Group		EME	40.62	4	3	3	1.25	35- 50	(N- 25%)	16.7	0.6	2.43	.24	43	6/30	.48	.49	9/30	.06	.05	YES
	1360	EMCORE Corp.	(NDQ)	EMKR	3.98	▼4	5	5	1.70	3- 6	(N- 50%)	NMF	NIL	d.14	NIL	88	6/30	◆d.27	d.38	6/30	NIL	NIL	YES
	1305	Emerson Electric		EMR	62.50	4	1	3	1.05	75- 90	(20- 45%)	16.4	2.5	3.81	1.64	51	6/30	.97	1.04	9/30	.41	.40	YES
	910	Empire Dist. Elec.		EDE	22.85	1	2	4	.70	19- 25	(N- 10%)	16.1	4.4	1.42	1.00	65	6/30	.27	.25	9/30	.25	.25	YES
1648	1403	Emulex Corp.		ELX	7.73	▼3	3	3	1.05	13- 19	(70-145%)	22.1	NIL	.35	NIL	57	6/30	◆.10	.21	6/30	NIL	NIL	YES
	606	Enbridge Inc.	(TSE)	ENB.TO	44.28	4	1	3	.60	40- 50	(N- 15%)	24.9	2.8	1.78	1.26	91	6/30	.38	.36	9/30	.315	.283	YES
	526	Encana Corp.		ECA	17.45	3	3	2	1.20	30- 45	(70-160%)	16.5	4.6	1.06	.80	4	6/30	.34	.27	9/30	.20	.20	YES
	1612	Endo Health Solns.	(NDQ)	ENDP	36.69	4	3	4	.75	30- 40	(N- 10%)	11.5	NIL	3.20	NIL	81	6/30	.30	.08	6/30	NIL	NIL	YES
		Endo Pharmac. Hldgs.								NAME CHANGED TO ENDO HEALTH SOLNS.													
	2029	Endurance Specialty		ENH	52.21	4	3	4	.85	50- 75	(N- 45%)	12.2	2.5	4.27	1.28	67	6/30	1.21	1.48	6/30	.32	.31	YES
	527	Energen Corp.		EGN	66.80	3	3	2	1.25	70- 105	(5- 55%)	18.8	0.9	3.56	.58	4	6/30	.66	.73	9/30	.145	.14	YES
	1192	Energizer Holdings		ENR	99.94	3	3	3	.95	110- 165	(10- 65%)	13.8	2.0	7.22	2.00	84	6/30	1.57	1.19	9/30	▲.50	.40	YES
	617	Energy Transfer		ETP	52.18	3	2	3	.80	45- 65	(N- 25%)	29.0	6.9	1.80	3.62	95	6/30	◆.52	.10	9/30	.894	.894	YES
625	411	EnergySolutions		ES						SEE FINAL SUPPLEMENT - PAGE 625													
	1221	EnerNOC, Inc.	(NDQ)	ENOC	15.63	2	4	3	1.55	25- 40	(60-155%)	21.7	NIL	.72	NIL	38	6/30	d1.23	d1.10	6/30	NIL	NIL	YES
	1222	EnerSys		ENS	53.92	5	3	3	1.50	60- 85	(10- 60%)	15.4	0.9	3.50	.50	38	6/30	◆.83	.95	9/30	.125	NIL	YES
	2414	Ensco plc		ESV	58.40	2	3	3	1.25	75- 110	(30- 90%)	8.7	3.4	6.74	2.00	24	6/30	1.55	1.45	6/30	.50	.375	YES
	911	Entergy Corp.		ETR	66.14	2	3	4	.70	60- 85	(N- 30%)	15.0	5.0	4.40	3.32	65	6/30	.92	2.06	9/30	.83	.83	YES
	618	Enterprise Products		EPD	60.60	4	3	4	.90	65- 100	(5- 65%)	19.9	4.6	3.05	2.78	95	6/30	.60	.64	9/30	▲.68	.635	YES
2655	832	Enzo Biochem		ENZ	2.35	4	4	2	1.45	5- 8	(115-240%)	NMF	NIL	d.12	NIL	93	4/30	d.15	d.09	6/30	NIL	NIL	YES
	1613	Enzon Pharmac.	(NDQ)	ENZN	1.84	–	5	–	NMF	1- 2	(N- 10%)	4.6	NIL	.40	NIL	81	3/31	.05	d.02	6/30	NIL	NIL	YES
	441	Equifax, Inc.		EFX	65.04	3	2	4	.90	75- 105	(15- 60%)	17.7	1.4	3.68	.88	83	6/30	.92	.74	9/30	.22	.18	YES
	1799	Equinix, Inc.	(NDQ)	EQIX	178.75	5	3	3	1.20	315- 475	(75-165%)	66.2	NIL	2.70	NIL	97	6/30	.50	.72	6/30	NIL	NIL	YES
	1524	Equity Residential		EQR	53.47	4	3	3	1.05	60- 90	(10- 70%)	33.8	3.1	1.58	1.66	58	3/31	d.22	.04	9/30	.40	.338	YES
	953	Ericsson ADR(g)	(NDQ)	ERIC	12.25	2	3	2	1.15	14- 20	(15- 65%)	17.5	3.7	.70	.45	56	6/30	.14	.12	6/30	.42	.349	YES
	766	Erie Indemnity	(NDQ)	ERIE	77.48	4	2	3	.70	60- 80	(N- 5%)	21.5	3.1	3.60	2.37	48	6/30	.84	.81	12/31	.593	.593	
	1745	ESCO Technologies		ESE	32.70	4	3	3	1.05	50- 75	(55-130%)	16.1	1.0	2.03	.32	74	6/30	◆.33	.51	12/31	◆.08	.08	YES
	712	Esterline Technologies		ESL	81.94	3	3	3	1.25	75- 115	(N- 40%)	22.2	NIL	3.69	NIL	37	4/30	1.12	1.44	6/30	NIL	NIL	YES
	1149	Ethan Allen Interiors		ETH	29.49	2	3	4	1.25	30- 45	(N- 55%)	18.5	1.4	1.59	.40	62	6/30	.39	.27	12/31	▲.10	.09	YES
	423	European Equity Fund		EEA	7.88	–	4	3	1.25	10- 16	(25-105%)	NMF	1.9	NMF	.15	–	12/31	7.83(q)	6.74(q)	6/30	NIL	.135	
	2030	Everest Re Group Ltd.		RE	134.50	1	1	3	.75	150- 185	(10- 40%)	8.2	1.4	16.45	1.92	67	6/30	5.10	4.25	6/30	.48	.48	YES
	833	Exelixis,Inc.	(NDQ)	EXEL	4.92	4	5	4	1.25	9- 15	(85-205%)	NMF	NIL	d1.30	NIL	93	6/30	d.34	d.25	6/30	NIL	NIL	YES
	144	Exelon Corp.		EXC	31.06	2	3	4	.80	25- 35	(N- 15%)	13.2	4.0	2.35	1.24	16	6/30	.57	.33	9/30	.31	.525	YES
2449	2624	Expedia Inc.	(NDQ)	EXPE	49.67	–	3	–	NMF	60- 90	(20- 80%)	20.0	1.2	2.48	.60	54	6/30	.51	.76	9/30	▲.15	.13	YES
	389	Expeditors Int'l	(NDQ)	EXPD	40.80	2	2	4	1.10	70- 95	(70-135%)	21.4	1.5	1.91	.60	43	6/30	.45	.39	6/30	▲.30	.28	YES
629	2216	Express, Inc.		EXPR	21.48	2	3	2	1.15	30- 45	(40-110%)	12.9	NIL	1.66	NIL	69	4/30	.38	.47	6/30	NIL	NIL	YES
	973	Express Scripts	(NDQ)	ESRX	65.14	3	2	2	1.00	100- 135	(55-105%)	22.2	NIL	2.94	NIL	14	6/30	.67	.18	6/30	NIL	NIL	YES
	1404	Extreme Networks	(NDQ)	EXTR	4.10	3	4	2	1.15	12- 20	(195-390%)	17.1	NIL	.24	NIL	57	6/30	.07	.08	6/30	NIL	NIL	YES
2455	504	Exxon Mobil Corp.		XOM	89.89	3	1	3	.75	110- 135	(20- 50%)	11.1	2.8	8.08	2.52	36	6/30	1.55	1.80	9/30	.63	.57	YES
	2548	EZCORP, Inc.	(NDQ)	EZPW	18.01	3	3	1	1.05	40- 60	(120-235%)	7.7	NIL	2.33	NIL	26	6/30	.49	.56	6/30	NIL	NIL	YES
2254	954	F5 Networks	(NDQ)	FFIV	92.70	3	3	1	.90	115- 170	(25- 85%)	24.7	NIL	3.76	NIL	56	6/30	.86	.91	6/30	NIL	NIL	YES
	118	FARO Technologies	(NDQ)	FARO	37.40	5	3	1	1.15	▼ 50- 75	(35-100%)	31.7	NIL	1.18	NIL	96	6/30	.21	.28	6/30	NIL	NIL	YES
	119	FEI Company	(NDQ)	FEIC	78.52	5	3	3	1.10	95- 145	(20- 85%)	24.5	0.6	3.20	.48	96	6/30	.72	.75	9/30	▲.12	.08	YES
	1306	FLIR Systems	(NDQ)	FLIR	33.18	2	3	4	.90	40- 60	(20- 80%)	20.1	1.1	1.65	.38	51	6/30	.35	.27	9/30	.09	.07	YES
	1594	FMC Corp.		FMC	64.99	4	3	3	1.25	55- 80	(N- 25%)	15.9	0.9	4.09	.59	49	6/30	.94	.92	9/30	.135	.09	YES
	2415	FMC Technologies		FTI	54.07	3	3	2	1.40	80- 120	(50-120%)	23.8	NIL	2.27	NIL	24	6/30	.44	.46	6/30	NIL	NIL	YES
2656	390	FTI Consulting		FCN	33.12	3	3	2	.75	50- 75	(50-125%)	12.9	NIL	2.56	NIL	43	6/30	◆.58	.60	6/30	NIL	NIL	YES
2263	2625	Facebook Inc.	(NDQ)	FB	38.22	–	3	–	NMF	45- 65	(20- 70%)	67.1	NIL	.57	NIL	54	6/30	.13	d.08	6/30	NIL	NIL	YES
	442	FactSet Research		FDS	110.55	3	2	2	1.00	135- 180	(20- 65%)	22.9	1.3	4.83	1.44	83	5/31	1.15	1.05	6/30	▲.35	.31	YES
	2607	Fair Isaac		FICO	52.45	2	3	2	1.15	70- 105	(35-100%)	17.5	0.2	2.99	.08	42	6/30	.80	.59	6/30	.02	.02	YES
2038	1361	Fairchild Semic.		FCS	12.26	3	3	2	1.55	25- 40	(105-225%)	18.3	NIL	.67	NIL	88	6/30	d.06	.09	6/30	NIL	NIL	YES
	2141	Family Dollar Stores		FDO	71.76	2	2	3	.50	75- 100	(5- 40%)	18.2	1.4	3.95	1.04	31	5/31	1.05	1.06	9/30	.26	.21	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS: Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(!) Est'd Div'd next 12 mos.	Industry Rank	Do Options Trade?	LATEST RESULTS: Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	
	1137	Fastenal Co.	(NDQ)	FAST	46.78	4	2	3	1.05	60- 80 (30- 70%)	28.5	2.1	1.64	1.00	77	YES	6/30	.41	.38	9/30	▲.25	.19	YES
2252	992	Federal-Mogul Corp.	(NDQ)	FDML	17.26	1	4	1	1.70	20- 35 (15-105%)	13.2	NIL	1.31	NIL	6	YES	6/30	.63	.51	6/30	NIL	NIL	YES
	1525	Federal Rlty. Inv. Trust		FRT	104.10	3	3	3	1.00	75- 115 (N- 10%)	46.1	3.0	2.26	3.12	58	YES	6/30	.57	.51	12/31	▲.78	.73	YES
	164	Federal Signal		FSS	10.50	3	3	3	1.45	▲ 13- 19 (25- 80%)	14.4	NIL	.73	NIL	60	YES	6/30	◆.23	.15	6/30	NIL	NIL	YES
	2549	Federated Investors		FII	28.75	3	3	3	1.05	30- 45 (5- 55%)	16.9	3.5	1.70	1.00	26	YES	6/30	.39	.39	9/30	▲.25	.24	YES
	308	FedEx Corp.		FDX	109.04	3	2	3	1.00	120- 160 (10- 45%)	20.0	0.6	5.45	.60	10	YES	5/31	.95	1.73	9/30	▲.15	.14	YES
	1526	FelCor Lodging Tr.		FCH	6.01	3	5	4	2.20	11- 20 (85-235%)	NMF	2.5	d.76	.15-NIL	58	YES	6/30	d.23	d.04	6/30	NIL	NIL	YES
1648	558	Ferro Corp.		FOE	7.44	–	4	–	2.10	8- 13 (10- 75%)	16.9	NIL	.44	NIL	63	YES	6/30	.14	d.03	6/30	NIL	NIL	YES
	2550	Fidelity National		FIS	47.41	3	2	3	.80	40- 55 (N- 15%)	23.6	1.9	2.01	.88	26	YES	6/30	.31	.53	9/30	.22	.20	YES
	2104	Fifth & Pacific Co.		FNP	25.78	3	5	2	1.70	12- 20 (N- N%)	NMF	NIL	.11	NIL	71	YES	6/30	◆d.12	d.09	6/30	NIL	NIL	YES
	783	Fifth Third Bancorp	(NDQ)	FITB	19.27	2	3	3	1.20	20- 30 (5- 55%)	9.7	2.5	1.98	.48	30	YES	6/30	.66	.40	9/30	▲.12	.08	YES
2656	583	Finisar Corp.	(NDQ)	FNSR	21.77	3	4	4	1.85	19- 30 (N- 40%)	54.4	NIL	.40	NIL	89	YES	4/30	.04	.19	6/30	NIL	NIL	YES
	2217	Finish Line (The)	(NDQ)	FINL	21.86	4	3	2	1.00	30- 45 (35-105%)	14.1	1.3	1.55	.28	69	YES	5/31	.20	.24	9/30	.07	.06	YES
1435	2551	First Cash Fin'l Svcs	(NDQ)	FCFS	54.28	5	3	3	.95	65- 95 (20- 75%)	18.6	NIL	2.92	NIL	26	YES	6/30	.53	.56	6/30	NIL	NIL	YES
	2514	First Commonwealth		FCF	7.64	4	3	3	1.05	13- 19 (70-150%)	17.0	3.1	.45	.24	7	YES	6/30	.06	.12	9/30	.06	.05	YES
	784	First Horizon National		FHN	12.06	2	3	2	1.05	10- 15 (N- 25%)	17.0	1.7	.71	.20	30	YES	6/30	.17	d.50	12/31	.05	.01	YES
	785	First Midwest Bancorp	(NDQ)	FMBI	15.68	2	3	2	1.15	13- 20 (N- 30%)	17.8	1.0	.88	.16	30	YES	6/30	.22	.09	9/30	▲.04	.01	YES
	1504	First Niagara Finl Group	(NDQ)	FNFG	10.73	3	3	4	.85	16- 25 (50-135%)	13.9	3.0	.77	.32	33	YES	6/30	.18	d.05	9/30	.08	.08	YES
2657	1223	First Solar, Inc.	(NDQ)	FSLR	40.57	3	3	3	1.50	45- 70 (10- 75%)	9.8	NIL	4.14	NIL	38	YES	6/30	.39	1.65	6/30	NIL	NIL	YES
	145	FirstEnergy Corp.		FE	37.34	▲2	3	4	.80	▼ 30- 45 (N- 20%)	13.4	5.9	2.78	2.20-1.60	16	YES	6/30	.46	.52	9/30	.55	.55	YES
	786	FirstMerit Corp.	(NDQ)	FMER	22.53	▼3	3	3	.95	19- 30 (N- 35%)	19.1	2.8	1.18	.64	30	YES	6/30	.29	.28	6/30	.16	.16	YES
	2608	Fiserv Inc.	(NDQ)	FISV	101.47	2	2	4	.95	100- 135 (N- 35%)	16.3	NIL	6.24	NIL	42	YES	6/30	1.50	1.28	6/30	NIL	NIL	YES
	2142	Five Below, Inc.	(NDQ)	FIVE	37.27	–	3	–	NMF	40- 60 (5- 60%)	51.8	NIL	.72	NIL	31	YES	4/30	.03	d.07	6/30	NIL	NIL	YES
	2552	FleetCor Technologies		FLT	97.25	–	3	–	NMF	145- 220 (50-125%)	26.9	NIL	3.61	NIL	26	YES	6/30	.87	.63	6/30	NIL	NIL	YES
	1329	Flextronics Int'l	(NDQ)	FLEX	9.00	2	3	3	1.30	11- 17 (20- 90%)	12.0	NIL	.75	NIL	40	YES	6/30	.15	.20	6/30	NIL	NIL	YES
	1914	Flowers Foods		FLO	23.52	3	3	4	.50	25- 40 (5- 70%)	21.6	2.0	1.09	.48	76	YES	6/30	◆.24	.14	6/30	▲.113	.107	YES
	1712	Flowserve Corp.		FLS	57.00	3	3	3	1.50	50- 75 (N- 30%)	16.4	1.0	3.47	.56	70	YES	6/30	.84	.64	9/30	.14	.12	YES
	1235	Fluor Corp.		FLR	65.55	2	3	3	1.35	100- 150 (55-130%)	15.3	1.0	4.28	.64	11	YES	6/30	1.05	.95	12/31	.16	.32	YES
	1505	Flushing Financial	(NDQ)	FFIC	19.45	▲2	3	4	.90	17- 25 (N- 30%)	15.7	2.7	1.24	.52	33	YES	6/30	.32	.28	6/30	.13	.13	YES
	2218	Foot Locker		FL	34.97	2	3	3	1.00	45- 70 (30-100%)	11.9	2.3	2.94	.80	69	YES	4/30	.91	.83	9/30	.20	.18	YES
	103	Ford Motor		F	17.07	2	4	4	1.45	20- 35 (15-105%)	10.7	2.3	1.59	.40	8	YES	6/30	.45	.30	9/30	.10	.05	YES
	391	Forest City Enterpr.		FCEA	17.97	4	5	3	1.65	20- 40 (10-125%)	NMF	NIL	d.27	NIL	43	YES	4/30	d.11	.11	6/30	NIL	NIL	YES
	1614	Forest Labs.		FRX	43.45	4	3	3	.80	35- 50 (N- 15%)	70.1	NIL	.62	NIL	81	YES	6/30	.09	.21	6/30	NIL	NIL	YES
	2401	Forest Oil		FST	5.14	–	4	–	NMF	9- 14 (75-170%)	15.6	NIL	.33	NIL	9	YES	6/30	.06	.06	6/30	NIL	NIL	YES
	443	Forrester Research	(NDQ)	FORR	35.00	5	3	4	.80	30- 50 (N- 45%)	40.7	1.7	.86	.60	83	YES	6/30	.31	.36	9/30	.15	.14	YES
	2648	Fortress Investment		FIG	7.65	1	4	1	2.15	10- 16 (30-110%)	10.2	3.1	.75	.24	55	YES	6/30	.30	.09	9/30	.06	.05	YES
	1150	Fortune Brands Home		FBHS	37.90	–	3	–	NMF	30- 40 (N- 5%)	26.7	1.1	1.42	.40	62	YES	6/30	.41	.29	9/30	.10	NIL	YES
	320	Forward Air	(NDQ)	FWRD	37.42	4	3	3	1.15	50- 75 (35-100%)	19.5	1.1	1.92	.40	5	YES	6/30	.45	.48	9/30	.10	.10	YES
2657	2174	Fossil Group	(NDQ)	FOSL	120.19	2	3	3	1.30	145- 220 (20- 85%)	19.3	NIL	6.24	NIL	47	YES	6/30	1.15	.92	6/30	NIL	NIL	YES
		Fossil Inc.								NAME CHANGED TO FOSSIL GROUP													
2658	1236	Foster Wheeler AG	(NDQ)	FWLT	24.70	▲2	3	4	1.70	25- 35 (N- 40%)	15.0	NIL	1.65	NIL	11	YES	6/30	◆.54	.29	6/30	NIL	NIL	YES
	1307	Franklin Electric	(NDQ)	FELE	38.42	3	3	3	1.15	35- 50 (N- 30%)	19.4	0.8	1.98	.31	51	YES	6/30	.58	.52	9/30	.078	.073	YES
	2553	Franklin Resources		BEN	48.46	3	2	3	1.30	50- 70 (5- 45%)	13.6	0.8	3.56	.41	26	YES	6/30	.87	.71	9/30	.097	.09	YES
	2143	Fred's Inc. 'A'	(NDQ)	FRED	17.07	3	3	2	.85	17- 25 (N- 45%)	20.1	1.5	.85	.26	31	YES	4/30	.31	.28	6/30	.06	.06	YES
	1580	Freep't-McMoRan C&G		FCX	31.85	3	3	2	1.65	45- 70 (40-120%)	9.2	4.1	3.46	1.29	45	YES	6/30	.49	.74	9/30	.313	.313	YES
	1915	Fresh Del Monte Prod.		FDP	29.66	2	3	4	.90	30- 45 (N- 50%)	16.6	1.9	1.79	.55	76	YES	6/30	1.02	.99	9/30	.125	.10	YES
630	1946	Fresh Market (The)	(NDQ)	TFM	56.73	3	3	3	.80	75- 115 (30-105%)	33.6	NIL	1.69	NIL	34	YES	4/30	.46	.40	6/30	NIL	NIL	YES
	1039	Frontier Communic.	(NDQ)	FTR	4.65	2	4	3	.95	4- 7 (N- 50%)	20.2	8.6	.23	.40	13	YES	6/30	◆d.04	.02	9/30	.10	.10	YES
	330	Frontline Ltd.		FRO	2.52	3	5	5	1.65	▲ 3- 6 (20-140%)	NMF	NIL	d1.07	NIL	85	YES	3/31	d.23	d.08	6/30	NIL	NIL	YES
2657	993	Fuel Sys. Solns.	(NDQ)	FSYS	20.69	▲3	3	2	1.20	40- 60 (95-190%)	47.0	NIL	.44	NIL	6	YES	6/30	◆.13	.36	6/30	NIL	NIL	YES
	412	Fuel Tech, Inc.	(NDQ)	FTEK	4.03	▲2	4	3	1.40	10- 16 (150-295%)	10.1	NIL	.40	NIL	64	YES	6/30	◆.05	NIL	6/30	NIL	NIL	YES
	1224	FuelCell Energy	(NDQ)	FCEL	1.25	4	5	3	1.45	2- 5 (60-300%)	NMF	NIL	d.14	NIL	38	YES	4/30	d.04	d.06	6/30	NIL	NIL	YES
	1982	FUJIFILM Hldgs. ADR(g)	(PNK)	FUJIY	22.99	1	2	3	.85	35- 45 (50- 95%)	15.3	1.7	1.50	.40	3	YES	3/31	.55	.51	9/30	.201	.219	
	559	Fuller (H.B.)		FUL	40.10	3	3	2	1.25	45- 65 (10- 60%)	15.8	1.0	2.54	.40	63	YES	5/31	.67	.62	9/30	.10	.085	YES
2652	1151	Furniture Brands		FBN						SEE FINAL SUPPLEMENT - PAGE 2652													
2656	1405	Fusion-io, Inc.		FIO	11.40	–	3	–	NMF	25- 35 (120-205%)	76.0	NIL	.15	NIL	57	YES	6/30	◆d.03	d.03	6/30	NIL	NIL	YES
	392	**G&K Services**	(NDQ)	GK	53.97	2	3	3	.95	45- 65 (N- 20%)	19.2	1.4	2.81	.78	43	YES	3/31	.69	.52	6/30	.195	.195	YES
	341	GATX Corp.		GMT	45.06	3	3	3	1.15	55- 85 (20- 90%)	14.0	2.8	3.22	1.24	52	YES	6/30	.74	.49	9/30	.31	.30	YES
	2175	GNC Holdings		GNC	53.28	–	3	–	NMF	65- 95 (20- 80%)	18.2	1.1	2.92	.60	47	YES	6/30	.73	.62	9/30	.15	.11	YES
2658	1225	GT Advanced Tech.	(NDQ)	GTAT	5.56	3	4	2	1.60	5- 9 (N- 45%)	NMF	NIL	d.20	NIL	38	YES	6/30	.10	.12	6/30	NIL	NIL	YES
	1208	Gabelli Equity		GAB	6.83	–	3	3	1.30	7- 11 (N- 60%)	NMF	0.9	NMF	.06	–		12/31	5.60(q)	5.20(q)	6/30	.013	.015	
	2554	Gallagher (Arthur J.)		AJG	43.74	3	1	3	.75	40- 50 (N- 15%)	19.2	3.2	2.28	1.40	26	YES	6/30	.73	.59	9/30	.35	.34	YES
	2176	GameStop Corp.		GME	49.48	4	3	5	.85	40- 60 (N- 20%)	15.8	2.3	3.13	1.16	47	YES	4/30	.46	.54	6/30	.275	.15	YES
1043	2377	Gannett Co.		GCI	25.96	3	4	4	1.65	25- 35 (N- 35%)	12.7	3.2	2.04	.82	17	YES	6/30	.48	.51	12/31	.20	.20	YES
	2219	Gap (The), Inc.		GPS	44.46	3	2	3	1.00	50- 70 (10- 55%)	16.2	1.4	2.74	.64	69	YES	7/31	◆.63	.49	9/30	.15	.125	YES
	2447	Gardner Denver		GDI						SEE FINAL SUPPLEMENT - PAGE 2447													
	1308	Garmin Ltd.	(NDQ)	GRMN	39.50	3	3	3	1.05	30- 45 (N- 15%)	15.4	4.7	2.56	1.85	51	YES	6/30	.88	.95	12/31	.45	.45	YES
	444	Gartner Inc.		IT	59.28	4	3	4	1.05	55- 85 (N- 45%)	28.0	NIL	2.12	NIL	83	YES	6/30	.49	.45	6/30	NIL	NIL	YES
	331	Genco Shipping		GNK	1.80	4	5	5	2.10	2- 5 (10-180%)	NMF	NIL	d3.80	NIL	85	YES	6/30	d1.05	d.65	6/30	NIL	NIL	YES
	1746	GenCorp Inc.		GY	16.20	4	4	4	1.35	20- 35 (25-115%)	47.6	NIL	.34	NIL	74	YES	5/31	d.20	.02	6/30	NIL	NIL	YES
	1226	Generac Holdings		GNRC	42.65	3	3	5	.90	55- 85 (30-100%)	23.4	NIL	1.62	NIL	38	YES	6/30	.40	.14	6/30	NIL	NIL	YES
	1209	Gen'l Amer. Invest		GAM	33.36	–	3	3	1.10	40- 60 (20- 80%)	NMF	0.6	NMF	.20	–		3/31	36.11(q)	33.86(q)	6/30	NIL	NIL	
	1309	Gen'l Cable		BGC	32.05	3	3	4	1.85	50- 75 (55-135%)	11.2	2.2	2.87	.72	51	YES	6/30	.69	.74	9/30	.18	NIL	YES
	928	Gen'l Communic. 'A'	(NDQ)	GNCMA	9.55	1	3	2	1.20	14- 20 (45-110%)	26.5	NIL	.36	NIL	1	YES	6/30	.10	.09	6/30	NIL	NIL	YES
	713	Gen'l Dynamics		GD	85.77	2	1	3	1.00	85- 100 (N- 15%)	12.0	2.6	7.16	2.24	37	YES	6/30	1.81	1.77	12/31	◆.56	1.02	YES
2257	1747	Gen'l Electric		GE	24.27	2	3	3	1.25	30- 50 (25-105%)	14.9	3.1	1.63	.76	74	YES	6/30	.36	.38	9/30	.19	.17	YES
	1528	General Growth Prop.		GGP	20.83	–	3	–	NMF	20- 30 (N- 45%)	53.4	2.5	.39	.52	58	YES	6/30	.21	d.12	12/31	▲.13	.11	YES
	1916	Gen'l Mills		GIS	52.49	▼4	1	3	.50	55- 70 (5- 35%)	18.7	2.9	2.81	1.52	76	YES	5/31	.53	.60	9/30	▲.38	.33	YES
	104	General Motors		GM	35.98	2	3	4	1.20	40- 65 (10- 80%)	10.1	NIL	3.58	NIL	8	YES	6/30	.75	.90	6/30	NIL	NIL	YES
847	2159	Genesco Inc.		GCO	72.10	3	3	2	1.15	80- 115 (10- 60%)	12.5	NIL	5.76	NIL	82	YES	4/30	.94	.98	6/30	NIL	NIL	YES
	342	Genesee & Wyoming		GWR	87.30	3	3	3	1.25	100- 155 (15- 60%)	18.5	NIL	4.72	NIL	52	YES	6/30	1.01	.68	6/30	NIL	NIL	YES
	216	Genomic Health	(NDQ)	GHDX	33.52	5	3	1	.85	30- 45 (N- 35%)	NMF	NIL	d.02	NIL	79	YES	6/30	d.10	.06	6/30	NIL	NIL	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS: Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS: Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	994	Gentex Corp.	(NDQ)	GNTX	23.24	2	3	2	1.25	30- 45 (30- 95%)	16.8	2.4	1.38	.56	6	6/30	.36	.28	9/30	.14	.13	YES
	995	Gentherm Inc.	(NDQ)	THRM	18.14	3	3	1	1.55	20- 35 (10- 95%)	18.9	NIL	.96	NIL	6	6/30	.15	.12	6/30	NIL	NIL	YES
	996	Genuine Parts		GPC	81.65	4	1	3	.80	90- 110 (10- 35%)	18.0	2.6	4.54	2.15	6	6/30	1.17	1.08	9/30	.538	.495	YES
	1553	Genworth Fin'l		GNW	12.60	1	4	5	2.45	15- 25 (20-100%)	9.9	NIL	1.27	NIL	2	6/30	.27	.16	6/30	NIL	NIL	YES
	1527	Geo Group (The)		GEO	35.59	3	3	3	.95	35- 55 (N- 55%)	20.9	5.6	1.70	2.00	58	6/30	◆.48	.37	9/30	◆.50	.20	YES
	748	Gibraltar Inds.	(NDQ)	ROCK	13.84	3	4	4	1.55	20- 35 (45-155%)	14.3	NIL	.97	NIL	61	6/30	.26	.28	6/30	NIL	NIL	YES
	2105	Gildan Activewear		GIL	45.04	3	3	4	1.05	60- 85 (35- 90%)	15.8	0.9	2.85	.39	71	6/30	.95	.66	9/30	.09	.075	YES
	1615	Gilead Sciences	(NDQ)	GILD	58.90	4	3	3	.75	55- 85 (N- 45%)	29.2	NIL	2.02	NIL	81	6/30	.50	.46	6/30	NIL	NIL	YES
	2649	Gladstone Capital	(NDQ)	GLAD	8.76	4	4	4	1.35	12- 20 (35-130%)	12.0	9.6	.73	.84	55	6/30	d.10	d.50	9/30	.21	.21	YES
	1163	Glatfelter		GLT	27.67	4	3	4	1.20	25- 40 (N- 45%)	21.3	1.4	1.30	.40	46	6/30	.02	.31	9/30	.10	.09	YES
	1616	GlaxoSmithKline ADR	(g)	GSK	51.30	3	1	3	.75	50- 60 (N- 15%)	16.6	4.7	3.09	2.40	81	6/30	.65	.79	9/30	.55	.546	YES
	2555	Global Payments		GPN	47.62	2	2	3	.85	55- 75 (15- 55%)	14.6	0.2	3.27	.08	26	5/31	.79	.74	12/31	.02	.02	YES
	2384	Global Sources	(NDQ)	GSOL	7.25	3	3	3	1.20	8- 13 (10- 80%)	10.1	NIL	.72	NIL	41	3/31	.03	.09	6/30	NIL	NIL	
	186	Globus Medical		GMED	17.46	–	3	–	NMF	18- 25 (5- 45%)	23.9	NIL	.73	NIL	75	6/30	.08	.21	6/30	NIL	NIL	YES
	332	Golar LNG Ltd.	(NDQ)	GLNG	37.85	4	3	3	1.60	70- 105 (85-175%)	32.9	4.8	1.15	1.80	85	3/31	.25	.19	6/30	▲.45	.35	YES
	1568	Goldcorp Inc.		GG	28.71	5	3	2	1.00	35- 55 (20- 90%)	35.9	2.1	.80	.60	86	6/30	.14	.36	9/30	.15	.135	YES
	1783	Goldman Sachs		GS	161.69	1	3	4	1.25	205- 310 (25- 90%)	10.4	1.2	15.61	2.00	27	6/30	3.70	1.78	9/30	.50	.46	YES
2449	997	Goodyear Tire	(NDQ)	GT	19.38	1	4	3	1.80	25- 40 (30-105%)	9.4	NIL	2.07	NIL	6	6/30	.76	.57	6/30	NIL	NIL	YES
2255	2626	Google, Inc.	(NDQ)	GOOG	885.51	4	1	2	.90	1175-1435 (35- 60%)	24.6	NIL	35.93	NIL	54	6/30	7.55	8.56	6/30	NIL	NIL	YES
	165	Gorman-Rupp Co.	(ASE)	GRC	35.47	3	3	3	1.25	35- 50 (N- 40%)	21.9	1.1	1.62	.40	60	6/30	.43	.36	9/30	.10	.10	YES
	1713	Graco Inc.		GGG	72.30	3	3	3	1.20	65- 95 (N- 30%)	26.9	1.4	2.69	1.00	70	6/30	.75	.51	9/30	.25	.225	YES
	1310	Grainger (W.W.)		GWW	258.03	3	1	3	.95	275- 335 (5- 30%)	21.3	1.4	12.11	3.72	51	6/30	3.03	2.63	9/30	.93	.80	YES
	1237	Granite Construction		GVA	29.75	3	3	4	1.20	40- 60 (35-100%)	24.0	1.7	1.24	.52	11	6/30	.07	.05	9/30	.13	.13	YES
	912	G't Plains Energy		GXP	23.91	2	3	3	.80	19- 30 (N- 25%)	14.9	3.8	1.60	.91	65	6/30	◆.41	.41	9/30	.218	.213	YES
	1330	Greatbatch, Inc.		GB	37.29	1	3	3	.75	40- 60 (5- 60%)	18.1	NIL	2.06	NIL	40	6/30	.56	.41	6/30	NIL	NIL	YES
	1947	Green Mtn. Coffee	(NDQ)	GMCR	78.59	3	3	2	1.00	95- 145 (20- 85%)	24.6	NIL	3.20	NIL	34	6/30	◆.76	.46	6/30	NIL	NIL	YES
	343	Greenbrier (The) Cos.		GBX	23.52	3	3	3	1.90	30- 45 (30- 90%)	10.3	NIL	2.28	NIL	52	5/31	.50	.61	6/30	NIL	NIL	YES
	2031	Greenlight Capital Re	(NDQ)	GLRE	27.15	3	3	3	1.00	40- 55 (45-105%)	7.6	NIL	3.59	NIL	67	6/30	.76	d.98	6/30	NIL	NIL	YES
	1178	Greif, Inc.		GEF	56.17	3	3	2	1.15	55- 85 (N- 50%)	17.6	3.0	3.19	1.68	28	4/30	.70	.81	9/30	.42	.42	YES
	1748	Griffon Corp.		GFF	11.63	3	3	3	1.30	15- 25 (30-115%)	41.5	0.9	.28	.10	74	6/30	.06	.13	9/30	.025	.02	YES
	2128	Group 1 Automotive		GPI	76.50	2	3	4	1.50	80- 120 (5- 55%)	13.3	0.8	5.75	.64	22	6/30	1.52	1.25	6/30	▲.16	.15	YES
	2106	Guess Inc.		GES	31.97	3	3	2	1.25	50- 70 (55-120%)	16.8	2.5	1.90	.80	71	4/30	.14	.30	6/30	.20	.40	YES
	333	GulfMark Offshore		GLF	49.01	3	3	3	1.50	60- 90 (20- 85%)	15.2	2.0	3.22	1.00	85	6/30	.38	.53	6/30	.25	NIL	YES
	803	***HCA Holdings***		*HCA*	*39.77*	–	3	–	*NMF*	*40- 60 (5- 55%)*	*11.4*	*NIL*	*3.39*	*NIL*	*18*	*6/30*	*.86*	*.85*	*6/30*	*NIL*	*NIL*	*YES*
	767	HCC Insurance Hldgs.		HCC	44.45	3	3	4	.85	45- 70 (N- 55%)	13.2	1.5	3.38	.66	48	6/30	.87	.92	9/30	.165	.155	YES
	1529	HCP Inc.		HCP	42.21	4	3	3	1.05	45- 65 (5- 55%)	21.3	5.1	1.98	2.15	58	6/30	.47	.48	9/30	.525	.50	YES
	1152	HNI Corp.		HNI	38.62	2	3	3	1.30	45- 70 (15- 80%)	25.7	2.5	1.50	.96	62	6/30	.28	.17	9/30	.24	.24	YES
	2177	*HSN, Inc.*	(NDQ)	*HSNI*	*60.64*	*3*	*3*	*4*	*.95*	*65- 95 (5- 55%)*	*19.6*	*1.3*	*3.09*	*.77*	*47*	*6/30*	*.79*	*.61*	*9/30*	*.18*	*.125*	*YES*
	217	Haemonetics Corp.		HAE	42.35	▼3	2	4	.65	55- 75 (30- 75%)	18.8	NIL	2.25	NIL	79	6/30	.46	.28	6/30	NIL	NIL	YES
	1917	Hain Celestial Group	(NDQ)	HAIN	75.99	3	3	2	.95	75- 110 (N- 45%)	26.6	NIL	2.86	NIL	76	3/31	.72	.54	6/30	NIL	NIL	YES
	2416	Halliburton Co.		HAL	46.02	3	3	3	1.45	60- 90 (30- 95%)	14.0	1.1	3.28	.50	24	6/30	.73	.80	9/30	.125	.09	YES
	787	Hancock Holding	(NDQ)	HBHC	33.30	3	3	3	.95	45- 65 (35- 95%)	13.9	2.9	2.39	.96	30	6/30	.55	.56	9/30	.24	.24	YES
	2107	Hanesbrands, Inc.		HBI	62.15	3	3	5	1.20	55- 85 (N- 35%)	17.8	1.3	3.49	.80	71	6/30	1.19	.67	9/30	.20	NIL	YES
	768	Hanover Insurance		THG	55.73	2	2	4	.80	75- 100 (35- 80%)	13.8	2.4	4.05	1.32	48	6/30	1.05	.22	6/30	.33	.30	YES
	2308	Harley-Davidson		HOG	57.98	2	3	3	1.50	65- 95 (10- 65%)	16.7	1.4	3.47	.84	29	6/30	1.21	1.07	6/30	.21	.155	YES
	1311	Harman Int'l		HAR	70.92	1	3	3	1.50	65- 95 (N- 35%)	23.3	1.7	3.05	1.20	51	6/30	.91	.67	9/30	▲.30	.15	YES
	955	Harmonic, Inc.	(NDQ)	HLIT	7.98	3	3	3	1.10	9- 13 (15- 65%)	29.6	NIL	.27	NIL	56	6/30	.05	.06	6/30	NIL	NIL	YES
	2650	Harris & Harris Group	(NDQ)	TINY	3.15	4	4	2	1.35	4- 6 (25- 90%)	NMF	NIL	d.13	NIL	55	6/30	◆.13	d.06	6/30	NIL	NIL	YES
	1331	Harris Corp.		HRS	57.67	3	2	2	1.00	45- 60 (N- 5%)	15.4	2.6	3.75	1.52	40	6/30	1.41	1.20	6/30	.37	.33	YES
1817	1948	Harris Teeter Super.		HTSI	49.30	–	3	–	.65	35- 55 (N- 10%)	19.6	1.2	2.51	.60	34	6/30	.65	.41	9/30	.15	.14	YES
	393	Harsco Corp.		HSC	24.44	3	3	4	1.40	25- 40 (N- 65%)	19.4	3.4	1.26	.82	43	6/30	◆.43	.43	12/31	.205	.205	YES
	2385	Harte-Hanks		HHS	9.39	2	3	2	1.00	9- 13 (N- 40%)	14.4	3.6	.65	.34	41	6/30	.13	.11	9/30	.085	.085	YES
	2556	Hartford Fin'l Svcs.		HIG	31.04	2	4	5	2.05	35- 55 (15- 75%)	9.8	1.9	3.18	.60	26	6/30	.66	.23	12/31	▲.15	.10	YES
	2309	Hasbro, Inc.	(NDQ)	HAS	45.35	4	2	3	.80	45- 60 (N- 30%)	15.6	3.5	2.90	1.60	29	6/30	.29	.33	12/31	.40	.72	YES
	2178	Haverty Furniture		HVT	26.34	2	3	5	.90	35- 50 (35- 90%)	23.5	0.7	1.12	.18	47	6/30	.21	.11	6/30	.04	.04	
	2239	Hawaiian Elec.		HE	26.78	▲2	2	3	.70	20- 30 (N- 10%)	16.9	4.6	1.58	1.24	23	6/30	◆.41	.40	9/30	.31	.31	YES
	309	Hawaiian Hldgs.	(NDQ)	HA	7.37	2	4	3	1.10	9- 14 (20- 90%)	6.6	NIL	1.11	NIL	10	6/30	.21	.07	6/30	NIL	NIL	YES
	733	Haynes International	(NDQ)	HAYN	47.82	4	3	3	1.65	60- 90 (25- 90%)	17.6	1.8	2.71	.88	73	6/30	◆.43	1.11	9/30	◆.22	.22	YES
	1109	Headwaters Inc.		HW	9.13	2	5	2	1.70	8- 16 (N- 75%)	15.7	NIL	.58	NIL	35	6/30	.13	.03	6/30	NIL	NIL	YES
	1530	Health Care REIT		HCN	63.14	4	3	3	.85	65- 100 (5- 60%)	65.8	5.0	.96	3.18	58	6/30	d.03	.07	9/30	.765	.74	YES
2449	804	Health Mgmt. Assoc.		HMA	13.24	–	5	–	1.50	18- 35 (35-165%)	14.4	NIL	.92	NIL	18	6/30	◆.07	.16	6/30	NIL	NIL	YES
	805	Health Net		HNT	31.06	2	3	3	1.05	30- 45 (N- 45%)	13.9	NIL	2.23	NIL	18	6/30	.52	.18	6/30	NIL	NIL	YES
	1531	Healthcare R'lty Trust		HR	24.61	5	3	3	.95	20- 30 (N- 20%)	NMF	4.9	.08	1.20	58	6/30	d.27	.04	9/30	.30	.30	YES
	394	Healthcare Svcs.	(NDQ)	HCSG	25.07	3	3	4	.80	25- 35 (N- 40%)	29.8	2.8	.84	.71	43	6/30	.19	.17	9/30	▲.169	.164	YES
	806	Healthways Inc.	(NDQ)	HWAY	17.95	3	3	1	1.25	20- 30 (10- 65%)	46.0	NIL	.39	NIL	18	6/30	d.03	.15	6/30	NIL	NIL	YES
	321	Heartland Express	(NDQ)	HTLD	14.56	2	2	3	.80	19- 25 (30- 70%)	16.7	0.5	.87	.08	5	6/30	.23	.21	9/30	.02	.02	YES
	714	HEICO Corp.		HEI	59.50	3	3	4	1.05	55- 80 (N- 35%)	29.9	0.2	1.99	.14	37	4/30	.44	.36	9/30	.07	.06	YES
2036	1639	Heidrick & Struggles	(NDQ)	HSII	16.05	3	3	4	1.05	25- 35 (55-120%)	28.2	3.2	.57	.52	20	6/30	.11	.10	9/30	.13	.13	YES
	1043	Heinz (H.J.)		HNZ						SEE FINAL SUPPLEMENT - PAGE 1043												
	1014	Helen of Troy Ltd.	(NDQ)	HELE	42.01	3	3	3	1.15	55- 80 (30- 90%)	11.4	NIL	3.69	NIL	90	5/31	.82	.74	6/30	NIL	NIL	YES
	2417	Helix Energy Solutions		HLX	26.40	3	3	3	1.85	20- 35 (N- 35%)	22.0	NIL	1.20	NIL	24	6/30	.26	.02	6/30	NIL	NIL	YES
	2418	Helmerich & Payne		HP	67.30	3	3	4	1.50	70- 105 (5- 55%)	11.5	3.0	5.83	2.00	24	6/30	1.46	1.38	9/30	▲.50	.07	YES
	2609	Henry (Jack) & Assoc.	(NDQ)	JKHY	50.63	3	2	3	.85	45- 65 (N- 30%)	23.4	1.6	2.16	.80	42	3/31	.53	.42	6/30	▲.20	.105	YES
	1918	*Herbalife, Ltd.*		*HLF*	*66.27*	*1*	*3*	*1*	*1.05*	*75- 110 (15- 65%)*	*13.2*	*1.8*	*5.03*	*1.20*	*76*	*6/30*	*1.41*	*1.10*	*9/30*	*.30*	*.30*	*YES*
	1919	Hershey Co.		HSY	96.87	3	2	3	.60	85- 120 (N- 25%)	25.8	2.0	3.76	1.94	76	6/30	.72	.66	9/30	▲.485	.38	YES
	2179	Hertz Global Hldgs.		HTZ	24.81	3	4	4	1.75	35- 55 (40-120%)	18.2	NIL	1.36	NIL	47	6/30	.27	.21	6/30	NIL	NIL	YES
	505	Hess Corp.		HES	75.13	3	3	4	1.30	85- 125 (15- 65%)	11.9	0.5	6.31	.40	36	6/30	1.51	1.72	6/30	.10	.10	YES
450	1406	Hewlett-Packard		HPQ	26.74	1	3	2	1.00	30- 50 (10- 85%)	10.9	2.2	2.46	.59	57	4/30	.55	.80	12/31	.145	.132	YES
	2441	Hexcel Corp.		HXL	36.81	3	3	3	1.50	35- 55 (N- 50%)	20.8	NIL	1.77	NIL	50	6/30	.48	.47	6/30	NIL	NIL	YES
	1617	Hi-Tech Pharmacal	(NDQ)	HITK	36.00	5	3	4	1.00	40- 60 (10- 65%)	17.4	NIL	2.07	NIL	81	4/30	.50	.73	6/30	NIL	NIL	YES
	2180	Hibbett Sports	(NDQ)	HIBB	60.37	4	3	2	.95	65- 95 (10- 55%)	18.9	NIL	3.20	NIL	47	4/30	1.00	.98	6/30	NIL	NIL	YES
	218	Hill-Rom Hldgs.		HRC	36.52	3	3	3	1.00	40- 60 (10- 65%)	17.1	1.5	2.14	.55	79	6/30	.49	.56	9/30	▲.138	.125	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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RANKS: Recent Price | Timeliness | Safety | Technical | Beta | 3-5 year Target Price Range and % appreciation potential | Current P/E Ratio | % Est'd Yield next 12 mos. | Est'd Earns. 12 mos. to 3-31-14 | (f) Est'd Div'd next 12 mos. | Industry Rank

LATEST RESULTS: Qtr. Ended | Earns. Per sh. | Year Ago | Qtr. Ended | Latest Div'd | Year Ago

Do Options Trade?

		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1811	Hillenbrand, Inc.		HI	24.81	3	3	4	.70	35- 50 (40-100%)	11.4	3.1	2.17	.78	72	6/30	◆.21	.34	6/30	.195	.192	YES
	1920	Hillshire Brands		HSH	33.56	–	3	–	NMF	30- 45 (N- 35%)	18.7	2.1	1.79	.70	76	3/31	d.07	.75	12/31	▲.175	.25	YES
	1983	Hitachi, Ltd. ADR(g)	(PNK)	HTHIY	64.55	3	3	2	.90	65- 95 (N- 45%)	16.3	1.8	3.95	1.14	3	3/31	2.55	2.32	6/30	.488	.626	
	506	HollyFrontier Corp.		HFC	44.98	–	3	–	NMF	50- 75 (10- 65%)	7.3	2.7	6.12	1.20	36	6/30	◆1.27	2.39	9/30	.30	.15	YES
	219	Hologic, Inc.	(NDQ)	HOLX	22.60	3	3	4	1.10	35- 55 (55-145%)	14.1	NIL	1.60	NIL	79	6/30	.38	.35	6/30	NIL	NIL	YES
450	1138	Home Depot		HD	79.20	3	1	3	.90	75- 90 (N- 15%)	21.2	2.0	3.74	1.56	77	4/30	.83	.65	6/30	.39	.29	YES
	105	Honda Motor ADR(g)		HMC	38.83	2	2	3	.90	50- 70 (30- 80%)	13.4	2.1	2.90	.80	8	3/31	.45	.48	6/30	.194	.186	YES
	1749	Honeywell Int'l		HON	83.43	3	1	3	1.15	95- 115 (15- 40%)	16.7	2.0	5.00	1.64	74	6/30	1.28	1.14	9/30	.41	.373	YES
	1921	Hormel Foods		HRL	43.39	5	1	3	.65	45- 55 (5- 25%)	21.3	1.7	2.04	.74	76	4/30	.49	.48	9/30	.17	.15	YES
	1123	Horton D.R.		DHI	18.82	2	3	2	1.35	30- 50 (60-165%)	13.1	0.2	1.44	.04	12	6/30	.42	.21	6/30	NIL	.038	YES
	1618	Hospira Inc.		HSP	41.54	2	3	4	.80	45- 65 (10- 55%)	21.0	NIL	1.98	NIL	81	3/31	.52	.47	6/30	NIL	NIL	YES
	1532	Hospitality Properties		HPT	29.00	2	3	2	1.25	30- 50 (5- 70%)	36.3	6.5	.80	1.88	58	6/30	.27	.22	9/30	.47	.45	YES
	1533	Host Hotels & Resorts		HST	17.71	1	3	3	1.55	35- 50 (100-180%)	68.1	2.5	.26	.44	58	6/30	.16	.11	9/30	▲.11	.07	YES
	1043	Hot Topic, Inc.		HOTT						SEE FINAL SUPPLEMENT - PAGE 1043												
	1124	Hovnanian Enterpr. 'A'		HOV	5.31	3	5	4	2.15	9- 17 (70-220%)	15.2	NIL	.35	NIL	12	4/30	.01	.02	6/30	NIL	NIL	YES
	322	Hub Group	(NDQ)	HUBG	38.65	3	3	3	1.15	45- 70 (15- 80%)	18.1	NIL	2.14	NIL	5	6/30	.50	.46	6/30	NIL	NIL	YES
	1312	Hubbell Inc. 'B'		HUBB	108.40	4	2	3	1.10	85- 115 (N- 5%)	19.5	1.7	5.57	1.80	51	6/30	1.37	1.29	9/30	.45	.41	YES
	1506	Hudson City Bancorp	(NDQ)	HCBK	9.58	–	4	–	.90	9- 15 (N- 55%)	29.0	1.7	.33	.16	33	6/30	.10	.15	9/30	.04	.08	YES
	807	Humana Inc.		HUM	93.30	3	3	5	1.00	85- 130 (N- 40%)	11.3	1.2	8.25	1.08	18	6/30	2.75	2.34	9/30	▲.27	.26	YES
	323	Hunt (J.B.)	(NDQ)	JBHT	76.19	3	3	4	1.05	70- 100 (N- 30%)	24.9	0.8	3.06	.60	5	6/30	.73	.67	9/30	.15	.14	YES
	788	Huntington Bancshs.	(NDQ)	HBAN	8.59	3	3	3	1.15	8- 13 (N- 50%)	12.6	2.3	.68	.20	30	6/30	.17	.17	9/30	▲.05	.04	YES
	715	Huntington Ingalls		HII	64.40	–	3	–	NMF	40- 60 (N- N%)	15.8	0.6	4.08	.40	37	6/30	◆1.12	1.00	9/30	◆.10	NIL	YES
	2442	Huntsman Corp.		HUN	18.17	3	4	2	1.10	20- 30 (10- 65%)	14.0	2.8	1.30	.50	50	6/30	.19	.52	6/30	.125	.10	YES
	395	Huron Consulting	(NDQ)	HURN	51.41	2	3	2	.80	45- 65 (N- 25%)	21.1	NIL	2.44	NIL	43	6/30	.69	.28	6/30	NIL	NIL	YES
2450	120	Hutchinson Techn.	(NDQ)	HTCH	3.32	4	5	3	1.85	4- 8 (20-140%)	NMF	NIL	d.80	NIL	96	6/30	d.41	d.62	6/30	NIL	NIL	YES
	2347	Hyatt Hotels		H	45.06	1	3	3	1.10	50- 75 (10- 65%)	44.6	NIL	1.01	NIL	15	6/30	.43	.24	6/30	NIL	NIL	YES
	2627	IAC/InterActiveCorp	(NDQ)	IACI	50.16	▲2	2	2	.75	100- 130 (100-160%)	16.5	2.2	3.04	1.08	54	6/30	.67	.47	9/30	.24	.24	YES
	187	ICU Medical	(NDQ)	ICUI	71.95	5	3	4	.65	65- 100 (N- 40%)	27.6	NIL	2.61	NIL	75	6/30	.48	.63	6/30	NIL	NIL	YES
	445	IHS Inc.		IHS	115.91	4	3	1	.90	90- 135 (N- 15%)	38.3	NIL	3.03	NIL	83	5/31	.65	.66	6/30	NIL	NIL	YES
	121	II-VI Inc.	(NDQ)	IIVI	19.52	2	3	2	1.25	25- 35 (30- 80%)	22.2	NIL	.86	NIL	96	6/30	.25	.22	6/30	NIL	NIL	YES
	913	ITC Holdings		ITC	91.19	3	2	4	.80	115- 155 (25- 70%)	21.0	1.8	4.35	1.68	65	6/30	.90	.81	6/30	.378	.352	YES
	1750	ITT Corp.		ITT	33.84	–	2	–	NMF	35- 50 (5- 50%)	21.8	1.2	1.55	.40	74	3/31	.20	.11	12/31	◆.10	.182	YES
	2003	ITT Educational		ESI	30.00	2	4	1	.75	25- 40 (N- 35%)	10.0	NIL	2.99	NIL	44	6/30	.89	1.96	6/30	NIL	NIL	YES
	2108	Iconix Brand Group	(NDQ)	ICON	33.85	3	3	3	1.30	40- 60 (20- 75%)	14.3	NIL	2.37	NIL	71	6/30	.66	.40	6/30	NIL	NIL	YES
	2240	IDACORP, Inc.		IDA	52.69	3	2	4	.70	40- 55 (N- 5%)	18.6	2.9	3.18	1.52	23	6/30	.91	.71	9/30	.38	.33	YES
	1714	IDEX Corp.		IEX	61.19	3	3	3	1.15	65- 100 (5- 65%)	20.0	1.5	3.06	.92	70	6/30	.76	.67	9/30	.23	.20	YES
	220	IDEXX Labs.	(NDQ)	IDXX	97.05	4	1	4	.90	110- 135 (15- 40%)	27.0	NIL	3.59	NIL	79	6/30	.99	.91	6/30	NIL	NIL	YES
	734	Illinois Tool Works		ITW	73.52	4	1	3	1.00	85- 100 (15- 35%)	16.8	2.3	4.37	1.68	73	6/30	1.08	1.11	12/31	▲.42	.76	YES
	221	Illumina Inc.	(NDQ)	ILMN	78.72	3	3	3	.95	80- 115 (N- 45%)	57.9	NIL	1.36	NIL	79	6/30	.26	.18	6/30	NIL	NIL	YES
	1407	Imation Corp.		IMN	4.95	4	4	2	.85	4- 7 (N- 40%)	NMF	NIL	d.59	NIL	57	3/31	d.31	d.18	6/30	NIL	NIL	YES
	2310	IMAX Corp.		IMAX	26.65	4	4	3	1.25	40- 70 (50-165%)	25.9	NIL	1.03	NIL	29	6/30	.22	.16	6/30	NIL	NIL	YES
	507	Imperial Oil Ltd.	(ASE)	IMO	40.49	▼4	2	3	1.15	70- 90 (75-120%)	10.1	1.2	3.99	.48	36	6/30	.34	.69	12/31	.12	.12	YES
	834	Incyte Corp.	(NDQ)	INCY	27.25	5	5	1	1.30	35- 60 (30-120%)	NMF	NIL	d.03	NIL	93	6/30	.05	.03	6/30	NIL	NIL	YES
	424	India Fund (The)		IFN	19.46	–	3	2	1.25	35- 50 (80-155%)	NMF	0.8	NMF	.15	–	12/31	23.79(q)	21.57(q)	6/30	NIL	NIL	YES
	619	Inergy, L.P.	(NDQ)	NRGY	15.00	–	3	–	1.05	11- 17 (N- 15%)	45.5	3.5	.33	.52	95	6/30	◆.03	d.17	9/30	▼.13	.375	YES
	956	Infinera Corp.	(NDQ)	INFN	11.02	3	4	2	1.15	10- 17 (N- 55%)	NMF	NIL	d.38	NIL	56	6/30	d.09	d.27	6/30	NIL	NIL	YES
	1800	Informatica Corp.	(NDQ)	INFA	38.44	5	3	1	1.00	35- 55 (N- 45%)	48.1	NIL	.80	NIL	97	6/30	.16	.18	6/30	NIL	NIL	YES
	2610	Infosys Ltd. ADR		INFY	49.54	3	2	2	.95	100- 135 (100-175%)	15.5	1.6	3.20	.80	42	6/30	.73	.73	6/30	.443	.375	YES
	1751	Ingersoll-Rand		IR	61.37	4	3	3	1.20	70- 105 (15- 70%)	16.3	1.4	3.77	.84	74	6/30	1.14	1.15	9/30	◆.21	.16	YES
	1949	Ingles Markets	(NDQ)	IMKTA	27.37	2	3	3	.95	30- 45 (10- 65%)	12.3	2.4	2.22	.66	34	6/30	.78	.54	9/30	.165	.165	YES
2263	1408	Ingram Micro 'A'		IM	23.40	1	3	3	.95	30- 45 (30- 90%)	10.2	NIL	2.30	NIL	57	6/30	.55	.39	6/30	NIL	NIL	YES
	1922	Ingredion Inc.		INGR	65.81	5	3	5	1.15	65- 95 (N- 45%)	11.4	2.5	5.77	1.62	76	6/30	1.20	1.38	9/30	.38	.20	YES
	2181	Insight Enterprises	(NDQ)	NSIT	20.99	3	3	2	1.40	30- 45 (45-115%)	10.5	NIL	2.00	NIL	47	6/30	◆.68	.79	6/30	NIL	NIL	YES
	1640	Insperity Inc.		NSP	33.56	4	3	4	1.10	35- 50 (5- 50%)	21.5	2.0	1.56	.68	20	6/30	.14	.22	6/30	.17	.17	YES
	188	Insulet Corp.	(NDQ)	PODD	33.96	4	4	4	1.25	25- 45 (N- 35%)	NMF	NIL	d.43	NIL	75	6/30	◆d.20	d.30	6/30	NIL	NIL	YES
	189	Integra LifeSciences	(NDQ)	IART	38.09	3	3	2	1.00	55- 80 (45-110%)	14.1	NIL	2.71	NIL	75	6/30	.60	.74	6/30	NIL	NIL	YES
	1362	Integrated Device	(NDQ)	IDTI	8.75	4	3	4	1.20	12- 18 (35-105%)	43.8	NIL	.20	NIL	88	3/31	d.01	.05	6/30	NIL	NIL	YES
	914	Integrys Energy		TEG	61.68	3	2	4	.90	45- 60 (N- N%)	17.8	4.4	3.46	2.72	65	6/30	d.07	.65	6/30	.68	.68	YES
2035	1363	Intel Corp.	(NDQ)	INTC	22.64	3	1	3	.95	35- 45 (55-100%)	12.2	4.0	1.86	.90	88	6/30	.39	.54	9/30	.225	.225	YES
2658	933	Intelliquent Inc.	(NDQ)	IQNT	7.71	–	3	–	NMF	8- 12 (5- 55%)	26.6	3.2	.29	.25	1	3/31	.21	.21	6/30	▲.063	NIL	YES
	1015	Inter Parfums	(NDQ)	IPAR	30.19	5	3	3	1.35	25- 35 (N- 15%)	42.5	1.6	.71	.48	90	6/30	◆.12	.20	12/31	◆.12	.08	YES
	1784	IntercontinentalExch.		ICE	183.14	3	3	2	1.05	220- 330 (20- 80%)	20.7	NIL	8.85	NIL	27	6/30	2.09	1.95	6/30	NIL	NIL	YES
1648	584	InterDigital Inc.	(NDQ)	IDCC	36.84	5	3	2	.95	60- 85 (65-130%)	NMF	1.1	d.10	.40	89	6/30	.22	.22	9/30	.10	.10	YES
	1153	Interface Inc. 'A'	(NDQ)	TILE	18.75	4	3	3	1.50	20- 30 (5- 60%)	23.7	0.6	.79	.12	62	6/30	.17	.16	9/30	▲.03	.025	YES
	585	Intermec Inc.		IN	9.91	–	3	–	1.15	16- 25 (60-150%)	82.6	NIL	.12	NIL	89	3/31	d.22	d.26	6/30	NIL	NIL	YES
2036	1409	Int'l Business Mach.		IBM	189.09	2	1	2	.85	245- 300 (30- 60%)	12.3	2.0	15.35	3.85	57	6/30	2.91	3.34	9/30	.95	.85	YES
	560	Int'l Flavors & Frag.		IFF	83.58	3	1	3	.80	85- 105 (N- 25%)	18.8	1.9	4.44	1.56	63	6/30	1.14	1.08	12/31	▲.39	.68	YES
	2348	Int'l Game Tech.		IGT	19.13	1	3	2	1.40	25- 35 (30- 85%)	14.2	1.9	1.35	.36	15	6/30	.33	.23	9/30	▲.09	.06	YES
	1164	Int'l Paper		IP	48.22	2	3	4	1.45	60- 85 (25- 75%)	21.4	2.5	2.25	1.20	46	6/30	.52	.27	9/30	.30	.263	YES
	1364	Int'l Rectifier		IRF	24.71	4	3	1	1.10	18- 25 (N- N%)	NMF	NIL	.12	NIL	88	3/31	d.29	d.21	6/30	NIL	NIL	YES
	2311	Int'l Speedway 'A'	(NDQ)	ISCA	33.00	3	3	2	.95	35- 50 (5- 50%)	21.2	0.7	1.56	.22	29	5/31	.48	.52	6/30	▲.22	.20	YES
	2386	Interpublic Group		IPG	16.24	4	3	3	1.20	17- 25 (5- 55%)	18.0	1.9	.90	.31	41	6/30	.18	.22	6/30	.075	.06	YES
	1365	Intersil Corp. 'A'	(NDQ)	ISIL	11.03	3	3	1	1.10	12- 18 (10- 65%)	NMF	4.4	.05	.48	88	6/30	.01	d.11	9/30	.12	.12	YES
	2583	Intuit Inc.	(NDQ)	INTU	64.67	3	1	4	.90	90- 110 (40- 70%)	18.2	1.1	3.56	.68	94	4/30	2.97	2.51	9/30	.17	.15	YES
2254	190	Intuitive Surgical	(NDQ)	ISRG	388.58	5	3	4	1.25	▼ 495- 745 (25- 90%)	25.5	NIL	15.24	NIL	75	6/30	3.90	3.75	6/30	NIL	NIL	YES
	222	*Invacare Corp.*		*IVC*	*16.04*	*4*	*3*	*2*	*.95*	*20- 30 (25- 85%)*	*NMF*	*0.3*	*d.91*	*.05*	*79*	*6/30*	*d.27*	*d.14*	*9/30*	*.013*	*.013*	YES
	2557	Invesco Ltd.		IVZ	32.30	3	3	3	1.40	45- 65 (40-100%)	15.4	2.8	2.10	.90	26	6/30	.45	.34	9/30	.225	.173	YES
	1785	Investment Techn.		ITG	15.60	1	3	1	1.10	20- 30 (30- 90%)	18.8	NIL	.83	NIL	27	6/30	.27	.05	6/30	NIL	NIL	YES
	1507	Investors Bancorp	(NDQ)	ISBC	22.04	3	3	4	.70	25- 35 (15- 60%)	23.7	0.9	.93	.20	33	6/30	.26	.22	9/30	.05	NIL	YES
	2419	ION Geophysical		IO	5.04	3	5	3	2.40	12- 20 (140-295%)	10.1	NIL	.50	NIL	24	6/30	NIL	.08	6/30	NIL	NIL	YES
	716	iRobot Corp.	(NDQ)	IRBT	33.38	4	3	2	1.15	45- 65 (35- 95%)	32.1	NIL	1.04	NIL	37	6/30	.28	.26	6/30	NIL	NIL	YES
1044	396	Iron Mountain		IRM	27.95	4	3	2	.95	40- 60 (45-115%)	24.7	3.9	1.13	1.08	43	6/30	.29	.35	9/30	.27	.25	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
1438	835	Isis Pharmac.	(NDQ)	ISIS	27.15	5	3	3	.95	16- 25 (N- N%)	NMF	NIL	d1.03	NIL	93	6/30	d.09	d.01	6/30	NIL	NIL	YES
	586	Itron Inc.	(NDQ)	ITRI	40.60	3	3	4	1.15	60- 90 (50-120%)	15.9	NIL	2.55	NIL	89	6/30	.52	1.00	6/30	NIL	NIL	YES
	1923	**J&J Snack Foods**	(NDQ)	JJSF	78.86	3	2	3	.70	75- 100 (N- 25%)	22.6	0.9	3.49	.72	76	6/30	1.12	.99	9/30	.16	.13	
	1332	JDS Uniphase	(NDQ)	JDSU	14.80	4	4	3	1.65	19- 30 (30-105%)	19.7	NIL	.75	NIL	40	3/31	.10	.11	6/30	NIL	NIL	YES
2039	2515	JPMorgan Chase		JPM	54.09	1	3	3	1.25	65- 95 (20- 75%)	9.4	2.8	5.78	1.54	7	6/30	1.60	1.21	9/30	▲.38	.30	YES
	929	j2 Global	(NDQ)	JCOM	52.48	3	3	3	.95	35- 50 (N- N%)	21.6	1.9	2.43	1.02	1	6/30	◆.77	.67	6/30	▲.24	.215	YES
	1333	Jabil Circuit		JBL	23.89	3	3	1	1.40	35- 55 (45-130%)	11.6	1.3	2.06	.32	40	5/31	.48	.53	9/30	.08	.08	YES
	365	Jack in the Box	(NDQ)	JACK	40.25	3	3	3	.95	30- 45 (N- 10%)	22.0	NIL	1.83	NIL	66	6/30	◆.41	.26	6/30	NIL	NIL	YES
	1238	Jacobs Engineering		JEC	60.95	3	3	3	1.35	70- 105 (15- 70%)	17.6	NIL	3.46	NIL	11	6/30	.83	.76	6/30	NIL	NIL	YES
	2558	Janus Capital Group		JNS	9.24	2	3	3	1.80	14- 20 (50-115%)	15.1	3.0	.61	.28	26	6/30	.12	.13	9/30	.07	.06	YES
	425	Japan Equity Fund		JEQ	6.52	–	4	3	.75	9- 14 (40-115%)	NMF	0.8	NMF	.05	–	4/30	7.33(q)	6.12(q)	6/30	NIL	NIL	
	426	Japan Smaller Cap Fd		JOF	9.14	–	4	3	.80	12- 20 (30-120%)	NMF	0.5	NMF	.05	–	2/28	8.83(q)	8.85(q)	6/30	NIL	NIL	
	1193	Jarden Corp.		JAH	47.29	3	3	3	1.30	50- 75 (5- 60%)	19.0	NIL	2.49	NIL	84	6/30	.71	.72	6/30	NIL	NIL	YES
	310	JetBlue Airways	(NDQ)	JBLU	6.36	3	4	4	1.20	10- 16 (55-150%)	11.6	NIL	.55	NIL	10	6/30	.11	.16	6/30	NIL	NIL	YES
2036	223	*Johnson & Johnson*		JNJ	92.00	2	1	4	.65	90- 110 (N- 20%)	16.7	2.9	5.51	2.64	79	6/30	1.48	1.30	9/30	.66	.61	YES
2035	998	Johnson Controls		JCI	41.45	1	3	2	1.30	45- 70 (10- 70%)	13.5	1.8	3.06	.76	6	6/30	.78	.64	12/31	.19	.18	YES
1818	2109	Jones Group (The)		JNY	16.91	–	4	–	1.55	12- 20 (N- 20%)	19.2	1.2	.88	.20	71	6/30	.02	.22	9/30	.05	.05	YES
	397	Jones Lang LaSalle		JLL	87.44	3	3	3	1.40	100- 150 (15- 70%)	15.4	0.5	5.66	.44	43	6/30	1.03	.83	6/30	▲.22	.20	YES
	2220	Joseph A. Bank	(NDQ)	JOSB	40.30	4	3	2	1.00	45- 65 (10- 60%)	14.6	NIL	2.76	NIL	69	4/30	.29	.53	6/30	NIL	NIL	YES
	2378	Journal Communications		JRN	8.31	3	4	3	1.70	9- 15 (10- 80%)	13.4	NIL	.62	NIL	17	6/30	.13	.13	6/30	NIL	NIL	YES
	598	Joy Global		JOY	51.84	3	3	3	1.65	75- 110 (45-110%)	8.2	1.4	6.34	.70	32	4/30	1.73	2.04	6/30	.175	.175	YES
	957	Juniper Networks		JNPR	20.59	3	3	4	1.20	30- 45 (45-120%)	23.4	NIL	.88	NIL	56	6/30	.19	.11	6/30	NIL	NIL	YES
	1125	**KB Home**		KBH	16.80	2	4	4	1.55	25- 40 (50-140%)	32.3	0.6	.52	.10	12	5/31	d.04	d.31	9/30	.025	.025	YES
	1239	KBR, Inc.		KBR	30.55	3	3	2	1.35	40- 60 (30- 95%)	11.4	1.0	2.67	.32	11	6/30	.61	.64	12/31	.08	.05	YES
	2651	KKR & Co. L.P.		KKR	20.37	5	2	4	1.35	35- 50 (70-145%)	7.8	8.2	2.62	1.68	55	6/30	.18	.74	9/30	.42	.13	YES
	122	KLA-Tencor	(NDQ)	KLAC	58.75	5	3	3	1.25	75- 110 (30- 85%)	14.2	3.1	4.15	1.80	96	6/30	.80	1.49	9/30	▲.45	.35	YES
	1752	Kadant Inc.		KAI	33.07	5	3	3	1.25	40- 55 (20- 65%)	14.8	1.5	2.24	.50	74	6/30	.51	.56	9/30	.125	NIL	YES
	1753	Kaman Corp.		KAMN	37.59	3	3	4	1.10	45- 70 (20- 85%)	14.9	1.7	2.52	.64	74	6/30	.67	.62	9/30	.16	.16	YES
	344	Kansas City South'n		KSU	108.01	3	3	3	1.35	115- 170 (5- 55%)	27.5	0.8	3.93	.86	52	6/30	.96	.85	12/31	.215	.39	YES
	1715	Kaydon Corp.		KDN	29.84	–	3	–	NMF	40- 60 (35-100%)	17.3	2.7	1.72	.80	70	6/30	.42	.42	9/30	.20	.20	YES
	1924	Kellogg		K	65.73	2	1	4	.60	80- 95 (20- 45%)	16.6	2.8	3.97	1.84	76	6/30	1.00	.93	9/30	▲.46	.44	YES
	1641	Kelly Services 'A'	(NDQ)	KELYA	19.46	2	3	4	1.25	25- 35 (30- 80%)	12.5	1.0	1.56	.20	20	6/30	.26	.40	9/30	◆.05	.05	YES
	2559	Kemper Corp.		KMPR	35.06	3	3	3	1.10	40- 60 (15- 70%)	19.2	2.7	1.83	.96	26	6/30	.56	.03	9/30	.24	.24	YES
	735	Kennametal Inc.		KMT	45.20	4	3	2	1.40	65- 100 (45-120%)	16.4	1.6	2.76	.72	73	6/30	.76	1.08	9/30	▲.18	.16	YES
	2516	KeyCorp		KEY	12.18	4	3	3	1.20	11- 17 (N- 40%)	13.7	1.8	.89	.22	7	6/30	.21	.23	9/30	.055	.05	YES
	1154	Kimball Int'l 'B'	(NDQ)	KBALB	11.23	3	3	3	1.20	11- 16 (N- 40%)	18.4	1.8	.61	.20	62	6/30	.18	.16	9/30	.05	.05	YES
	1194	Kimberly-Clark		KMB	98.30	3	1	3	.55	95- 120 (N- 20%)	19.7	3.3	4.99	3.24	84	6/30	1.36	1.26	12/31	.81	.74	YES
	1534	Kimco Realty		KIM	21.88	3	3	3	1.25	20- 30 (N- 35%)	52.1	4.0	.42	.87	58	6/30	.10	.09	12/31	.21	.19	YES
	620	Kinder Morgan Energy		KMP	82.62	3	2	4	.75	90- 120 (10- 45%)	32.5	6.5	2.54	5.36	95	6/30	.46	.38	9/30	▲1.32	1.23	YES
	607	Kinder Morgan Inc.		KMI	37.40	–	2	–	NMF	45- 60 (20- 60%)	31.4	4.3	1.19	1.60	91	6/30	.27	d.11	9/30	▲.40	.35	YES
	1569	Kinross Gold		KGC	5.57	3	3	4	1.10	13- 19 (135-240%)	16.9	NIL	.33	NIL	86	6/30	.10	.14	9/30	▼NIL	.08	YES
	334	Kirby Corp.		KEX	85.19	3	3	3	1.15	90- 130 (5- 55%)	19.1	NIL	4.45	NIL	85	6/30	1.11	.85	6/30	NIL	NIL	YES
	1647	Knight Capital Group		KCG						SEE FINAL SUPPLEMENT - PAGE 1647												
	324	Knight Transportation		KNX	16.72	▲1	3	3	.85	25- 35 (50-110%)	18.2	1.4	.92	.24	5	6/30	.24	.24	9/30	◆.06	.06	YES
	2144	Kohl's Corp.		KSS	51.22	1	2	2	.95	75- 105 (45-105%)	11.8	2.7	4.34	1.40	31	4/30	.66	.63	6/30	.35	.32	YES
	1984	Konami Corp. ADS		KNM	22.28	3	3	1	.90	35- 50 (55-125%)	16.5	2.9	1.35	.65	3	3/31	.28	.44	6/30	.252	.314	
	427	Korea Fund		KF	36.24	–	4	2	1.10	50- 80 (40-120%)	NMF	0.3	NMF	.10	–	12/31	45.44(q)	38.67(q)	6/30	NIL	NIL	
	1642	Korn/Ferry Int'l		KFY	19.54	2	3	2	1.20	25- 35 (30- 80%)	14.9	NIL	1.31	NIL	20	4/30	.32	.25	6/30	NIL	NIL	YES
	1950	Kraft Foods Group	(NDQ)	KRFT	55.55	–	2	–	NMF	50- 70 (N- 25%)	19.2	3.6	2.89	2.00	34	6/30	1.38	1.02	9/30	.50	NIL	YES
850	366	Krispy Kreme		KKD	22.52	3	3	5	1.25	11- 20 (N- N%)	34.6	NIL	.65	NIL	66	4/30	.20	.14	6/30	NIL	NIL	YES
1817	1951	Kroger Co.		KR	38.96	1	2	4	.60	45- 60 (15- 55%)	13.7	1.7	2.85	.67	34	4/30	.92	.78	9/30	.15	.115	YES
	561	Kronos Worldwide		KRO	16.10	5	3	3	1.30	20- 30 (25- 85%)	NMF	3.7	.05	.60	63	6/30	◆d.29	.56	9/30	◆.15	.15	YES
	1393	Kulicke & Soffa	(NDQ)	KLIC	11.51	4	4	3	1.70	12- 20 (5- 75%)	13.5	NIL	.85	NIL	87	6/30	.25	.90	6/30	NIL	NIL	YES
	1985	Kyocera Corp. ADR(g)		KYO	99.17	3	1	3	1.00	140- 170 (40- 70%)	18.2	1.2	5.45	1.22	3	6/30	1.25	.38	9/30	.609	.753	
	2221	**L Brands**		LTD	61.19	2	3	3	1.15	55- 80 (N- 30%)	19.1	2.0	3.20	1.20	69	4/30	.48	.41	9/30	◆.30	.25	YES
	717	L-3 Communic.		LLL	92.95	2	2	4	.90	110- 145 (20- 55%)	11.4	2.4	8.12	2.20	37	6/30	2.03	1.97	9/30	.55	.50	YES
	191	LCA-Vision	(NDQ)	LCAV	3.83	3	4	4	1.40	▲ 8- 13 (110-240%)	NMF	NIL	d.06	NIL	75	6/30	.02	d.17	6/30	NIL	NIL	YES
	999	LKQ Corp.	(NDQ)	LKQ	30.69	3	3	4	1.00	30- 45 (N- 45%)	26.2	NIL	1.17	NIL	6	6/30	.25	.22	6/30	NIL	NIL	YES
	1366	LSI Corp.	(NDQ)	LSI	7.68	3	3	2	1.25	30- 45 (290-485%)	11.5	1.6	.67	.12	88	6/30	.15	.10	9/30	▲.03	NIL	YES
	1155	La-Z-Boy Inc.		LZB	22.40	3	3	2	1.45	20- 30 (N- 35%)	20.4	0.7	1.10	.16	62	4/30	.30	.18	6/30	.04	NIL	YES
	808	Laboratory Corp.		LH	97.94	3	1	3	.70	145- 180 (50- 85%)	13.5	NIL	7.25	NIL	18	6/30	1.80	1.77	6/30	NIL	NIL	YES
	542	Laclede Group		LG	45.87	4	2	3	.60	50- 65 (10- 40%)	15.1	3.7	3.03	1.70	25	6/30	.36	.38	12/31	.425	.415	YES
	1394	Lam Research	(NDQ)	LRCX	47.98	3	3	3	1.25	60- 95 (25-100%)	19.2	NIL	2.50	NIL	87	6/30	.50	.13	6/30	NIL	NIL	YES
	2387	Lamar Advertising	(NDQ)	LAMR	44.18	2	3	3	1.55	45- 75 (N- 70%)	66.9	NIL	.66	NIL	41	6/30	◆.22	.15	6/30	NIL	NIL	YES
	1195	Lancaster Colony	(NDQ)	LANC	83.44	4	1	3	.70	70- 85 (N- N%)	19.8	2.0	4.21	1.66	84	3/31	.80	.67	6/30	▲.40	.36	YES
	123	Landauer, Inc.		LDR	46.86	4	3	3	.85	▼ 55- 85 (15- 80%)	20.6	4.7	2.27	2.20	96	6/30	.51	.79	9/30	.55	.55	
	2349	Las Vegas Sands		LVS	56.43	2	4	3	2.55	90- 150 (60-165%)	18.9	2.5	2.98	1.40	15	6/30	.64	.29	9/30	.35	.25	YES
	1367	Lattice Semiconductor	(NDQ)	LSCC	5.01	3	3	3	1.20	7- 10 (40-100%)	25.1	NIL	.20	NIL	88	6/30	.04	d.11	6/30	NIL	NIL	YES
	1016	Lauder (Estee)		EL	66.58	3	2	3	1.00	85- 110 (30- 65%)	23.6	1.1	2.82	.72	90	3/31	.45	.38	6/30	.18	NIL	YES
	736	Lawson Products	(NDQ)	LAWS	11.85	3	4	4	1.20	14- 25 (20-110%)	16.5	NIL	.72	NIL	73	6/30	NIL	d3.29	6/30	NIL	.12	
	1240	Layne Christensen	(NDQ)	LAYN	19.75	3	3	3	1.35	30- 45 (50-130%)	NMF	NIL	.11	NIL	11	4/30	d.81	.24	6/30	NIL	NIL	YES
	2560	Lazard Ltd.		LAZ	36.50	3	3	3	1.20	50- 75 (35-105%)	19.0	2.7	1.92	1.00	26	6/30	.45	.25	9/30	.25	.20	YES
2037	930	Leap Wireless	(NDQ)	LEAP	16.20	–	5	–	1.40	6- 11 (N- N%)	NMF	NIL	d5.42	NIL	1	6/30	d1.10	d.54	6/30	NIL	NIL	YES
	2312	LeapFrog Enterpr. 'A'		LF	10.71	3	3	3	1.40	12- 18 (10- 70%)	17.6	NIL	.61	NIL	29	6/30	d.05	d.12	6/30	NIL	NIL	YES
2450	1000	Lear Corp.		LEA	73.00	1	3	3	1.20	80- 120 (10- 65%)	11.8	0.9	6.17	.68	6	6/30	1.52	1.34	6/30	.17	.14	YES
	1156	Leggett & Platt		LEG	30.97	4	2	3	1.10	35- 50 (15- 60%)	18.1	3.9	1.71	1.20	62	6/30	.44	.45	12/31	▲.30	.58	YES
	2561	Legg Mason		LM	33.53	2	3	2	1.60	55- 85 (65-155%)	15.6	1.6	2.15	.52	26	6/30	.38	.64	12/31	.13	.22	YES
	1126	Lennar Corp.		LEN	33.03	2	3	3	1.70	50- 75 (50-125%)	17.9	0.5	1.85	.16	12	5/31	.43	.21	9/30	.04	.04	YES
	1716	Lennox Int'l		LII	70.63	3	3	3	1.00	70- 105 (N- 50%)	19.4	1.4	3.65	.96	70	6/30	1.31	1.05	9/30	▲.24	.18	YES
	587	Level 3 Communic.		LVLT	22.49	2	4	3	1.25	25- 40 (10- 80%)	NMF	NIL	.06	NIL	89	6/30	d.11	d.29	6/30	NIL	NIL	YES
2259	1425	Lexmark Int'l 'A'		LXK	40.98	2	3	4	.90	35- 50 (N- 20%)	10.4	2.9	3.95	1.20	19	6/30	.95	.89	9/30	.30	.30	YES
	1210	Liberty All-Star		USA	5.58	–	2	3	1.10	6- 9 (10- 60%)	NMF	7.2	NMF	.40	–	3/31	5.80(q)	5.65(q)	9/30	▲.09	.08	

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
		Liberty Global			NAME CHANGED TO LIBERTY GLOBAL PLC																	
	1027	Liberty Global plc	(NDQ)	LBTYA	77.86	3	3	4	1.25	95- 140 (20- 80%)	42.1	NIL	1.85	NIL	39	6/30	d.04	d.81	6/30	NIL	NIL	YES
	1535	Liberty Property		LRY	37.46	3	3	3	1.25	40- 65 (5- 75%)	32.6	5.1	1.15	1.90	58	6/30	.27	.26	9/30	.475	.475	YES
	224	Life Technologies	(NDQ)	LIFE	74.79	–	3	–	.90	60- 90 (- 20%)	17.6	NIL	4.26	NIL	79	6/30	.98	.96	6/30	NIL	NIL	YES
	809	LifePoint Hospitals	(NDQ)	LPNT	48.59	4	3	3	1.05	50- 75 (5- 55%)	16.2	NIL	3.00	NIL	18	6/30	.65	.83	6/30	NIL	NIL	YES
	1619	Lilly (Eli)		LLY	54.05	2	1	4	.80	35- 45 (- N%)	14.9	3.6	3.62	1.96	81	6/30	1.16	.83	9/30	.49	.49	YES
	1717	Lincoln Elec Hldgs.	(NDQ)	LECO	62.44	3	3	2	1.25	55- 85 (- 35%)	17.4	1.3	3.58	.80	70	6/30	.91	.81	12/31	.20	.37	YES
	1554	Lincoln Nat'l Corp.		LNC	42.81	1	3	4	2.00	40- 60 (- 40%)	9.2	1.3	4.63	.54	2	6/30	1.27	1.09	9/30	.12	.08	YES
	1718	*Lindsay Corp.*		LNN	*74.00*	2	3	3	*1.30*	*110- 165 (50-125%)*	13.2	0.7	5.60	.52	70	5/31	2.01	1.47	9/30	▲.13	.09	YES
	1368	Linear Technology	(NDQ)	LLTC	40.18	4	3	3	1.00	40- 60 (- 50%)	21.1	2.6	1.90	1.04	88	6/30	.43	.44	9/30	.26	.25	YES
	2628	LinkedIn		LNKD	239.65	–	3	–	NMF	110- 170 (- N%)	NMF	NIL	.55	NIL	54	6/30	◆.03	.03	6/30	NIL	NIL	YES
1649	528	Linn Energy, LLC	(NDQ)	LINE	23.93	3	3	3	.85	45- 65 (90-170%)	16.4	12.9	1.46	3.08	4	6/30	◆.25	.31	9/30	.725	.725	YES
	2331	Lions Gate Entertain.		LGF	33.27	3	4	2	.60	35- 55 (5- 65%)	23.8	NIL	1.40	NIL	78	6/30	◆.10	d.33	6/30	NIL	NIL	YES
	2332	Live Nation Entertain.		LYV	18.12	2	4	4	1.55	14- 25 (N- 40%)	22.4	NIL	.81	NIL	78	6/30	.15	.04	6/30	NIL	NIL	YES
	718	Lockheed Martin		LMT	123.00	2	1	3	.85	95- 115 (- N%)	13.2	3.9	9.31	4.80	37	6/30	2.64	2.38	9/30	1.15	1.00	YES
	2562	Loews Corp.		L	46.42	3	2	3	1.10	55- 70 (20- 50%)	14.0	0.5	3.32	.25	26	6/30	.71	.47	6/30	.063	.063	YES
	1410	Logitech Int'l	(NDQ)	LOGI	7.42	3	3	3	1.15	10- 16 (35-115%)	32.3	3.0	.23	.22	57	6/30	.01	d.32	6/30	NIL	NIL	YES
	1992	Lorillard Inc.		LO	43.55	2	2	3	.55	65- 85 (50- 95%)	13.4	5.1	3.26	2.20	80	6/30	.81	.73	6/30	.55	.517	YES
	1165	Louisiana-Pacific		LPX	16.99	1	4	3	1.90	19- 30 (10- 75%)	15.6	NIL	1.09	NIL	46	6/30	.41	.02	6/30	NIL	NIL	YES
	1139	Lowe's Cos.		LOW	45.80	3	2	4	1.00	50- 65 (10- 40%)	21.3	1.6	2.15	.72	77	4/30	.49	.44	9/30	▲.18	.16	YES
1044	2222	lululemon athletica	(NDQ)	LULU	72.90	5	3	1	1.35	85- 130 (15- 80%)	33.8	NIL	2.16	NIL	69	4/30	.32	.32	6/30	NIL	NIL	YES
	1140	Lumber Liquidators		LL	95.85	3	3	2	1.05	85- 130 (- 35%)	36.6	NIL	2.62	NIL	77	6/30	.73	.43	6/30	NIL	NIL	YES
	2182	Luxottica Group ADR(g)		LUX	55.14	3	3	3	1.10	45- 70 (- 25%)	28.3	1.4	1.95	.77	47	6/30	.60	.56	6/30	.747	.615	YES
	562	LyondellBasell Inds.		LYB	68.30	2	3	3	1.40	60- 90 (- 30%)	11.0	3.1	6.22	2.10	63	6/30	1.61	1.33	6/30	.50	.40	YES
	2517	**M&T Bank Corp.**		MTB	117.82	▼3	3	4	1.00	120- 180 (- 55%)	14.7	2.4	7.99	2.80	7	6/30	2.55	1.71	6/30	.70	.70	YES
	1127	M.D.C. Holdings		MDC	29.64	1	3	2	1.25	40- 60 (35-100%)	11.6	0.8	2.56	.25	12	6/30	.76	.22	6/30	NIL	.25	YES
	529	MDU Resources		MDU	29.04	2	1	2	1.00	30- 40 (5- 40%)	21.5	2.4	1.35	.69	4	6/30	.25	.18	9/30	.173	.166	YES
		MEMC Elec. Mat'ls			NAME CHANGED TO SUNEDISON INC.																	
	1211	MFS Multimarket		MMT	6.47	–	4	3	.55	6- 10 (N- 55%)	NMF	8.0	NMF	.52	–	4/30	7.79(q)	7.41(q)	6/30	.114	.126	
	915	MGE Energy	(NDQ)	MGEE	58.32	4	1	3	.60	50- 60 (N- 5%)	19.3	2.8	3.02	1.62	65	6/30	.60	.62	6/30	.395	.383	YES
	2563	MGIC Investment		MTG	7.49	–	5	–	2.40	NMF (NMF)	NMF	NIL	d.53	NIL	26	6/30	.04	d1.49	6/30	NIL	NIL	YES
	2350	MGM Resorts Int'l		MGM	17.23	2	4	3	2.25	19- 30 (10- 75%)	NMF	NIL	.05	NIL	15	6/30	.04	d.12	6/30	NIL	NIL	YES
	1395	MKS Instruments	(NDQ)	MKSI	26.89	4	3	2	1.15	25- 40 (N- 50%)	24.7	2.4	1.09	.64	87	6/30	.14	.35	9/30	.16	.16	YES
	1719	MSC Industrial Direct		MSM	79.68	5	2	2	1.00	125- 170 (55-115%)	19.7	1.5	4.04	1.20	70	5/31	1.05	1.10	9/30	.30	.25	YES
	124	MTS Systems	(NDQ)	MTSC	61.12	5	3	4	.90	70- 110 (15- 80%)	16.5	2.0	3.70	1.20	96	6/30	.72	1.07	12/31	.30	.30	YES
	1536	Macerich Comp. (The)		MAC	61.49	2	3	3	1.55	65- 95 (5- 55%)	27.1	3.8	2.27	2.32	58	6/30	.61	.10	9/30	◆.58	.55	YES
	1537	Mack-Cali R'lty		CLI	23.17	3	3	2	1.20	30- 45 (30- 95%)	NMF	5.2	.18	1.20	58	6/30	d.12	.12	9/30	▼.30	.45	YES
	399	Macquarie Infrastructure		MIC	55.09	5	3	3	2.05	60- 90 (10- 65%)	38.5	6.4	1.43	3.55	43	6/30	d.02	.24	9/30	▲.875	.625	YES
	2145	Macy's Inc		M	48.11	2	3	3	1.30	60- 90 (25- 85%)	11.8	2.1	4.08	1.00	31	4/30	.55	.43	9/30	▲.25	.20	YES
	2160	Madden (Steven) Ltd.	(NDQ)	SHOO	55.39	4	3	4	1.05	55- 80 (N- 45%)	18.0	NIL	3.08	NIL	82	6/30	.65	.61	6/30	NIL	NIL	YES
	2333	Madison Square Garden	(NDQ)	MSG	60.18	3	3	3	.85	50- 70 (N- 15%)	31.7	NIL	1.90	NIL	78	3/31	.49	.40	6/30	NIL	NIL	YES
	621	Magellan Midstream		MMP	54.83	4	3	4	.90	45- 65 (N- 20%)	24.5	3.9	2.24	2.14	95	6/30	.68	.61	9/30	▲.533	.471	YES
	1001	Magna Int'l 'A'		MGA	79.98	2	3	3	1.20	80- 120 (N- 50%)	13.0	1.6	6.16	1.28(h)	6	6/30	◆1.78	1.48	9/30	◆.32	.275	YES
	2110	Maidenform Brands		MFB	23.39	–	3	–	1.20	20- 35 (N- 50%)	15.6	NIL	1.50	NIL	71	6/30	.34	.49	6/30	NIL	NIL	YES
	2611	Manhattan Assoc.	(NDQ)	MANH	90.07	3	3	3	.85	85- 130 (N- 45%)	28.4	NIL	3.17	NIL	42	6/30	.89	.70	6/30	NIL	NIL	YES
	166	Manitowoc Co.		MTW	21.03	2	4	2	2.10 ▼	20- 35 (N- 65%)	14.9	0.4	1.41	.08	60	6/30	.44	.32	6/30	NIL	NIL	YES
	1643	Manpower Inc.		MAN	68.73	1	3	3	1.30	80- 120 (15- 75%)	18.7	1.3	3.67	.92	20	6/30	1.05	.76	6/30	▲.46	.43	YES
	2612	ManTech Int'l 'A'	(NDQ)	MANT	28.86	3	3	3	.85	55- 80 (90-175%)	12.4	2.9	2.32	.84	42	6/30	.58	.67	9/30	.21	.21	YES
	1555	Manulife Fin'l		MFC	17.09	2	3	3	1.60	25- 35 (45-105%)	11.5	3.0	1.48	.51	2	6/30	◆.31	d.18	9/30	◆.13	.131	YES
	2402	Marathon Oil Corp.		MRO	34.65	–	2	–	NMF	40- 55 (15- 60%)	28.9	2.2	1.20	.76	9	6/30	.60	.56	9/30	▲.19	.17	YES
	508	Marathon Petroleum		MPC	73.05	–	3	–	NMF	80- 120 (10- 65%)	9.6	2.3	7.60	1.68	36	6/30	1.83	2.38	9/30	▲.42	.35	YES
	2351	Marcus Corp.		MCS	12.68	▲2	3	3	1.25	18- 25 (40- 95%)	16.9	2.7	.75	.34	15	5/31	.13	.23	9/30	.085	.085	YES
	2183	MarineMax		HZO	11.91	2	4	3	1.65	15- 25 (25-110%)	44.1	NIL	.27	NIL	47	6/30	.27	.20	6/30	NIL	NIL	YES
	769	Markel Corp.		MKL	529.20	4	2	3	.75	725- 980 (35- 85%)	24.3	NIL	21.76	NIL	48	6/30	◆1.55	8.44	6/30	NIL	NIL	YES
	2352	Marriott Int'l		MAR	40.73	–	3	–	1.25	55- 80 (35- 95%)	19.7	1.7	2.07	.68	15	6/30	.57	.42	9/30	◆.17	.13	YES
	2564	Marsh & McLennan		MMC	41.80	2	3	3	.80	45- 70 (10- 65%)	16.9	2.4	2.48	1.00	26	6/30	.72	.60	9/30	▲.25	.23	YES
	2370	Martha Stewart		MSO	2.62	–	5	–	1.25	6- 9 (130-245%)	NMF	NIL	d.15	NIL	21	6/30	d.02	d.04	6/30	NIL	NIL	YES
	1110	Martin Marietta		MLM	98.90	3	3	2	1.15	95- 140 (N- 40%)	29.3	1.6	3.38	1.60	35	6/30	.88	.80	6/30	.40	.40	YES
	958	Marvell Technology	(NDQ)	MRVL	12.71	3	3	1	1.25	17- 25 (35- 95%)	14.3	1.9	.89	.24	56	4/30	.19	.23	9/30	.06	.06	YES
	1111	Masco Corp.		MAS	19.89	2	3	2	1.45	25- 40 (25-100%)	24.9	1.5	.80	.30	35	6/30	.23	.10	9/30	.075	.075	YES
	225	Masimo Corp.	(NDQ)	MASI	25.13	3	3	2	1.00	40- 60 (60-140%)	21.5	NIL	1.17	NIL	79	6/30	.30	.30	6/30	NIL	NIL	YES
	1241	MasTec		MTZ	34.20	3	3	3	1.15	45- 65 (30- 90%)	18.2	NIL	1.68	NIL	11	6/30	.47	.36	6/30	NIL	NIL	YES
	2565	MasterCard Inc.		MA	630.72	3	2	4	1.10	665- 900 (5- 45%)	23.3	0.4	27.07	2.40	26	6/30	6.96	5.55	9/30	.60	.30	YES
	1581	Materion Corp.		MTRN	31.22	2	3	3	1.65	40- 65 (30-110%)	16.2	1.0	1.93	.32	45	6/30	.43	.38	9/30	.08	.075	YES
	335	Matson, Inc.		MATX	28.64	–	3	–	NMF	30- 50 (5- 75%)	18.5	2.2	1.55	.64	85	6/30	◆.47	.47	9/30	▲.16	.15	YES
	2313	Mattel, Inc.	(NDQ)	MAT	42.38	4	2	3	.85	40- 50 (N- 20%)	15.8	3.4	2.69	1.44	29	6/30	.21	.28	9/30	.36	.31	YES
	1812	Matthews Int'l	(NDQ)	MATW	39.58	1	3	2	.90	45- 65 (15- 65%)	14.9	1.0	2.65	.40	72	6/30	.72	.65	9/30	.10	.09	YES
	1369	Maxim Integrated	(NDQ)	MXIM	28.71	4	3	3	1.10	35- 55 (20- 90%)	14.4	3.6	2.00	1.04	88	6/30	.44	.45	9/30	▲.26	.22	YES
	398	MAXIMUS Inc.		MMS	39.56	3	2	3	.80	40- 55 (N- 40%)	11.6	0.5	1.69	.20	43	6/30	◆.41	.31	9/30	.045	.045	YES
	2379	McClatchy Co.		MNI	3.00	2	5	4	2.05	3- 6 (N-100%)	5.3	NIL	.57	NIL	17	6/30	.10	.16	6/30	NIL	NIL	YES
	1925	McCormick & Co.		MKC	73.10	4	1	2	.60	85- 100 (15- 35%)	22.6	2.0	3.23	1.45	76	5/31	.59	.60	9/30	.34	.31	YES
2658	1754	McDermott Int'l		MDR	7.34	4	3	4	1.75	20- 35 (170-375%)	14.7	NIL	.50	NIL	74	6/30	d.63	.22	6/30	NIL	NIL	YES
2254	367	McDonald's Corp.		MCD	97.04	4	1	3	.60	115- 140 (20- 45%)	17.0	3.2	5.71	3.08	66	6/30	1.38	1.32	9/30	.77	.70	YES
	2371	McGraw Hill Fin'l		MHFI	62.71	–	3	–	NMF	70- 105 (10- 65%)	18.6	1.8	3.37	1.16	21	6/30	.92	.62	9/30	.28	.255	YES
	226	McKesson Corp.		MCK	122.87	3	1	3	.75	130- 160 (5- 30%)	14.8	0.8	8.30	.96	79	6/30	2.07	1.55	12/31	▲.24	.20	YES
	1926	Mead Johnson Nutrition		MJN	77.56	3	3	3	.65	90- 135 (15- 75%)	23.2	1.8	3.35	1.36	76	6/30	.80	.61	9/30	.34	.30	YES
	1179	MeadWestvaco		MWV	37.15	4	3	2	1.20	50- 70 (35- 90%)	22.8	2.7	1.63	1.00	28	6/30	.37	.46	9/30	.25	.25	YES
	125	Measurement Specialties	(NDQ)	MEAS	48.20	3	3	3	1.45 ▲	50- 75 (5- 55%)	21.4	NIL	2.25	NIL	96	6/30	◆.55	.53	6/30	NIL	NIL	YES
	824	MedAssets	(NDQ)	MDAS	23.93	3	3	4	.90	25- 35 (5- 45%)	49.9	NIL	.48	NIL	92	6/30	.08	.04	6/30	NIL	NIL	YES
848	2334	Media General 'A'		MEG	10.58	–	5	–	1.80	6- 10 (N- N%)	NMF	NIL	d1.30	NIL	78	6/30	◆d.59	d.67	6/30	NIL	NIL	YES
2450	227	Medical Action Inds.	(NDQ)	MDCI	6.35	3	4	2	1.20 ▼	7- 11 (10- 75%)	37.4	NIL	.17	NIL	79	6/30	.02	d.01	6/30	NIL	NIL	YES
	1620	Medicines Company	(NDQ)	MDCO	32.23	4	3	3	1.05	30- 50 (N- 55%)	22.9	NIL	1.41	NIL	81	6/30	.30	.19	6/30	NIL	NIL	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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RANKS: Timeliness | Safety | Technical | Beta | Industry Rank

		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS: Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	810	Medidata Solutions	(NDQ)	MDSO	87.97	5	3	2	.95	70- 105	(N- 20%)		NMF	NIL	.84	NIL	18	6/30	.19	.14	6/30	NIL	NIL	YES
	811	MEDNAX, Inc.		MD	98.61	3	2	3	1.00	105- 165	(5- 65%)		17.6	NIL	5.60	NIL	18	6/30	1.37	1.22	6/30	NIL	NIL	YES
	192	Medtronic, Inc.		MDT	55.22	2	1	3	.90	65- 80	(20- 45%)		14.2	2.1	3.90	1.14	75	4/30	1.10	.99	9/30	▲.28	.26	YES
	2353	Melco Crown Ent. ADR	(NDQ)	MPEL	26.28	2	3	5	1.75	30- 50	(15- 90%)		23.3	NIL	1.13	NIL	15	6/30	.33	.15	6/30	NIL	NIL	YES
	1370	Mellanox Technologies	(NDQ)	MLNX	42.75	5	3	1	.95	70- 105	(65-145%)		32.4	NIL	1.32	NIL	88	6/30	NIL	.74	6/30	NIL	NIL	YES
	2223	Men's Wearhouse		MW	39.59	2	3	3	1.05	45- 70	(15- 75%)		14.4	2.2	2.75	.86	69	4/30	.65	.52	9/30	.18	.18	YES
	2584	Mentor Graphics	(NDQ)	MENT	21.39	4	3	4	1.05	25- 35	(15- 65%)		14.9	0.8	1.44	.18	94	4/30	.01	.25	9/30	.045	NIL	YES
2451	1621	Merck & Co.		MRK	48.47	▼4	1	3	.85	50- 60	(5- 25%)		13.8	3.5	3.50	1.72	81	6/30	.84	1.05	12/31	.43	.42	YES
	770	Mercury General		MCY	44.08	3	2	3	.65	40- 55	(N- 25%)		16.6	5.6	2.65	2.45	48	6/30	.63	d.10	9/30	.613	.61	YES
	1411	Mercury Systems	(NDQ)	MRCY	9.48	4	4	1	1.05	12- 20	(25-110%)		NMF	NIL	d.09	NIL	57	6/30	d.07	.09	6/30	NIL	NIL	YES
	2372	Meredith Corp.		MDP	48.04	▼4	3	3	1.10	45- 65	(N- 35%)		17.0	3.4	2.83	1.65	21	6/30	.75	.67	6/30	.408	.383	YES
	228	Meridian Bioscience	(NDQ)	VIVO	23.99	2	3	4	.90	25- 35	(5- 45%)		25.8	3.2	.93	.76	79	6/30	.24	.21	9/30	.19	.19	YES
	1002	Meritor, Inc.		MTOR	7.65	3	5	2	2.25	8- 15	(5- 95%)		11.8	NIL	.65	NIL	6	6/30	.34	.38	6/30	NIL	NIL	YES
	1128	Meritage Homes		MTH	43.79	3	3	2	1.85	55- 85	(25- 95%)		15.8	NIL	2.77	NIL	12	6/30	.74	.24	6/30	NIL	NIL	YES
	1556	MetLife Inc.		MET	48.88	1	3	3	1.70	55- 85	(15- 75%)		8.9	2.3	5.47	1.10	2	6/30	1.44	1.33	9/30	.275	NIL	YES
	126	Mettler-Toledo Int'l		MTD	229.88	3	3	3	1.05	215- 325	(N- 40%)		21.0	NIL	10.96	NIL	96	6/30	2.24	1.93	6/30	NIL	NIL	YES
	428	Mexico Fund		MXF	32.30	–	4	4	1.10	25- 40	(N- 25%)		NMF	0.6	NMF	.18	–	4/30	32.64(q)	27.10(q)	6/30	NIL	NIL	
	2111	Michael Kors Hldgs.		KORS	72.00	–	3	–	NMF	85- 125	(20- 75%)		28.8	NIL	2.50	NIL	71	6/30	.61	.34	6/30	NIL	NIL	YES
	1334	Micrel Inc.	(NDQ)	MCRL	10.17	3	3	2	1.00	12- 18	(20- 75%)		29.1	2.0	.35	.20	40	6/30	.09	.10	9/30	▲.05	.04	YES
	1371	Microchip Technology	(NDQ)	MCHP	40.76	1	3	3	1.00	55- 80	(35- 95%)		18.5	3.5	2.20	1.42	88	6/30	.57	.48	9/30	.354	.351	YES
	1372	Micron Technology	(NDQ)	MU	13.83	1	4	3	1.40	18- 30	(30-115%)		25.1	NIL	.55	NIL	88	5/31	.04	d.32	6/30	NIL	NIL	YES
	2585	MICROS Systems	(NDQ)	MCRS	49.40	4	3	3	1.05	70- 100	(40-100%)		21.1	NIL	2.34	NIL	94	3/31	.55	.53	6/30	NIL	NIL	YES
2256	2586	Microsoft Corp.	(NDQ)	MSFT	32.87	3	1	2	.85	40- 50	(20- 50%)		12.1	2.9	2.71	.96	94	6/30	.66	.67	12/31	.23	.23	YES
★★	1720	Middleby Corp. (The)	(NDQ)	MIDD	208.90	3	3	3	1.20	160- 235	(N- 10%)		26.5	NIL	7.88	NIL	70	6/30	◆2.00	1.67	6/30	NIL	NIL	YES
	1776	Middlesex Water	(NDQ)	MSEX	21.55	2	2	3	.70	20- 25	(N- 15%)		22.2	3.5	.97	.76	53	6/30	.28	.24	9/30	.188	.185	
	1157	Miller (Herman)	(NDQ)	MLHR	28.63	3	3	3	1.25	30- 45	(5- 55%)		16.8	1.7	1.70	.50	62	5/31	.43	.28	12/31	◆.125	.09	YES
	229	Mindray Medical (ADS)		MR	43.74	3	3	3	1.10	55- 80	(25- 85%)		22.8	1.1	1.92	.50	79	6/30	.51	.44	6/30	▲.50	.40	YES
	1721	Mine Safety Appliance		MSA	53.58	3	3	4	1.10	55- 80	(5- 50%)		20.1	2.2	2.67	1.20	70	6/30	.64	.75	9/30	.30	.28	YES
	563	Minerals Techn.		MTX	47.56	3	2	3	1.10	40- 55	(N- 15%)		20.1	0.4	2.37	.20	63	6/30	.63	.56	9/30	.05	.025	YES
2450	1003	Modine Mfg.		MOD	13.92	2	4	4	1.70	12- 20	(N- 45%)		27.8	NIL	.50	NIL	6	6/30	.21	d.03	6/30	NIL	NIL	YES
	1158	Mohawk Inds.		MHK	128.68	3	3	4	1.30	130- 185	(N- 45%)		20.0	NIL	6.42	NIL	62	6/30	1.84	1.14	6/30	NIL	NIL	YES
	1335	Molex Inc.	(NDQ)	MOLX	30.72	4	3	2	1.25	30- 45	(N- 45%)		21.2	3.1	1.45	.96	40	6/30	.32	.42	9/30	▲.24	.22	YES
	1976	Molson Coors Brewing		TAP	52.52	2	2	3	.65	65- 90	(25- 70%)		13.1	2.7	4.00	1.40	68	6/30	1.51	.57	9/30	.32	.32	YES
	1927	Mondelez Int'l	(NDQ)	MDLZ	31.88	–	2	–	NMF	35- 45	(10- 40%)		20.2	1.8	1.58	.56	76	6/30	◆.34	.35	12/31	▲.14	.29	YES
451	2129	Monro Muffler Brake	(NDQ)	MNRO	44.89	4	3	2	.70	45- 70	(N- 55%)		26.4	1.0	1.70	.44	22	6/30	.42	.36	6/30	▲.11	.10	YES
	2443	Monsanto Co.		MON	95.68	4	3	4	1.00	115- 170	(20- 80%)		19.3	1.8	4.95	1.72	50	5/31	1.66	1.63	12/31	▲.43	.375	YES
	1977	Monster Beverage	(NDQ)	MNST	62.76	▲4	3	3	.70	55- 85	(N- 35%)		28.1	NIL	2.23	NIL	68	6/30	◆.62	.59	6/30	NIL	NIL	YES
	2388	Monster Worldwide		MWW	4.62	2	4	1	1.35	6- 9	(30- 95%)		12.5	NIL	.37	NIL	41	6/30	.08	.08	6/30	NIL	NIL	YES
	446	Moody's Corp.		MCO	69.00	3	3	3	1.20	55- 80	(N- 15%)		18.3	1.2	3.77	.80	83	6/30	1.00	.76	9/30	.20	.16	YES
	719	Moog Inc. 'A'		MOGA	55.92	▼3	3	3	1.20	55- 80	(N- 45%)		15.1	NIL	3.70	NIL	37	6/30	.90	.85	6/30	NIL	NIL	
	1786	Morgan Stanley		MS	26.62	3	3	4	1.70	40- 55	(50-105%)		13.7	0.8	1.95	.20	27	6/30	.43	.28	9/30	.05	.05	YES
	1595	Mosaic Company		MOS	43.85	3	3	3	1.55	80- 120	(80-175%)		9.7	2.5	4.54	1.10	49	5/31	1.14	1.19	9/30	.25	.25	YES
	959	Motorola Solutions		MSI	57.44	–	1	–	NMF	80- 100	(40- 75%)		13.7	2.2	4.19	1.24	56	6/30	1.12	.70	12/31	▲.31	.26	YES
	2184	Movado Group		MOV	36.78	3	3	2	1.90	35- 50	(N- 35%)		20.0	0.5	1.84	.20	47	4/30	.28	.26	6/30	.05	.10	YES
	737	Mueller Inds.		MLI	56.12	3	3	3	1.10	65- 100	(15- 80%)		17.4	0.9	3.22	.50	73	6/30	.90	.47	9/30	.125	.10	YES
	1722	Mueller Water Prod.		MWA	7.67	2	5	2	1.70	7- 13	(N- 70%)		30.7	0.9	.25	.07	70	6/30	.08	.05	9/30	.018	.018	YES
	509	Murphy Oil Corp.		MUR	71.23	1	2	4	1.25	100- 135	(40- 90%)		13.8	1.8	5.17	1.25	36	6/30	1.75	1.50	9/30	◆.313	.313	YES
	1755	Myers Inds.		MYE	19.50	1	3	2	1.40	16- 25	(N- 30%)		17.1	1.8	1.14	.36	74	6/30	.25	.17	12/31	.09	.16	YES
	1622	Mylan Inc.	(NDQ)	MYL	37.19	▼3	3	2	1.10	35- 50	(N- 35%)		23.5	NIL	1.58	NIL	81	6/30	.46	.33	6/30	NIL	NIL	YES
1245	836	Myriad Genetics	(NDQ)	MYGN	30.50	2	3	2	.75	45- 65	(50-115%)		17.3	NIL	1.76	NIL	93	3/31	.46	.34	6/30	NIL	NIL	YES
	1112	**NCI Bldg. Sys.**		NCS	13.08	3	4	4	1.60	18- 30	(40-130%)		22.2	NIL	.59	NIL	35	4/30	d.28	d.44	6/30	NIL	NIL	YES
	1336	NCR Corp.		NCR	36.75	3	3	3	1.20	50- 70	(35- 90%)		13.5	NIL	2.72	NIL	40	6/30	.65	.48	6/30	NIL	NIL	YES
	931	NII Holdings	(NDQ)	NIHD	6.83	4	5	4	1.60	9- 17	(30-150%)		NMF	NIL	d4.67	NIL	1	6/30	d2.23	d.60	6/30	NIL	NIL	YES
	738	NN Inc.	(NDQ)	NNBR	13.42	3	4	4	1.60	15- 25	(10- 85%)		11.9	1.8	1.13	.24	73	6/30	.28	.41	9/30	▲.06	NIL	YES
★★	837	NPS Pharmac.	(NDQ)	NPSP	23.51	4	4	5	.95	15- 25	(N- 5%)		NMF	NIL	d.01	NIL	93	6/30	◆d.13	.08	6/30	NIL	NIL	YES
	1227	NRG Energy		NRG	25.97	3	3	4	1.10	25- 40	(N- 55%)		16.9	1.8	1.54	.48	38	6/30	◆.39	1.08	9/30	.12	.09	YES
	932	NTELOS Hldgs.	(NDQ)	NTLS	18.62	–	3	–	NMF	25- 35	(35- 90%)		17.4	9.0	1.07	1.68	1	6/30	.43	.26	12/31	.42	.84	YES
626	2241	NV Energy Inc.		NVE	23.73	–	3	–	.85	19- 30	(N- 25%)		18.1	3.3	1.31	.78	23	6/30	.27	.29	9/30	.19	.17	YES
	1129	NVR, Inc.		NVR	894.00	3	2	4	.95	1120-1520	(25- 70%)		17.1	NIL	52.27	NIL	12	6/30	NA	8.97	6/30	NIL	NIL	
	1787	NYSE Euronext		NYX	42.35	–	3	–	1.35	35- 55	(N- 30%)		17.4	2.8	2.43	1.20	27	6/30	.63	.51	9/30	.30	.30	YES
	2420	Nabors Inds.		NBR	15.57	2	3	3	1.60	30- 45	(95-190%)		19.0	1.0	.82	.16	24	6/30	.08	d.34	9/30	.04	NIL	YES
	1788	Nasdaq OMX Group	(NDQ)	NDAQ	31.96	4	3	2	1.20	50- 75	(55-135%)		11.6	1.6	2.76	.52	27	6/30	.62	.64	9/30	.13	.13	YES
2257	1952	Nash Finch Co.	(NDQ)	NAFC	26.06	–	3	–	.70	30- 40	(15- 55%)		9.9	2.8	2.64	.72	34	6/30	.68	.60	9/30	.18	.18	YES
	2518	Nat'l Bank of Canada	(TSE)	NA.TO	77.83b	2	2	3	.65	85- 115	(10- 50%)		8.9	4.7	8.76	3.62	7	4/30	2.49(b)	2.00(b)	9/30	▲.87(b)	.79(b)	YES
	2389	National CineMedia	(NDQ)	NCMI	18.30	3	3	3	1.25	16- 25	(N- 35%)		30.0	4.9	.61	.89	41	6/30	.17	.13	9/30	.22	.22	YES
	1647	Nat'l Fin'l Partners		NFP	SEE FINAL SUPPLEMENT - PAGE 1647																			
	530	National Fuel Gas		NFG	67.58	1	2	3	1.05	70- 95	(5- 40%)		22.4	2.2	3.02	1.50	4	6/30	◆.69	.52	9/30	▲.375	.365	YES
	127	*National Instruments*	(NDQ)	NATI	27.92	5	3	3	.95	30- 45	(5- 60%)		45.0	2.0	.62	.56	96	6/30	.12	.22	9/30	.14	.14	YES
	2421	National Oilwell Varco		NOV	72.86	4	3	3	1.55	110- 165	(50-125%)		12.8	1.4	5.71	1.04	24	6/30	1.33	1.42	6/30	▲.26	.12	YES
	1756	National Presto Ind.		NPK	72.36	4	3	3	.95	65- 100	(N- 40%)		12.9	NIL	5.61	NIL	74	6/30	1.20	1.26	6/30	NIL	NIL	
	599	Natural Resource		NRP	19.50	3	3	4	1.15	25- 40	(30-105%)		11.0	11.3	1.77	2.20	32	6/30	◆.37	.46	9/30	.55	.55	YES
1816	230	Natus Medical	(NDQ)	BABY	13.92	3	3	2	1.10	20- 35	(45-150%)		20.2	NIL	.69	NIL	79	6/30	.13	.01	6/30	NIL	NIL	YES
2658	2185	Nautilus Inc.		NLS	6.36	3	5	5	1.60	11- 20	(75-215%)		13.5	NIL	.47	NIL	47	6/30	d.04	d.02	6/30	NIL	NIL	YES
	400	Navigant Consulting		NCI	14.05	1	3	1	.90	20- 30	(40-115%)		12.7	NIL	1.11	NIL	43	6/30	.27	.21	6/30	NIL	NIL	YES
	167	Navistar Int'l		NAV	34.56	5	4	2	1.65	35- 60	(N- 75%)		NMF	NIL	d1.74	NIL	60	4/30	d4.39	d1.99	6/30	NIL	NIL	YES
	1166	Neenah Paper		NP	38.04	3	4	3	1.30	35- 55	(N- 45%)		13.2	2.1	2.89	.80	46	6/30	◆.80	.86	9/30	▲.20	.12	YES
★★	1623	Nektar Therapeutics	(NDQ)	NKTR	11.52	4	4	5	1.00	10- 20	(N- 70%)		NMF	NIL	d1.27	NIL	81	6/30	◆d.37	d.30	6/30	NIL	NIL	YES
	1928	Nestle SA ADS	(PNK)	NSRGY	67.50	▼4	1	3	.65	80- 100	(20- 50%)		18.2	3.3	3.70	2.20	76	6/30	◆1.71(p)	1.78(p)	6/30	2.164	2.11	
	1412	NetApp, Inc.	(NDQ)	NTAP	42.53	4	3	3	1.15	50- 70	(20- 65%)		28.4	1.4	1.50	.60	57	4/30	.47	.47	9/30	▲.15	NIL	YES
1245	2629	Netflix, Inc.	(NDQ)	NFLX	256.60	3	3	3	1.00	170- 250	(N- N%)		NMF	NIL	1.89	NIL	54	6/30	.49	.11	6/30	NIL	NIL	YES
	960	NETGEAR	(NDQ)	NTGR	30.48	5	3	2	1.05	50- 75	(65-145%)		15.6	NIL	1.96	NIL	56	6/30	.42	.56	6/30	NIL	NIL	YES
	1801	NetSuite Inc.		N	97.87	5	3	3	1.20	90- 135	(N- 40%)		NMF	NIL	d.56	NIL	97	6/30	d.28	d.14	6/30	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) *Est'd Earnings & Est'd Dividends after conversion to U.S.* dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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RANKS: Recent Price; Timeliness; Safety; Technical; Beta; 3-5 year Target Price Range and % appreciation potential; Current P/E Ratio; % Est'd Yield next 12 mos.; Est'd Earns. 12 mos. to 3-31-14; (f) Est'd Div'd next 12 mos.; Industry Rank; Do Options Trade?

LATEST RESULTS: Qtr. Ended; Earns. Per sh.; Year Ago; Qtr. Ended; Latest Div'd; Year Ago

		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	961	NeuStar Inc.		NSR	54.70	3	3	3	.90	60- 90 (10- 65%)	20.9	NIL	2.62	NIL	56	6/30	.65	.57	6/30	NIL	NIL	YES
		Neutral Tandem								NAME CHANGED TO INTELIQUENT INC.												
	429	New Germany Fund		GF	19.64	–	3	3	1.30	25- 35 (25- 80%)	NMF	0.5	NMF	.10	–	12/31	17.45(q)	13.86(q)	6/30	NIL	NIL	
	543	New Jersey Resources		NJR	45.57	▲2	1	2	.70	35- 45 (N- N%)	16.0	3.5	2.84	1.60	25	6/30	.23	.10	9/30	.40	.38	YES
	2004	New Orient. Ed. ADS		EDU	22.95	3	3	5	1.00	35- 50 (55-120%)	20.3	NIL	1.13	NIL	44	5/31	.18	.10	6/30	NIL	NIL	YES
	2224	New York & Co.		NWY	5.96	1	5	2	1.45	5- 10 (N- 70%)	49.7	NIL	.12	NIL	69	4/30	.03	NIL	6/30	NIL	NIL	YES
	1508	New York Community		NYCB	15.42	3	3	3	.80	16- 25 (5- 60%)	14.5	6.5	1.06	1.00	33	6/30	.28	.30	9/30	.25	.25	YES
	2380	New York Times		NYT	12.04	2	3	2	1.20	12- 18 (N- 50%)	23.6	NIL	.51	NIL	17	6/30	.14	.11	6/30	NIL	NIL	YES
	1196	Newell Rubbermaid		NWL	26.74	3	3	4	1.25	35- 50 (30- 85%)	17.1	2.2	1.56	.60	84	6/30	.37	.38	9/30	◆.15	.10	YES
	531	Newfield Exploration		NFX	24.47	2	3	3	1.40	40- 55 (65-125%)	14.2	NIL	1.72	NIL	4	6/30	.37	.61	6/30	NIL	NIL	YES
	564	NewMarket Corp.		NEU	274.87	3	3	3	1.25	280- 420 (N- 55%)	13.7	1.3	20.03	3.60	63	6/30	4.81	3.54	12/31	.90	1.50	YES
	1570	Newmont Mining		NEM	30.90	3	3	3	.85	35- 50 (15- 60%)	20.6	1.9	1.50	.60	86	6/30	.45	.56	9/30	▼.25	.35	YES
	128	Newport Corp.	(NDQ)	NEWP	16.38	3	3	3	1.45	25- 35 (55-115%)	26.0	NIL	.63	NIL	96	6/30	.07	.24	6/30	NIL	NIL	YES
		News Corp.								NAME CHANGED TO Twenty-First Century Fox												
	146	NextEra Energy		NEE	85.59	3	2	4	.70	75- 100 (N- 15%)	16.9	3.2	5.05	2.76	16	6/30	1.44	1.45	9/30	.66	.60	YES
	2161	NIKE, Inc. 'B'		NKE	66.51	3	1	4	.80	75- 90 (15- 35%)	22.2	1.3	3.00	.84	82	5/31	.76	.59	12/31	.21	.39	YES
	544	NiSource Inc.		NI	30.66	3	3	4	.85	25- 35 (N- 15%)	18.1	3.3	1.69	1.00	25	6/30	.23	.23	9/30	▲.25	.24	YES
	106	Nissan Motor ADR(g)	(PNK)	NSANY	21.32	2	3	2	.95	30- 45 (40-110%)	10.2	2.4	2.10	.51	8	3/31	.56	.44	9/30	.256	.251	
	2422	Noble Corp.		NE	40.36	1	3	4	1.40	50- 75 (25- 85%)	13.2	2.5	3.06	1.00	24	6/30	.69	.63	9/30	▲.25	.13	YES
	2403	Noble Energy		NBL	63.42	2	3	4	1.25	70- 110 (10- 75%)	18.0	0.9	3.52	.56	9	6/30	1.04	.79	9/30	.14	.11	YES
	962	Nokia Corp. ADR		NOK	4.18	3	4	5	1.15	4- 7 (N- 65%)	NMF	NIL	.01	NIL	56	6/30	NIL	d.11	6/30	▼NIL	.254	YES
	1723	Nordson Corp.	(NDQ)	NDSN	73.58	5	3	3	1.25	60- 90 (N- 20%)	18.3	0.8	4.01	.60	70	4/30	.84	.80	6/30	.15	.125	YES
	2146	Nordstrom, Inc.		JWN	60.79	3	3	3	1.35	80- 115 (30- 90%)	15.5	2.1	3.93	1.26	31	4/30	.73	.70	6/30	.30	.27	YES
	345	Norfolk Southern		NSC	74.35	3	2	2	1.10	95- 125 (30- 70%)	13.3	2.8	5.59	2.08	52	6/30	1.46	1.60	9/30	▲.52	.50	YES
	147	Northeast Utilities		NU	43.49	2	2	4	.75	40- 50 (N- 15%)	16.8	3.5	2.59	1.52	16	6/30	.54	.15	6/30	.368	.343	YES
	789	Northern Trust Corp.	(NDQ)	NTRS	57.06	3	3	3	1.05	70- 105 (25- 85%)	17.9	2.2	3.19	1.24	30	6/30	.78	.73	12/31	.31	.60	YES
	720	Northrop Grumman		NOC	94.93	2	1	3	.90	85- 100 (N- 5%)	13.1	2.6	7.27	2.44	37	6/30	2.05	1.68	6/30	▲.61	.55	YES
	1509	Northwest Bancshares	(NDQ)	NWBI	13.83	4	3	3	.70	14- 20 (N- 45%)	20.6	3.8	.67	.52	33	6/30	.15	.17	9/30	▲.13	.12	YES
	545	Northwest Nat. Gas		NWN	43.21	3	1	3	.60	50- 60 (15- 40%)	18.0	4.2	2.40	1.82	25	6/30	.08	.05	9/30	.455	.445	YES
	2242	NorthWestern Corp.		NWE	42.00	3	3	3	.70	30- 45 (N- 5%)	16.5	3.7	2.54	1.54	23	6/30	.37	.31	9/30	.38	.37	YES
	1624	Novartis AG ADR		NVS	73.21	4	1	4	.65	80- 100 (10- 35%)	16.9	3.4	4.33	2.47	81	6/30	1.30	1.12	6/30	2.426	2.41	YES
	1625	Novo Nordisk ADR(g)		NVO	173.30	3	1	3	.80	220- 270 (25- 55%)	23.9	1.8	7.26	3.10	81	6/30	◆2.17	1.71	6/30	3.102	2.509	YES
1818	1017	Nu Skin Enterprises		NUS	88.28	3	3	4	1.05	80- 120 (N- 35%)	19.0	1.5	4.65	1.32	90	6/30	1.22	.94	9/30	.30	.20	YES
	2587	Nuance Communic.	(NDQ)	NUAN	19.34	5	3	5	1.20	25- 35 (30- 80%)	NMF	NIL	d.30	NIL	94	6/30	d.11	.25	6/30	NIL	NIL	YES
	749	Nucor Corp.		NUE	48.64	4	3	3	1.20	65- 95 (35- 95%)	31.6	3.0	1.54	1.48	61	6/30	.27	.35	9/30	.368	.365	YES
	1929	NutriSystem Inc.	(NDQ)	NTRI	12.94	4	3	3	.85	18- 25 (40- 95%)	34.1	5.4	.38	.70	76	6/30	.22	.31	9/30	.175	.175	YES
	193	NuVasive, Inc.	(NDQ)	NUVA	23.30	5	3	1	1.15	25- 40 (5- 70%)	NMF	NIL	d.09	NIL	75	6/30	d.15	.06	6/30	NIL	NIL	YES
	1212	Nuveen Muni Value Fund		NUV	9.05	–	1	3	.45	10- 12 (10- 35%)	NMF	5.3	NMF	.48	–	10/31	10.31(q)	9.65(q)	9/30	.111	.117	
	1373	NVIDIA Corp.	(NDQ)	NVDA	14.37	3	3	2	1.25	20- 35 (40-145%)	16.1	2.1	.89	.30	88	7/31	◆.16	.19	9/30	◆.075	NIL	YES
	916	OGE Energy		OGE	37.75	4	2	4	.75	30- 40 (N- 5%)	21.0	2.3	1.80	.88	65	6/30	◆.46	.48	9/30	.209	.197	YES
	565	OM Group		OMG	30.26	3	3	4	1.60	30- 45 (N- 50%)	21.6	NIL	1.40	NIL	63	6/30	.26	d.71	6/30	NIL	NIL	YES
1436	129	OSI Systems	(NDQ)	OSIS	74.36	3	3	2	.80	75- 110 (N- 50%)	28.3	NIL	2.63	NIL	96	3/31	.66	.62	6/30	NIL	NIL	YES
	510	Occidental Petroleum		OXY	88.29	3	2	3	1.20	95- 125 (10- 40%)	12.1	3.1	7.29	2.74	36	6/30	1.58	1.64	12/31	.64	1.08	YES
	2423	Oceaneering Int'l		OII	61.44	3	3	2	1.45	70- 105 (N- 30%)	23.2	1.1	3.51	.88	24	6/30	.91	.67	9/30	.22	.18	YES
	1426	Office Depot		ODP	4.37	–	5	–	2.05	4- 7 (N- 60%)	72.8	NIL	.06	NIL	19	6/30	d.10	d.14	6/30	NIL	NIL	YES
	1427	OfficeMax		OMX	11.31	–	4	–	1.80	12- 20 (5- 75%)	20.2	0.7	.56	.08	19	6/30	d.12	.12	9/30	.02	.02	YES
	2424	Oil States Int'l		OIS	92.33	4	3	1	1.60	115- 170 (25- 85%)	12.4	NIL	7.45	NIL	24	6/30	1.38	2.01	6/30	NIL	NIL	YES
	325	Old Dominion Freight	(NDQ)	ODFL	45.07	3	3	4	1.05	40- 60 (N- 35%)	18.2	NIL	2.48	NIL	5	6/30	.68	.56	6/30	NIL	NIL	YES
	790	Old Nat'l Bancorp	(NDQ)	ONB	14.10	3	3	2	.95	15- 20 (5- 40%)	13.3	2.9	1.06	.41	30	6/30	.28	.29	9/30	.10	.09	YES
	771	Old Republic		ORI	14.98	2	3	3	1.05	15- 20 (N- 35%)	20.0	4.8	.75	.72	48	6/30	.37	d.19	6/30	.18	.178	YES
	1596	Olin Corp.		OLN	24.09	2	3	3	1.25	30- 50 (25-110%)	10.8	3.3	2.24	.80	49	6/30	.54	.59	9/30	.20	.20	YES
	974	Omnicare, Inc.		OCR	54.98	2	3	4	.95	65- 95 (20- 75%)	15.4	1.0	3.57	.56	14	6/30	.90	.83	6/30	.14	.07	YES
	231	Omnicell, Inc.	(NDQ)	OMCL	23.08	3	3	3	1.00	25- 35 (10- 50%)	31.6	NIL	.73	NIL	79	6/30	.17	.04	6/30	NIL	NIL	YES
	2390	Omnicom Group		OMC	62.68	–	2	–	1.00	80- 110 (30- 75%)	15.6	2.6	4.02	1.60	41	6/30	1.09	1.02	12/31	.40	.60	YES
848	2014	OmniVision Techn.	(NDQ)	OVTI	16.63	2	3	3	1.20	19- 30 (15- 90%)	16.6	NIL	1.00	NIL	59	4/30	.17	.05	6/30	NIL	NIL	YES
	1644	On Assignment		ASGN	31.74	3	3	4	1.55	30- 45 (N- 40%)	30.8	NIL	1.03	NIL	20	6/30	.14	.19	6/30	NIL	NIL	YES
	1374	ON Semiconductor	(NDQ)	ONNN	7.49	3	3	3	1.50	13- 19 (75-155%)	12.5	NIL	.60	NIL	88	6/30	.13	.14	6/30	NIL	NIL	YES
	2630	1-800-FLOWERS COM	(NDQ)	FLWS	6.46	3	4	1	1.55	7- 12 (10- 85%)	25.8	NIL	.25	NIL	54	3/31	.04	NIL	6/30	NIL	NIL	YES
2259	608	ONEOK Inc.		OKE	52.00	3	3	5	1.00	40- 60 (N- 15%)	32.7	3.1	1.59	1.60	91	6/30	NIL	.29	9/30	▲.38	.33	YES
	1626	Onyx Pharmac.	(NDQ)	ONXX	125.90	–	3	–	.90	100- 150 (N- 20%)	NMF	NIL	d2.86	NIL	81	6/30	◆d.73	d1.65	6/30	NIL	NIL	YES
	1802	Open Text Corp.	(NDQ)	OTEX	67.93	3	3	2	.90	85- 130 (25- 90%)	23.8	1.8	2.86	1.20	97	6/30	.71	.14	9/30	.30	NIL	YES
1436	2588	Oracle Corp.		ORCL	33.25	3	1	2	.95	45- 55 (35- 65%)	11.6	1.4	2.87	.48	94	5/31	.87	.82	9/30	▲.12	.06	YES
	721	Orbital Sciences		ORB	18.89	2	3	3	.95	30- 45 (60-140%)	15.7	NIL	1.20	NIL	37	6/30	.27	.25	6/30	NIL	NIL	YES
★★	2631	Orbitz Worldwide		OWW	11.74	3	5	2	1.60	11- 20 (N- 70%)	31.7	NIL	.37	NIL	54	6/30	◆.07	.04	6/30	NIL	NIL	YES
	130	Orbotech Ltd.	(NDQ)	ORBK	12.25	1	3	3	.85 ▲	19- 30 (55-145%)	12.9	NIL	.95	NIL	96	6/30	.24	d.02	6/30	NIL	NIL	YES
	2130	O'Reilly Automotive	(NDQ)	ORLY	126.96	3	2	2	.70	135- 180 (5- 40%)	21.1	NIL	6.02	NIL	22	6/30	1.58	1.15	6/30	NIL	NIL	YES
	2354	Orient-Express Hotels		OEH	12.59	2	4	4	1.70	16- 25 (25-100%)	63.0	NIL	.20	NIL	15	6/30	.17	.11	6/30	NIL	NIL	YES
	1228	Ormat Technologies		ORA	24.10	2	3	3	1.15	35- 55 (45-130%)	24.3	0.7	.99	.16	38	6/30	.36	.20	9/30	.04	.04	YES
	168	Oshkosh Corp.		OSK	45.88	2	4	4	1.65	40- 65 (N- 40%)	12.8	NIL	3.59	NIL	60	6/30	1.67	.82	6/30	NIL	NIL	YES
	917	Otter Tail Corp.	(NDQ)	OTTR	29.16	2	3	4	.90	25- 35 (N- 20%)	22.1	4.1	1.32	1.19	55	6/30	.21	.19	9/30	◆.298	.298	YES
	386	Outerwall Inc.	(NDQ)	OUTR	62.19	3	3	3	.90	80- 120 (30- 95%)	10.2	NIL	6.08	NIL	43	6/30	.91	1.25	6/30	NIL	NIL	YES
2038	2632	Overstock.com	(NDQ)	OSTK	32.27	2	4	4	1.40	20- 40 (N- 25%)	35.1	NIL	.92	NIL	54	6/30	.15	.02	6/30	NIL	NIL	YES
	232	Owens & Minor		OMI	36.14	3	2	3	.75 ▼	40- 55 (10- 50%)	18.6	2.8	1.94	1.00	79	6/30	.46	.48	9/30	.24	.22	YES
	1113	Owens Corning		OC	38.00	3	3	3	1.35	60- 95 (60-150%)	17.0	NIL	2.23	NIL	35	6/30	.57	.55	6/30	NIL	NIL	YES
	1180	Owens-Illinois		OI	30.69	2	3	3	1.50	40- 60 (30- 95%)	10.7	NIL	2.86	NIL	28	6/30	.81	.61	6/30	NIL	NIL	YES
	2112	Oxford Inds.		OXM	67.91	3	4	2	1.60	65- 110 (N- 60%)	19.8	1.1	3.43	.72	71	4/30	.82	1.09	9/30	.18	.15	YES
	2186	PC Connection	(NDQ)	PCCC	15.78	3	3	1	1.15	13- 20 (N- 25%)	11.5	NIL	1.37	NIL	47	6/30	.35	.33	6/30	NIL	NIL	YES
	1627	PDL BioPharma	(NDQ)	PDLI	8.44	1	4	2	.75	7- 11 (N- 30%)	4.8	7.3	1.75	.62	81	6/30	◆.62	.50	9/30	.15	.15	YES
	2243	PG&E Corp.		PCG	44.71	3	3	4	.55	35- 55 (N- 25%)	22.4	4.1	2.00	1.82	23	6/30	.74	.55	9/30	.455	.455	YES
	1375	PMC-Sierra	(NDQ)	PMCS	6.47	3	3	2	1.20	10- 14 (55-115%)	20.2	NIL	.32	NIL	88	6/30	.06	.07	6/30	NIL	NIL	YES
	2519	PNC Financial Serv.		PNC	76.11	2	3	3	1.25	85- 130 (10- 70%)	11.2	2.3	6.81	1.76	7	6/30	1.99	.98	9/30	.44	.40	YES
	2244	PNM Resources		PNM	23.71	2	3	3	.90	20- 30 (N- 25%)	16.7	2.8	1.42	.66	23	6/30	.38	.33	9/30	.165	.145	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of improvement or weakening of other stocks.

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS: Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS: Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	2444	PPG Inds.		PPG	161.34	3	1	3	1.05	160- 195 (N- 20%)	19.9	1.5	8.12	2.44	50	6/30	2.45	2.34	9/30	.61	.59	YES
	148	PPL Corp.		PPL	31.73	3	3	4	.65	25- 40 (N- 25%)	12.4	4.7	2.55	1.49	16	6/30	.63	.47	9/30	.368	.36	YES
	2589	PTC Inc.	(NDQ)	PMTC	27.55	3	3	2	1.20	35- 55 (25-100%)	18.9	NIL	1.46	NIL	94	6/30	.36	.26	6/30	NIL	NIL	YES
1045	2113	PVH Corp.		PVH	132.63	3	3	3	1.30	135- 200 (N- 50%)	18.7	0.1	7.09	.15	71	4/30	1.91	1.33	9/30	.038	.038	YES
	600	PVR Partners, L.P.		PVR	23.50	5	3	5	1.25	25- 35 (5- 50%)	NMF	9.4	.18	2.20	32	6/30	.04	.17	9/30	.55	.53	YES
	169	PACCAR Inc.	(NDQ)	PCAR	56.36	3	3	3	1.20	60- 95 (5- 70%)	16.4	2.9	3.43	1.65	60	6/30	.82	.83	9/30	.20	.20	YES
452	2225	Pacific Sunwear	(NDQ)	PSUN	4.00	3	5	1	1.30	3- 6 (N- 50%)	NMF	NIL	d.25	NIL	69	4/30	d.35	d.22	6/30	NIL	NIL	YES
	1181	Packaging Corp.		PKG	54.69	3	3	3	1.10	50- 80 (N- 45%)	16.7	2.9	3.27	1.60	28	6/30	.71	.46	9/30	▲.40	.25	YES
	2445	Pall Corp.		PLL	71.98	4	2	3	1.05	75- 105 (5- 45%)	25.6	1.4	2.81	1.00	50	4/30	.65	.67	9/30	.25	.21	YES
	1433	Palomar Med. Techn.		PMTI	SEE FINAL SUPPLEMENT - PAGE 1433																	
	1571	Pan Amer. Silver	(NDQ)	PAAS	13.60	3	3	3	1.35	25- 40 (85-195%)	NMF	3.7	.12	.50	86	3/31	.26	.58	6/30	.125	.038	YES
	1986	Panasonic Corp.(g)	(PNK)	PCRFY	8.72	4	3	2	.85	19- 30 (120-245%)	24.9	0.8	.35	.07	3	3/31	d.60	d2.31	6/30	NIL	.063	YES
848	2633	Pandora Media		P	20.21	–	4	–	NMF	30- 50 (50-145%)	NMF	NIL	d.04	NIL	54	4/30	d.16	d.12	6/30	NIL	NIL	YES
	368	Panera Bread Co.	(NDQ)	PNRA	174.98	3	2	3	.90	220- 295 (25- 70%)	24.6	NIL	7.11	NIL	66	6/30	1.74	1.50	6/30	NIL	NIL	YES
	1953	Pantry (The), Inc.	(NDQ)	PTRY	12.09	2	3	3	.85	15- 20 (25- 65%)	15.9	NIL	.76	NIL	34	6/30	.26	.65	6/30	NIL	NIL	YES
	369	Papa John's Int'l	(NDQ)	PZZA	70.29	3	3	3	.80	55- 85 (N- 20%)	23.0	1.4	3.05	1.00	66	6/30	.77	.61	9/30	▲.25	NIL	YES
	1528	PAREXEL Int'l	(NDQ)	PRXL	50.91	3	3	3	1.35	45- 65 (N- 30%)	28.3	NIL	1.80	NIL	81	6/30	◆.50	.34	6/30	NIL	NIL	YES
	566	Park Electrochemical		PKE	28.06	3	3	3	1.20	30- 40 (5- 45%)	26.7	1.4	1.05	.40	63	5/31	.24	.22	9/30	.10	.10	YES
	791	Park National	(ASE)	PRK	80.59	3	3	3	.90	70- 110 (N- 35%)	16.1	4.7	5.01	3.76	30	6/30	1.30	1.10	9/30	.94	.94	
	1757	Park-Ohio	(NDQ)	PKOH	33.11	2	4	4	1.80	45- 75 (35-125%)	8.2	NIL	4.05	NIL	74	6/30	◆.98	1.06	6/30	NIL	NIL	
	1758	Parker-Hannifin		PH	105.99	4	2	2	1.15	120- 160 (15- 50%)	15.5	1.7	6.83	1.80	74	6/30	1.78	1.96	6/30	▲.45	.41	YES
	2032	PartnerRe Ltd.		PRE	87.11	3	3	4	.70	90- 140 (5- 60%)	10.2	2.9	8.51	2.56	67	6/30	1.67	7.53	9/30	.64	.62	YES
	233	Patterson Cos.	(NDQ)	PDCO	42.32	3	2	3	.90	55- 70 (30- 65%)	17.6	1.5	2.40	.64	79	4/30	.62	.58	9/30	.16	.14	YES
	2613	Paychex, Inc.	(NDQ)	PAYX	40.36	3	1	3	.85	45- 55 (10- 35%)	24.6	3.5	1.64	1.40	42	5/31	.34	.34	9/30	▲.35	.32	YES
	601	Peabody Energy		BTU	17.78	2	3	3	1.65	30- 50 (70-180%)	16.9	1.9	1.05	.34	32	6/30	.33	.51	9/30	.085	.085	YES
	609	Pembina Pipeline Corp.	(TSE)	PPL.TO	32.86	4	3	3	.60	30- 50 (N- 50%)	27.4	5.0	1.20	1.64	91	3/31	.33	.26	6/30	.405	.40	
	567	Penford Corp.	(NDQ)	PENX	15.24	1	4	3	1.40	14- 25 (N- 65%)	21.8	NIL	.70	NIL	63	5/31	.16	d.44	6/30	NIL	NIL	
	532	Pengrowth Energy		PGH	5.81	3	3	1	1.35	17- 25 (195-330%)	NMF	8.3	d.08	.48	4	3/31	d.23	d.01	9/30	.12	.15	YES
2258	2355	Penn Nat'l Gaming	(NDQ)	PENN	52.46	5	3	3	1.35	55- 80 (5- 50%)	40.0	NIL	1.31	NIL	15	6/30	d.16	.63	6/30	NIL	NIL	YES
★★	2147	Penney (J.C.)		JCP	13.17	4	4	2	1.20	17- 25 (30- 90%)	NMF	NIL	d2.42	NIL	31	4/30	d1.31	d.25	6/30	NIL	.20	YES
	1538	Penn. R.E.I.T.		PEI	20.13	3	4	3	1.75	25- 40 (25-100%)	NMF	3.6	d.39	.72	58	6/30	d.21	d.25	9/30	.18	.16	YES
	2131	Penske Auto		PAG	40.18	2	3	3	1.50	40- 65 (N- 60%)	15.1	1.6	2.66	.64	22	6/30	.71	.54	9/30	▲.16	.12	YES
	1759	Pentair, Ltd.		PNR	63.86	–	3	–	1.10	70- 110 (10- 70%)	18.3	1.6	3.49	1.00	74	6/30	.92	.83	9/30	▲.25	.22	YES
	1510	People's United Fin'l	(NDQ)	PBCT	14.92	3	3	3	.85	16- 25 (5- 70%)	18.2	4.4	.82	.65	33	6/30	.20	.19	9/30	.163	.16	YES
	2132	Pep Boys		PBY	12.73	1	4	3	1.30	10- 16 (N- 25%)	21.9	NIL	.58	NIL	22	4/30	.07	.02	6/30	NIL	NIL	YES
	149	Pepco Holdings		POM	20.20	2	3	3	.75	19- 30 (N- 50%)	18.2	5.3	1.11	1.08	16	6/30	.22	.27	9/30	.27	.27	YES
	1978	PepsiCo, Inc.		PEP	83.81	3	1	3	.60	115- 140 (35- 65%)	18.2	2.7	4.60	2.28	68	6/30	1.28	.94	9/30	.568	.536	YES
	131	PerkinElmer Inc.		PKI	37.50	4	3	4	.95	35- 55 (N- 45%)	17.1	0.7	2.19	.28	96	6/30	.51	.53	12/31	.07	.07	YES
2453	1629	Perrigo Co.		PRGO	128.30	3	3	3	.75	125- 185 (N- 45%)	24.1	0.3	5.33	.36	81	3/31	1.18	1.28	6/30	.09	.08	YES
	2114	Perry Ellis Int'l	(NDQ)	PERY	19.77	3	3	4	1.60	30- 45 (50-130%)	11.8	NIL	1.68	NIL	71	4/30	.62	.71	6/30	NIL	NIL	YES
2258	975	PetMed Express	(NDQ)	PETS	16.00	2	3	3	.75	13- 20 (N- 25%)	17.2	4.3	.93	.68	14	6/30	.24	.20	9/30	▲.17	.15	YES
	511	Petroleo Brasileiro ADR		PBR	13.96	2	3	2	1.55	35- 50 (150-260%)	5.9	1.1	2.37	.15	35	3/31	.60	.60	6/30	NIL	.11	YES
	2187	PetSmart, Inc.	(NDQ)	PETM	74.76	3	3	3	.80	75- 115 (N- 55%)	18.8	0.9	3.97	.71	47	4/30	.98	.85	9/30	.165	.165	YES
2451	1630	Pfizer, Inc.		PFE	29.19	3	1	5	.75	30- 35 (5- 20%)	18.6	3.3	1.57	.96	81	6/30	.50	.42	9/30	.24	.22	YES
1438	976	PharMerica Corp.		PMC	13.52	2	3	3	.85	25- 35 (85-160%)	9.0	NIL	1.51	NIL	14	6/30	.44	.32	6/30	NIL	NIL	YES
	1987	Philips Electronics NV(g)		PHG	32.44	2	3	4	1.30	35- 55 (10- 70%)	21.6	3.2	1.50	1.05	3	3/31	.22	.40	6/30	.976	.941	YES
	1993	Philip Morris Int'l		PM	88.30	4	2	3	.75	100- 135 (15- 55%)	14.8	3.9	5.97	3.40	80	6/30	1.30	1.35	9/30	.85	.85	YES
	512	Phillips 66		PSX	58.17	–	3	–	NMF	60- 90 (5- 55%)	7.8	2.3	7.50	1.33	36	3/31	2.23	1.00	9/30	.313	.20	YES
	1557	Phoenix (The) Cos.		PNX	42.36	3	5	2	2.00	65- 120 (55-185%)	5.0	NIL	8.50	NIL	2	9/30	NA	6.19	6/30	NIL	NIL	
	1396	Photronics Inc.	(NDQ)	PLAB	7.53	3	5	3	1.95	9- 17 (20-125%)	14.8	NIL	.51	NIL	87	4/30	.08	.14	6/30	NIL	NIL	YES
	546	Piedmont Natural Gas		PNY	34.35	3	2	3	.70	30- 40 (N- 15%)	20.0	3.6	1.72	1.24	25	4/30	.74	.70	9/30	.31	.30	YES
	2188	Pier 1 Imports		PIR	22.93	3	4	3	2.00	25- 40 (10- 75%)	17.6	0.9	1.90	.20	47	5/31	.19	.16	9/30	.05	.04	YES
	1930	Pilgrim's Pride Corp.	(NDQ)	PPC	18.20	▼2	4	4	1.35	14- 20 (N- 10%)	9.8	NIL	1.85	NIL	76	6/30	.74	.26	6/30	NIL	NIL	YES
	2356	Pinnacle Entertain.		PNK	21.85	▼4	4	5	1.80	17- 30 (N- 35%)	22.3	NIL	.98	NIL	15	6/30	.21	.29	6/30	NIL	NIL	YES
	2245	Pinnacle West Capital		PNW	57.31	3	1	3	.70	50- 60 (N- 5%)	16.0	3.9	3.58	2.24	23	6/30	1.18	1.12	9/30	.545	.525	YES
	2404	Pioneer Natural Res.		PXD	174.19	3	3	2	1.55	150- 225 (N- 30%)	33.6	NIL	5.18	.08	9	6/30	1.10	.78	6/30	.04	.04	YES
2038	1789	Piper Jaffray Cos.		PJC	33.80	3	3	3	1.25	55- 85 (65-150%)	15.4	NIL	2.20	NIL	27	6/30	.25	.58	6/30	NIL	NIL	YES
2451	1428	Pitney Bowes		PBI	17.28	2	3	2	.95	13- 20 (N- 15%)	10.2	4.3	1.70	.75	19	6/30	.52	.50	9/30	.188	.375	YES
2659	622	Plains All Amer. Pipe.		PAA	54.25	5	3	3	.85	55- 85 (N- 55%)	17.3	4.5	3.13	2.45	95	6/30	.57	.93	9/30	▲.588	.533	YES
2561	1337	Plantronics Inc.		PLT	44.50	5	3	3	1.20	60- 85 (35- 90%)	16.8	1.0	2.65	.46	40	6/30	.62	.55	9/30	.10	.10	YES
	1338	Plexus Corp.	(NDQ)	PLXS	35.72	3	3	3	1.25	35- 55 (N- 55%)	14.9	NIL	2.39	NIL	40	6/30	.68	.66	6/30	NIL	NIL	YES
	1167	Plum Creek Timber		PCL	47.18	3	3	3	.95	40- 60 (N- 25%)	33.7	3.7	1.40	1.76	46	6/30	.28	.22	9/30	.44	.42	YES
	2314	Polaris Inds.		PII	113.12	3	3	3	1.25	105- 155 (N- 35%)	21.2	1.5	5.33	1.74	29	6/30	1.13	.98	9/30	.42	.37	YES
	963	Polycom, Inc.	(NDQ)	PLCM	9.78	4	3	4	1.00	17- 25 (75-155%)	39.1	NIL	.25	NIL	56	6/30	.03	.01	6/30	NIL	NIL	YES
	2315	Pool Corp.	(NDQ)	POOL	53.57	4	3	3	1.05	45- 70 (N- 30%)	23.5	1.4	2.28	.76	29	6/30	1.39	1.34	9/30	.19	.16	YES
	2520	Popular Inc.	(NDQ)	BPOP	33.51	2	4	5	1.15	65- 110 (95-230%)	11.2	NIL	2.98	NIL	7	6/30	.66	.63	6/30	NIL	NIL	YES
	2246	Portland General		POR	30.21	3	2	3	.75	25- 30 (N- N%)	16.2	3.7	1.87	1.11	23	6/30	d.29	.34	12/31	.275	.27	YES
	750	POSCO ADR(g)		PKX	74.79	3	3	3	1.35	80- 125 (5- 65%)	10.4	2.9	7.20	2.20	61	12/31	4.09(p)	3.96(p)	6/30	1.326	1.648	YES
	1931	Post Holdings		POST	45.60	–	3	–	NMF	40- 60 (N- 30%)	30.4	NIL	1.50	NIL	76	6/30	◆.29	.51	6/30	NIL	NIL	YES
	1597	Potash Corp.		POT	30.97	4	3	3	1.35	60- 90 (95-190%)	13.0	4.5	2.38	1.40	49	6/30	.73	.60	9/30	▲.35	.14	YES
	1168	Potlatch Corp.	(NDQ)	PCH	43.57	2	3	3	1.00	50- 80 (15- 85%)	22.2	2.8	1.96	1.24	46	6/30	.47	.13	6/30	.31	.31	YES
2447	1313	Power-One		PWER	SEE FINAL SUPPLEMENT - PAGE 2447																	
	568	Praxair Inc.		PX	119.82	3	2	3	.95	145- 195 (20- 65%)	19.2	2.1	6.24	2.54	63	6/30	1.49	1.42	9/30	.60	.55	YES
	722	Precision Castparts		PCP	216.18	3	2	3	1.15	210- 285 (N- 30%)	18.0	0.1	12.03	.12	37	6/30	2.88	2.35	9/30	.03	.03	YES
	2566	Price (T. Rowe) Group	(NDQ)	TROW	73.99	3	3	3	1.20	70- 105 (N- 40%)	19.0	2.1	3.90	1.58	26	6/30	.92	.79	9/30	.38	.34	YES
	2634	priceline.com	(NDQ)	PCLN	958.02	3	3	3	1.00	1265-1900 (30-100%)	24.4	NIL	39.25	NIL	54	6/30	◆9.70	7.85	6/30	NIL	NIL	YES
	2148	PriceSmart	(NDQ)	PSMT	90.86	3	3	4	.95	95- 145 (5- 60%)	31.1	0.7	2.92	.60	31	5/31	.61	.52	9/30	.30	.30	YES
	2567	Principal Fin'l Group		PFG	42.56	1	3	3	1.85	35- 55 (N- 30%)	12.1	2.4	3.51	1.04	26	6/30	.91	.72	9/30	▲.26	.21	YES
	792	PrivateBancorp	(NDQ)	PVTB	23.81	2	4	3	1.25	20- 35 (N- 45%)	16.8	0.2	1.42	.04	30	6/30	.37	.19	6/30	.01	.01	YES
2452	1197	Procter & Gamble		PG	81.62	4	1	3	.60	90- 110 (10- 35%)	19.5	3.0	4.18	2.41	84	6/30	.79	.82	9/30	.602	.562	YES
	772	Progressive (Ohio)		PGR	25.53	3	3	4	.95	30- 45 (20- 75%)	16.4	1.1	1.56	.28	48	6/30	.35	.20	6/30	NIL	NIL	YES
	1539	Prologis		PLD	37.68	–	3	–	NMF	40- 60 (5- 60%)	NMF	3.1	.15	1.18	58	6/30	NIL	d.04	6/30	.28	.28	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1558	Protective Life		PL	42.87	2	3	4	1.55	40- 60 (N- 40%)	10.7	1.9	4.01	.80	2	6/30	1.27	.91	9/30	.20	.18	YES
	1511	Provident Fin'l Svcs.		PFS	17.71	2	3	3	.90	17- 25 (N- 40%)	14.9	3.2	1.19	.56	33	6/30	.34	.28	9/30	.14	.13	YES
	1559	Prudential Fin'l		PRU	79.71	1	3	3	1.85	85- 125 (5- 55%)	9.4	2.2	8.52	1.75	2	6/30	◆2.30	1.38	6/30	.40	NIL	YES
	150	Public Serv. Enterprise		PEG	33.90	2	1	3	.75	30- 40 (N- 20%)	12.5	4.3	2.72	1.45	16	6/30	.66	.42	9/30	.36	.355	YES
	1540	Public Storage		PSA	161.88	3	2	3	.95	155- 205 (N- 25%)	34.5	3.2	4.69	5.14	58	6/30	1.20	.77	9/30	1.25	1.10	YES
	1130	PulteGroup, Inc.		PHM	15.73	3	3	3	1.50	30- 45 (90-185%)	11.3	1.3	1.39	.20	12	6/30	.26	.11	9/30	▲.05	NIL	YES
	533	**QEP Resources**		QEP	29.49	2	3	3	1.30	35- 55 (20- 85%)	13.0	0.3	2.26	.09	4	6/30	.99	NIL	9/30	.02	.02	YES
	838	QIAGEN N.V.	(NDQ)	QGEN	21.51	3	3	4	.80	25- 40 (15- 85%)	65.2	NIL	.33	NIL	93	6/30	d.22	.14	6/30	NIL	NIL	YES
	1376	QLogic Corp.	(NDQ)	QLGC	11.57	3	3	3	1.00	15- 25 (30-115%)	25.7	NIL	.45	NIL	88	6/30	.10	.19	6/30	NIL	NIL	YES
	569	Quaker Chemical		KWR	69.96	3	3	3	1.50	65- 95 (N- 35%)	16.8	1.4	4.16	1.00	63	6/30	1.22	.85	9/30	▲.25	.245	YES
	964	Qualcomm Inc.	(NDQ)	QCOM	66.46	2	2	2	.85	80- 110 (20- 65%)	14.0	2.1	4.75	1.40	56	6/30	1.03	.85	9/30	.35	.25	YES
	825	Quality Systems	(NDQ)	QSII	22.54	4	3	4	.95	40- 60 (75-165%)	21.3	3.1	1.06	.70	92	6/30	.22	.26	9/30	.175	.175	YES
	1114	Quanex Bldg. Prod.		NX	17.60	4	3	3	1.35	20- 35 (15-100%)	NMF	0.9	NIL	.16	35	4/30	d.20	d.06	6/30	.04	.04	YES
	1242	Quanta Services		PWR	27.62	3	3	2	1.30	35- 55 (25-100%)	18.8	NIL	1.47	NIL	11	6/30	.33	.27	6/30	NIL	NIL	YES
	1413	Quantum Corporation		QTM	1.60	4	5	2	1.95	2- 4 (25-150%)	NMF	NIL	NIL	NIL	57	6/30	.01	d.07	6/30	NIL	NIL	YES
	812	Quest Diagnostics		DGX	59.48	3	2	3	.75	90- 120 (50-100%)	13.3	2.0	4.47	1.20	18	6/30	1.06	1.15	9/30	.30	.17	YES
	534	Questar Corp.		STR	24.35	4	1	4	.80	25- 30 (5- 25%)	20.5	3.0	1.19	.73	4	6/30	.22	.22	9/30	.18	.17	YES
2453	839	Questcor Pharmac.	(NDQ)	QCOR	66.14	3	3	1	.75	80- 125 (20- 90%)	14.2	1.5	4.65	1.00	93	6/30	1.12	.65	9/30	.25	NIL	YES
	535	Quicksilver Res.		KWK	1.65	2	5	5	1.75	5- 9 (205-445%)	NMF	NIL	d.09	NIL	4	6/30	d.06	d.04	6/30	NIL	NIL	YES
1047	2115	Quiksilver Inc.		ZQK	5.69	5	5	3	1.90	6- 12 (5-110%)	71.1	NIL	.08	NIL	71	4/30	d.19	d.03	6/30	NIL	NIL	YES
	1724	**RBC Bearings**	(NDQ)	ROLL	58.20	3	3	4	1.30	60- 95 (5- 65%)	20.5	NIL	2.84	NIL	70	6/30	.66	.62	6/30	NIL	NIL	YES
	588	RF Micro Devices	(NDQ)	RFMD	4.95	3	4	5	1.35	8- 13 (60-165%)	33.0	NIL	.15	NIL	89	6/30	.01	d.03	6/30	NIL	NIL	YES
	773	RLI Corp.		RLI	61.96	4	2	3	.75	60- 85 (N- 5%)	19.0	1.7	4.31	1.36	48	6/30	1.27	1.17	6/30	▲.34	.32	YES
	2425	RPC Inc.		RES	14.58	4	3	3	1.55	17- 25 (15- 70%)	17.8	2.7	.82	.40	24	6/30	.19	.33	9/30	.10	.08	YES
	570	RPM Int'l		RPM	36.00	3	3	3	1.05	35- 50 (N- 40%)	17.8	2.5	2.02	.90	63	5/31	.72	.63	9/30	.225	.215	YES
	1803	Rackspace Hosting		RAX	47.51	5	3	5	1.25	55- 80 (15- 70%)	52.2	NIL	.91	NIL	97	6/30	◆.16	.18	6/30	NIL	NIL	YES
2041	2189	RadioShack Corp.		RSH	2.76	4	4	1	1.10	3- 4 (10- 45%)	NMF	NIL	d.90	NIL	47	6/30	d.53	d.21	6/30	NIL	.125	YES
	2116	Ralph Lauren		RL	178.08	3	3	3	1.20	165- 245 (N- 40%)	20.4	0.9	8.75	1.60	71	6/30	1.94	2.03	9/30	.40	.40	YES
	1377	Rambus Inc.	(NDQ)	RMBS	8.78	3	5	4	1.65	11- 20 (25-130%)	NMF	NIL	d.07	NIL	88	6/30	d.06	d.29	6/30	NIL	NIL	YES
	2405	Range Resources Corp.		RRC	78.80	3	3	2	1.25	90- 130 (15- 65%)	49.3	0.2	1.60	.16	9	6/30	.34	.11	6/30	.04	.04	YES
	1790	Raymond James Fin'l		RJF	43.69	4	3	4	1.45	45- 70 (5- 60%)	15.6	1.3	2.80	.56	27	6/30	.59	.55	9/30	.14	.13	YES
	1169	Rayonier Inc.		RYN	57.65	▼5	3	3	.95	60- 95 (5- 65%)	28.3	3.4	2.04	1.96	46	6/30	.54	.54	9/30	▲.49	.44	YES
	723	Raytheon Co.		RTN	76.02	3	1	2	.75	75- 90 (N- 20%)	13.9	2.9	5.47	2.20	37	6/30	1.50	1.41	12/31	.55	.50	YES
	2015	RealD Inc.		RLD	9.22	4	4	3	1.10	17- 30 (85-225%)	NMF	NIL	d.15	NIL	59	6/30	◆d.03	.05	6/30	NIL	NIL	YES
	2635	RealNetworks, Inc.	(NDQ)	RNWK	7.08	–	4	–	NMF	5- 9 (N- 25%)	NMF	NIL	d1.67	NIL	54	6/30	◆d.52	d.36	6/30	NIL	NIL	YES
	1541	Realty Income Corp.		O	43.00	3	3	2	.85	40- 60 (N- 40%)	50.6	5.1	.85	2.21	58	6/30	.21	.21	9/30	▲.545	.443	YES
	2590	Red Hat, Inc.		RHT	52.28	4	3	3	1.15	65- 100 (25- 90%)	61.5	NIL	.85	NIL	94	5/31	.21	.19	6/30	NIL	NIL	YES
	370	Red Robin Gourmet	(NDQ)	RRGB	56.06	2	3	2	1.20	45- 70 (N- 25%)	24.0	NIL	2.34	NIL	66	3/31	.66	.71	6/30	NIL	NIL	YES
	1725	Regal Beloit		RBC	67.25	4	3	3	1.10	75- 115 (10- 70%)	14.9	1.2	4.50	.80	70	6/30	1.13	1.49	12/31	.20	.19	YES
	2316	Regal Entertainment		RGC	18.91	1	5	3	.90	20- 35 (5- 85%)	18.2	5.1	1.04	.96	29	6/30	.35	.24	9/30	.21	.21	YES
	840	Regeneron Pharmac.	(NDQ)	REGN	245.96	4	3	3	1.05	250- 375 (N- 50%)	51.2	NIL	4.80	NIL	93	6/30	.79	.70	6/30	NIL	NIL	YES
	2521	Regions Financial		RF	9.85	3	4	3	1.20	10- 16 (N- 60%)	12.8	1.2	.77	.12	7	6/30	.18	.20	12/31	.03	.01	YES
	1018	Regis Corp.		RGS	17.59	3	3	2	1.15	16- 25 (N- 40%)	56.7	1.4	.31	.24	90	3/31	.01	.32	6/30	.06	.06	YES
2258	1560	Reinsurance Group		RGA	66.61	3	2	3	.95	60- 80 (N- 20%)	17.5	1.8	3.81	1.20	2	6/30	d.99	1.65	9/30	▲.30	.24	YES
	751	Reliance Steel		RS	71.36	5	3	4	1.55	70- 110 (N- 55%)	13.7	1.8	5.19	1.32	61	6/30	1.14	1.44	9/30	▲.33	.25	YES
	2033	RenaissanceRe Hldgs.		RNR	84.58	3	2	3	.65	100- 140 (20- 65%)	9.8	1.3	8.61	1.12	67	6/30	2.17	2.14	9/30	◆.28	.27	YES
	2149	Rent-A-Center	(NDQ)	RCII	38.61	3	3	3	1.05	45- 70 (15- 80%)	12.3	2.2	3.14	.84	31	6/30	.76	.74	9/30	.21	.16	YES
	413	Republic Services		RSG	34.74	3	3	3	.90	40- 60 (15- 75%)	18.7	3.0	1.86	1.04	64	6/30	.43	.59	12/31	▲.26	.235	YES
	234	ResMed Inc.		RMD	49.70	3	2	3	.80	55- 75 (10- 50%)	20.1	2.0	2.47	1.00	79	6/30	.50	.52	12/31	▲.25	.17	YES
	401	Resources Connection	(NDQ)	RECN	13.73	4	3	2	1.05	25- 40 (80-190%)	20.8	2.0	.66	.28	43	5/31	.13	.21	9/30	▲.07	.06	YES
	1994	Reynolds American		RAI	50.50	3	2	3	.55	45- 60 (N- 20%)	15.5	5.0	3.25	2.52	80	6/30	.84	.78	12/31	.63	.59	YES
	602	Rhino Resource Partners		RNO	12.60	–	3	–	NMF	17- 25 (35-100%)	30.0	14.1	.42	1.78	32	3/31	d.01	.32	9/30	.445	.445	YES
	1582	Rio Tinto plc		RIO	49.74	3	3	4	1.65	70- 110 (40-120%)	9.0	3.5	5.50	1.75	45	12/31	2.25(p)	4.10(p)	6/30	.916	.916	YES
	977	Rite Aid Corp.		RAD	3.28	1	5	5	1.20	4- 8 (20-145%)	21.9	NIL	.15	NIL	14	5/31	.09	d.03	6/30	NIL	NIL	YES
	965	Riverbed Technology	(NDQ)	RVBD	16.02	4	3	4	1.20	35- 50 (120-210%)	16.5	NIL	.97	NIL	56	6/30	.22	.23	6/30	NIL	NIL	YES
	1645	Robert Half Int'l		RHI	38.58	3	2	4	1.10	55- 75 (45- 95%)	20.6	1.7	1.87	.66	20	6/30	.46	.32	9/30	.16	.15	YES
	1182	Rock-Tenn 'A'		RKT	116.96	2	3	3	1.15	110- 170 (N- 45%)	14.3	1.0	8.16	1.20	28	6/30	2.16	.95	9/30	.30	.20	YES
	1314	Rockwell Automation		ROK	98.88	3	3	3	1.25	95- 140 (N- 40%)	17.6	2.1	5.62	2.08	51	6/30	1.45	1.33	9/30	.52	.47	YES
	724	Rockwell Collins		COL	73.33	3	1	3	1.05	85- 100 (15- 35%)	15.2	1.6	4.83	1.20	37	6/30	1.20	1.14	9/30	.30	.30	YES
	132	Rofin-Sinar Techn.	(NDQ)	RSTI	23.40	4	3	2	1.30	30- 45 (30- 90%)	16.5	NIL	1.42	NIL	96	6/30	.31	.29	6/30	NIL	NIL	YES
	1339	Rogers Corp.		ROG	54.75	3	3	2	1.10	60- 90 (10- 65%)	19.9	NIL	2.75	NIL	40	6/30	.53	.39	6/30	NIL	NIL	YES
	402	Rollins, Inc.		ROL	25.40	4	2	3	.65	30- 40 (20- 55%)	29.2	1.5	.87	.37	43	6/30	.25	.22	9/30	.09	.08	YES
	1726	Roper Inds.		ROP	127.18	3	2	3	1.05	150- 200 (20- 55%)	21.3	0.5	5.98	.66	70	6/30	1.31	1.15	9/30	.165	.138	YES
	2005	Rosetta Stone		RST	16.60	4	3	2	.75	20- 30 (20- 80%)	NMF	NIL	.04	NIL	44	6/30	◆d.03	d.22	6/30	NIL	NIL	YES
	2226	Ross Stores	(NDQ)	ROST	67.72	3	2	3	.80	75- 105 (10- 55%)	16.8	1.0	4.04	.68	69	4/30	1.07	.93	6/30	.17	.14	YES
	2016	Rovi Corp.	(NDQ)	ROVI	19.02	3	3	2	.95	45- 65 (135-240%)	8.3	NIL	2.30	NIL	59	6/30	.46	.45	6/30	NIL	NIL	YES
	2426	Rowan Cos. plc		RDC	36.30	2	3	2	1.50	55- 80 (50-120%)	16.5	NIL	2.20	NIL	24	6/30	.57	.41	6/30	NIL	NIL	YES
	2522	Royal Bank of Canada	(TSE)	RY.TO	63.33b	2	2	3	.75	70- 90 (10- 40%)	11.6	4.1	5.44	2.61	7	4/30	1.27(b)	1.01(b)	9/30	.63(b)	.57(b)	YES
	2317	Royal Caribbean		RCL	37.81	1	3	4	1.70	45- 70 (20- 85%)	16.4	1.3	2.30	.48	29	6/30	.11	d.02	6/30	.12	.10	YES
	513	Royal Dutch Shell 'A'		RDSA	64.40	3	1	3	1.05	90- 110 (40- 70%)	7.6	5.6	8.42	3.60	36	6/30	1.46	1.30	9/30	.90	.86	YES
	1213	Royce Value Trust		RVT	16.10	–	3	3	1.20	18- 25 (10- 55%)	NMF	1.1	NMF	.17	–	12/31	15.40(q)	14.18(q)	12/31	.05	.09	
2258	371	Ruby Tuesday		RT	7.39	4	4	4	1.50	12- 20 (60-170%)	NMF	NIL	d.39	NIL	66	5/31	d.49	d.09	6/30	NIL	NIL	YES
452	2227	rue21, inc.	(NDQ)	RUE	41.82	–	3	–	1.10	55- 80 (30- 90%)	20.3	NIL	2.06	NIL	69	4/30	.44	.46	6/30	NIL	NIL	YES
	326	Ryder System		R	60.60	1	3	4	1.30	80- 120 (30-100%)	12.2	2.2	4.98	1.36	5	6/30	1.25	1.00	9/30	▲.34	.31	YES
	1131	Ryland Group		RYL	37.92	2	4	3	1.35	55- 90 (45-135%)	12.8	0.3	2.97	.12	12	6/30	.80	.14	12/31	.09	.03	YES
	2357	Ryman Hospitality		RHP	34.61	3	4	3	1.85	45- 75 (30-115%)	24.4	5.8	1.42	2.00	15	6/30	.18	.17	9/30	.50	NIL	YES
	403	**SAIC, Inc.**		SAI	15.95	3	2	3	.70	30- 40 (90-150%)	12.6	3.0	1.27	.48	43	4/30	.23	.35	9/30	.12	.12	YES
	2591	SAP AG		SAP	74.33	4	2	3	1.15	100- 140 (35- 90%)	19.9	1.5	3.74	1.10	94	6/30	.79	.73	6/30	1.111	.99	YES
	589	SBA Communications	(NDQ)	SBAC	73.45	3	3	4	1.20	60- 90 (N- 25%)	NMF	NIL	d.52	NIL	89	6/30	d.28	d.45	6/30	NIL	NIL	YES
	2614	SEI Investments	(NDQ)	SEIC	32.20	3	2	3	1.05	35- 45 (10- 40%)	20.0	1.2	1.61	.40	42	6/30	.47	.28	6/30	▲.20	.15	YES
2039	2358	SHFL entertainment	(NDQ)	SHFL	22.80	–	4	–	1.35	17- 30 (N- 30%)	27.8	NIL	.82	NIL	15	4/30	.21	.20	6/30	NIL	NIL	YES
	1777	SJW Corp.		SJW	27.81	1	3	3	.85	30- 40 (10- 45%)	20.9	2.7	1.33	.75	53	6/30	.37	.28	9/30	.193	.178	

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1542	SL Green Realty		SLG	89.71	4	3	3	1.55	90-	135	(N- 50%)	98.6	1.5	.91	1.34	58	6/30	.09	.96	9/30	.33	.25	YES
628	2568	SLM Corporation	(NDQ)	SLM	24.79	1	4	3	1.55	25-	40	(N- 60%)	8.7	2.4	2.84	.60	26	6/30	1.02	.49	9/30	◆.15	.125	YES
	1760	SPX Corp.		SPW	78.10	3	3	2	1.35	105-	160	(35-105%)	16.1	1.3	4.85	1.00	74	6/30	.80	.74	9/30	.25	.25	YES
1050	1954	Safeway Inc.		SWY	25.06	1	3	3	.70	30-	45	(20- 80%)	20.7	3.2	1.21	.80	34	6/30	.28	.50	6/30	.175	.145	YES
	1132	St. Joe Corp.		JOE	21.60	3	3	4	1.10	19-	30	(N- 40%)	NMF	NIL	.09	NIL	12	6/30	◆.03	NIL	6/30	NIL	NIL	YES
	194	St. Jude Medical		STJ	53.60	1	2	3	.90	70-	95	(30- 75%)	14.2	1.9	3.78	1.00	75	6/30	.96	.88	12/31	.25	.23	YES
2455	2150	Saks Inc.		SKS	16.13	–	4	–	1.25	13-	20	(N- 25%)	36.7	NIL	.44	NIL	31	4/30	.19	.19	6/30	NIL	NIL	YES
	1804	salesforce.com		CRM	45.39	5	3	2	1.20	50-	75	(10- 65%)	NMF	NIL	d.18	NIL	97	4/30	d.12	d.04	6/30	NIL	NIL	YES
	1019	Sally Beauty		SBH	27.45	4	3	2	1.20	35-	50	(30- 80%)	16.0	NIL	1.72	NIL	90	6/30	.42	.37	6/30	NIL	NIL	YES
	1932	Sanderson Farms	(NDQ)	SAFM	75.07	3	3	3	.60	60-	90	(N- 20%)	10.2	1.0	7.35	.77	76	4/30	1.06	1.04	9/30	.17	.17	YES
2040	1414	SanDisk Corp.	(NDQ)	SNDK	57.18	3	4	4	1.40	60-	105	(5- 85%)	10.6	NIL	5.41	NIL	57	6/30	1.21	.21	6/30	NIL	NIL	YES
	1340	Sanmina Corp.	(NDQ)	SANM	16.63	1	4	2	1.75	19-	30	(15- 80%)	10.7	NIL	1.56	NIL	40	6/30	.40	.26	6/30	NIL	NIL	YES
	1631	Sanofi ADR		SNY	51.79	5	1	4	.85	50-	60	(N- 15%)	24.1	3.6	2.15	1.85	81	6/30	.37	.62	6/30	1.793	1.669	YES
2659	1805	Sapient Corp.	(NDQ)	SAPE	15.63	3	3	4	1.20	19-	30	(20- 90%)	39.1	NIL	.40	NIL	97	6/30	.16	.10	6/30	NIL	NIL	YES
	151	SCANA Corp.		SCG	51.18	▲2	2	3	.65	45-	60	(N- 15%)	15.1	4.0	3.39	2.06	16	6/30	.60	.54	9/30	.508	.495	YES
	1415	ScanSource	(NDQ)	SCSC	36.36	4	3	1	1.15	40-	55	(10- 50%)	13.9	NIL	2.61	NIL	57	3/31	.50	.53	6/30	NIL	NIL	YES
	235	Schein (Henry)	(NDQ)	HSIC	106.50	3	3	3	.80	80-	125	(N- 15%)	21.2	NIL	5.02	NIL	79	6/30	1.23	1.08	6/30	NIL	NIL	YES
2259	2427	Schlumberger Ltd.		SLB	80.25	1	2	3	1.25	135-	185	(70-130%)	16.6	1.6	4.84	1.25	24	6/30	1.15	1.03	12/31	.313	.275	YES
	752	Schnitzer Steel	(NDQ)	SCHN	27.22	2	3	2	1.55	35-	55	(30-100%)	24.5	2.8	1.11	.75	61	5/31	.09	.40	9/30	.188	.188	YES
	2373	Scholastic Corp.	(NDQ)	SCHL	30.66	3	3	2	1.05	35-	55	(15- 80%)	16.8	1.7	1.82	.51	21	5/31	.97	1.99	9/30	.125	.125	YES
	571	Schulman (A.)	(NDQ)	SHLM	28.00	5	3	2	1.05	30-	50	(5- 80%)	16.5	2.8	1.70	.78	63	5/31	.34	.57	9/30	.195	.19	YES
	1791	Schwab (Charles)	(NDQ)	SCHW	21.76	4	3	3	1.15	20-	35	(N- 60%)	27.9	1.1	.78	.24	27	6/30	.18	.20	9/30	.06	.06	YES
	1995	Schweitzer-Mauduit Int'l		SWM	55.64	3	3	4	.90	70-	110	(25-100%)	14.2	2.2	3.92	1.20	80	6/30	.93	.67	9/30	.30	.15	YES
	2359	Scientific Games	(NDQ)	SGMS	14.36	3	4	4	1.50	13-	20	(N- 40%)	53.2	NIL	.27	NIL	15	3/31	d.15	.04	6/30	NIL	NIL	YES
	1198	Scotts Miracle-Gro		SMG	53.82	3	3	3	.90	50-	70	(N- 30%)	18.6	3.3	2.90	1.75	84	6/30	2.37	1.55	9/30	▲.438	.325	YES
2662	2381	Scripps (E.W.) 'A'		SSP	15.08	5	5	5	1.30	14-	25	(N- 65%)	17.7	NIL	.85	NIL	17	6/30	.05	.09	6/30	NIL	NIL	YES
	2335	Scripps Networks		SNI	75.76	3	2	3	1.00	90-	125	(20- 65%)	20.0	0.8	3.78	.60	78	6/30	◆1.08	.93	9/30	.15	.12	YES
	2017	SeaChange Int'l	(NDQ)	SEAC	11.48	4	3	4	1.00	14-	20	(20- 75%)	22.5	NIL	.51	NIL	59	4/30	d.06	NIL	6/30	NIL	NIL	YES
	2428	Seadrill Ltd.		SDRL	44.12	3	3	3	1.40	45-	70	(N- 60%)	15.0	8.0	2.95	3.52	24	3/31	.87	.85	6/30	▲.88	.82	YES
	1416	Seagate Technology	(NDQ)	STX	41.34	4	3	3	1.40	45-	65	(10- 55%)	7.7	3.7	5.35	1.52	57	6/30	1.20	2.41	9/30	.38	.32	YES
	1183	Sealed Air		SEE	30.19	1	3	2	.95	35-	50	(15- 65%)	22.4	1.7	1.35	.52	28	6/30	.35	.16	9/30	.13	.13	YES
628	2151	Sears Holdings	(NDQ)	SHLD	42.43	3	3	2	1.15	30-	45	(N- 5%)	NMF	NIL	d3.66	NIL	31	4/30	d1.29	d.31	6/30	NIL	NIL	YES
	813	Select Med. Hldgs.		SEM	9.00	3	3	3	1.00	9-	13	(N- 45%)	10.6	4.4	.85	.40	18	6/30	◆.20	.31	9/30	◆.10	NIL	YES
	774	Selective Ins. Group	(NDQ)	SIGI	24.61	2	3	3	.95	25-	35	(N- 40%)	15.9	2.1	1.55	.52	48	6/30	.42	.01	9/30	.13	.13	YES
	2247	Sempra Energy		SRE	86.15	3	2	4	.80	65-	90	(N- 5%)	18.9	3.0	4.56	2.58	23	6/30	1.46	.98	9/30	.63	.60	YES
	1378	Semtech Corp.	(NDQ)	SMTC	29.73	5	3	2	1.05	40-	60	(35-100%)	22.9	NIL	1.30	NIL	88	4/30	.22	.03	6/30	NIL	NIL	YES
2660	841	Senomyx, Inc.	(NDQ)	SNMX	3.25	3	5	1	1.00	6-	12	(85-270%)	NMF	NIL	d.20	NIL	93	6/30	d.06	d.08	6/30	NIL	NIL	
	133	Sensata Technologies		ST	38.02	4	3	3	1.25 ▲	50-	70	(30- 85%)	16.9	NIL	2.25	NIL	96	6/30	.54	.14	6/30	NIL	NIL	YES
	1933	Sensient Techn.		SXT	43.49	3	3	3	.90	45-	65	(5- 50%)	16.0	2.1	2.71	.92	76	6/30	.65	.70	9/30	.23	.22	YES
627	1813	Service Corp. Int'l		SCI	19.15	4	3	3	1.10	20-	30	(5- 55%)	21.8	1.5	.88	.28	72	6/30	.16	.17	6/30	▲.07	.05	YES
	2615	ServiceNow, Inc.		NOW	42.06	–	3	–	NMF	35-	55	(N- 30%)	NMF	NIL	d.20	NIL	42	6/30	d.16	d.32	6/30	NIL	NIL	YES
	1028	Shaw Commun. 'B'	(TSE)	SJR.B.TO	25.55b	3	3	3	.60	30-	45	(15- 75%)	12.9	4.0	1.98	1.02	39	5/31	.52(b)	.53(b)	6/30	.255(b)	.242(b)	YES
	934	Shenandoah Telecom.	(NDQ)	SHEN	20.00	1	3	2	.90	25-	40	(25-100%)	20.2	1.7	.99	.33	1	6/30	.33	.24	6/30	NIL	NIL	YES
	1141	Sherwin-Williams		SHW	177.84	3	1	3	.65	165-	200	(N- 10%)	20.1	1.2	6.86	2.15	77	6/30	2.46	2.17	9/30	.50	.39	YES
	1761	Siemens AG (ADS)		SI	111.32	3	3	3	1.40	135-	200	(20- 80%)	15.6	3.6	7.14	4.03	74	6/30	1.64	1.77	6/30	NIL	NIL	YES
	2018	Sigma Designs	(NDQ)	SIGM	5.30	3	3	3	.90	7-	12	(30-125%)	NMF	NIL	d.32	NIL	59	4/30	d.13	d.42	6/30	NIL	NIL	YES
	572	Sigma-Aldrich	(NDQ)	SIAL	85.86	3	1	3	1.00	95-	115	(10- 35%)	20.5	1.0	4.19	.86	63	6/30	.98	.94	9/30	.215	.20	YES
	1184	Silgan Holdings	(NDQ)	SLGN	48.46	▲2	3	3	.70	55-	80	(15- 65%)	15.4	1.2	3.14	.56	28	6/30	.62	.15	9/30	◆.14	.12	YES
	2019	Silicon Image	(NDQ)	SIMG	5.57	3	4	1	1.30	9-	15	(60-170%)	37.1	NIL	.15	NIL	59	6/30	.05	d.01	6/30	NIL	NIL	YES
2258	1379	Silicon Labs.	(NDQ)	SLAB	40.33	5	3	4	1.05	55-	85	(35-110%)	25.0	NIL	1.61	NIL	88	6/30	.29	.47	6/30	NIL	NIL	YES
	1572	Silver Wheaton		SLW	24.51	4	3	3	1.60	40-	60	(65-145%)	22.9	2.1	1.07	.52	86	3/31	.37	.41	6/30	.26	.18	YES
	1543	Simon Property Group		SPG	157.29	3	3	3	1.20	160-	235	(N- 50%)	38.9	3.1	4.04	4.90	58	6/30	1.10	.71	9/30	1.15	1.05	YES
	1115	Simpson Manufacturing		SSD	32.51	3	3	5	1.15	30-	45	(N- 40%)	31.3	1.5	1.04	.50	35	6/30	.38	.33	12/31	.125	.25	YES
	2336	Sinclair Broadcast	(NDQ)	SBGI	24.86	5	4	4	1.50	25-	45	(N- 80%)	19.9	2.4	1.25	.60	78	6/30	◆.30	.37	9/30	.15	.15	YES
	236	Sirona Dental	(NDQ)	SIRO	70.38	3	3	3	1.10	80-	120	(15- 70%)	23.8	NIL	2.96	NIL	79	6/30	.72	.53	6/30	NIL	NIL	YES
	2318	Six Flags Entertainment		SIX	35.73	5	3	3	.90	35-	55	(N- 55%)	26.9	5.0	1.33	1.80	29	6/30	.77	.65	6/30	.45	.30	YES
	2162	Skechers U.S.A.		SKX	28.50	3	3	2	1.10	30-	45	(5- 60%)	22.4	NIL	1.27	NIL	82	6/30	.14	d.04	6/30	NIL	NIL	YES
	1341	Skullcandy, Inc.	(NDQ)	SKUL	5.42	–	4	–	NMF	7-	11	(30-105%)	27.1	NIL	.20	NIL	40	6/30	d.02	.24	6/30	NIL	NIL	YES
	311	SkyWest	(NDQ)	SKYW	15.47	1	3	3	1.10	20-	35	(30-125%)	11.5	1.0	1.34	.16	10	6/30	.39	.33	9/30	.04	.04	YES
	1380	Skyworks Solutions	(NDQ)	SWKS	24.25	2	3	1	1.35	45-	65	(85-170%)	14.5	NIL	1.67	NIL	88	6/30	.34	.26	6/30	NIL	NIL	YES
	2319	Smith & Wesson Hldg.	(NDQ)	SWHC	12.46	2	3	1	1.30	17-	25	(35-100%)	9.6	NIL	1.30	NIL	29	4/30	.44	.27	6/30	NIL	NIL	YES
	1727	Smith (A.O.)		AOS	41.82	3	3	3	1.00	25-	40	(N- N%)	24.9	1.1	1.68	.48	70	6/30	.45	.38	9/30	.12	.10	YES
	590	Smith Micro Software	(NDQ)	SMSI	1.04	4	5	2	1.35	4-	7	(285-575%)	NMF	NIL	d.23	NIL	89	6/30	d.19	d.19	6/30	NIL	NIL	YES
629	1934	Smithfield Foods		SFD	33.63	–	3	–	1.30	30-	45	(N- 35%)	14.3	NIL	2.35	NIL	76	4/30	.50	.43	6/30	NIL	NIL	YES
	1935	Smucker (J.M.)		SJM	113.51	3	1	3	.65	120-	145	(5- 30%)	19.7	2.0	5.75	2.32	76	4/30	1.29	1.10	9/30	▲.58	.52	YES
	1728	Snap-on Inc.		SNA	97.70	3	2	3	1.10	85-	115	(N- 20%)	16.8	1.6	5.81	1.52	70	6/30	1.50	1.30	9/30	.38	.34	YES
	1936	Snyder's-Lance	(NDQ)	LNCE	27.91	3	3	3	.65	30-	45	(5- 60%)	22.3	2.3	1.25	.64	76	6/30	.24	.22	9/30	.16	.16	YES
2454	1979	SodaStream Int'l	(NDQ)	SODA	65.42	–	3	–	NMF	80-	120	(20- 85%)	23.1	NIL	2.83	NIL	68	6/30	.60	.45	6/30	NIL	NIL	YES
	2636	Sohu.com Inc.	(NDQ)	SOHU	64.54	4	3	2	1.25	80-	120	(25- 85%)	25.8	NIL	2.50	NIL	54	6/30	.56	.28	6/30	NIL	NIL	YES
	1806	Solera Hldgs.		SLH	56.47	3	3	4	.85	80-	120	(40-115%)	19.7	0.9	2.86	.50	97	3/31	.71	.38	6/30	.125	.10	YES
	2133	Sonic Automotive		SAH	23.55	1	4	3	1.80	25-	40	(5- 70%)	11.4	0.4	2.06	.10	22	6/30	.50	.44	12/31	.025	.025	YES
	372	Sonic Corp.	(NDQ)	SONC	15.89	2	3	4	1.15	20-	35	(25-120%)	21.8	NIL	.73	NIL	66	5/31	.25	.24	6/30	NIL	NIL	YES
	1185	Sonoco Products		SON	39.25	2	2	3	.95	45-	55	(15- 40%)	16.4	3.2	2.40	1.24	28	6/30	.59	.58	9/30	.31	.30	YES
	1988	Sony Corp. ADR(g)		SNE	20.00	1	3	3	1.00	30-	45	(50-125%)	33.3	1.3	.60	.25	3	3/31	.96	d3.10	6/30	.125	.157	YES
	2190	Sotheby's		BID	44.13	4	3	3	1.50	45-	65	(N- 45%)	21.2	0.9	2.08	.40	47	6/30	1.33	1.24	9/30	.10	.08	YES
	547	South Jersey Inds.		SJI	61.04	3	2	3	.65	55-	75	(N- 25%)	18.9	3.0	3.23	1.85	25	6/30	◆.31	.28	12/31	.443	.846	YES
	152	Southern Co.		SO	43.56	3	1	4	.55	40-	50	(N- 15%)	16.3	4.8	2.68	2.07	16	6/30	.66	.71	9/30	.508	.49	YES
	1583	Southern Copper		SCCO	29.46	4	3	3	1.55	50-	80	(70-170%)	14.6	3.4	2.02	1.00	45	6/30	.44	.66	9/30	▼.12	.24	YES
	312	Southwest Airlines		LUV	13.72	2	3	3	1.00	20-	30	(45-120%)	15.2	1.2	.90	.16	10	6/30	.31	.30	9/30	.04	.01	YES
	548	Southwest Gas		SWX	50.25	3	3	3	.75	50-	70	(N- 40%)	15.4	2.7	3.27	1.35	25	6/30	◆.22	d.08	9/30	.33	.295	YES
	536	Southwestern Energy		SWN	37.92	2	3	2	1.15	50-	75	(30-100%)	18.2	NIL	2.08	NIL	4	6/30	.54	.26	6/30	NIL	NIL	YES
2257	1955	Spartan Stores	(NDQ)	SPTN	21.86	3	3	2	.75	20-	35	(N- 60%)	14.6	1.6	1.50	.36	34	6/30	.21	.28	9/30	.09	.08	YES

(*) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
1046	610	Spectra Energy		SE	34.79	4	3	4	1.00	30- 40 (N- 15%)	23.7	3.6	1.47	1.24	91	6/30	.30	.33	9/30	.305	.28	YES
	1199	Spectrum Brands		SPB	64.23	▼3	3	5	1.05	60- 90 (N- 40%)	16.3	1.6	3.94	1.00	84	6/30	.90	.78	9/30	.25	NIL	YES
	2320	Speedway Motorsports		TRK	18.49	3	3	4	.95	20- 30 (10- 60%)	15.0	3.2	1.23	.60	29	6/30	.64	.65	9/30	.15	.15	
	725	Spirit AeroSystems		SPR	24.64	2	3	1	1.30	40- 60 (60-145%)	10.6	NIL	2.33	NIL	37	3/31	.57	.52	6/30	NIL	NIL	YES
	313	Spirit Airlines	(NDQ)	SAVE	34.37	–	3	–	NMF	45- 65 (30- 90%)	15.3	NIL	2.25	NIL	10	6/30	.58	.48	6/30	NIL	NIL	YES
1816	935	Sprint Corp.		S	7.11	–	4	–	1.25	8- 14 (15- 95%)	NMF	NIL	d1.09	NIL	1	6/30	d.53	d.46	6/30	NIL	NIL	YES
		Sprint Nextel Corp.								NAME CHANGED TO SPRINT CORP.												
	2228	Stage Stores		SSI	23.70	4	3	4	1.35	35- 50 (50-110%)	15.7	2.2	1.51	.51	69	4/30	d.21	d.01	6/30	▲.125	.09	YES
2659	1004	Standard Motor Prod.		SMP	31.15	3	4	3	1.70	40- 65 (30-110%)	13.9	1.6	2.24	.49	6	6/30	.71	.59	9/30	.11	.09	YES
	1133	Standard Pacific Corp.		SPF	7.96	3	5	3	1.70	9- 17 (15-115%)	18.5	NIL	.43	NIL	12	6/30	.11	.04	6/30	NIL	NIL	YES
2455	1429	Standard Register		SR	12.05	3	5	5	1.15	8- 14 (N- 15%)	NMF	NIL	d.30	NIL	19	6/30	d.80	d.20	6/30	NIL	NIL	
	1762	Standex Int'l		SXI	59.98	3	3	4	1.15	50- 80 (N- 35%)	15.0	0.5	4.00	.32	74	3/31	.76	.90	9/30	.08	.07	YES
	1729	Stanley Black & Decker		SWK	88.19	3	2	3	1.10	90- 120 (N- 35%)	15.5	2.3	5.68	2.00	70	6/30	1.21	1.13	9/30	▲.50	.49	YES
	1243	Stantec Inc.	(TSE)	STN.TO	49.33	2	3	3	.90	50- 75 (N- 50%)	16.4	1.3	3.00	.66	11	6/30	.78	.67	9/30	.165	.15	YES
	1430	Staples, Inc.	(NDQ)	SPLS	17.24	3	3	3	1.05	25- 35 (45-105%)	12.6	2.8	1.37	.48	19	4/30	.26	.30	9/30	.12	.11	YES
	373	Starbucks Corp.	(NDQ)	SBUX	72.93	3	2	3	1.10	80- 105 (10- 45%)	31.0	1.2	2.35	.90	66	6/30	.55	.43	9/30	.21	.17	YES
	1807	StarTek, Inc.		SRT	5.49	3	5	5	1.10	5- 10 (N- 80%)	NMF	NIL	d.11	NIL	97	6/30	◆d.08	d.28	6/30	NIL	NIL	YES
	2360	Starwood Hotels		HOT	65.92	3	3	3	1.50	80- 120 (20- 80%)	24.1	1.9	2.74	1.25	15	6/30	.79	.70	6/30	NIL	NIL	YES
	2523	State Street Corp		STT	68.55	2	3	3	1.50	70- 105 (N- 55%)	14.7	1.6	4.67	1.08	7	6/30	1.24	.98	12/31	.26	.24	YES
	753	Steel Dynamics	(NDQ)	STLD	16.28	3	4	4	1.65	20- 35 (25-115%)	14.4	2.8	1.13	.45	61	6/30	.13	.20	9/30	▲.11	.10	YES
	1159	Steelcase, Inc. 'A'		SCS	15.63	3	3	3	1.15	18- 25 (15- 60%)	16.5	2.6	.95	.40	62	5/31	.13	.13	9/30	.10	.09	YES
	2152	Stein Mart	(NDQ)	SMRT	13.37	2	4	1	1.35	11- 19 (N- 40%)	19.7	1.5	.68	.20	31	4/30	.33	.25	9/30	▲.05	NIL	YES
	414	Stericycle Inc.	(NDQ)	SRCL	117.31	▼4	2	3	.70	120- 160 (N- 35%)	30.7	NIL	3.82	NIL	64	6/30	.93	.81	6/30	NIL	NIL	YES
	195	STERIS Corp.		STE	44.25	3	2	3	.95	55- 70 (25- 60%)	17.4	1.9	2.55	.84	75	6/30	.44	.52	9/30	▲.21	.19	YES
627	1814	Stewart Enterpr. 'A'	(NDQ)	STEI	13.11	–	3	–	1.10	9- 14 (N- 5%)	24.7	1.4	.53	.16	72	4/30	.14	.11	9/30	.045	.04	YES
	1792	Stifel Financial Corp.		SF	39.78	3	3	3	1.15	60- 90 (50-125%)	16.6	NIL	2.40	NIL	27	6/30	◆.60	.42	6/30	NIL	NIL	YES
	1573	Stillwater Mining		SWC	11.92	4	4	3	2.10	15- 25 (25-110%)	36.1	NIL	.33	NIL	86	6/30	◆d.04	.15	6/30	NIL	NIL	YES
	1381	STMicroelectronics		STM	8.38	4	3	4	1.35	11- 16 (30- 90%)	26.2	4.8	.32	.40	88	6/30	d.06	d.05	12/31	◆.10	.10	YES
	1815	StoneMor Partners L.P.	(NDQ)	STON	22.76	5	3	3	.75	20- 30 (N- 30%)	NMF	10.5	d.19	2.40	72	6/30	d.54	d.10	9/30	▲.60	.59	YES
	1342	Stratasys Ltd.	(NDQ)	SSYS	103.11	4	3	5	1.20	85- 125 (N- 20%)	NMF	NIL	.24	NIL	40	6/30	◆d.07	.14	6/30	NIL	NIL	YES
	2006	Strayer Education	(NDQ)	STRA	44.68	3	3	2	.80	80- 120 (80-170%)	11.4	NIL	3.92	NIL	44	6/30	1.42	1.84	6/30	NIL	1.00	YES
	196	Stryker Corp.		SYK	70.75	3	1	3	.85	70- 85 (N- 20%)	16.2	1.6	4.37	1.10	75	6/30	1.00	.85	12/31	.265	.264	YES
	2321	Sturm, Ruger & Co.		RGR	56.35	2	3	1	.80	75- 110 (35- 95%)	11.4	4.6	4.95	2.60	29	6/30	1.63	.92	9/30	▲.65	.377	YES
	623	Suburban Propane		SPH	46.05	3	3	5	.75	35- 55 (N- 20%)	17.2	7.6	2.68	3.50	95	6/30	◆d.77	d.26	9/30	.875	.853	YES
	514	Suncor Energy	(TSE)	SU.TO	33.13	3	3	3	1.35	50- 75 (50-125%)	13.6	2.4	2.44	.80	36	6/30	.45	.20	9/30	.20	.13	YES
2660	1382	SunEdison Inc.		SUNE	7.62	3	4	1	1.70	9- 16 (20-110%)	69.3	NIL	.11	NIL	88	6/30	d.19	.14	6/30	NIL	NIL	YES
	1229	SunPower Corp.	(NDQ)	SPWR	22.22	3	4	1	1.75	17- 30 (N- 35%)	NMF	NIL	d.35	NIL	38	6/30	.15	d.71	6/30	NIL	NIL	YES
	2524	SunTrust Banks		STI	34.80	1	3	3	1.20	35- 55 (N- 60%)	12.7	1.1	2.74	.40	7	6/30	.68	.51	6/30	.10	.05	YES
	1005	Superior Inds. Int'l		SUP	18.42	3	3	3	1.15	25- 35 (35- 90%)	22.2	1.7	.83	.32	6	6/30	.23	.23	6/30	NIL	.16	YES
	1956	SUPERVALU INC.		SVU	7.83	–	5	–	.90	6- 11 (N- 40%)	17.4	NIL	.45	NIL	34	5/31	.14	d.09	6/30	NIL	.088	YES
	197	SurModics, Inc.	(NDQ)	SRDX	21.74	2	3	3	.85	25- 40 (15- 85%)	24.7	NIL	.68	NIL	75	6/30	.22	.18	6/30	NIL	NIL	YES
	2525	Susquehanna Bancshs.	(NDQ)	SUSQ	13.38	▼2	3	3	1.20	17- 25 (25- 85%)	13.9	2.4	.96	.32	7	6/30	.24	.20	9/30	.08	06	YES
	1957	Susser Holdings		SUSS	47.03	5	3	3	.75	50- 75 (5- 60%)	22.8	NIL	2.06	NIL	34	6/30	.59	1.40	6/30	NIL	NIL	YES
	430	Swiss Helvetia Fund		SWZ	13.40	–	3	3	.85	13- 19 (N- 40%)	NMF	1.5	NMF	.20	–	3/31	14.08(q)	12.69(q)	6/30	NIL	NIL	
	2592	Symantec Corp.	(NDQ)	SYMC	26.93	3	3	3	.95	30- 45 (10- 65%)	24.5	2.2	1.10	.60	94	6/30	.22	.24	9/30	.15	NIL	YES
	1417	Synaptics	(NDQ)	SYNA	41.98	2	3	2	.95	50- 70 (20- 65%)	10.3	NIL	4.09	NIL	57	6/30	1.39	.54	6/30	NIL	NIL	YES
2454	2020	Synchronoss Techn.	(NDQ)	SNCR	35.38	2	3	1	1.20	60- 95 (70-170%)	24.1	NIL	1.47	NIL	59	6/30	.31	.29	6/30	NIL	NIL	YES
	2593	Synopsys, Inc.	(NDQ)	SNPS	37.27	3	1	2	.80	45- 50 (20- 35%)	19.2	NIL	1.94	NIL	94	4/30	.56	.39	6/30	NIL	NIL	YES
	2526	Synovus Financial		SNV	3.38	3	5	3	1.25	5- 9 (50-165%)	21.1	1.2	.16	.04	7	6/30	.03	.03	9/30	.01	.01	YES
	1937	Synutra Int'l	(NDQ)	SYUT	4.91	–	5	–	1.15	11- 20 (125-305%)	98.2	NIL	.05	NIL	76	6/30	◆.08	d.17	6/30	NIL	NIL	
	1958	Sysco Corp.		SYY	32.99	4	1	3	.70	45- 55 (35- 65%)	16.1	3.4	2.05	1.12	34	6/30	◆.50	.53	9/30	.28	.27	YES
	936	**T-Mobile US**		TMUS	25.01	–	3	–	NMF	35- 50 (40-100%)	65.8	NIL	.38	NIL	1	3/31	.12	.12	6/30	NIL	NIL	YES
	793	TCF Financial		TCB	14.52	3	3	3	1.10	20- 30 (40-105%)	13.8	1.4	1.05	.20	30	6/30	.21	.20	9/30	.05	.05	YES
	1793	TD Ameritrade Holding		AMTD	26.40	2	3	3	1.05	30- 45 (15- 70%)	21.6	1.4	1.22	.36	27	6/30	.33	.28	9/30	.09	.06	YES
	1343	TE Connectivity		TEL	50.70	2	3	3	1.25	55- 80 (10- 60%)	14.8	2.0	3.43	1.00	40	6/30	.88	.79	6/30	▲.25	.18	YES
	153	TECO Energy		TE	17.54	3	2	3	.85	17- 25 (N- 45%)	19.7	5.0	.89	.88	16	6/30	.24	.30	9/30	.22	.22	YES
	2229	TJX Companies		TJX	52.40	3	1	3	.80	60- 70 (15- 35%)	18.3	1.1	2.87	.58	69	4/30	.62	.55	9/30	.145	.115	YES
2454	1006	TRW Automotive		TRW	72.03	2	3	3	2.00	90- 135 (25- 85%)	10.2	NIL	7.04	NIL	6	6/30	2.02	1.72	6/30	NIL	NIL	YES
	431	Taiwan Fund		TWN	17.20	–	4	3	.95	19- 30 (10- 75%)	NMF	NIL	NMF	NIL	–	2/28	18.20(q)	18.14(q)	6/30	NIL	NIL	
	1383	Taiwan Semic. ADR		TSM	16.05	3	3	3	1.00	25- 35 (55-120%)	12.7	3.1	1.26	.50	88	6/30	.33	.27	9/30	▲.501	.50	YES
	2021	Take-Two Interactive	(NDQ)	TTWO	18.66	2	3	2	1.15	20- 30 (5- 60%)	11.4	NIL	1.64	NIL	59	6/30	d.71	d1.30	6/30	NIL	NIL	YES
	537	Talisman Energy		TLM	11.08	2	3	2	1.50	12- 17 (10- 55%)	48.2	2.4	.23	.27	4	6/30	.03	.14	9/30	.068	.068	YES
	2153	Target Corp.		TGT	70.76	4	2	3	.90	90- 120 (25- 70%)	15.1	2.4	4.68	1.72	31	4/30	.82	1.04	9/30	▲.43	.36	YES
	726	TASER Int'l	(NDQ)	TASR	8.60	3	4	5	1.15	12- 20 (40-135%)	26.9	NIL	.32	NIL	37	6/30	.08	.06	6/30	NIL	NIL	YES
	107	Tata Motors ADR		TTM	23.17	4	3	3	1.35	45- 65 (95-180%)	7.7	2.0	3.00	.46	8	3/31	◆.76	1.33	6/30	NIL	NIL	YES
	1646	Team Health Hldgs.		TMH	40.01	3	3	4	1.05	40- 60 (N- 50%)	20.9	NIL	1.91	NIL	20	6/30	.44	.39	6/30	NIL	NIL	YES
	1418	Tech Data	(NDQ)	TECD	52.79	3	3	2	1.00	60- 90 (15- 70%)	9.8	NIL	5.40	NIL	57	1/31	1.48	1.75	6/30	NIL	NIL	YES
	842	Techne Corp.	(NDQ)	TECH	78.01	3	1	3	.70	85- 100 (10- 30%)	24.7	1.6	3.16	1.26	93	6/30	.77	.74	9/30	.30	.28	YES
	1584	Teck Resources Ltd. 'B'	(TSE)	TCK.B.TO	28.18b	3	3	3	1.90	45- 70 (60-150%)	13.7	3.5	2.06	1.00	45	6/30	.25(b)	.46(b)	9/30	.45(b)	.40(b)	YES
	1730	Tecumseh Products 'A'	(NDQ)	TECUA	10.37	3	5	4	1.50	11- 20 (5- 95%)	NMF	NIL	d.55	NIL	70	3/31	d.40	d.34	6/30	NIL	NIL	YES
	336	Teekay Corp.		TK	39.00	3	3	3	1.50	50- 70 (30- 80%)	NMF	3.2	.21	1.26	85	6/30	◆.19	d.66	9/30	.316	.316	YES
	937	Telecom N. Zealand	(PNK)	NZTCY	9.12	–	3	–	NMF	10- 15 (10- 65%)	12.7	5.8	.72	.53	1	12/31	.36(p)	.27(p)	6/30	.264	.297	
	727	Teledyne Technologies		TDY	81.33	4	3	3	.95	75- 110 (N- 35%)	17.6	NIL	4.62	NIL	37	6/30	1.13	1.06	6/30	NIL	NIL	YES
	198	Teleflex Inc.		TFX	77.40	3	2	4	.80	95- 130 (25- 70%)	15.7	1.8	4.92	1.36	75	6/30	1.27	1.15	9/30	.34	.34	YES
	1040	Telefonica SA ADR(g)		TEF	14.50	2	4	3	1.00	18- 30 (25-105%)	8.8	3.2	1.64	.46	13	6/30	.35	.44	6/30	NIL	.654	YES
	938	Telephone & Data		TDS	29.26	2	3	3	.95	20- 35 (N- 20%)	NMF	1.7	.04	.51	1	6/30	.09	.39	6/30	.128	.123	YES
	404	TeleTech Holdings	(NDQ)	TTEC	25.61	1	3	3	1.05	40- 60 (55-135%)	16.2	NIL	1.58	NIL	43	6/30	.35	.31	6/30	NIL	NIL	YES
	966	Tellabs, Inc.	(NDQ)	TLAB	2.40	–	4	–	NMF	3- 4 (25- 65%)	NMF	NIL	d.01	NIL	56	6/30	NIL	.02	6/30	NIL	.02	YES
	939	TELUS Corporation	(TSE)	T.TO	30.85	3	2	2	.50	40- 55 (30- 80%)	14.3	4.5	2.15	1.40	1	6/30	◆.54	.50	12/31	◆.34	.305	YES
	432	Templeton Emerg'g		EMF	18.11	–	4	3	1.35	25- 40 (40-120%)	NMF	2.2	NMF	.40	–	2/28	22.38(q)	22.22(q)	6/30	NIL	NIL	
		Tempur-Pedic								NAME CHANGED TO TEMPUR SEALY INT'L												
	1160	Tempur Sealy Int'l		TPX	40.11	5	4	4	1.45	55- 90 (35-125%)	20.4	NIL	1.97	NIL	62	6/30	d.03	.45	6/30	NIL	NIL	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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1442	814	Tenet Healthcare		THC	41.83	1	4	4	1.25	60- 100 (45-140%)	13.4	NIL	3.12	NIL	18	6/30	.66	.39	6/30	NIL	NIL	YES
	1731	Tennant Co.		TNC	53.73	3	3	2	1.35	55- 85 (N- 60%)	21.8	1.3	2.47	.72	70	6/30	.76	.71	6/30	.18	.17	YES
	1007	Tenneco Inc.		TEN	49.60	1	3	3	2.35	60- 90 (20- 80%)	13.0	NIL	3.62	NIL	6	6/30	1.10	1.14	6/30	NIL	NIL	YES
	2594	Teradata Corp.		TDC	64.13	4	2	2	.95	75- 105 (15- 65%)	22.7	NIL	2.82	NIL	94	6/30	.65	.65	6/30	NIL	NIL	YES
	1397	Teradyne Inc.		TER	16.49	5	3	2	1.45	16- 25 (N- 50%)	13.5	NIL	1.22	NIL	87	6/30	.28	.49	6/30	NIL	NIL	YES
1245	170	Terex Corp.		TEX	30.73	4	4	2	2.05	40- 65 (30-110%)	13.0	NIL	2.37	NIL	60	6/30	.65	.75	6/30	NIL	NIL	YES
2661	108	Tesla Motors	(NDQ)	TSLA	147.38	4	4	3	1.30	65- 110 (N- N%)	NMF	NIL	.08	NIL	8	6/30	◆.20	d1.00	6/30	NIL	NIL	YES
	515	Tesoro Corp.		TSO	52.27	4	3	1	1.25	65- 95 (25- 80%)	9.6	1.9	5.43	1.00	36	6/30	1.64	2.75	9/30	▲.25	.12	YES
	1384	Tessera Technologies	(NDQ)	TSRA	19.24	4	3	4	1.20	35- 55 (80-185%)	NMF	2.1	.16	.40	88	6/30	d.45	d.01	9/30	.10	.10	YES
1246	415	Tetra Tech	(NDQ)	TTEK	23.02	▲4	3	1	1.15	55- 80 (140-250%)	13.2	NIL	1.75	NIL	64	6/30	◆d.47	.45	6/30	NIL	NIL	YES
	2429	TETRA Technologies		TTI	11.35	2	3	3	1.90	14- 20 (25- 75%)	15.3	NIL	.74	NIL	24	6/30	.18	.22	6/30	NIL	NIL	YES
	1632	Teva Pharmac. ADR		TEVA	39.80	3	1	2	.60	65- 80 (65-100%)	7.7	3.3	5.18	1.30	81	6/30	1.20	1.28	9/30	▲.322	.248	YES
	1116	Texas Inds.		TXI	61.22	4	4	2	1.50	90- 150 (45-145%)	NMF	NIL	d.01	NIL	35	5/31	.54	.75	6/30	NIL	NIL	YES
	1385	Texas Instruments	(NDQ)	TXN	39.71	3	1	3	.95	45- 50 (15- 25%)	22.8	2.8	1.74	1.12	88	6/30	.42	.38	9/30	.28	.17	YES
	374	Texas Roadhouse	(NDQ)	TXRH	25.25	4	3	2	1.00	25- 35 (N- 40%)	21.4	1.9	1.18	.48	66	6/30	.28	.28	6/30	.12	.09	YES
	1763	Textron, Inc.		TXT	27.71	3	3	2	1.65	40- 60 (45-115%)	14.2	0.4	1.95	.12	74	6/30	.40	.58	12/31	.02	.02	YES
	433	Thai Fund		TTF	21.27	–	5	3	1.05	25- 45 (20-110%)	NMF	1.4	NMF	.30	–	12/31	22.74(q)	14.29(q)	6/30	NIL	NIL	
	134	Thermo Fisher Sci.		TMO	92.18	3	2	3	.95	90- 125 (N- 35%)	17.1	0.7	5.38	.60	96	6/30	1.32	1.22	12/31	.15	.13	YES
	447	Thomson Reuters	(TSE)	TRI.TO	36.10	3	2	3	.70	45- 65 (25- 80%)	19.3	3.7	1.87	1.32	83	6/30	.48	.54	9/30	.325	.32	
1047	2322	Thor Inds.		THO	54.34	3	3	5	1.05	55- 85 (N- 55%)	16.6	1.3	3.27	.72	29	4/30	.97	.78	6/30	.36	.30	YES
2454	199	Thoratec Corp.	(NDQ)	THOR	37.12	3	3	5	.85	60- 85 (60-130%)	19.1	NIL	1.94	NIL	75	6/30	.52	.46	6/30	NIL	NIL	YES
	1344	3D Systems		DDD	49.76	4	3	3	1.60	30- 50 (N- N%)	69.1	NIL	.72	NIL	40	6/30	.10	.11	6/30	NIL	NIL	YES
2255	1764	3M Company		MMM	118.38	4	1	3	.85	125- 150 (5- 25%)	17.3	2.1	6.86	2.54	74	6/30	1.71	1.66	6/30	.635	.58	YES
	1808	TIBCO Software	(NDQ)	TIBX	24.20	5	3	1	1.05	30- 45 (25- 85%)	41.0	NIL	.59	NIL	97	5/31	.05	.16	6/30	NIL	NIL	YES
	2430	Tidewater Inc.		TDW	56.11	2	3	3	1.15	70- 105 (25- 85%)	13.4	1.8	4.20	1.00	24	6/30	.61	.66	9/30	.25	.25	YES
	2191	Tiffany & Co.		TIF	81.46	3	3	3	1.25	80- 120 (N- 45%)	22.0	1.7	3.70	1.38	47	4/30	.70	.64	9/30	▲.34	.32	YES
	1142	Tile Shop Hldgs.	(NDQ)	TTS	27.26	–	3	–	NMF	25- 35 (N- 30%)	51.4	NIL	.53	NIL	77	3/31	.14	.30	6/30	NIL	NIL	YES
	2230	Tilly's, Inc		TLYS	14.35	–	3	–	NMF	16- 25 (10- 75%)	17.5	NIL	.82	NIL	69	4/30	.08	.28	6/30	NIL	NIL	YES
	375	Tim Hortons		THI	59.49	3	2	3	.90	65- 90 (10- 50%)	19.3	1.7	3.09	1.04	66	6/30	◆.81	.69	9/30	◆.26	.21	YES
	2337	Time Warner		TWX	63.33	3	3	3	1.10	65- 95 (5- 50%)	16.9	1.8	3.75	1.15	78	6/30	.81	.44	9/30	.288	.26	YES
	1029	Time Warner Cable		TWC	113.25	2	3	4	1.00	110- 165 (N- 45%)	15.9	2.3	7.11	2.60	39	6/30	1.64	1.43	9/30	.65	.56	YES
	739	Timken Co.		TKR	61.11	4	3	3	1.40	70- 100 (15- 65%)	14.4	1.5	4.23	.92	73	6/30	.93	1.34	9/30	.23	.23	YES
	1008	Titan Int'l		TWI	17.00	3	3	2	1.90	40- 60 (135-255%)	9.8	0.1	1.74	.02	6	6/30	.24	.57	9/30	.005	.005	YES
1046	2022	TiVo Inc.	(NDQ)	TIVO	10.96	4	3	2	1.20	17- 25 (55-130%)	NMF	NIL	d.22	NIL	59	4/30	d.09	d.17	6/30	NIL	NIL	YES
	1134	Toll Brothers		TOL	32.23	3	3	3	1.25	35- 55 (10- 70%)	27.8	NIL	1.16	NIL	12	4/30	.14	.10	6/30	NIL	NIL	YES
	1938	Tootsie Roll Ind.		TR	33.90	4	1	3	.75	35- 40 (5- 20%)	35.7	0.9	.95	.32	76	6/30	.14	.13	9/30	▲.08	.078	YES
	1561	Torchmark Corp.		TMK	71.14	3	2	3	1.25	60- 85 (N- 20%)	12.3	1.0	5.80	.68	2	6/30	1.42	1.30	9/30	.17	.15	YES
	1732	Toro Co.		TTC	49.42	3	3	3	1.05	45- 65 (N- 30%)	18.4	1.1	2.68	.56	70	4/30	1.32	1.13	9/30	.14	.11	YES
	2527	Toronto-Dominion	(TSE)	TD.TO	86.41b	3	2	3	.80	95- 125 (10- 45%)	11.5	3.9	7.53	3.33	7	4/30	1.78(b)	1.78(b)	9/30	.81(b)	.72(b)	YES
	516	Total ADR		TOT	53.57	2	1	3	1.10	60- 100 (50- 85%)	8.0	5.7	6.68	3.07	36	6/30	1.55	1.62	9/30	.766	.715	YES
	2569	Total System Svcs.		TSS	28.14	3	3	3	.85	30- 50 (5- 80%)	17.8	1.4	1.58	.40	26	6/30	.34	.35	9/30	.10	.10	YES
	405	Towers Watson & Co.		TW	86.62	3	2	3	.90	90- 120 (5- 40%)	16.2	0.5	5.34	.46	43	3/31	1.34	.95	6/30	NIL	.10	YES
	109	Toyota Motor ADR(g)		TM	128.32	1	3	3	.90	▲ 205- 305 (60-140%)	11.4	1.4	11.25	1.75	8	6/30	3.94	2.30	6/30	1.216	.757	YES
	1143	Tractor Supply	(NDQ)	TSCO	120.23	3	1	3	.90	135- 165 (10- 35%)	26.5	0.9	4.53	1.10	77	6/30	1.75	1.45	9/30	.26	.20	YES
	1230	TransAlta Corp.	(TSE)	TA.TO	13.75b	2	3	3	.70	20- 30 (45-120%)	18.8	8.4	.73	1.16	38	6/30	.03(b)	d.10(b)	9/30	.29(b)	.29(b)	YES
	611	TransCanada Corp.		TRP	45.37	3	2	3	.90	55- 70 (20- 55%)	21.8	4.1	2.08	1.84	91	6/30	.52	.39	12/31	.46	.44	YES
1818	728	TransDigm Group		TDG	140.37	5	3	3	.95	155- 235 (10- 65%)	20.8	NIL	6.74	NIL	37	6/30	1.41	1.68	6/30	NIL	NIL	YES
	2431	Transocean Ltd.		RIG	47.62	1	3	3	1.35	65- 95 (35-100%)	10.1	4.7	4.70	2.24	24	6/30	◆1.08	.72	9/30	.56	NIL	YES
2260	775	Travelers Cos.		TRV	82.32	3	1	4	.80	95- 120 (15- 45%)	10.6	2.4	7.79	2.00	48	6/30	2.13	1.26	9/30	.50	.46	YES
	573	Tredegar Corp.		TG	25.92	2	3	5	1.10	30- 50 (15- 95%)	17.8	1.2	1.46	.30	63	6/30	.29	.23	12/31	.07	.06	YES
	1939	TreeHouse Foods		THS	72.55	2	3	3	.55	55- 80 (N- 10%)	23.1	NIL	3.14	NIL	76	6/30	◆.65	.60	6/30	NIL	NIL	YES
2660	1117	Trex Co.		TREX	44.26	3	4	1	1.45	55- 95 (25-115%)	16.1	NIL	2.75	NIL	35	6/30	.76	.59	6/30	NIL	NIL	YES
	1214	Tri-Continental		TY	18.63	–	2	3	1.00	25- 35 (35- 90%)	NMF	4.0	NMF	.75	–	12/31	18.77(q)	16.77(q)	6/30	.162	.15	
	1315	Trimble Nav. Ltd.	(NDQ)	TRMB	26.87	5	3	3	1.35	35- 55 (30-105%)	27.7	NIL	.97	NIL	51	6/30	.21	.21	6/30	NIL	NIL	YES
	740	Trinity Inds.		TRN	40.98	1	3	3	1.65	50- 75 (20- 85%)	9.4	1.3	4.35	.52	73	6/30	1.07	.82	9/30	▲.13	.11	YES
2260	2637	TripAdvisor, Inc.	(NDQ)	TRIP	81.26	–	3	–	NMF	85- 130 (5- 60%)	55.3	NIL	1.47	NIL	54	6/30	.46	.37	6/30	NIL	NIL	YES
2260	1386	TriQuint Semic.	(NDQ)	TQNT	7.72	3	4	3	1.50	8- 13 (5- 70%)	48.3	NIL	.16	NIL	88	6/30	d.07	d.09	6/30	NIL	NIL	YES
	729	Triumph Group		TGI	76.32	3	3	5	1.05	85- 130 (10- 70%)	11.9	0.2	6.40	.16	37	6/30	1.50	1.46	9/30	.04	.04	YES
2447	2117	True Religion Apparel		TRLG						SEE FINAL SUPPLEMENT - PAGE 2447												
	2192	Tumi Holdings		TUMI	21.65	–	3	–	NMF	30- 45 (40-110%)	24.3	NIL	.89	NIL	47	6/30	◆.16	.18	6/30	NIL	NIL	YES
	1200	Tupperware Brands		TUP	87.49	3	3	4	1.10	110- 165 (25- 90%)	15.6	2.9	5.61	2.54	84	6/30	1.43	.22	9/30	.62	.36	YES
	1041	tw telecom	(NDQ)	TWTC	29.67	5	3	4	1.30	30- 40 (N- 35%)	53.0	NIL	.56	NIL	13	6/30	◆.11	.13	6/30	NIL	NIL	YES
1045	2338	Twenty-First Century Fox	(NDQ)	FOXA	32.66	–	3	–	1.30	30- 45 (N- 40%)	22.8	0.6	1.43	.18	78	6/30	.34	.28	6/30	.085	.085	YES
	1765	Tyco Int'l		TYC	34.63	–	3	–	NMF	40- 60 (15- 75%)	20.3	1.8	1.71	.64	74	6/30	.28	.46	9/30	.16	.25	YES
	1940	Tyson Foods 'A'		TSN	31.26	2	3	4	1.05	30- 45 (N- 45%)	14.5	0.6	2.16	.20	76	6/30	.69	.50	12/31	◆.05	.04	YES
	1544	UDR, Inc.		UDR	24.22	▲3	3	3	1.05	25- 40 (5- 65%)	NMF	3.9	.05	.94	58	6/30	.02	d.14	9/30	.235	.22	YES
	549	UGI Corp.		UGI	42.28	1	2	4	.75	30- 40 (N- N%)	17.3	2.7	2.45	1.13	25	6/30	.13	d.06	12/31	.283	.27	YES
	154	UIL Holdings		UIL	40.04	2	2	3	.75	35- 45 (N- 10%)	17.9	4.3	2.24	1.73	16	6/30	.35	.23	12/31	.432	.432	YES
	2248	UNS Energy		UNS	49.28	3	3	3	.70	45- 65 (N- 30%)	15.7	3.5	3.13	1.74	23	6/30	.83	.64	9/30	.435	.43	YES
	1244	URS Corp.		URS	47.67	2	3	3	1.25	60- 90 (25- 90%)	10.1	1.8	4.70	.86	11	6/30	.91	.84	12/31	.21	.20	YES
**	314	US Airways Group		LCC	18.82	–	5	–	1.40	17- 30 (N- 60%)	6.5	NIL	2.90	NIL	10	6/30	1.40	1.54	6/30	NIL	NIL	YES
	416	US Ecology	(NDQ)	ECOL	30.03	3	3	4	.95	35- 55 (15- 85%)	19.1	2.4	1.57	.72	64	6/30	.39	.39	9/30	.18	.18	YES
	1118	USG Corp.		USG	25.46	2	5	3	1.70	30- 50 (20- 95%)	33.9	NIL	.75	NIL	35	6/30	.22	d.15	6/30	NIL	NIL	YES
1047	2193	Ulta Salon	(NDQ)	ULTA	105.28	3	3	4	1.20	135- 200 (30- 90%)	30.3	NIL	3.47	NIL	47	4/30	.65	.54	6/30	NIL	NIL	YES
	2406	Ultra Petroleum		UPL	22.08	2	3	2	1.10	35- 55 (60-150%)	13.9	NIL	1.59	NIL	9	6/30	.47	.68	6/30	NIL	NIL	YES
	135	Ultratech, Inc.	(NDQ)	UTEK	28.43	5	3	3	1.05 ▼	30- 50 (5- 75%)	60.5	NIL	.47	NIL	96	6/30	.03	.41	6/30	NIL	NIL	YES
	2118	Under Armour		UA	73.93	3	3	3	1.20	70- 105 (N- 40%)	48.3	NIL	1.53	NIL	71	6/30	.16	.06	6/30	NIL	NIL	YES
	2119	Unifi, Inc.		UFI	23.66	3	4	4	1.35	25- 35 (5- 50%)	17.9	NIL	1.32	NIL	71	6/30	.52	.26	6/30	NIL	NIL	YES
	406	UniFirst Corp.		UNF	102.03	3	3	4	.90	95- 145 (N- 40%)	17.3	0.2	5.90	.20	43	5/31	1.43	1.37	9/30	.038	.038	YES
	1941	Unilever PLC ADR(g)		UL	40.19	4	1	3	.75	40- 50 (N- 25%)	18.7	3.5	2.15	1.40	76	6/30	1.08(p)	.99(p)	9/30	▲.355	.294	YES
	346	Union Pacific		UNP	159.17	3	2	3	1.15	170- 230 (5- 45%)	16.1	2.0	9.87	3.16	52	6/30	2.37	2.10	12/31	▲.79	.69	YES
	1419	Unisys Corp		UIS	25.44	3	5	3	1.80	30- 55 (20-115%)	8.7	NIL	2.92	NIL	57	6/30	.46	1.00	6/30	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	315	United Cont'l Hldgs.	(NDQ)	UAL	33.21	2	4	2	1.45	35- 60 (5- 80%)	10.1	NIL	3.30	NIL	10	6/30	1.35	1.41	6/30	NIL	NIL	YES
	1959	United Natural Foods	(NDQ)	UNFI	62.14	▲3	3	3	.75	50- 70 (N- 15%)	27.1	NIL	2.29	NIL	34	4/30	.64	.59	6/30	NIL	NIL	YES
	2638	United Online	(NDQ)	UNTD	8.13	–	3	–	1.10	9- 13 (10- 60%)	22.6	4.9	.36	.40	54	6/30	.06	.09	9/30	.10	.10	YES
	316	United Parcel Serv.		UPS	87.77	▲3	1	3	.85	95- 115 (10- 30%)	18.3	2.8	4.80	2.48	10	6/30	1.13	1.15	9/30	◆.62	.57	YES
	1733	United Rentals		URI	55.85	1	4	3	1.75	70- 115 (25-105%)	10.7	NIL	5.21	NIL	70	6/30	1.12	.66	6/30	NIL	NIL	YES
	794	U.S. Bancorp		USB	37.16	3	3	3	1.00	40- 60 (10- 60%)	12.2	2.5	3.04	.92	30	6/30	.76	.71	9/30	▲.23	.195	YES
630	940	U.S. Cellular		USM	43.71	–	3	–	1.05	30- 50 (N- 15%)	NMF	NIL	d.81	NIL	1	6/30	.10	.62	6/30	NIL	NIL	YES
	754	U.S. Steel Corp.		X	19.20	2	3	3	1.80	30- 45 (55-135%)	NMF	1.0	d.48	.20	61	6/30	d.54	.62	9/30	.05	.05	YES
	1431	United Stationers	(NDQ)	USTR	43.52	2	3	4	1.15	40- 60 (N- 40%)	13.1	1.3	3.32	.56	19	6/30	.86	.66	12/31	.14	.14	YES
2261	1766	United Technologies		UTX	105.54	3	1	3	1.00	130- 155 (25- 45%)	16.6	2.0	6.36	2.14	74	6/30	1.70	1.62	9/30	.535	.535	YES
	843	United Therapeutics	(NDQ)	UTHR	73.56	▲1	3	1	.90	140- 215 (90-190%)	11.6	NIL	6.32	NIL	93	6/30	1.52	1.34	6/30	NIL	NIL	YES
2040	815	UnitedHealth Group		UNH	72.39	3	2	5	1.00	85- 115 (15- 60%)	12.7	1.5	5.70	1.12	18	6/30	1.40	1.27	6/30	.28	.212	YES
	1996	Universal Corp.		UVV	56.67	4	3	3	.75	45- 70 (N- 25%)	12.1	3.5	4.70	2.00	80	6/30	.07	.81	12/31	.50	.50	YES
	2023	Universal Electronics	(NDQ)	UEIC	34.16	3	3	3	1.05	35- 55 (N- 60%)	21.1	NIL	1.62	NIL	59	6/30	◆.38	.28	6/30	NIL	NIL	
	1119	Universal Forest	(NDQ)	UFPI	40.60	1	3	2	1.30	40- 60 (N- 50%)	22.8	1.0	1.78	.40	35	6/30	.79	.88	6/30	.20	.20	YES
	816	Universal Health Sv. 'B'		UHS	71.62	3	3	4	1.00	80- 120 (10- 70%)	15.1	0.3	4.75	.20	18	6/30	1.20	1.10	9/30	.05	.05	YES
	1562	Unum Group		UNM	29.63	3	3	3	1.30	35- 50 (20- 70%)	9.0	2.0	3.30	.58	2	6/30	.82	.76	9/30	▲.145	.13	YES
	2231	Urban Outfitters		URBN	42.10	3	3	3	1.00	55- 85 (30-100%)	21.6	NIL	1.95	NIL	69	4/30	.32	.23	6/30	NIL	NIL	YES
	967	UTStarcom Holdings	(NDQ)	UTSI	2.69	–	5	–	1.55	4- 7 (50-160%)	NMF	NIL	d.74	NIL	56	3/31	d.13	d.09	6/30	NIL	NIL	YES
	817	**VCA Antech**	(NDQ)	WOOF	28.82	1	3	2	.95	25- 35 (N- 20%)	18.7	NIL	1.54	NIL	18	6/30	.50	.41	6/30	NIL	NIL	YES
	2120	V.F. Corp.		VFC	198.19	3	2	3	.90	200- 270 (N- 35%)	18.0	1.8	11.02	3.48	71	6/30	1.27	1.11	9/30	.87	.72	YES
	2361	Vail Resorts		MTN	68.86	3	3	2	1.25	60- 85 (N- 25%)	75.7	1.2	.91	.83	15	4/30	2.66	2.17	9/30	.208	.188	YES
	2391	Valassis Communic.		VCI	28.98	3	4	4	2.00	25- 40 (N- 40%)	9.5	4.3	3.05	1.26	41	6/30	.68	.61	9/30	.31	NIL	YES
634	1633	Valeant Pharm. Int'l		VRX	101.95	–	3	–	NMF	130- 195 (30- 90%)	16.4	NIL	6.20	NIL	81	6/30	◆1.34	1.01	6/30	NIL	NIL	YES
	517	Valero Energy		VLO	36.85	3	3	2	1.30	50- 75 (35-105%)	9.0	2.4	4.10	.90	36	6/30	.85	1.50	9/30	▲.225	.175	YES
	1767	Valmont Inds.		VMI	139.54	2	3	2	1.25	165- 245 (20- 75%)	12.8	0.7	10.90	1.00	74	6/30	3.17	2.24	9/30	▲.25	.225	YES
	574	Valspar Corp.		VAL	70.77	4	3	2	.95	70- 100 (N- 40%)	18.1	1.3	3.91	.92	63	7/31	◆1.04	.92	6/30	.23	.20	YES
2660	2392	ValueClick Inc.	(NDQ)	VCLK	21.63	4	3	2	1.25	30- 50 (40-130%)	15.2	NIL	1.42	NIL	41	6/30	.30	.23	6/30	NIL	NIL	YES
	2194	ValueVision Media	(NDQ)	VVTV	6.13	2	5	5	1.20	6- 11 (N- 80%)	NMF	NIL	.06	NIL	47	4/30	.02	d.18	6/30	NIL	NIL	YES
	200	Varian Medical Sys.		VAR	73.85	▲3	1	3	.85	▼ 115- 95 (55- 30%)	17.9	NIL	4.12	NIL	75	6/30	1.03	.96	6/30	NIL	NIL	YES
	918	Vectren Corp.		VVC	35.79	3	2	4	.75	35- 45 (N- 25%)	16.7	4.0	2.14	1.44	65	6/30	.33	.31	9/30	.355	.36	YES
	136	Veeco Instruments	(NDQ)	VECO	34.12	5	4	2	1.60	40- 70 (15-105%)	27.3	NIL	1.25	NIL	96	9/30	.34	1.33	6/30	NIL	NIL	YES
	1545	Ventas, Inc.		VTR	64.43	3	3	3	1.05	60- 90 (N- 40%)	31.7	4.2	2.03	2.68	58	6/30	.45	.15	6/30	.67	.62	YES
848	968	Verifone Systems		PAY	19.64	3	4	3	1.40	30- 55 (55-180%)	19.1	NIL	1.03	NIL	56	4/30	.42	.64	6/30	NIL	NIL	YES
	2639	VeriSign Inc.	(NDQ)	VRSN	49.14	3	3	2	.90	65- 100 (30-105%)	22.2	NIL	2.21	NIL	54	6/30	.55	.42	6/30	NIL	NIL	YES
	448	Verisk Analytics	(NDQ)	VRSK	62.94	3	2	3	.60	60- 80 (N- 25%)	29.8	NIL	2.11	NIL	83	6/30	.49	.43	6/30	NIL	NIL	YES
2041	941	Verizon Communic.		VZ	49.65	1	1	3	.65	60- 75 (20- 50%)	17.0	4.1	2.92	2.06	1	6/30	.73	.64	9/30	.515	.50	YES
	844	Vertex Pharmac.	(NDQ)	VRTX	77.48	5	3	3	.90	80- 120 (5- 55%)	NMF	NIL	d1.07	NIL	93	6/30	d.26	d.31	6/30	NIL	NIL	YES
	2339	Viacom Inc. 'B'	(NDQ)	VIAB	79.59	3	3	4	1.15	85- 125 (5- 55%)	16.1	1.5	4.94	1.20	78	6/30	1.29	.97	12/31	.30	.55	YES
	1768	Viad Corp.		VVI	25.36	3	3	4	1.15	30- 45 (20- 75%)	21.5	1.6	1.18	.40	74	6/30	.33	.29	9/30	.10	.10	YES
453	591	ViaSat, Inc.	(NDQ)	VSAT	67.29	4	3	1	.95	55- 80 (N- 20%)	NMF	NIL	.25	NIL	89	6/30	d.04	d.33	6/30	NIL	NIL	YES
	1960	Village Super Market	(NDQ)	VLGEA	36.93	4	2	1	.75	40- 55 (10- 50%)	17.7	2.7	2.09	1.00	34	4/30	.33	.47	9/30	.25	.25	
	1030	Virgin Media		VMED						SEE FINAL REPORT - PAGE 1030												
	2570	Visa Inc.		V	179.76	3	2	4	1.00	295- 405 (65-125%)	22.0	0.8	8.18	1.39	26	6/30	1.88	1.56	9/30	.33	.22	YES
	1345	Vishay Intertechnology		VSH	13.46	3	3	1	1.35	20- 30 (50-125%)	9.5	NIL	1.41	NIL	40	6/30	.20	.29	6/30	NIL	NIL	YES
	1009	Visteon Corp.		VC	69.02	–	3	–	NMF	60- 90 (N- 30%)	19.6	NIL	3.52	NIL	6	6/30	◆1.29	.80	6/30	NIL	NIL	YES
	2195	Vitamin Shoppe		VSI	43.20	4	3	4	.80	70- 105 (60-145%)	18.6	NIL	2.32	NIL	47	6/30	.60	.55	6/30	NIL	NIL	YES
2262	2595	VMware, Inc.		VMW	86.02	3	3	2	1.15	100- 155 (15- 80%)	38.2	NIL	2.25	NIL	94	6/30	.53	.44	6/30	NIL	NIL	YES
	942	Vodafone Group ADR(g)	(NDQ)	VOD	30.27	2	2	3	.80	35- 45 (15- 50%)	12.4	5.4	2.45	1.62	1	3/31	1.17(p)	1.14(p)	12/31	NIL	NIL	YES
	237	Volcano Corp.	(NDQ)	VOLC	22.11	5	3	5	.85	30- 40 (35- 80%)	NMF	NIL	d.16	NIL	79	6/30	d.04	.06	6/30	NIL	NIL	YES
	943	Vonage Holdings		VG	3.26	3	5	4	1.20	2- 4 (N- 25%)	9.6	NIL	.34	NIL	1	6/30	.06	.09	6/30	NIL	NIL	YES
	1546	Vornado R'lty Trust		VNO	83.75	3	3	4	1.25	90- 130 (5- 55%)	29.9	3.5	2.80	2.92	58	6/30	.78	.06	9/30	.73	.69	YES
	1120	Vulcan Materials		VMC	48.21	2	4	3	1.10	17- 30 (N- N%)	NMF	0.1	.43	.04	35	6/30	.13	d.13	9/30	.01	.01	YES
	1010	**WABCO Hldgs.**		WBC	79.56	3	3	2	1.35	90- 135 (15- 70%)	16.1	NIL	4.95	NIL	6	6/30	1.31	1.15	6/30	NIL	NIL	YES
1826	1201	WD-40 Co.	(NDQ)	WDFC	58.48	4	2	3	.70	50- 65 (N- 10%)	24.0	2.2	2.44	1.28	84	5/31	.66	.57	9/30	.31	.29	YES
	550	WGL Holdings Inc.		WGL	45.59	3	1	3	.65	40- 50 (N- 10%)	17.5	3.7	2.61	1.68	25	6/30	◆d.03	.08	9/30	.42	.40	YES
	2362	WMS Industries		WMS	25.73	–	3	–	1.15	30- 45 (15- 75%)	25.2	NIL	1.02	NIL	15	3/31	.18	.40	6/30	NIL	NIL	YES
	1547	W.P. Carey Inc.		WPC	67.07	–	3	–	NMF	70- 110 (5- 65%)	39.0	5.0	1.72	3.36	58	6/30	◆.62	.78	6/30	▲.82	.565	YES
	2393	WPP PLC ADR	(NDQ)	WPPGY	91.23	3	3	3	1.20	90- 130 (N- 40%)	17.4	2.4	5.25	2.22	41	12/31	3.20(p)	2.94(p)	9/30	1.466	1.388	YES
	538	WPX Energy		WPX	18.94	–	3	–	NMF	16- 25 (N- 30%)	NMF	NIL	d.57	NIL	4	6/30	.09	d.17	6/30	NIL	NIL	YES
	171	Wabash National		WNC	10.84	3	4	3	1.80	15- 25 (40-130%)	11.9	NIL	.91	NIL	60	6/30	.21	.23	6/30	NIL	NIL	YES
	1734	Wabtec Corp.		WAB	58.94	3	3	3	1.15	50- 70 (N- 20%)	19.2	0.3	3.07	.16	70	6/30	.77	.67	9/30	▲.04	.025	YES
	2154	Wal-Mart Stores		WMT	77.08	3	1	3	.60	100- 125 (30- 60%)	14.1	2.4	5.46	1.88	31	4/30	1.14	1.09	9/30	.47	.398	YES
	978	Walgreen Co.		WAG	50.19	2	1	4	.80	65- 80 (30- 60%)	18.5	2.5	2.72	1.26	14	5/31	.65	.62	9/30	▲.315	.225	YES
2262	603	Walter Energy		WLT	12.73	3	4	2	2.00	25- 40 (95-215%)	NMF	0.3	d.46	.04	32	6/30	d.55	.43	9/30	▼.01	.125	YES
453	1634	Warner Chilcott plc	(NDQ)	WCRX	21.15	–	3	–	1.00	30- 45 (40-115%)	13.6	2.4	1.55	.50	81	6/30	.43	.21	6/30	.25	NIL	YES
	1512	Washington Federal	(NDQ)	WAFD	22.32	2	3	3	.95	20- 35 (N- 55%)	15.7	1.6	1.42	.36	33	6/30	.36	.33	9/30	.09	.09	YES
2661	2382	Washington Post		WPO	585.00	1	2	3	.85	510- 690 (N- 20%)	24.3	1.7	24.06	9.80	17	6/30	6.02	4.72	6/30	NIL	2.45	
	1548	Washington R.E.I.T.		WRE	26.08	3	3	3	.95	30- 40 (15- 55%)	76.7	4.6	.34	1.20	58	6/30	.08	.08	9/30	.30	.30	YES
	417	Waste Connections		WCN	43.86	3	3	4	.75	45- 65 (5- 50%)	24.5	1.0	1.79	.43	64	6/30	.44	.36	9/30	.10	.09	YES
	418	Waste Management		WM	43.17	2	2	3	.80	40- 55 (N- 25%)	19.8	3.4	2.18	1.46	64	6/30	.54	.52	6/30	.365	.355	YES
	137	Waters Corp.		WAT	103.47	4	2	3	.90	▼ 105- 145 (N- 40%)	20.4	NIL	5.06	NIL	96	6/30	1.03	1.09	6/30	NIL	NIL	YES
	1144	Watsco, Inc.		WSO	92.55	3	3	2	.90	85- 125 (N- 35%)	24.0	1.1	3.86	1.00	77	6/30	1.48	1.15	9/30	.25	.62	YES
	1735	Watts Water Techn.		WTS	54.22	4	3	3	1.10	45- 70 (N- 30%)	19.0	1.0	2.85	.52	70	6/30	.53	.50	9/30	.13	.11	YES
	1170	Wausau Paper		WPP	11.38	3	3	3	1.15	10- 15 (N- 30%)	54.2	1.1	.21	.12	46	6/30	d.05	.09	9/30	.03	.03	YES
	2432	Weatherford Int'l		WFT	14.49	2	3	4	1.70	30- 45 (105-210%)	14.9	NIL	.97	NIL	24	6/30	.05	d1.11	6/30	NIL	NIL	YES
2041	826	WebMD Health	(NDQ)	WBMD	33.70	3	3	1	.75	40- 60 (20- 80%)	NMF	NIL	.30	NIL	92	6/30	.05	d.12	6/30	NIL	NIL	YES
	1433	Websense Inc.		WBSN						SEE FINAL SUPPLEMENT - PAGE 1433												
	2528	Webster Fin'l		WBS	27.07	2	3	3	1.35	19- 30 (N- 10%)	13.9	2.2	1.95	.60	7	6/30	.48	.44	9/30	.15	.10	YES
2661	2196	Weight Watchers		WTW	37.03	4	3	5	.95	75- 115 (105-210%)	10.2	1.9	3.63	.70	47	6/30	1.15	1.36	9/30	.175	.175	YES
	1549	Weingarten Realty		WRI	31.02	3	3	2	1.30	25- 35 (N- 15%)	29.8	4.0	1.04	1.25	58	6/30	.37	d.10	9/30	.305	.29	YES
	1961	Weis Markets		WMK	51.06	2	1	3	.65	45- 60 (N- 20%)	16.0	2.4	3.19	1.20	34	6/30	.90	.86	9/30	.30	.30	

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 3-31-14, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

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RANKS: Recent Price; Timeliness; Safety; Technical; Beta; 3-5 year Target Price Range and % appreciation potential; Current P/E Ratio; % Est'd Yield next 12 mos.; Est'd Earns. 12 mos. to 3-31-14; (f) Est'd Div'd next 12 mos.; Industry Rank; Do Options Trade?

LATEST RESULTS: Qtr. Ended; Earns. Per sh.; Year Ago; Qtr. Ended; Latest Div'd; Year Ago

		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 3-31-14	(f) Est'd Div'd next 12 mos.	Industry Rank	Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	818	WellPoint, Inc.		WLP	86.97	1	3	5	.95	85-	130	(N- 50%)	10.2	1.7	8.49	1.50	18	6/30	2.64	1.95	9/30	.375	.287	YES
	2529	Wells Fargo		WFC	43.20	3	3	3	1.30	50-	75	(15- 75%)	11.1	2.8	3.88	1.20	7	6/30	.98	.82	9/30	.30	.22	YES
2262	376	Wendy's Company	(NDQ)	WEN	7.98	1	3	2	1.00	▲ 8-	13	(N- 65%)	34.7	2.5	.23	.20	66	6/30	.08	.05	9/30	▲.05	.02	YES
	327	Werner Enterprises	(NDQ)	WERN	24.03	3	3	3	.90	30-	50	(25-110%)	16.7	0.8	1.44	.20	5	6/30	.35	.42	9/30	.05	.05	YES
	1316	WESCO Int'l		WCC	74.79	3	3	2	1.45	85-	125	(15- 65%)	13.3	NIL	5.63	NIL	51	6/30	1.25	1.15	6/30	NIL	NIL	YES
	2197	West Marine	(NDQ)	WMAR	11.10	3	3	3	.95	14-	20	(25- 80%)	20.9	NIL	.53	NIL	47	6/30	.91	.98	6/30	NIL	NIL	YES
	238	West Pharmac. Svcs.		WST	78.50	3	3	3	.80	60-	95	(N- 20%)	23.9	1.0	3.28	.80	79	6/30	.86	.79	12/31	▲.20	.19	YES
	919	Westar Energy		WR	33.40	3	2	3	.75	30-	40	(N- 20%)	15.2	4.1	2.20	1.37	65	6/30	◆.53	.48	9/30	.34	.33	YES
	1420	Western Digital	(NDQ)	WDC	68.17	4	3	3	1.25	60-	90	(N- 30%)	8.1	1.5	8.37	1.00	57	6/30	1.96	3.35	9/30	.25	NIL	YES
	2571	Western Union		WU	18.45	3	3	2	1.10	20-	30	(10- 65%)	13.1	2.7	1.41	.50	26	6/30	.36	.46	9/30	.125	.10	YES
	575	Westlake Chemical		WLK	101.12	3	3	3	1.35	85-	130	(N- 30%)	15.8	0.7	6.41	.75	63	6/30	2.17	1.72	6/30	.188	.074	YES
	1962	Weston (George)	(TSE)	WN.TO	86.22	3	2	3	.40	80-	105	(N- 20%)	18.7	1.9	4.62	1.66	34	3/31	.88	.89	9/30	▲.415	.36	YES
	2232	Wet Seal 'A'	(NDQ)	WTSL	4.32	3	3	1	1.00	5-	8	(15- 85%)	54.0	NIL	.08	NIL	69	4/30	.03	.02	6/30	NIL	NIL	YES
	2572	WEX Inc.		WEX	87.93	3	3	4	1.10	90-	135	(N- 55%)	20.2	NIL	4.36	NIL	26	6/30	1.05	1.00	6/30	NIL	NIL	YES
	1171	Weyerhaeuser Co.		WY	27.32	3	3	4	1.10	30-	45	(10- 65%)	23.2	2.9	1.18	.80	46	6/30	.35	.16	6/30	▲.20	.15	YES
	1769	Whirlpool Corp.		WHR	135.06	2	3	3	1.35	135-	200	(N- 50%)	13.6	1.9	9.90	2.50	74	6/30	2.37	1.55	6/30	▲.625	.50	YES
	1942	Whitewave Foods Co.	(The	WWAV	19.36	–	3	–	NMF	18-	25	(N- 30%)	24.5	NIL	.79	NIL	76	3/31	.14	.21	6/30	NIL	NIL	YES
	1963	Whole Foods Market	(NDQ)	WFM	55.40	3	3	3	1.00	55-	85	(N- 55%)	34.8	0.8	1.59	.44	34	6/30	.38	.32	9/30	.10	.07	YES
1245	2374	Wiley (John) & Sons		JWA	46.14	4	3	2	.90	65-	100	(40-115%)	15.5	2.2	2.98	1.01	21	4/30	.71	.80	9/30	▲.25	.24	YES
	612	Williams Cos.		WMB	35.49	–	3	–	NMF	25-	40	(N- 15%)	38.6	4.2	.92	1.50	91	3/31	.22	.39	6/30	▲.353	.30	YES
	624	Williams Partners L.P.		WPZ	49.15	4	3	5	1.05	50-	80	(N- 65%)	28.9	7.2	1.70	3.53	95	6/30	.31	.28	9/30	▲.863	.792	YES
	2198	Williams-Sonoma		WSM	60.99	3	3	5	1.15	70-	110	(15- 80%)	21.3	2.1	2.86	1.28	47	4/30	.40	.30	9/30	.31	.22	YES
	1042	Windstream Corp.	(NDQ)	WIN	8.34	2	3	4	.95	14-	20	(70-140%)	19.4	12.0	.43	1.00	13	6/30	◆.06	.12	12/31	◆.25	.25	YES
	2323	Winnebago		WGO	24.40	▼3	3	3	1.50	25-	35	(N- 45%)	21.4	NIL	1.14	NIL	29	5/31	.27	.13	6/30	NIL	NIL	YES
	795	Wintrust Financial	(NDQ)	WTFC	40.95	1	3	3	1.00	35-	50	(N- 20%)	16.4	0.4	2.49	.18	30	6/30	.69	.52	9/30	.09	.09	YES
	920	Wisconsin Energy		WEC	42.79	3	1	3	.65	40-	50	(N- 15%)	17.9	3.6	2.39	1.53	65	6/30	.52	.51	9/30	▲.383	.30	YES
	2163	Wolverine World Wide		WWW	57.30	3	2	2	.85	60-	85	(5- 50%)	19.8	0.8	2.89	.48	82	6/30	.46	.41	12/31	.12	.12	YES
	138	Woodward, Inc.	(NDQ)	WWD	42.45	3	3	3	1.40	45-	70	(5- 65%)	18.5	0.8	2.30	.32	96	6/30	.51	.40	9/30	.08	.08	YES
	2340	World Wrestling Ent.		WWE	10.27	4	3	3	.80	11-	16	(5- 55%)	31.1	4.7	.33	.48	78	6/30	.07	.16	9/30	.12	.12	YES
	755	Worthington Inds.		WOR	36.50	4	3	3	1.35	35-	50	(N- 35%)	18.0	1.6	2.03	.60	61	5/31	.46	.75	9/30	▲.15	.13	YES
	201	Wright Medical	(NDQ)	WMGI	24.89	5	3	2	.95	▼ 20-	35	(N- 40%)	NMF	NIL	d.92	NIL	75	6/30	d.34	.02	6/30	NIL	NIL	YES
	2363	Wyndham Worldwide		WYN	60.28	3	4	3	1.80	60-	100	(N- 65%)	15.9	1.9	3.80	1.16	15	6/30	.98	.87	9/30	◆.29	.23	YES
	2364	Wynn Resorts	(NDQ)	WYNN	138.43	3	3	4	1.80	200-	300	(45-115%)	21.6	2.9	6.41	4.00	15	6/30	1.51	1.38	9/30	1.00	.50	YES
	776	XL Group plc		XL	30.73	2	3	3	1.45	30-	45	(N- 45%)	13.5	1.8	2.27	.56	48	6/30	.75	.71	9/30	.14	.11	YES
	2640	XO Group		XOXO	12.20	2	3	5	.90	18-	25	(50-105%)	26.5	NIL	.46	NIL	54	6/30	.16	.13	6/30	NIL	NIL	YES
	2249	Xcel Energy Inc.		XEL	29.24	3	2	3	.65	25-	35	(N- 20%)	15.6	3.9	1.87	1.13	23	6/30	.40	.38	9/30	▲.28	.27	YES
454	845	XenoPort, Inc.	(NDQ)	XNPT	4.59	5	5	3	.95	11-	20	(140-335%)	NMF	NIL	d2.00	NIL	93	6/30	d.51	d.22	6/30	NIL	NIL	YES
	1432	Xerox Corp.		XRX	10.15	2	3	3	1.30	12-	17	(20- 65%)	10.0	2.6	1.02	.26	19	6/30	.23	.23	12/31	.058	.042	YES
	1387	Xilinx Inc.	(NDQ)	XLNX	45.39	4	2	3	.95	45-	65	(N- 45%)	19.6	2.2	2.31	1.00	88	6/30	.56	.47	9/30	.25	.22	YES
2457	1736	Xylem Inc.		XYL	24.83	–	3	–	NMF	30-	50	(20-100%)	13.0	1.9	1.91	.47	70	3/31	.22	.34	6/30	.116	.101	YES
2042	2641	Yahoo! Inc.	(NDQ)	YHOO	28.35	2	3	3	1.00	30-	40	(5- 40%)	22.7	NIL	1.25	NIL	54	6/30	.30	.18	6/30	NIL	NIL	YES
2457	2642	Yelp, Inc.		YELP	50.75	–	3	–	NMF	45-	65	(N- 30%)	NMF	NIL	d.01	NIL	54	6/30	◆d.01	d.03	6/30	NIL	NIL	YES
	1778	York Water Co. (The)	(NDQ)	YORW	21.07	4	2	3	.70	17-	25	(N- 20%)	26.3	2.7	.80	.56	53	6/30	◆.18	.17	9/30	.138	.134	
	377	Yum! Brands		YUM	74.47	5	2	3	.90	70-	95	(N- 30%)	24.0	1.9	3.10	1.43	66	6/30	.56	.67	9/30	.335	.285	YES
454	2199	Zale Corp.		ZLC	9.59	1	5	5	1.65	10-	18	(5- 90%)	25.2	NIL	.38	NIL	47	4/30	.13	d.14	6/30	NIL	NIL	YES
	592	Zebra Techn. 'A'	(NDQ)	ZBRA	48.15	3	3	3	1.00	50-	75	(5- 55%)	17.2	NIL	2.80	NIL	89	6/30	.60	.58	6/30	NIL	NIL	YES
	1433	Zhongpin		HOGS						SEE FINAL SUPPLEMENT - PAGE 1433														
	202	Zimmer Holdings		ZMH	82.31	2	2	3	1.00	100-	135	(20- 65%)	14.8	1.0	5.57	.84	75	6/30	1.17	1.22	9/30	.20	.18	YES
	2530	Zions Bancorp.	(NDQ)	ZION	29.61	2	3	3	1.40	25-	35	(N- 20%)	18.4	0.5	1.61	.16	7	6/30	.30	.30	9/30	.04	.01	YES
	2446	Zoltek Cos.	(NDQ)	ZOLT	13.92	–	4	–	1.75	15-	25	(10- 80%)	30.9	NIL	.45	NIL	50	3/31	.09	.10	6/30	NIL	NIL	YES
	2233	Zumiez Inc.	(NDQ)	ZUMZ	28.50	3	3	2	1.15	35-	50	(25- 75%)	16.6	NIL	1.72	NIL	69	4/30	.13	.15	6/30	NIL	NIL	YES
	139	Zygo Corp.	(NDQ)	ZIGO	15.34	5	3	2	1.25	▼ 20-	30	(30- 95%)	13.7	NIL	1.12	NIL	96	3/31	.07	.29	6/30	NIL	NIL	
2457	2024	Zynga Inc.	(NDQ)	ZNGA	2.94	–	4	–	NMF	3-	6	(N-105%)	NMF	NIL	d.08	NIL	59	6/30	d.02	d.03	6/30	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Funds.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

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INDUSTRIES, IN ORDER OF TIMELINESS*

Arrow (▲▼) before name indicates that a **significant change in Rank** has occurred since the preceding week.

1 Telecom. Services
2 Insurance (Life)
3 Foreign Electronics
4 Natural Gas (Div.)
5 Trucking
6 Auto Parts
7 Bank
8 Automotive
9 Petroleum (Producing)
10 Air Transport
11 Engineering & Const
12 Homebuilding
13 Telecom. Utility
14 Pharmacy Services
15 Hotel/Gaming
16 Electric Utility (East)
17 Newspaper
18 Medical Services
19 Office Equip/Supplies
20 Human Resources
21 Publishing
22 Retail Automotive
23 Electric Utility (West)
24 Oilfield Svcs/Equip.
25▲ Natural Gas Utility
26 Financial Svcs. (Div.)
27 Securities Brokerage
28 Packaging & Container
29 Recreation
30 Bank (Midwest)
31 Retail Store
32 Coal
33▲ Thrift
34 Retail/Wholesale Food
35 Building Materials
36 Petroleum (Integrated)
37 Aerospace/Defense
38 Power
39▲ Cable TV
40 Electronics
41 Advertising
42 IT Services
43 Industrial Services
44 Educational Services
45 Metals & Mining (Div.)
46 Paper/Forest Products
47 Retail (Hardlines)
48 Insurance (Prop/Cas.)
49▲ Chemical (Basic)
50 Chemical (Diversified)
51 Electrical Equipment
52 Railroad
53▼ Water Utility
54 Internet
55 Public/Private Equity
56 Telecom. Equipment
57 Computers/Peripherals
58 R.E.I.T.
59 Entertainment Tech
60 Heavy Truck & Equip
61 Steel
62 Furn/Home Furnishings
63 Chemical (Specialty)
64 Environmental
65 Electric Util. (Central)
66 Restaurant
67▼ Reinsurance
68 Beverage
69 Retail (Softlines)
70 Machinery
71 Apparel
72 Funeral Services
73 Metal Fabricating
74 Diversified Co.
75 Med Supp Invasive
76▼ Food Processing
77 Retail Building Supply
78 Entertainment
79 Med Supp Non-Invasive
80 Tobacco
81 Drug
82 Shoe
83 Information Services
84 Household Products
85 Maritime
86 Precious Metals
87 Semiconductor Equip
88 Semiconductor
89 Wireless Networking
90 Toiletries/Cosmetics
91 Oil/Gas Distribution
92 Healthcare Information
93 Biotechnology
94 Computer Software
95 Pipeline MLPs
96 Precision Instrument
97 E-Commerce

***Based on the Timeliness™ ranks of the stocks in the industry**

Noteworthy Rank Changes

Listed below are some of the stocks whose Timeliness ranks have changed this week. We include mostly rank changes caused by fundamentals such as new earnings reports. Even when a significant change in earnings momentum has been forecast, the stock's rank will not be affected until the actual results, confirming that forecast, are reported. In most cases, we omit stocks that have been bumped up or down in rank by the dynamism of the ranking system.

STOCKS MOVING UP IN TIMELINESS RANK

Stock Name	Old Rank	New Rank	Reason for Change	Earnings Est. 12 months to 3-31-14
Biglari Hldgs.	4	3	Surprise factor, earnings turnaround. June period $4.30 vs. year ago $3.63. Our estimate was $1.80.	$15.35
Brocade Communic.	3	2	Higher than expected earnings. July period 26¢ vs. year ago 9¢. Our estimate was 5¢.	Under Review
Brookfield Asset Mgmt.	3	2	Earnings turnaround. June quarter 31¢ vs. year ago 17¢. Our estimate was 30¢.	2.14
Elbit Systems	2	1	Surprise factor, greater than average gain. June quarter $1.17 vs. year ago 90¢. Our estimate was 90¢.	Under Review
Foster Wheeler AG	3	2	Surprise factor, earnings turnaround. June quarter 54¢ vs. year ago 29¢. Our estimate was 33¢.	1.65
Hawaiian Elec.	3	2	Higher than expected earnings. June quarter 41¢ vs. year ago 40¢. Our estimate was 36¢.	1.58

STOCKS MOVING DOWN IN TIMELINESS RANK

Stock Name	Old Rank	New Rank	Reason for Change	Earnings Est. 12 months to 3-31-14
Assured Guaranty (B)	1	3	Surprise factor, earnings reversal. June quarter 52¢ vs. year ago 61¢. Our estimate was 65¢.	$2.16
Beacon Roofing	3	4	Lower than expected earnings. June period 55¢ vs. year ago 53¢. Our estimate was 72¢.	Under Review
Brown Shoe	1	2	Dynamism of the ranking system.	
CAE Inc.	2	3	Lower than expected earnings. June quarter 15¢ vs. year ago 18¢. Our estimate was 18¢.	.75
China Auto. Sys.	1	2	Dynamism of the ranking system.	
Emulex Corp.	2	3	Lower than expected earnings. Management forecasts 4-6¢ for the Sep. period vs. year ago 14¢. Our estimate was 12¢.	.35
Pilgrim's Pride Corp.	1	2	Dynamism of the ranking system.	
Susquehanna Bancshs.	1	2	Dynamism of the ranking system.	

(B) Supplementary report in this week's Ratings & Reports.

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TIMELY STOCKS IN TIMELY INDUSTRIES

Page No.	Industry (Industry Rank)	Recent Price	RANKS Timeliness	Technical Safety		Beta	Current P/E Ratio	% Est'd Yield	Est'd 3-5 Year Price Apprec.
	Telecom. Services (INDUSTRY RANK 1)								
922	AT&T Inc.	34.92	2	1	3	0.70	13.7	5.2	30- 45%
925	Cbeyond, Inc.	6.64	2	4	3	1.00	NMF	NIL	35-140%
927	Dycom Inds.	26.54	1	3	3	1.45	19.0	NIL	15- 90%
928	Gen'l Communic. 'A'	9.55	1	3	2	1.20	26.5	NIL	45-110%
934	Shenandoah Telecom.	20.00	1	3	2	0.90	20.2	1.7	25-100%
938	Telephone & Data	29.26	2	3	3	0.95	NMF	1.7	N- 20%
941	Verizon Communic.	49.65	1	1	3	0.65	17.0	4.1	20- 50%
942	Vodafone Group ADR	30.27	2	2	3	0.80	12.4	5.4	15- 50%
	Insurance (Life) (INDUSTRY RANK 2)								
1553	Genworth Fin'l	12.60	1	4	5	2.45	9.9	NIL	20-100%
1554	Lincoln Nat'l Corp.	42.81	1	3	4	2.00	9.2	1.3	N- 40%
1555	Manulife Fin'l	17.09	2	3	3	1.60	11.5	3.0	45-105%
1556	MetLife Inc.	48.88	1	3	3	1.70	8.9	2.3	15- 75%
1558	Protective Life	42.87	2	3	4	1.55	10.7	1.9	N- 40%
1559	Prudential Fin'l	79.71	1	3	3	1.85	9.4	2.2	5- 55%
	Foreign Electronics (INDUSTRY RANK 3)								
1981	Canon Inc. ADR	32.34	1	2	3	1.00	13.8	4.6	55-100%
1982	FUJIFILM Hldgs. ADR	22.99	1	2	3	0.65	15.3	1.7	50- 95%
1987	Philips Electronics NV	32.44	2	3	4	1.30	21.6	3.2	10- 70%
1988	Sony Corp. ADR	20.00	1	3	3	1.00	33.3	1.3	50-125%
	Natural Gas (Div.) (INDUSTRY RANK 4)								
520	Chesapeake Energy	25.02	1	3	2	1.45	17.3	1.4	20- 80%
521	Cimarex Energy	79.63	2	3	3	1.35	15.3	0.7	N- 30%
523	Devon Energy	57.89	1	3	2	1.25	12.9	1.5	20- 80%
524	EOG Resources	158.76	2	3	3	1.25	21.5	0.5	N- 35%
529	MDU Resources	29.04	2	1	2	1.00	21.5	2.4	5- 40%
530	National Fuel Gas	67.58	1	2	3	1.05	22.4	2.2	5- 40%
531	Newfield Exploration	24.47	2	3	3	1.40	14.2	NIL	65-125%
533	QEP Resources	29.49	2	3	3	1.30	13.0	0.3	20- 85%
535	Quicksilver Res.	1.65	2	5	5	1.75	NMF	NIL	205-445%
536	Southwestern Energy	37.92	2	3	2	1.15	18.2	NIL	30-100%
537	Talisman Energy	11.08	2	3	2	1.50	48.2	2.4	10- 55%
	Trucking (INDUSTRY RANK 5)								
318	Arkansas Best	23.53	2	3	1	1.20	41.3	0.5	5- 70%
319	Con-way Inc.	44.19	2	3	2	1.30	19.6	0.9	15- 70%
321	Heartland Express	14.56	2	2	3	0.80	16.7	0.5	30- 70%
324	Knight Transportation	16.72	1	3	3	0.85	18.2	1.4	50-110%
326	Ryder System	60.60	1	3	4	1.30	12.2	2.2	30-100%
	Auto Parts (INDUSTRY RANK 6)								
983	BorgWarner	97.57	2	3	2	1.30	16.8	1.0	10- 60%
984	China Auto. Sys.	9.41	2	4	4	1.40	12.5	NIL	N- 50%
987	Dana Holding Corp.	22.53	2	4	3	2.50	12.7	0.9	10- 80%
992	Federal-Mogul Corp.	17.26	1	4	1	1.70	13.2	NIL	15-105%
994	Gentex Corp.	23.24	2	3	2	1.25	16.8	2.4	30- 95%
997	Goodyear Tire	19.38	1	4	3	1.80	9.4	NIL	30-105%
998	Johnson Controls	41.45	1	3	2	1.30	13.5	1.8	10- 70%
1000	Lear Corp.	73.00	1	3	3	1.20	11.8	0.9	10- 65%
1001	Magna Int'l 'A'	79.98	2	3	3	1.20	13.0	1.6	N- 50%
1003	Modine Mfg.	13.92	2	4	4	1.70	27.8	NIL	N- 45%
1006	TRW Automotive	72.03	2	3	3	2.00	10.2	NIL	25- 85%
1007	Tenneco Inc.	49.60	1	3	3	2.35	13.0	NIL	20- 80%
	Bank (INDUSTRY RANK 7)								
2502	BB&T Corp.	35.57	2	3	3	1.05	12.1	2.7	N- 40%
2504	Bank of America	14.41	2	3	4	1.85	12.9	0.3	5- 40%
2507	Bank of New York Mellon	30.75	2	3	3	1.20	13.4	2.0	80-160%
2508	Bank of Nova Scotia	57.92	2	2	2	0.80	11.4	4.2	10- 45%
2509	Can. Imperial Bank	78.47	2	2	3	0.85	9.4	4.9	15- 55%
2510	Citigroup Inc.	50.90	1	3	4	2.05	9.9	0.7	45-125%
2513	East West Bancorp	31.10	2	3	3	1.30	15.4	1.9	N- 30%
2515	JPMorgan Chase	54.09	1	3	3	1.25	9.4	2.8	20- 75%
2518	Nat'l Bank of Canada	77.83	2	2	3	0.65	8.9	4.7	10- 50%
2519	PNC Financial Serv.	76.11	2	3	3	1.25	11.2	2.3	10- 70%
2520	Popular Inc.	33.51	2	4	5	1.15	11.2	NIL	95-230%
2522	Royal Bank of Canada	63.33	2	2	3	0.75	11.6	4.1	10- 40%
2523	State Street Corp.	68.55	2	3	3	1.50	14.7	1.6	N- 55%
2524	SunTrust Banks	34.80	1	3	3	1.20	12.7	1.1	N- 60%
2525	Susquehanna Bancshs.	13.38	2	3	3	1.20	13.9	2.4	25- 85%
2528	Webster Fin'l	27.07	2	3	3	1.35	13.9	2.2	N- 10%
2530	Zions Bancorp.	29.61	2	3	3	1.40	18.4	0.5	N- 20%
	Automotive (INDUSTRY RANK 8)								
103	Ford Motor	17.07	2	4	4	1.45	10.7	2.3	15-105%
104	General Motors	35.98	2	3	4	1.20	10.1	NIL	10- 80%
105	Honda Motor ADR	38.83	2	2	3	0.90	13.4	2.1	30- 80%
106	Nissan Motor ADR	21.32	2	3	2	0.95	10.2	2.4	40-110%
109	Toyota Motor ADR	128.32	1	3	3	0.90	11.4	1.4	60-140%
	Petroleum (Producing) (INDUSTRY RANK 9)								
2395	Anadarko Petroleum	89.14	2	3	3	1.35	14.5	0.8	N- 55%
2400	Denbury Resources	17.54	2	3	3	1.70	12.0	NIL	45-130%
2403	Noble Energy	63.42	2	3	4	1.25	18.0	0.9	10- 75%
2406	Ultra Petroleum	22.08	2	3	2	1.10	13.9	NIL	60-150%
	Air Transport (INDUSTRY RANK 10)								
305	Bristow Group	69.37	2	3	3	1.30	15.6	1.4	50-125%
307	Delta Air Lines	21.04	1	4	4	1.35	7.9	1.1	N- 45%
309	Hawaiian Hldgs.	7.37	2	4	3	1.10	6.6	NIL	20- 90%
311	SkyWest	15.47	1	3	3	1.10	11.5	1.0	30-125%
312	Southwest Airlines	13.72	2	3	3	1.00	15.2	1.2	45-120%
315	United Cont'l Hldgs.	33.21	2	4	2	1.45	10.1	NIL	5- 80%
	Engineering & Const (INDUSTRY RANK 11)								
1233	Babcock & Wilcox	31.32	1	3	3	1.15	13.7	1.1	N- 60%
1235	Fluor Corp.	65.55	2	3	3	1.35	15.3	1.0	55-130%
1236	Foster Wheeler AG	24.70	2	3	4	1.70	15.0	NIL	N- 40%
1243	Stantec Inc.	49.33	2	3	3	0.90	16.4	1.3	N- 50%
1244	URS Corp.	47.67	2	3	3	1.25	10.1	1.8	25- 90%
	Homebuilding (INDUSTRY RANK 12)								
1123	Horton D.R.	18.82	2	3	2	1.35	13.1	0.2	60-165%
1125	KB Home	16.80	2	4	4	1.55	32.3	0.6	50-140%
1126	Lennar Corp.	33.03	2	3	3	1.70	17.9	0.5	50-125%
1127	M.D.C. Holdings	29.64	1	3	2	1.25	11.6	0.8	35-100%
1131	Ryland Group	37.92	2	4	3	1.35	12.8	0.3	45-135%
	Telecom. Utility (INDUSTRY RANK 13)								
1032	Alaska Communic.	3.79	2	4	2	0.80	9.0	NIL	N- 5%
1034	BT Group ADR	50.95	2	3	3	1.00	13.1	3.0	N- 30%
1037	Consol. Communic.	17.32	2	3	3	0.85	24.4	8.9	15- 75%
1038	Deutsche Telekom ADR	13.16	1	2	3	0.85	14.2	5.0	50-130%
1039	Frontier Communic.	4.65	2	4	3	0.95	20.2	8.6	N- 50%
1040	Telefonica SA ADR	14.50	2	4	3	1.00	8.8	3.2	25-105%
1042	Windstream Corp.	8.34	2	3	4	0.95	19.4	12.0	70-140%
	Pharmacy Services (INDUSTRY RANK 14)								
974	Omnicare, Inc.	54.98	2	3	4	0.95	15.4	1.0	20- 75%
975	PetMed Express	16.00	2	3	3	0.75	17.2	4.3	N- 25%
976	PharMerica Corp.	13.52	2	3	3	0.85	9.0	NIL	85-160%
977	Rite Aid Corp.	3.28	1	5	5	1.20	21.9	NIL	20-145%
978	Walgreen Co.	50.19	2	1	4	0.80	18.5	2.5	30- 60%
	Hotel/Gaming (INDUSTRY RANK 15)								
2342	Bally Technologies	73.85	2	3	3	1.30	19.7	NIL	30- 95%
2343	Boyd Gaming	12.07	2	4	2	2.00	NMF	NIL	N- 65%
2347	Hyatt Hotels	45.06	1	3	3	1.10	44.5	NIL	10- 65%
2348	Int'l Game Tech.	19.13	1	3	2	1.40	14.2	1.9	30- 85%
2349	Las Vegas Sands	56.43	2	4	3	2.55	18.9	2.5	60-165%
2350	MGM Resorts Int'l	17.23	2	4	3	2.25	NMF	NIL	10- 75%
2351	Marcus Corp.	12.68	2	3	3	1.25	16.9	2.7	40- 95%
2353	Melco Crown Ent. ADR	26.28	2	3	5	1.75	23.3	NIL	15- 90%
2354	Orient-Express Hotels	12.59	2	4	4	1.70	63.0	NIL	25-100%
	Electric Utility (East) (INDUSTRY RANK 16)								
144	Exelon Corp.	31.06	2	3	4	0.80	13.2	4.0	N- 15%
145	FirstEnergy Corp.	37.34	2	3	4	0.80	13.4	5.9	N- 20%
147	Northeast Utilities	43.49	2	2	4	0.75	16.8	3.5	N- 15%
149	Pepco Holdings	20.20	2	3	3	0.75	18.2	5.3	N- 50%
150	Public Serv. Enterprise	33.90	2	1	3	0.75	12.5	4.3	N- 20%
151	SCANA Corp.	51.18	2	2	3	0.65	15.1	4.0	N- 15%
154	UIL Holdings	40.04	2	2	3	0.75	17.9	4.3	N- 10%

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TIMELY STOCKS IN TIMELY INDUSTRIES

Page No.	Industry (Industry Rank)	Recent Price	RANKS Timeliness	Technical Safety	Beta	Current P/E Ratio	% Est'd Yield	Est'd 3-5 Year Price Apprec.
	Newspaper (INDUSTRY RANK 17)							
2376	A.H. Belo	7.30	2	5 4	1.45	27.0	4.4	25-135%
2379	McClatchy Co.	3.00	2	5 4	2.05	5.3	NIL	N-100%
2380	New York Times	12.04	2	3 2	1.20	23.6	NIL	N- 50%
2382	Washington Post	585.00	1	2 3	0.85	24.3	1.7	N- 20%
	Medical Services (INDUSTRY RANK 18)							
797	Aetna Inc.	63.44	2	3 5	0.95	10.7	1.3	35-105%
798	Amedisys, Inc.	17.54	2	3 1	1.15	29.7	NIL	N- N%
799	Brookdale Senior Living	28.45	2	4 3	1.90	NMF	NIL	N- 60%
800	Cigna Corp.	78.49	2	3 5	1.05	11.9	0.1	N- 55%
805	Health Net	31.06	2	3 3	1.05	13.9	NIL	N- 45%
814	Tenet Healthcare	41.83	1	4 4	1.25	13.4	NIL	45-140%
817	VCA Antech	28.82	1	3 2	0.95	18.7	NIL	N- 20%
818	WellPoint, Inc.	86.97	1	3 5	0.95	10.2	1.7	N- 50%
	Office Equip/Supplies (INDUSTRY RANK 19)							
1425	Lexmark Int'l 'A'	40.98	2	3 4	0.90	10.4	2.9	N- 20%
1428	Pitney Bowes	17.28	2	3 2	0.95	10.2	4.3	N- 15%
1431	United Stationers	43.52	2	3 4	1.15	13.1	1.3	N- 40%
1432	Xerox Corp.	10.15	2	3 3	1.30	10.0	2.6	20- 65%
	Human Resources (INDUSTRY RANK 20)							
1636	AMN Healthcare	15.46	2	3 3	1.05	25.8	NIL	10- 60%
1641	Kelly Services 'A'	19.46	2	3 4	1.25	12.5	1.0	30- 80%
1642	Korn/Ferry Int'l	19.54	2	3 2	1.20	14.9	NIL	30- 80%
1643	Manpower Inc.	68.73	1	3 3	1.30	18.7	1.3	15- 75%
	Publishing (INDUSTRY RANK 21)							
2367	Consolidated Graphics	57.00	1	3 3	1.35	19.0	NIL	N- 30%
2368	Deluxe Corp.	42.86	2	3 3	1.25	11.1	2.3	N- 50%
2369	Donnelley (R.R) & Sons	19.20	2	3 2	1.35	11.9	5.4	N- 30%
	Retail Automotive (INDUSTRY RANK 22)							
2128	Group 1 Automotive	76.50	2	3 4	1.50	13.3	0.8	5- 55%
2131	Penske Auto	40.18	2	3 3	1.50	15.1	1.6	N- 60%
2132	Pep Boys	12.73	1	4 3	1.30	21.9	NIL	N- 25%
2133	Sonic Automotive	23.55	1	4 3	1.80	11.4	0.4	5- 70%
	Electric Utility (West) (INDUSTRY RANK 23)							
2235	Avista Corp.	28.56	2	2 3	0.70	16.4	4.4	N- 25%
2236	Black Hills	53.18	2	3 3	0.85	22.8	2.9	N- N%
2237	Edison Int'l	48.44	2	2 4	0.75	14.4	2.9	N- 25%
2239	Hawaiian Elec.	26.78	2	2 3	0.70	16.9	4.6	N- 10%
2244	PNM Resources	23.71	2	3 3	0.90	16.7	2.8	N- 25%
	Oilfield Svcs/Equip. (INDUSTRY RANK 24)							
2414	Ensco plc	58.40	2	3 3	1.25	8.7	3.4	30- 90%
2420	Nabors Inds.	15.57	2	3 3	1.60	19.0	1.0	95-190%
2422	Noble Corp.	40.36	1	3 4	1.40	13.2	2.5	25- 85%
2426	Rowan Cos. plc	36.30	2	3 2	1.50	16.5	NIL	50-120%
2427	Schlumberger Ltd.	80.25	1	2 3	1.25	16.6	1.6	70-130%
2429	TETRA Technologies	11.35	2	3 3	1.90	15.3	NIL	25- 75%
2430	Tidewater Inc.	56.11	2	3 3	1.15	13.4	1.8	25- 85%
2431	Transocean Ltd.	47.62	1	3 3	1.35	10.1	4.7	35-100%
2432	Weatherford Int'l	14.49	2	3 4	1.70	14.9	NIL	105-210%
	Natural Gas Utility (INDUSTRY RANK 25)							
540	AGL Resources	46.23	2	1 4	0.75	14.7	4.1	20- 50%
543	New Jersey Resources	45.57	2	1 2	0.70	16.0	3.5	N- N%
549	UGI Corp.	42.28	1	2 4	0.75	17.3	2.7	N- N%
	Financial Svcs. (Div.) (INDUSTRY RANK 26)							
2534	AllianceBernstein Hldg.	21.01	1	3 3	1.40	11.4	7.2	45-140%
2541	Block (H&R)	31.39	2	3 4	0.80	17.9	2.7	N- 25%
2543	Capital One Fin'l	68.42	2	3 3	1.35	9.9	1.8	N- 40%
2547	Eaton Vance Corp.	39.99	2	3 3	1.35	17.0	2.0	25- 90%
2555	Global Payments	47.62	2	2 3	0.85	14.6	0.2	15- 55%
2556	Hartford Fin'l Svcs.	31.04	2	4 5	2.05	9.8	1.9	15- 75%
2558	Janus Capital Group	9.24	2	3 3	1.80	15.1	3.0	50-115%
2561	Legg Mason	33.53	2	3 2	1.60	15.6	1.6	65-155%
2564	Marsh & McLennan	41.80	2	3 3	0.80	16.9	2.4	10- 65%
2567	Principal Fin'l Group	42.56	1	3 3	1.85	12.1	2.4	N- 30%
2568	SLM Corporation	24.79	1	4 3	1.55	8.7	2.4	N- 60%
	Securities Brokerage (INDUSTRY RANK 27)							
1782	E*Trade Fin'l	14.51	1	4 3	1.55	21.0	NIL	N- 30%
1783	Goldman Sachs	161.69	1	3 4	1.25	10.4	1.2	25- 90%
1785	Investment Techn.	15.60	1	3 1	1.10	18.8	NIL	30- 90%
1793	TD Ameritrade Holding	26.40	2	3 3	1.05	21.6	1.4	15- 70%
	Packaging & Container (INDUSTRY RANK 28)							
1177	Crown Holdings	44.91	2	3 3	0.85	13.2	NIL	45-125%
1180	Owens-Illinois	30.69	2	3 3	1.50	10.7	NIL	30- 95%
1182	Rock-Tenn 'A'	116.96	2	3 3	1.15	14.3	1.0	N- 45%
1183	Sealed Air	30.19	1	3 2	0.95	22.4	1.7	15- 65%
1184	Silgan Holdings	48.46	2	3 3	0.70	15.4	1.2	15- 65%
1185	Sonoco Products	39.25	2	2 3	0.95	16.4	3.2	15- 40%
	Recreation (INDUSTRY RANK 29)							
2302	Brunswick Corp.	38.30	1	4 3	1.95	14.3	0.1	5- 85%
2304	Carmike Cinemas	17.98	2	4 5	1.35	14.7	NIL	10- 65%
2307	Cinemark Hldgs.	31.21	2	3 4	1.00	16.7	3.1	10- 75%
2308	Harley-Davidson	57.98	2	3 3	1.50	16.7	1.4	10- 65%
2316	Regal Entertainment	18.91	1	5 3	0.90	18.2	5.1	5- 85%
2317	Royal Caribbean	37.81	1	3 4	1.70	16.4	1.3	20- 85%
2319	Smith & Wesson Hldg.	12.46	2	3 1	1.30	9.6	NIL	35-100%
2321	Sturm, Ruger & Co.	56.35	2	3 1	0.80	11.4	4.6	35- 95%
	Bank (Midwest) (INDUSTRY RANK 30)							
778	Assoc. Banc-Corp	17.12	2	3 3	0.95	16.0	1.9	5- 45%
781	Comerica Inc.	42.06	2	3 3	1.15	14.9	1.6	5- 65%
783	Fifth Third Bancorp	19.27	2	3 3	1.20	9.7	2.5	5- 55%
784	First Horizon National	12.06	2	3 2	1.05	17.0	1.7	N- 25%
785	First Midwest Bancorp	15.68	2	3 2	1.15	17.8	1.0	N- 30%
792	PrivateBancorp	23.81	2	4 3	1.25	16.8	0.2	N- 45%
795	Wintrust Financial	40.95	1	3 3	1.00	16.4	0.4	N- 20%
	Retail Store (INDUSTRY RANK 31)							
2138	Dillard's, Inc.	80.80	2	3 3	1.55	10.6	0.2	5- 60%
2141	Family Dollar Stores	71.76	2	2 3	0.50	18.2	1.4	5- 40%
2144	Kohl's Corp.	51.22	1	2 2	0.95	11.8	2.7	45-105%
2145	Macy's Inc.	48.11	2	3 3	1.30	11.8	2.1	25- 85%
2152	Stein Mart	13.37	2	4 1	1.35	19.7	1.5	N- 40%
	Coal (INDUSTRY RANK 32)							
594	Alliance Resource	74.47	2	3 4	1.15	10.6	6.3	N- 40%
595	Alpha Natural Res.	5.84	2	4 5	2.05	NMF	NIL	55-175%
596	Arch Coal	4.51	2	4 3	1.80	NMF	2.7	100-235%
601	Peabody Energy	17.78	2	3 3	1.65	16.9	1.9	70-180%
	Thrift (INDUSTRY RANK 33)							
1505	Flushing Financial	19.45	2	3 4	0.90	15.7	2.7	N- 30%
1511	Provident Fin'l Svcs.	17.71	2	3 3	0.90	14.9	3.2	N- 40%
1512	Washington Federal	22.32	2	3 3	0.95	15.7	1.6	N- 55%
	Retail/Wholesale Food (INDUSTRY RANK 34)							
1949	Ingles Markets	27.37	2	3 3	0.95	12.3	2.4	10- 65%
1951	Kroger Co.	38.96	1	2 4	0.60	13.7	1.7	15- 55%
1953	Pantry (The), Inc.	12.09	2	3 3	0.85	15.9	NIL	25- 65%
1954	Safeway Inc.	25.06	1	3 3	0.70	20.7	3.2	20- 80%
1961	Weis Markets	51.06	2	1 3	0.65	16.0	2.4	N- 20%
	Building Materials (INDUSTRY RANK 35)							
1103	Amer. Woodmark	33.86	2	3 4	1.00	24.4	NIL	20- 60%
1109	Headwaters Inc.	9.13	2	5 2	1.70	15.7	NIL	N- 75%
1111	Masco Corp.	19.89	2	3 2	1.45	24.9	1.5	25-100%
1118	USG Corp.	25.46	2	5 3	1.70	33.9	NIL	20- 95%
1119	Universal Forest	40.60	1	3 2	1.30	22.8	1.0	N- 50%
1120	Vulcan Materials	48.21	2	4 3	1.10	NMF	0.1	N- N%

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Timely Stocks

Stocks Ranked 1 (Highest) for Relative Price Performance (Next 12 Months)

Page No.	Stock Name	Ticker	Recent Price	Ranks Technical	Ranks Safety	Current P/E Ratio	Est'd % Yield	Industry Group	Industry Rank
1216	AES Corp.	AES	13.08	3	3	9.8	1.2	Power	38
1575	Alcoa Inc.	AA	8.26	3	3	25.0	1.5	Metals & Mining (Div.)	45
206	Alere Inc.	ALR	32.02	3	4	13.2	NIL	Med Supp Non-Invasive	79
2534	AllianceBernstein Hldg.	AB	21.01	3	3	11.4	7.2	Financial Svcs. (Div.)	26
947	Arris Group	ARRS	16.97	3	3	10.0	NIL	Telecom. Equipment	56
1233	Babcock & Wilcox	BWC	31.32	3	3	13.7	1.1	Engineering & Const	11
2169	Big 5 Sporting Goods	BGFV	19.55	4	1	14.9	2.0	Retail (Hardlines)	47
2302	Brunswick Corp.	BC	38.30	4	3	14.3	0.1	Recreation	29
1326	CTS Corp.	CTS	14.32	3	3	17.3	1.0	Electronics	40
1981	Canon Inc. ADR ■	CAJ	32.34	2	3	13.8	4.6	Foreign Electronics	3
520	Chesapeake Energy	CHK	25.02	3	2	17.3	1.4	Natural Gas (Div.)	4
951	Cisco Systems	CSCO	26.34	1	3	12.3	2.6	Telecom. Equipment	56
2510	Citigroup Inc.	C	50.90	3	4	9.9	0.7	Bank	7
2604	Computer Sciences	CSC	52.13	3	3	15.8	1.5	IT Services	42
2367	Consolidated Graphics	CGX	57.00	3	3	19.0	NIL	Publishing	21
1708	Curtiss-Wright	CW	42.60	3	3	14.9	0.9	Machinery	70
307	Delta Air Lines	DAL	21.04	4	4	7.9	1.1	Air Transport	10
1038	Deutsche Telekom ADR	DTEGY	13.16	2	3	14.2	5.0	Telecom. Utility	13
523	Devon Energy	DVN	57.89	3	2	12.9	1.5	Natural Gas (Div.)	4
1592	Dow Chemical	DOW	37.48	3	3	15.0	4.1	Chemical (Basic)	49
927	Dycom Inds.	DY	26.54	3	3	19.0	NIL	Telecom. Services	1
1782	E*Trade Fin'l ■	ETFC	14.51	4	3	21.0	NIL	Securities Brokerage	27
711	Elbit Systems ■	ESLT	44.20	2	4	11.0	2.7	Aerospace/Defense	37
910	Empire Dist. Elec.	EDE	22.85	2	4	16.1	4.4	Electric Util. (Central)	65
2030	Everest Re Group Ltd.	RE	134.50	1	3	8.2	1.4	Reinsurance	67
992	Federal-Mogul Corp.	FDML	17.26	4	1	13.2	NIL	Auto Parts	6
2648	Fortress Investment	FIG	7.65	4	1	10.2	3.1	Public/Private Equity	55
1982	FUJIFILM Hldgs. ADR	FUJIY	22.99	2	3	15.3	1.7	Foreign Electronics	3
928	Gen'l Communic. 'A'	GNCMA	9.55	3	2	26.5	NIL	Telecom. Services	1
1553	Genworth Fin'l	GNW	12.60	4	5	9.9	NIL	Insurance (Life)	2
1783	Goldman Sachs	GS	161.69	3	4	10.4	1.2	Securities Brokerage	27
997	Goodyear Tire	GT	19.38	4	3	9.4	NIL	Auto Parts	6
1330	Greatbatch, Inc.	GB	37.29	3	3	18.1	NIL	Electronics	40
1311	Harman Int'l	HAR	70.92	3	3	23.3	1.7	Electrical Equipment	51
1918	Herbalife, Ltd.	HLF	66.27	3	1	13.2	1.8	Food Processing	76
1406	Hewlett-Packard	HPQ	26.74	3	2	10.9	2.2	Computers/Peripherals	57
1533	Host Hotels & Resorts	HST	17.71	3	3	68.1	2.5	R.E.I.T.	58
2347	Hyatt Hotels	H	45.06	3	3	44.6	NIL	Hotel/Gaming	15
1408	Ingram Micro 'A'	IM	23.40	3	3	10.2	NIL	Computers/Peripherals	57
2348	Int'l Game Tech.	IGT	19.13	3	2	14.2	1.9	Hotel/Gaming	15
1785	Investment Techn.	ITG	15.60	3	1	18.8	NIL	Securities Brokerage	27
2515	JPMorgan Chase	JPM	54.09	3	3	9.4	2.8	Bank	7
998	Johnson Controls	JCI	41.45	3	2	13.5	1.8	Auto Parts	6
324	Knight Transportation ■	KNX	16.72	3	3	18.2	1.4	Trucking	5
2144	Kohl's Corp.	KSS	51.22	2	2	11.8	2.7	Retail Store	31
1951	Kroger Co.	KR	38.96	2	4	13.7	1.7	Retail/Wholesale Food	34
1000	Lear Corp.	LEA	73.00	3	3	11.8	0.9	Auto Parts	6
1554	Lincoln Nat'l Corp.	LNC	42.81	3	4	9.2	1.3	Insurance (Life)	2
1165	Louisiana-Pacific	LPX	16.99	4	3	15.6	NIL	Paper/Forest Products	46
1127	M.D.C. Holdings	MDC	29.64	3	2	11.6	0.8	Homebuilding	12
1643	Manpower Inc.	MAN	68.73	3	3	18.7	1.3	Human Resources	20
1812	Matthews Int'l	MATW	39.58	3	2	14.9	1.0	Funeral Services	72
1556	MetLife Inc.	MET	48.88	3	3	8.9	2.3	Insurance (Life)	2
1371	Microchip Technology	MCHP	40.76	3	3	18.5	3.5	Semiconductor	88
1372	Micron Technology	MU	13.83	4	3	25.1	NIL	Semiconductor	88
509	Murphy Oil Corp.	MUR	71.23	2	4	13.8	1.8	Petroleum (Integrated)	36
1755	Myers Inds.	MYE	19.50	3	2	17.1	1.8	Diversified Co.	74
530	National Fuel Gas	NFG	67.58	2	3	22.4	2.2	Natural Gas (Div.)	4
400	Navigant Consulting	NCI	14.05	3	1	12.7	NIL	Industrial Services	43
2224	New York & Co.	NWY	5.96	5	2	49.7	NIL	Retail (Softlines)	69
2422	Noble Corp.	NE	40.36	3	4	13.2	2.5	Oilfield Svcs/Equip.	24
130	Orbotech Ltd.	ORBK	12.25	3	3	12.9	NIL	Precision Instrument	96
1627	PDL BioPharma	PDLI	8.44	4	2	4.8	7.3	Drug	81
567	Penford Corp.	PENX	15.24	4	3	21.8	NIL	Chemical (Specialty)	63
2132	Pep Boys	PBY	12.73	4	3	21.9	NIL	Retail Automotive	22
2567	Principal Fin'l Group	PFG	42.56	3	3	12.1	2.4	Financial Svcs. (Div.)	26
1559	Prudential Fin'l	PRU	79.71	3	3	9.4	2.2	Insurance (Life)	2
2316	Regal Entertainment	RGC	18.91	5	3	18.2	5.1	Recreation	29
977	Rite Aid Corp.	RAD	3.28	5	5	21.9	NIL	Pharmacy Services	14
2317	Royal Caribbean	RCL	37.81	3	4	16.4	1.3	Recreation	29
326	Ryder System	R	60.60	3	4	12.2	2.2	Trucking	5
1777	SJW Corp.	SJW	27.81	3	3	20.9	2.7	Water Utility	53
2568	SLM Corporation	SLM	24.79	4	3	8.7	2.4	Financial Svcs. (Div.)	26
1954	Safeway Inc.	SWY	25.06	3	3	20.7	3.2	Retail/Wholesale Food	34
194	St. Jude Medical	STJ	53.60	2	3	14.2	1.9	Med Supp Invasive	75
1340	Sanmina Corp.	SANM	16.63	4	2	10.7	NIL	Electronics	40
2427	Schlumberger Ltd.	SLB	80.25	2	3	16.6	1.6	Oilfield Svcs/Equip.	24
1183	Sealed Air	SEE	30.19	3	2	22.4	1.7	Packaging & Container	28
934	Shenandoah Telecom.	SHEN	20.00	3	2	20.2	1.7	Telecom. Services	1
311	SkyWest	SKYW	15.47	3	3	11.5	1.0	Air Transport	10
2133	Sonic Automotive	SAH	23.55	4	3	11.4	0.4	Retail Automotive	22
1988	Sony Corp. ADR	SNE	20.00	3	3	33.3	1.3	Foreign Electronics	3
2524	SunTrust Banks	STI	34.80	3	3	12.7	1.1	Bank	7
404	TeleTech Holdings	TTEC	25.61	3	3	16.2	NIL	Industrial Services	43
814	Tenet Healthcare	THC	41.83	4	4	13.4	NIL	Medical Services	18
1007	Tenneco Inc.	TEN	49.60	3	3	13.0	NIL	Auto Parts	6
109	Toyota Motor ADR	TM	128.32	3	3	11.4	1.4	Automotive	8
2431	Transocean Ltd	RIG	47.62	3	3	10.1	4.7	Oilfield Svcs/Equip.	24
740	Trinity Inds.	TRN	40.98	3	3	9.4	1.3	Metal Fabricating	73
549	UGI Corp.	UGI	42.28	2	4	17.3	2.7	Natural Gas Utility	25
1733	United Rentals	URI	55.85	4	3	10.7	NIL	Machinery	70
843	United Therapeutics ■	UTHR	73.56	3	1	11.6	NIL	Biotechnology	93
1119	Universal Forest	UFPI	40.60	3	2	22.6	1.0	Building Materials	35
817	VCA Antech	WOOF	28.82	3	2	18.7	NIL	Medical Services	18
941	Verizon Communic.	VZ	49.65	1	3	17.0	4.1	Telecom. Services	1
2382	Washington Post	WPO	585.00	2	3	24.3	1.7	Newspaper	17
818	WellPoint, Inc.	WLP	86.97	3	5	10.2	1.7	Medical Services	18
376	Wendy's Company	WEN	7.98	3	2	34.7	2.5	Restaurant	66
795	Wintrust Financial	WTFC	40.95	3	3	16.4	0.4	Bank (Midwest)	30
2199	Zale Corp.	ZLC	9.59	5	5	25.2	NIL	Retail (Hardlines)	47

■ **Newly added this week.**

Rank 1 Deletions:

*Assured Guaranty; Brown Shoe; China Auto. Sys.; Pilgrim's Pride Corp.; Susquehanna Bancshs.
*Drops to Rank 3

Rank removed–see supplement or report:

None.

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TIMELY STOCKS

Stocks Ranked 2 (Above Average) for Relative Price Performance in the Next 12 Months

Page No.	Stock Name	Ticker	Recent Price	Ranks Technical	Ranks Safety	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
702	AAR Corp.	AIR	25.07	3	4	15.2	1.2	Aerospace/Defense	37
379	ABM Industries Inc.	ABM	25.97	3	3	17.5	2.3	Industrial Services	43
156	AGCO Corp.	AGCO	57.45	3	3	9.6	0.7	Heavy Truck & Equip	60
540	AGL Resources	GAS	46.23	1	4	14.7	4.1	Natural Gas Utility	25
2376	A.H. Belo	AHC	7.30	5	4	27.0	4.4	Newspaper	17
742	AK Steel Holding	AKS	3.74	5	2	NMF	NIL	Steel	61
1636	AMN Healthcare	AHS	15.46	3	3	25.8	NIL	Human Resources	20
922	AT&T Inc.	T	34.92	1	3	13.7	5.2	Telecom. Services	1
797	Aetna Inc.	AET	63.44	3	5	10.7	1.3	Medical Services	18
205	Affymetrix Inc.	AFFX	4.99	5	3	NMF	NIL	Med Supp Non-Invasive	79
1320	Agilysys, Inc.	AGYS	11.41	4	4	33.6	NIL	Electronics	40
2434	Air Products & Chem.	APD	103.20	2	3	18.3	2.8	Chemical (Diversified)	50
1032	Alaska Communic.	ALSK	3.79	4	2	9.0	NIL	Telecom. Utility	13
1602	Albany Molecular	AMRI	11.31	4	3	37.7	NIL	Drug	81
594	Alliance Resource	ARLP	74.47	3	4	10.6	6.3	Coal	32
704	Alliant Techsystems	ATK	100.00	3	5	12.3	1.0	Aerospace/Defense	37
595	Alpha Natural Res.	ANR	5.84	4	5	NMF	NIL	Coal	32
798	Amedisys, Inc. ▲	AMED	17.54	3	1	29.7	NIL	Medical Services	18
1103	Amer. Woodmark	AMWD	33.86	3	4	24.4	NIL	Building Materials	35
1390	Amkor Technology	AMKR	4.19	5	2	7.6	NIL	Semiconductor Equip	87
2395	Anadarko Petroleum	APC	89.14	3	3	14.5	0.8	Petroleum (Producing)	9
1566	AngloGold Ashanti ADS	AU	13.48	3	2	NMF	1.6	Precious Metals	86
1515	Apartment Investment	AIV	29.01	3	3	NMF	3.3	R.E.I.T.	58
1998	Apollo Group 'A'	APOL	19.77	3	2	8.6	NIL	Educational Services	44
2645	Apollo Investment ▲	AINV	8.10	4	3	5.4	9.9	Public/Private Equity	55
596	Arch Coal	ACI	4.51	4	3	NMF	2.7	Coal	32
1902	Archer Daniels Midl'd	ADM	38.56	2	3	15.6	2.0	Food Processing	76
318	Arkansas Best	ABFS	23.53	3	1	41.3	0.5	Trucking	5
778	Assoc. Banc-Corp	ASBC	17.12	3	3	16.0	1.9	Bank (Midwest)	30
1606	Auxilium Pharmac.	AUXL	18.92	3	3	NMF	NIL	Drug	81
555	Avery Dennison	AVY	45.51	3	3	16.7	2.5	Chemical (Specialty)	63
2235	Avista Corp.	AVA	28.56	2	3	16.4	4.4	Electric Utility (West)	23
1324	Avnet, Inc.	AVT	38.99	3	3	9.6	NIL	Electronics	40
2502	BB&T Corp.	BBT	35.57	3	3	12.1	2.7	Bank	7
502	BP PLC ADR	BP	41.08	3	4	7.6	5.3	Petroleum (Integrated)	36
1034	BT Group ADR	BT	50.95	3	3	13.1	3.0	Telecom. Utility	13
2342	Bally Technologies	BYI	73.85	3	3	19.7	NIL	Hotel/Gaming	15
2504	Bank of America	BAC	14.41	3	4	12.9	0.3	Bank	7
2507	Bank of New York Mellon	BK	30.75	3	3	13.4	2.0	Bank	7
2508	Bank of Nova Scotia	BNS.TO	57.92	2	2	11.4	4.2	Bank	7
2236	Black Hills	BKH	53.18	3	3	22.8	2.9	Electric Utility (West)	23
2646	Blackstone Group LP	BX	22.94	3	3	9.4	5.8	Public/Private Equity	55
2541	Block (H&R)	HRB	31.39	3	4	17.9	2.7	Financial Svcs. (Div.)	26
983	BorgWarner	BWA	97.57	3	2	16.8	1.0	Auto Parts	6
178	Boston Scientific	BSX	11.33	3	3	24.1	NIL	Med Supp Invasive	75
2343	Boyd Gaming	BYD	12.07	4	2	NMF	NIL	Hotel/Gaming	15
353	Brinker Int'l	EAT	42.60	3	3	16.4	2.1	Restaurant	66
305	Bristow Group	BRS	69.37	3	3	15.6	1.4	Air Transport	10
1400	Brocade Communic. ▲	BRCD	6.83	3	3	12.0	NIL	Computers/Peripherals	57
799	Brookdale Senior Living	BKD	28.45	4	3	NMF	NIL	Medical Services	18
382	Brookfield Asset Mgmt. ▲	BAM	37.12	3	3	17.3	1.6	Industrial Services	43
2156	Brown Shoe ▼	BWS	23.77	3	4	17.7	1.2	Shoe	62
383	CBRE Group	CBG	23.30	4	3	16.2	NIL	Industrial Services	43
356	CEC Entertainment	CEC	42.55	3	3	14.1	2.3	Restaurant	66
408	Calgon Carbon	CCC	18.08	3	2	19.2	NIL	Environmental	64
2437	Cambrex Corp.	CBM	14.42	4	4	27.2	NIL	Chemical (Diversified)	50
1519	Camden Property Trust	CPT	68.04	3	3	33.4	3.7	R.E.I.T.	58
2509	Can. Imperial Bank	CM.TO	78.47	2	3	9.4	4.9	Bank	7
2543	Capital One Fin'l	COF	68.42	3	3	9.9	1.8	Financial Svcs. (Div.)	26
210	Cardinal Health	CAH	51.60	1	3	14.4	2.4	Med Supp Non-Invasive	79
2304	Carmike Cinemas	CKEC	17.98	4	5	14.7	NIL	Recreation	29
925	Cbeyond, Inc.	CBEY	6.64	4	3	NMF	NIL	Telecom. Services	1
2211	Children's Place	PLCE	52.96	3	3	16.4	NIL	Retail (Softlines)	69
984	China Auto. Sys. ▼	CAAS	9.41	4	4	12.5	NIL	Auto Parts	6
800	Cigna Corp.	CI	78.49	3	5	11.9	0.1	Medical Services	18
521	Cimarex Energy	XEC	79.63	3	3	15.3	0.7	Natural Gas (Div.)	4
2307	Cinemark Hldgs.	CNK	31.21	3	4	16.7	3.1	Recreation	29
385	Cintas Corp.	CTAS	49.09	2	3	17.6	1.3	Industrial Services	43
1970	Coca-Cola Bottling	COKE	64.46	3	3	17.9	1.6	Beverage	68
1023	Comcast Corp.	CMCSA	44.78	3	3	17.5	1.7	Cable TV	39
781	Comerica Inc.	CMA	42.06	3	3	14.9	1.6	Bank (Midwest)	30
319	Con-way Inc.	CNW	44.19	3	2	19.6	0.9	Trucking	5
1037	Consol. Communic.	CNSL	17.32	3	3	24.4	8.9	Telecom. Utility	13
2001	Corinthian Colleges	COCO	2.31	5	2	9.6	NIL	Educational Services	44
1304	Corning Inc.	GLW	15.11	3	2	9.9	2.6	Electrical Equipment	51
438	Corporate Executive	CEB	68.63	3	3	35.4	1.4	Information Services	83
1610	Covance Inc.	CVD	84.32	3	5	27.3	NIL	Drug	81
1177	Crown Holdings	CCK	44.91	3	3	13.2	NIL	Packaging & Container	28
987	Dana Holding Corp.	DAN	22.53	4	3	12.7	0.9	Auto Parts	6
162	Deere & Co.	DE	83.38	2	3	9.9	2.4	Heavy Truck & Equip	60
2368	Deluxe Corp.	DLX	42.86	3	3	11.1	2.3	Publishing	21
2400	Denbury Resources	DNR	17.54	3	3	12.0	NIL	Petroleum (Producing)	9
184	Dentsply Int'l ▲	XRAY	42.71	2	3	17.8	0.6	Med Supp Invasive	75
2138	Dillard's, Inc.	DDS	80.80	3	3	10.6	0.2	Retail Store	31
1148	Dixie Group	DXYN	11.45	4	3	54.5	NIL	Furn/Home Furnishings	62
2359	Donnelley (R.R) & Sons	RRD	19.20	3	2	11.9	5.4	Publishing	21
732	Dynamic Materials	BOOM	20.52	4	1	16.7	0.8	Metal Fabricating	73
1402	EMC Corp. ▲	EMC	26.97	2	2	19.3	1.5	Computers/Peripherals	57
524	EOG Resources	EOG	158.76	3	3	21.5	0.5	Natural Gas (Div.)	4
2622	EarthLink, Inc.	ELNK	5.15	3	4	85.8	3.9	Internet	54
2513	East West Bancorp	EWBC	31.10	3	3	15.4	1.9	Bank	7
2440	Eastman Chemical	EMN	79.29	3	4	12.0	1.5	Chemical (Diversified)	50
2547	Eaton Vance Corp.	EV	39.99	3	3	17.0	2.0	Financial Svcs. (Div.)	26
2237	Edison Int'l	EIX	48.44	2	4	14.4	2.9	Electric Utility (West)	23
2013	Electronic Arts	EA	26.68	3	1	19.1	NIL	Entertainment Tech	59
1221	EnerNOC, Inc.	ENOC	15.63	4	3	21.7	NIL	Power	38
2414	Ensco plc	ESV	58.40	3	3	8.7	3.4	Oilfield Svcs/Equip.	24
911	Entergy Corp.	ETR	66.14	3	4	15.0	5.0	Electric Util. (Central)	65
953	Ericsson ADR	ERIC	12.25	3	2	17.5	3.7	Telecom. Equipment	56
1149	Ethan Allen Interiors	ETH	29.49	3	4	18.5	1.4	Furn/Home Furnishings	62
144	Exelon Corp.	EXC	31.06	3	4	13.2	4.0	Electric Utility (East)	16
389	Expeditors Int'l	EXPD	40.80	2	4	21.4	1.5	Industrial Services	43
2216	Express, Inc.	EXPR	21.48	3	2	12.9	NIL	Retail (Softlines)	69
1306	FLIR Systems	FLIR	33.18	3	4	20.1	1.1	Electrical Equipment	51
2607	Fair Isaac	FICO	52.45	3	2	17.5	0.2	IT Services	42
2141	Family Dollar Stores	FDO	71.76	2	3	18.2	1.4	Retail Store	31
783	Fifth Third Bancorp	FITB	19.27	3	3	9.7	2.5	Bank (Midwest)	30
784	First Horizon National	FHN	12.06	3	2	17.0	1.7	Bank (Midwest)	30
785	First Midwest Bancorp	FMBI	15.68	3	2	17.8	1.0	Bank (Midwest)	30
145	FirstEnergy Corp. ▲	FE	37.34	3	4	13.4	5.9	Electric Utility (East)	16
2608	Fiserv Inc.	FISV	101.47	2	4	16.3	NIL	IT Services	42
1329	Flextronics Int'l	FLEX	9.00	3	3	12.0	NIL	Electronics	40
1235	Fluor Corp.	FLR	65.55	3	3	15.3	1.0	Engineering & Const	11
1505	Flushing Financial ▲	FFIC	19.45	3	4	15.7	2.7	Thrift	33
2218	Foot Locker	FL	34.97	3	3	11.9	2.3	Retail (Softlines)	69
103	Ford Motor	F	17.07	4	4	10.7	2.3	Automotive	8
2174	Fossil Group	FOSL	120.19	3	3	19.3	NIL	Retail (Hardlines)	47
1236	Foster Wheeler AG ▲	FWLT	24.70	3	4	15.0	NIL	Engineering & Const	11
1915	Fresh Del Monte Prod.	FDP	29.66	3	4	16.6	1.9	Food Processing	76
1039	Frontier Communic.	FTR	4.65	4	3	20.2	8.6	Telecom. Utility	13
412	Fuel Tech, Inc. ▲	FTEK	4.03	4	3	10.1	NIL	Environmental	64
392	G&K Services	GK	53.97	3	3	19.2	1.4	Industrial Services	43
713	Gen'l Dynamics	GD	85.77	1	3	12.0	2.6	Aerospace/Defense	37
1747	Gen'l Electric	GE	24.27	3	3	14.9	3.1	Diversified Co.	74
104	General Motors	GM	35.98	3	4	10.1	NIL	Automotive	8
994	Gentex Corp.	GNTX	23.24	3	2	16.8	2.4	Auto Parts	6
2555	Global Payments	GPN	47.62	2	3	14.6	0.2	Financial Svcs. (Div.)	26
912	G't Plains Energy	GXP	23.91	3	3	14.9	3.8	Electric Util. (Central)	65
2128	Group 1 Automotive	GPI	76.50	3	4	13.3	0.8	Retail Automotive	22
1152	HNI Corp.	HNI	38.62	3	3	25.7	2.5	Furn/Home Furnishings	62
768	Hanover Insurance	THG	55.73	2	4	13.8	2.4	Insurance (Prop/Cas.)	48
2308	Harley-Davidson	HOG	57.98	3	3	16.7	1.4	Recreation	29
2385	Harte-Hanks	HHS	9.39	3	2	14.4	3.6	Advertising	41
2556	Hartford Fin'l Svcs.	HIG	31.04	4	5	9.8	1.9	Financial Svcs. (Div.)	26
2178	Haverty Furniture	HVT	26.34	3	5	23.5	0.7	Retail (Hardlines)	47
2239	Hawaiian Elec. ▲	HE	25.78	2	3	16.9	4.6	Electric Utility (West)	23
309	Hawaiian Hldgs.	HA	7.37	4	3	6.6	NIL	Air Transport	10
1109	Headwaters Inc.	HW	9.13	5	2	15.7	NIL	Building Materials	35
805	Health Net	HNT	31.06	3	3	13.9	NIL	Medical Services	18
321	Heartland Express	HTLD	14.56	2	3	16.7	0.5	Trucking	5
105	Honda Motor ADR	HMC	38.83	2	3	13.4	2.1	Automotive	8
1123	Horton D.R.	DHI	18.82	3	2	13.1	0.2	Homebuilding	12
1618	Hospira Inc.	HSP	41.54	3	4	21.0	NIL	Drug	81
1532	Hospitality Properties	HPT	29.00	3	2	36.3	6.5	R.E.I.T.	58
395	Huron Consulting	HURN	51.41	3	2	21.1	NIL	Industrial Services	43
2627	IAC/InterActiveCorp ▲	IACI	50.16	2	2	16.5	2.2	Internet	54
121	II-VI Inc.	IIVI	19.52	3	2	22.2	NIL	Precision Instrument	96
2003	ITT Educational	ESI	30.00	4	1	10.0	NIL	Educational Services	44
1949	Ingles Markets	IMKTA	27.37	3	3	12.3	2.4	Retail/Wholesale Food	34
1409	Int'l Business Mach.	IBM	189.09	1	2	12.3	2.0	Computers/Peripherals	57
1164	Int'l Paper	IP	48.22	3	4	21.4	2.5	Paper/Forest Products	46
2558	Janus Capital Group	JNS	9.24	3	3	15.1	3.0	Financial Svcs. (Div.)	26
223	Johnson & Johnson	JNJ	92.00	1	4	16.7	2.9	Med Supp Non-Invasive	79
1125	KB Home	KBH	16.80	4	4	32.3	0.6	Homebuilding	12
1924	Kellogg	K	65.73	1	4	16.6	2.8	Food Processing	76
1641	Kelly Services 'A'	KELYA	19.46	3	4	12.5	1.0	Human Resources	20
1642	Korn/Ferry Int'l	KFY	19.54	3	2	14.9	NIL	Human Resources	20
2221	L Brands	LTD	61.19	3	3	19.1	2.0	Retail (Softlines)	69
717	L-3 Communic.	LLL	92.95	2	4	11.4	2.4	Aerospace/Defense	37
2387	Lamar Advertising	LAMR	44.18	3	3	66.9	NIL	Advertising	41
2349	Las Vegas Sands	LVS	56.43	4	3	18.9	2.5	Hotel/Gaming	15
2561	Legg Mason	LM	33.53	3	2	15.6	1.6	Financial Svcs. (Div.)	26
1126	Lennar Corp.	LEN	33.03	3	3	17.9	0.5	Homebuilding	12
587	Level 3 Communic.	LVLT	22.49	4	3	NMF	NIL	Wireless Networking	89
1425	Lexmark Int'l 'A'	LXK	40.98	3	4	10.4	2.9	Office Equip/Supplies	19
1619	Lilly (Eli)	LLY	54.05	1	4	14.9	3.6	Drug	81
1718	Lindsay Corp.	LNN	74.00	3	3	13.2	0.7	Machinery	70
2332	Live Nation Entertain.	LYV	18.12	4	4	22.4	NIL	Entertainment	78
718	Lockheed Martin	LMT	123.00	1	3	13.2	3.9	Aerospace/Defense	37
1992	Lorillard Inc.	LO	43.55	2	3	13.4	5.1	Tobacco	80

▲ Arrow indicates the direction of a change in Timeliness. ■ Newly added this week.

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TIMELY STOCKS

Stocks Ranked 2 (Above Average) for Relative Price Performance in the Next 12 Months

Page No.	Stock Name	Ticker	Recent Price	Ranks Technical	Ranks Safety	Current P/E Ratio	Est'd % Yield	Industry Group	Industry Rank
562	LyondellBasell Inds.	LYB	68.30	3	3	11.0	3.1	Chemical (Specialty)	63
529	MDU Resources	MDU	29.04	1	2	21.5	2.4	Natural Gas (Div.)	4
2350	MGM Resorts Int'l	MGM	17.23	4	3	NMF	NIL	Hotel/Gaming	15
1536	Macerich Comp. (The)	MAC	61.49	3	3	27.1	3.8	R.E.I.T.	56
2145	Macy's Inc.	M	48.11	3	3	11.8	2.1	Retail Store	31
1001	Magna Int'l 'A'	MGA	79.98	3	3	13.0	1.6	Auto Parts	6
166	Manitowoc Co.	MTW	21.03	4	2	14.9	0.4	Heavy Truck & Equip	60
1555	Manulife Fin'l	MFC	17.09	3	3	11.5	3.0	Insurance (Life)	2
2351	Marcus Corp. ▲	MCS	12.68	3	3	16.9	2.7	Hotel/Gaming	15
2183	MarineMax	HZO	11.91	4	3	44.1	NIL	Retail (Hardlines)	47
2564	Marsh & McLennan	MMC	41.80	3	3	16.9	2.4	Financial Svcs. (Div.)	26
1111	Masco Corp.	MAS	19.89	3	2	24.9	1.5	Building Materials	35
1581	Materion Corp.	MTRN	31.22	3	3	16.2	1.0	Metals & Mining (Div.)	45
2379	McClatchy Co.	MNI	3.00	5	4	5.3	NIL	Newspaper	17
192	Medtronic, Inc.	MDT	55.22	1	3	14.2	2.1	Med Supp Invasive	75
2353	Melco Crown Ent. ADR	MPEL	26.28	3	5	23.3	NIL	Hotel/Gaming	15
2223	Men's Wearhouse	MW	39.59	3	3	14.4	2.2	Retail (Softlines)	69
228	Meridian Bioscience	VIVO	23.99	3	4	25.8	3.2	Med Supp Non-Invasive	79
1776	Middlesex Water	MSEX	21.55	2	3	22.2	3.5	Water Utility	53
1003	Modine Mfg.	MOD	13.92	4	4	27.8	NIL	Auto Parts	6
1976	Molson Coors Brewing	TAP	52.52	2	3	13.1	2.7	Beverage	68
2388	Monster Worldwide	MWW	4.62	4	1	12.5	NIL	Advertising	41
1722	Mueller Water Prod.	MWA	7.67	5	2	30.7	0.9	Machinery	70
836	Myriad Genetics	MYGN	30.50	3	2	17.3	NIL	Biotechnology	93
2420	Nabors Inds.	NBR	15.57	3	3	19.0	1.0	Oilfield Svcs/Equip.	24
2518	Nat'l Bank of Canada	NA.TO	77.83	2	3	8.9	4.7	Bank	7
543	New Jersey Resources ▲	NJR	45.57	1	2	16.0	3.5	Natural Gas Utility	25
2380	New York Times	NYT	12.04	3	2	23.6	NIL	Newspaper	17
531	Newfield Exploration	NFX	24.47	3	3	14.2	NIL	Natural Gas (Div.)	4
106	Nissan Motor ADR	NSANY	21.32	3	2	10.2	2.4	Automotive	8
2403	Noble Energy	NBL	63.42	3	4	18.0	0.9	Petroleum (Producing)	9
147	Northeast Utilities	NU	43.49	2	4	16.8	3.5	Electric Utility (East)	16
720	Northrop Grumman	NOC	94.93	1	3	13.1	2.6	Aerospace/Defense	37
771	Old Republic	ORI	14.98	3	3	20.0	4.8	Insurance (Prop/Cas.)	48
1596	Olin Corp.	OLN	24.09	3	3	10.8	3.3	Chemical (Basic)	49
974	Omnicare, Inc.	OCR	54.98	3	4	15.4	1.0	Pharmacy Services	14
2014	OmniVision Techn.	OVTI	16.63	3	3	16.6	NIL	Entertainment Tech	59
721	Orbital Sciences	ORB	18.89	3	3	15.7	NIL	Aerospace/Defense	37
2354	Orient-Express Hotels	OEH	12.59	4	4	63.0	NIL	Hotel/Gaming	15
1228	Ormat Technologies	ORA	24.10	3	3	24.3	0.7	Power	38
168	Oshkosh Corp.	OSK	45.88	4	4	12.8	NIL	Heavy Truck & Equip	60
917	Otter Tail Corp.	OTTR	29.16	3	4	22.1	4.1	Electric Util. (Central)	65
2632	Overstock.com	OSTK	32.27	4	4	35.1	NIL	Internet	54
1180	Owens-Illinois	OI	30.69	3	3	10.7	NIL	Packaging & Container	28
2519	PNC Financial Serv.	PNC	76.11	3	3	11.2	2.3	Bank	7
2244	PNM Resources	PNM	23.71	3	3	16.7	2.8	Electric Utility (West)	23
1953	Pantry (The), Inc.	PTRY	12.09	3	3	15.9	NIL	Retail/Wholesale Food	34
1757	Park-Ohio	PKOH	33.11	4	4	8.2	NIL	Diversified Co.	74
601	Peabody Energy	BTU	17.78	3	3	16.9	1.9	Coal	32
2131	Penske Auto	PAG	40.18	3	3	15.1	1.6	Retail Automotive	22
149	Pepco Holdings	POM	20.20	3	3	18.2	5.3	Electric Utility (East)	16
975	PetMed Express	PETS	16.00	3	3	17.2	4.3	Pharmacy Services	14
511	Petroleo Brasileiro ADR	PBR	13.96	3	2	5.9	1.1	Petroleum (Integrated)	36
976	PharMerica Corp.	PMC	13.52	3	3	9.0	NIL	Pharmacy Services	14
1987	Philips Electronics NV	PHG	32.44	3	4	21.6	3.2	Foreign Electronics	3
1930	Pilgrim's Pride Corp. ▼	PPC	18.20	3	4	9.8	NIL	Food Processing	76
1428	Pitney Bowes	PBI	17.28	3	2	10.2	4.3	Office Equip/Supplies	19
2520	Popular Inc.	BPOP	33.51	4	5	11.2	NIL	Bank	7
1168	Potlatch Corp.	PCH	43.57	3	3	22.2	2.8	Paper/Forest Products	46
792	PrivateBancorp	PVTB	23.81	4	3	16.8	0.2	Bank (Midwest)	30
1558	Protective Life	PL	42.87	3	4	10.7	1.9	Insurance (Life)	2
1511	Provident Fin'l Svcs.	PFS	17.71	3	3	14.9	3.2	Thrift	33
150	Public Serv. Enterprise	PEG	33.90	1	3	12.5	4.3	Electric Utility (East)	16
533	QEP Resources	QEP	29.49	3	3	13.0	0.3	Natural Gas (Div.)	4
964	Qualcomm Inc.	QCOM	66.46	2	2	14.0	2.1	Telecom. Equipment	56
535	Quicksilver Res.	KWK	1.65	5	5	NMF	NIL	Natural Gas (Div.)	4
370	Red Robin Gourmet	RRGB	56.06	3	2	24.0	NIL	Restaurant	66
1182	Rock-Tenn 'A'	RKT	116.96	3	3	14.3	1.0	Packaging & Container	28
2426	Rowan Cos. plc	RDC	36.30	3	2	16.5	NIL	Oilfield Svcs/Equip.	24
2522	Royal Bank of Canada	RY.TO	63.33	2	3	11.6	4.1	Bank	7
1131	Ryland Group	RYL	37.92	4	3	12.8	0.3	Homebuilding	12
151	SCANA Corp. ▲	SCG	51.18	2	3	15.1	4.0	Electric Utility (East)	16
752	Schnitzer Steel	SCHN	27.22	3	2	24.5	2.8	Steel	61
774	Selective Ins. Group	SIGI	24.61	3	3	15.9	2.1	Insurance (Prop/Cas.)	48
1184	Silgan Holdings ▲	SLGN	48.46	3	3	15.4	1.2	Packaging & Container	28
1380	Skyworks Solutions	SWKS	24.25	3	1	14.5	NIL	Semiconductor	88
2319	Smith & Wesson Hldg.	SWHC	12.46	3	1	9.6	NIL	Recreation	29
372	Sonic Corp.	SONC	15.89	3	4	21.8	NIL	Restaurant	66
1185	Sonoco Products	SON	39.25	2	3	16.4	3.2	Packaging & Container	28
312	Southwest Airlines	LUV	13.72	3	3	15.2	1.2	Air Transport	10
536	Southwestern Energy	SWN	37.92	3	2	18.2	NIL	Natural Gas (Div.)	4
725	Spirit AeroSystems	SPR	24.64	3	1	10.6	NIL	Aerospace/Defense	37
1243	Stantec Inc.	STN.TO	49.33	3	3	16.4	1.3	Engineering & Const	11
2523	State Street Corp.	STT	68.55	3	3	14.7	1.6	Bank	7
2152	Stein Mart	SMRT	13.37	4	1	19.7	1.5	Retail Store	31
2321	Sturm, Ruger & Co.	RGR	56.35	3	1	11.4	4.6	Recreation	29
197	SurModics, Inc.	SRDX	21.74	3	3	24.7	NIL	Med Supp Invasive	75
2525	Susquehanna Bancshs. ▼	SUSQ	13.38	3	3	13.9	2.4	Bank	7
1417	Synaptics	SYNA	41.98	3	2	10.3	NIL	Computers/Peripherals	57
2020	Synchronoss Techn.	SNCR	35.38	3	1	24.1	NIL	Entertainment Tech	59
1793	TD Ameritrade Holding	AMTD	26.40	3	3	21.6	1.4	Securities Brokerage	27
1343	TE Connectivity	TEL	50.70	3	3	14.8	2.0	Electronics	40
1006	TRW Automotive	TRW	72.03	3	3	10.2	NIL	Auto Parts	6
2021	Take-Two Interactive	TTWO	18.66	3	2	11.4	NIL	Entertainment Tech	59
537	Talisman Energy	TLM	11.08	3	2	48.2	2.4	Natural Gas (Div.)	4
1040	Telefonica SA ADR	TEF	14.50	4	3	8.8	3.2	Telecom. Utility	13
938	Telephone & Data	TDS	29.26	3	3	NMF	1.7	Telecom. Services	1
2429	TETRA Technologies	TTI	11.35	3	3	15.3	NIL	Oilfield Svcs/Equip.	24
2430	Tidewater Inc.	TDW	56.11	3	3	13.4	1.8	Oilfield Svcs/Equip.	24
1029	Time Warner Cable	TWC	113.25	3	4	15.9	2.3	Cable TV	39
516	Total ADR	TOT	53.57	1	3	8.0	5.7	Petroleum (Integrated)	36
1230	TransAlta Corp.	TA.TO	13.75	3	3	18.8	8.4	Power	38
573	Tredegar Corp.	TG	25.92	3	5	17.8	1.2	Chemical (Specialty)	63
1939	TreeHouse Foods	THS	72.55	3	3	23.1	NIL	Food Processing	76
1940	Tyson Foods 'A'	TSN	31.26	3	4	14.5	0.6	Food Processing	76
154	UIL Holdings	UIL	40.04	2	3	17.9	4.3	Electric Utility (East)	16
1244	URS Corp.	URS	47.67	3	3	10.1	1.8	Engineering & Const	11
1118	USG Corp.	USG	25.46	5	3	33.9	NIL	Building Materials	35
2406	Ultra Petroleum	UPL	22.08	3	2	13.9	NIL	Petroleum (Producing)	9
315	United Cont'l Hldgs.	UAL	33.21	4	2	10.1	NIL	Air Transport	10
754	U.S. Steel Corp.	X	19.20	3	3	NMF	1.0	Steel	61
1431	United Stationers	USTR	43.52	3	4	13.1	1.3	Office Equip/Supplies	19
1767	Valmont Inds.	VMI	139.54	3	2	12.8	0.7	Diversified Co.	74
2194	ValueVision Media	VVTV	6.13	5	5	NMF	NIL	Retail (Hardlines)	47
942	Vodafone Group ADR	VOD	30.27	2	3	12.4	5.4	Telecom. Services	1
1120	Vulcan Materials	VMC	48.21	4	3	NMF	0.1	Building Materials	35
978	Walgreen Co.	WAG	50.19	1	4	18.5	2.5	Pharmacy Services	14
1512	Washington Federal	WAFD	22.32	3	3	15.7	1.6	Thrift	33
418	Waste Management	WM	43.17	2	3	19.8	3.4	Environmental	64
2432	Weatherford Int'l	WFT	14.49	3	4	14.9	NIL	Oilfield Svcs/Equip.	24
2528	Webster Fin'l	WBS	27.07	3	3	13.9	2.2	Bank	7
1961	Weis Markets	WMK	51.06	1	3	16.0	2.4	Retail/Wholesale Food	34
1769	Whirlpool Corp.	WHR	135.06	3	3	13.6	1.9	Diversified Co.	74
1042	Windstream Corp.	WIN	8.34	3	4	19.4	12.0	Telecom. Utility	13
776	XL Group plc	XL	30.73	3	3	13.5	1.8	Insurance (Prop/Cas.)	48
2640	XO Group	XOXO	12.20	3	5	26.5	NIL	Internet	54
1432	Xerox Corp.	XRX	10.15	3	3	10.0	2.6	Office Equip/Supplies	19
2641	Yahoo! Inc.	YHOO	28.35	3	3	22.7	NIL	Internet	54
202	Zimmer Holdings	ZMH	82.31	2	3	14.8	1.0	Med Supp Invasive	75
2530	Zions Bancorp.	ZION	29.61	3	3	18.4	0.5	Bank	7

▲ Arrow indicates the direction of a change in Timeliness. **■ Newly added this week.**

Rank 2 Deletions:

Actavis, Inc.; Allstate Corp.; Bemis Co.; CAE Inc.; CenturyLink Inc.; Duke Realty Corp.; Emulex Corp.; FirstMerit Corp.; Haemonetics Corp.; M&T Bank Corp.; Moog Inc. 'A'; Mylan Inc.; Spectrum Brands; Winnebago.

Rank removed–see supplement or report:

BlackBerry.

Rank 3 Deletions:

Alaska Air Group; Beacon Roofing; Clorox Co.; Cree, Inc.; EMCORE Corp.; Gen'l Mills; Imperial Oil Ltd.; Merck & Co.; Meredith Corp.; Nestle SA ADS; Pinnacle Entertain.; Stericycle Inc.

Rank removed–see supplement or report:

None.

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CONSERVATIVE STOCKS
Stocks Ranked 1 (Highest) for Relative Safety

Page No.	Stock Name	Recent Price	Rank Time-liness	Rank Tech-nical	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
1965	AB InBev ADR	100.03	3	3	21.1	2.2	Beverage	68
540	AGL Resources	46.23	2	4	14.7	4.1	Natural Gas Utility	25
922	AT&T Inc.	34.92	2	3	13.7	5.2	Telecom. Services	1
1599	Abbott Labs.	35.90	–	–	18.9	1.6	Drug	81
2598	Accenture Plc	72.79	3	3	16.2	2.2	IT Services	42
1604	Allergan, Inc.	91.07	3	4	19.9	0.2	Drug	81
208	AmerisourceBergen	58.67	3	5	18.2	1.4	Med Supp Non-Invasive	79
829	Amgen (NDQ)	108.21	3	4	14.7	1.8	Biotechnology	93
2600	Automatic Data Proc. (NDQ)	72.80	4	3	23.3	2.5	IT Services	42
175	Bard (C.R.)	116.72	4	3	18.6	0.7	Med Supp Invasive	75
176	Baxter Int'l Inc.	73.67	3	3	15.5	2.7	Med Supp Invasive	75
177	Becton, Dickinson	100.00	3	3	16.6	2.0	Med Supp Invasive	75
2167	Bed Bath & Beyond (NDQ)	75.97	3	3	15.0	NIL	Retail (Hardlines)	47
762	Berkshire Hathaway 'B'	117.13	3	3	17.2	NIL	Insurance (Prop/Cas.)	48
1608	Bristol-Myers Squibb	43.11	5	3	24.9	3.2	Drug	81
1968	Brown-Forman 'B'	71.50	4	3	23.8	1.5	Beverage	68
971	CVS Caremark Corp.	59.88	3	4	14.7	1.5	Pharmacy Services	14
210	Cardinal Health	51.60	2	3	14.4	2.4	Med Supp Non-Invasive	79
1796	Check Point Software (NDQ)	58.87	3	2	17.7	NIL	E-Commerce	97
503	Chevron Corp.	121.80	4	3	9.1	3.3	Petroleum (Integrated)	36
764	Chubb Corp.	85.52	3	3	12.7	2.1	Insurance (Prop/Cas.)	48
1189	Church & Dwight	61.27	3	3	21.7	1.8	Household Products	84
951	Cisco Systems (NDQ)	26.34	1	3	12.3	2.6	Telecom. Equipment	56
908	Cleco Corp.	48.33	4	4	19.0	3.1	Electric Util. (Central)	65
1969	Coca-Cola	39.83	4	3	18.7	3.0	Beverage	68
1191	Colgate-Palmolive	60.96	4	3	22.8	2.3	Household Products	84
782	Commerce Bancshs. (NDQ)	45.45	5	3	16.1	2.0	Bank (Midwest)	30
1910	ConAgra Foods	36.65	3	4	15.5	2.7	Food Processing	76
2399	ConocoPhillips	66.10	–	–	11.6	4.2	Petroleum (Producing)	9
141	Consol. Edison	59.28	3	3	16.1	4.2	Electric Utility (East)	16
2137	Costco Wholesale (NDQ)	115.73	3	3	24.3	1.1	Retail Store	31
2512	Cullen/Frost Bankers	71.43	4	3	18.8	2.8	Bank	7
1974	Diageo plc	129.07	3	3	22.0	2.5	Beverage	68
2329	Disney (Walt)	63.93	3	3	18.3	1.2	Entertainment	78
2140	Dollar Tree, Inc. (NDQ)	52.97	3	1	18.3	NIL	Retail Store	31
1593	Du Pont	59.88	3	2	15.7	3.0	Chemical (Basic)	49
557	Ecolab Inc.	92.79	3	3	25.1	1.0	Chemical (Specialty)	63
1305	Emerson Electric	62.50	4	3	16.4	2.6	Electrical Equipment	51
606	Enbridge Inc. (TSE)	44.28	4	3	24.9	2.8	Oil/Gas Distribution	91
2030	Everest Re Group Ltd.	134.50	1	3	8.2	1.4	Reinsurance	67
504	Exxon Mobil Corp.	89.89	3	3	11.1	2.8	Petroleum (Integrated)	36
2554	Gallagher (Arthur J.)	43.74	3	3	19.2	3.2	Financial Svcs. (Div.)	26
713	Gen'l Dynamics	85.77	2	3	12.0	2.6	Aerospace/Defense	37
1916	Gen'l Mills	52.49	4	3	18.7	2.9	Food Processing	76
996	Genuine Parts	81.65	4	3	18.0	2.6	Auto Parts	6
1616	GlaxoSmithKline ADR	51.30	3	3	16.6	4.7	Drug	81
2626	Google, Inc. (NDQ)	885.51	4	2	24.6	NIL	Internet	54
1310	Grainger (W.W.)	258.03	3	3	21.3	1.4	Electrical Equipment	51
1138	Home Depot	79.20	3	3	21.2	2.0	Retail Building Supply	77
1749	Honeywell Int'l	83.43	3	3	16.7	2.0	Diversified Co.	74
1921	Hormel Foods	43.39	5	3	21.3	1.7	Food Processing	76
220	IDEXX Labs. (NDQ)	97.05	4	4	27.0	NIL	Med Supp Non-Invasive	79
734	Illinois Tool Works	73.52	4	3	16.8	2.3	Metal Fabricating	73
1363	Intel Corp. (NDQ)	22.64	3	3	12.2	4.0	Semiconductor	88
1409	Int'l Business Mach.	189.09	2	2	12.3	2.0	Computers/Peripherals	57
560	Int'l Flavors & Frag.	83.58	3	3	18.8	1.9	Chemical (Specialty)	63
2583	Intuit Inc. (NDQ)	64.67	3	4	18.2	1.1	Computer Software	94
223	Johnson & Johnson	92.00	2	4	16.7	2.9	Med Supp Non-Invasive	79
1924	Kellogg	65.73	2	4	16.6	2.8	Food Processing	76
1194	Kimberly-Clark	98.30	3	3	19.7	3.3	Household Products	84
1985	Kyocera Corp. ADR	99.17	3	3	18.2	1.2	Foreign Electronics	3
808	Laboratory Corp.	97.94	3	3	13.5	NIL	Medical Services	18
1195	Lancaster Colony (NDQ)	83.44	4	3	19.8	2.0	Household Products	84
1619	Lilly (Eli)	54.05	2	4	14.9	3.6	Drug	81
718	Lockheed Martin	123.00	2	3	13.2	3.9	Aerospace/Defense	37
529	MDU Resources	29.04	2	2	21.5	2.4	Natural Gas (Div.)	4
915	MGE Energy (NDQ)	58.32	4	3	19.3	2.8	Electric Util. (Central)	65
1925	McCormick & Co.	73.10	4	2	22.6	2.0	Food Processing	76
367	McDonald's Corp.	97.04	4	3	17.0	3.2	Restaurant	66
226	McKesson Corp.	122.87	3	3	14.8	0.8	Med Supp Non-Invasive	79
192	Medtronic, Inc.	55.22	2	3	14.2	2.1	Med Supp Invasive	75
1621	Merck & Co.	48.47	4	3	13.8	3.5	Drug	81
2586	Microsoft Corp. (NDQ)	32.87	3	2	12.1	2.9	Computer Software	94
959	Motorola Solutions	57.44	–	–	13.7	2.2	Telecom. Equipment	56
1928	Nestle SA ADS (PNK)	67.50	4	3	18.2	3.3	Food Processing	76
543	New Jersey Resources	45.57	2	2	16.0	3.5	Natural Gas Utility	25
2161	NIKE, Inc. 'B'	66.51	3	4	22.2	1.3	Shoe	82
720	Northrop Grumman	94.93	2	3	13.1	2.6	Aerospace/Defense	37
545	Northwest Nat. Gas	43.21	3	3	18.0	4.2	Natural Gas Utility	25
1624	Novartis AG ADR	73.21	4	4	16.9	3.4	Drug	81
1625	Novo Nordisk ADR	173.30	3	3	23.9	1.8	Drug	81
1212	Nuveen Muni Value Fund	9.05	–	3	NMF	5.3	Investment Co.	–
2588	Oracle Corp.	33.25	3	2	11.6	1.4	Computer Software	94
2444	PPG Inds.	161.34	3	3	19.9	1.5	Chemical (Diversified)	50
2613	Paychex, Inc. (NDQ)	40.36	3	3	24.6	3.5	IT Services	42
1978	PepsiCo, Inc.	83.81	3	3	18.2	2.7	Beverage	68
1630	Pfizer, Inc.	29.19	3	5	18.6	3.3	Drug	81
2245	Pinnacle West Capital	57.31	3	3	16.0	3.9	Electric Utility (West)	23
1197	Procter & Gamble	81.62	4	3	19.5	3.0	Household Products	84
150	Public Serv. Enterprise	33.90	2	3	12.5	4.3	Electric Utility (East)	16
534	Questar Corp.	24.35	4	4	20.5	3.0	Natural Gas (Div.)	4
723	Raytheon Co.	76.02	3	2	13.9	2.9	Aerospace/Defense	37
724	Rockwell Collins	73.33	3	3	15.2	1.6	Aerospace/Defense	37
513	Royal Dutch Shell 'A'	64.40	3	3	7.6	5.6	Petroleum (Integrated)	36
141	Sanofi ADR	51.79	5	4	24.1	3.6	Drug	81
1141	Sherwin-Williams	177.84	3	3	20.1	1.2	Retail Building Supply	77
572	Sigma-Aldrich (NDQ)	85.86	3	3	20.5	1.0	Chemical (Specialty)	63
1935	Smucker (J.M.)	113.51	3	3	19.7	2.0	Food Processing	76
152	Southern Co.	43.56	3	4	16.3	4.8	Electric Utility (East)	16
196	Stryker Corp.	70.76	3	3	16.2	1.6	Med Supp Invasive	75
2593	Synopsys, Inc. (NDQ)	37.27	3	2	19.2	NIL	Computer Software	94
1958	Sysco Corp.	32.99	4	3	16.1	3.4	Retail/Wholesale Food	34
2229	TJX Companies	52.40	3	3	18.3	1.1	Retail (Softlines)	69
842	Techne Corp. (NDQ)	78.01	3	3	24.7	1.6	Biotechnology	93
1632	Teva Pharmac. ADR	39.80	3	2	7.7	3.3	Drug	81
1385	Texas Instruments (NDQ)	39.71	3	3	22.8	2.8	Semiconductor	88
1764	3M Company	118.38	4	3	17.3	2.1	Diversified Co.	74
1938	Tootsie Roll Ind.	33.90	4	3	35.7	0.9	Food Processing	76
516	Total ADR	53.57	2	3	8.0	5.7	Petroleum (Integrated)	36
1143	Tractor Supply (NDQ)	120.23	3	3	26.5	0.9	Retail Building Supply	77
775	Travelers Cos.	82.32	3	4	10.6	2.4	Insurance (Prop/Cas.)	48
1941	Unilever PLC ADR	40.19	4	3	18.7	3.5	Food Processing	76
316	United Parcel Serv.	87.77	3	3	18.3	2.8	Air Transport	10
1766	United Technologies	105.54	3	3	16.6	2.0	Diversified Co.	74
200	Varian Medical Sys.	73.85	3	3	17.9	NIL	Med Supp Invasive	75
941	Verizon Communic.	49.65	1	3	17.0	4.1	Telecom. Services	1
550	WGL Holdings Inc.	45.59	3	3	17.5	3.7	Natural Gas Utility	25
2154	Wal-Mart Stores	77.08	3	3	14.1	2.4	Retail Store	31
978	Walgreen Co.	50.19	2	4	18.5	2.5	Pharmacy Services	14
1961	Weis Markets	51.06	2	3	16.0	2.4	Retail/Wholesale Food	34
920	Wisconsin Energy	42.79	3	3	17.9	3.6	Electric Util. (Central)	65

CONSERVATIVE STOCKS
Stocks Ranked 2 (Above Average) for Relative Safety

Page No.	Stock Name	Recent Price	Rank Time-liness	Rank Tech-nical	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
757	ACE Limited	89.82	3	4	10.7	2.3	Insurance (Prop/Cas.)	48
1600	AbbVie Inc.	45.04	–	–	14.9	3.6	Drug	81
1601	Actavis, Inc.	133.24	3	3	15.6	NIL	Drug	81
1204	Adams Express	12.41	–	3	NMF	1.6	Investment Co.	–
435	Advisory Board (NDQ)	58.58	5	4	90.1	NIL	Information Services	83
2434	Air Products & Chem.	103.20	2	3	18.3	2.8	Chemical (Diversified)	50
552	Airgas Inc.	104.00	3	2	20.6	1.9	Chemical (Specialty)	63
758	Alleghany Corp.	401.91	3	3	14.2	NIL	Insurance (Prop/Cas.)	48
902	ALLETE	51.71	4	4	18.7	3.7	Electric Util. (Central)	65
903	Alliant Energy	52.91	3	3	16.2	3.6	Electric Util. (Central)	65
759	Allstate Corp.	50.26	3	4	10.5	2.0	Insurance (Prop/Cas.)	48
1349	Altera Corp. (NDQ)	36.12	5	2	20.6	1.7	Semiconductor	88
1990	Altria Group	35.16	4	3	14.6	5.0	Tobacco	80
2535	Amer. Express	75.49	3	3	15.1	1.2	Financial Svcs. (Div.)	26
1771	Amer. States Water	62.91	3	3	46.3	2.6	Water Utility	53
1738	Ametek, Inc.	45.76	3	3	21.7	0.5	Diversified Co.	74
1351	Analog Devices (NDQ)	49.41	5	3	21.3	2.8	Semiconductor	88
2538	Aon plc	68.15	3	3	18.3	1.0	Financial Svcs. (Div.)	26
1399	Apple Inc. (NDQ)	467.36	4	1	11.6	2.6	Computers/Peripherals	57
1391	Applied Materials (NDQ)	15.65	3	3	18.4	2.6	Semiconductor Equip	87
1173	AptarGroup	60.22	3	3	20.9	1.7	Packaging & Container	28
1773	Aqua America	32.49	3	3	22.1	2.4	Water Utility	53
1902	Archer Daniels Midl'd	38.56	2	3	15.6	2.0	Food Processing	76
1605	AstraZeneca PLC (ADS)	51.00	3	4	12.2	5.5	Drug	81
541	Atmos Energy	43.99	3	3	17.2	3.2	Natural Gas Utility	25
2235	Avista Corp.	28.56	2	3	16.4	4.4	Electric Utility (West)	23
779	BOK Financial (NDQ)	65.99	5	2	13.8	2.3	Bank (Midwest)	30
1174	Ball Corp.	44.96	4	4	14.6	1.2	Packaging & Container	28
2506	Bank of Montreal (TSE)	63.42	3	3	10.7	4.8	Bank	7
2508	Bank of Nova Scotia (TSE)	57.92	2	2	11.4	4.2	Bank	7
1175	Bemis Co.	41.78	3	4	17.3	2.5	Packaging & Container	28
761	Berkley (W.R.)	41.95	3	4	14.3	1.0	Insurance (Prop/Cas.)	48
1607	Biogen Idec Inc. (NDQ)	206.89	4	3	30.4	NIL	Drug	81
707	Boeing	104.24	3	3	18.4	1.9	Aerospace/Defense	37
1967	Boston Beer 'A'	211.65	3	5	39.6	NIL	Beverage	68
1991	Brit. Amer Tobac. ADR	107.25	3	2	14.8	4.2	Tobacco	80
2542	Brown & Brown	32.86	3	3	21.3	1.1	Financial Svcs. (Div.)	26
2579	CA, Inc.	31.12	3	2	15.2	3.2	Computer Software	94
384	C.H. Robinson (NDQ)	57.06	4	5	17.9	2.5	Industrial Services	43
1908	Campbell Soup	47.83	3	3	17.6	2.4	Food Processing	76

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Stocks Ranked 2 (Above Average) for Relative Safety

Page No.	Stock Name	Recent Price	Rank Time-liness	Rank Tech-nical	Current P/E Ratio	Est'd % Yield	Industry Group	Industry Rank
2509	Can. Imperial Bank	(TSE)	78.47 2	3	9.4	4.9	Bank	7
339	Can. National Railway		98.36 3	2	15.5	1.7	Railroad	52
1981	Canon Inc. ADR		32.34 1	3	13.8	4.6	Foreign Electronics	3
1741	Carlisle Cos.		68.51 4	3	14.9	1.3	Diversified Co.	74
1609	Celgene Corp.	(NDQ)	140.83 4	4	33.0	NIL	Drug	81
907	CenterPoint Energy		24.11 3	4	19.1	3.5	Electric Util. (Central)	65
765	Cincinnati Financial	(NDQ)	48.53 3	3	19.5	3.4	Insurance (Prop/Cas.)	48
385	Cintas Corp.	(NDQ)	49.09 2	3	17.6	1.3	Industrial Services	43
1190	Clorox Co.		86.16 4	3	19.1	3.3	Household Products	84
2603	Cognizant Technology	(NDQ)	73.39 3	4	17.5	NIL	IT Services	42
2127	Copart, Inc.	(NDQ)	33.18 4	2	20.7	NIL	Retail Automotive	22
181	Covidien Plc		63.79 3	3	16.2	1.7	Med Supp Invasive	75
1206	DNP Select Inc. Fund		10.09 –	3	NMF	4.5	Investment Co.	–
2605	DST Systems		73.43 3	3	16.1	1.6	IT Services	42
909	DTE Energy		70.45 4	4	18.0	3.7	Electric Util. (Central)	65
1744	Danaher Corp.		66.52 4	3	18.7	0.2	Diversified Co.	74
802	DaVita HealthCare		114.73 3	4	15.0	NIL	Medical Services	18
162	Deere & Co.		83.38 2	3	9.9	2.4	Heavy Truck & Equip	60
184	Dentsply Int'l	(NDQ)	42.71 2	3	17.8	0.6	Med Supp Invasive	75
1038	Deutsche Telekom ADR	(PNK)	13.16 1	3	14.2	5.0	Telecom. Utility	13
1423	Diebold, Inc.		30.11 4	3	16.5	3.9	Office Equip/Supplies	19
2139	Dollar General		54.35 3	2	16.3	NIL	Retail Store	31
142	Dominion Resources		60.07 3	3	18.8	3.6	Electric Utility (East)	16
163	Douglas Dynamics		14.93 4	2	27.1	5.6	Heavy Truck & Equip	60
1710	Dover Corp.		68.27 3	3	16.2	1.7	Machinery	70
143	Duke Energy		70.77 4	4	16.8	4.4	Electric Utility (East)	16
1402	EMC Corp.		26.97 2	2	19.3	1.5	Computers/Peripherals	57
991	Eaton Corp. plc		66.47 4	2	14.4	2.5	Auto Parts	6
2623	eBay Inc.	(NDQ)	53.28 3	4	23.8	NIL	Internet	54
2237	Edison Int'l		48.44 2	4	14.4	2.9	Electric Utility (West)	23
185	Edwards Lifesciences		72.32 3	3	22.5	NIL	Med Supp Invasive	75
2238	El Paso Electric		37.49 4	3	15.6	2.9	Electric Utility (West)	23
711	Elbit Systems	(NDQ)	44.20 1	4	11.0	2.7	Aerospace/Defense	37
910	Empire Dist. Elec.		22.85 1	4	16.1	4.4	Electric Util. (Central)	65
617	Energy Transfer		52.18 3	3	29.0	6.9	Pipeline MLPs	95
441	Equifax, Inc.		65.04 3	4	17.7	1.4	Information Services	83
766	Erie Indemnity	(NDQ)	77.48 4	3	21.5	3.1	Insurance (Prop/Cas.)	48
389	Expeditors Int'l	(NDQ)	40.80 2	4	21.4	1.5	Industrial Services	43
973	Express Scripts	(NDQ)	65.14 3	2	22.2	NIL	Pharmacy Services	14
442	FactSet Research		110.65 3	2	22.9	1.3	Information Services	83
2141	Family Dollar Stores		71.76 2	3	18.2	1.4	Retail Store	31
1137	Fastenal Co.	(NDQ)	46.78 4	3	28.5	2.1	Retail Building Supply	77
308	FedEx Corp.		109.04 3	3	20.0	0.6	Air Transport	10
2550	Fidelity National		47.41 3	3	23.6	1.9	Financial Svcs. (Div.)	26
2608	Fiserv Inc.	(NDQ)	101.47 2	4	16.3	NIL	IT Services	42
2553	Franklin Resources		48.46 3	3	13.6	0.8	Financial Svcs. (Div.)	26
1982	FUJIFILM Hldgs. ADR	(PNK)	22.99 1	3	15.3	1.7	Foreign Electronics	3
2219	Gap (The), Inc.		44.46 3	3	16.2	1.4	Retail (Softlines)	69
2555	Global Payments		47.62 2	3	14.6	0.2	Financial Svcs. (Div.)	26
217	Haemonetics Corp.		42.35 3	4	18.8	NIL	Med Supp Non-Invasive	79
768	Hanover Insurance		56.73 2	4	13.8	2.4	Insurance (Prop/Cas.)	48
1331	Harris Corp.		57.67 3	2	15.4	2.6	Electronics	40
2309	Hasbro, Inc.	(NDQ)	45.35 4	3	15.6	3.5	Recreation	29
2239	Hawaiian Elec.		26.78 2	3	16.9	4.6	Electric Utility (West)	23
321	Heartland Express	(NDQ)	14.56 2	3	16.7	0.5	Trucking	5
2609	Henry (Jack) & Assoc.	(NDQ)	50.63 3	3	23.4	1.6	IT Services	42
1919	Hershey Co.		96.87 3	3	25.8	2.0	Food Processing	76
105	Honda Motor ADR		38.83 2	3	13.4	2.1	Automotive	8
1312	Hubbell Inc. 'B'		108.40 4	3	19.5	1.7	Electrical Equipment	51
2627	IAC/InterActiveCorp	(NDQ)	50.16 2	2	16.5	2.2	Internet	54
913	ITC Holdings		91.19 3	4	21.0	1.8	Electric Util. (Central)	65
1750	ITT Corp.		33.84 –	–	21.8	1.2	Diversified Co.	74
2240	IDACORP, Inc.		52.69 3	4	16.6	2.9	Electric Utility (West)	23
507	Imperial Oil Ltd.	(ASE)	40.49 4	3	10.1	1.2	Petroleum (Integrated)	36
2610	Infosys Ltd. ADR		49.54 3	2	15.5	1.6	IT Services	42
914	Integrys Energy		61.68 3	4	17.8	4.4	Electric Util. (Central)	65
1923	J&J Snack Foods	(NDQ)	78.86 3	3	22.6	0.9	Food Processing	76
2651	KKR & Co. L.P.		20.37 5	4	7.8	8.2	Public/Private Equity	55
620	Kinder Morgan Energy		82.62 3	4	32.5	6.5	Pipeline MLPs	95
607	Kinder Morgan Inc.		37.40 –	–	31.4	4.3	Oil/Gas Distribution	91
2144	Kohl's Corp.		51.22 1	2	11.8	2.7	Retail Store	31
1950	Kraft Foods Group	(NDQ)	55.55 –	–	19.2	3.6	Retail/Wholesale Food	34
1951	Kroger Co.		38.96 1	4	13.7	1.7	Retail/Wholesale Food	34
717	L-3 Communic.		92.95 2	4	11.4	2.4	Aerospace/Defense	37
542	Laclede Group		45.87 4	3	15.1	3.7	Natural Gas Utility	25
1016	Lauder (Estee)		66.58 3	3	23.6	1.1	Toiletries/Cosmetics	90
1156	Leggett & Platt		30.97 4	3	18.1	3.9	Furn/Home Furnishings	62
1210	Liberty All-Star		5.58 –	3	NMF	7.2	Investment Co.	–
2562	Loews Corp.		46.42 3	3	14.0	0.5	Financial Svcs. (Div.)	26
1992	Lorillard Inc.		43.55 2	3	13.4	5.1	Tobacco	80
1139	Lowe's Cos.		45.80 3	4	21.3	1.6	Retail Building Supply	77
1719	MSC Industrial Direct		79.68 5	2	19.7	1.5	Machinery	70
2402	Marathon Oil Corp.		34.65 –	–	28.9	2.2	Petroleum (Producing)	9
769	Markel Corp.		529.20 4	3	24.3	NIL	Insurance (Prop/Cas.)	48
2565	MasterCard Inc.		630.72 3	4	23.3	0.4	Financial Svcs. (Div.)	26
2313	Mattel, Inc.	(NDQ)	42.38 4	3	15.8	3.4	Recreation	29
398	MAXIMUS Inc.		39.56 3	3	11.6	0.5	Industrial Services	43
811	MEDNAX, Inc.		98.61 3	3	17.6	NIL	Medical Services	18
770	Mercury General		44.08 3	3	16.6	5.6	Insurance (Prop/Cas.)	48
1776	Middlesex Water	(NDQ)	21.55 2	3	22.2	3.5	Water Utility	53
563	Minerals Techn.		47.56 3	3	20.1	0.4	Chemical (Specialty)	63
1976	Molson Coors Brewing		52.52 2	3	13.1	2.7	Beverage	66
1927	Mondelez Int'l	(NDQ)	31.88 –	–	20.2	1.8	Food Processing	76
509	Murphy Oil Corp.		71.23 1	4	13.8	1.8	Petroleum (Integrated)	36
1129	NVR, Inc.		894.00 3	4	17.1	NIL	Homebuilding	12
2518	Nat'l Bank of Canada	(TSE)	77.83 2	3	8.9	4.7	Bank	7
530	National Fuel Gas		67.58 1	3	22.4	2.2	Natural Gas (Div.)	4
146	NextEra Energy		85.59 3	4	16.9	3.2	Electric Utility (East)	16
345	Norfolk Southern		74.35 3	2	13.3	2.8	Railroad	52
147	Northeast Utilities		43.49 2	4	16.8	3.5	Electric Utility (East)	16
916	OGE Energy		37.75 4	4	21.0	2.3	Electric Util. (Central)	65
510	Occidental Petroleum		88.29 3	3	12.1	3.1	Petroleum (Integrated)	36
2390	Omnicom Group		62.68 –	–	15.6	2.6	Advertising	41
2130	O'Reilly Automotive	(NDQ)	126.96 3	2	21.1	NIL	Retail Automotive	22
232	Owens & Minor		36.14 3	3	18.6	2.8	Med Supp Non-Invasive	79
2445	Pall Corp.		71.98 4	3	25.6	1.4	Chemical (Diversified)	50
368	Panera Bread Co.	(NDQ)	174.98 3	3	24.6	NIL	Restaurant	66
1758	Parker-Hannifin		105.99 4	2	15.5	1.7	Diversified Co.	74
233	Patterson Cos.	(NDQ)	42.32 3	3	17.6	1.5	Med Supp Non-Invasive	79
1993	Philip Morris Int'l		88.30 4	3	14.8	3.9	Tobacco	80
546	Piedmont Natural Gas		34.35 3	3	20.0	3.6	Natural Gas Utility	25
2246	Portland General		30.21 3	3	16.2	3.7	Electric Utility (West)	23
568	Praxair Inc.		119.82 3	3	19.2	2.1	Chemical (Specialty)	63
722	Precision Castparts		216.18 3	3	18.0	0.1	Aerospace/Defense	37
1540	Public Storage		161.88 3	3	34.5	3.2	R.E.I.T.	58
964	Qualcomm Inc.	(NDQ)	66.46 2	2	14.0	2.1	Telecom. Equipment	56
812	Quest Diagnostics		59.48 3	3	13.3	2.0	Medical Services	18
773	RLI Corp.		81.96 4	3	19.0	1.7	Insurance (Prop/Cas.)	48
1560	Reinsurance Group		66.61 3	3	17.5	1.8	Insurance (Life)	2
2033	RenaissanceRe Hldgs.		84.58 3	3	9.8	1.3	Reinsurance	67
234	ResMed Inc.		49.70 3	3	20.1	2.0	Med Supp Non-Invasive	79
1994	Reynolds American		50.50 3	3	15.5	5.0	Tobacco	80
1645	Robert Half Int'l		38.58 3	4	20.6	1.7	Human Resources	20
402	Rollins, Inc.		25.40 4	3	29.2	1.5	Industrial Services	43
1726	Roper Inds.		127.18 3	3	21.3	0.5	Machinery	70
2226	Ross Stores	(NDQ)	67.72 3	3	16.8	1.0	Retail (Softlines)	69
2522	Royal Bank of Canada	(TSE)	63.33 2	3	11.6	4.1	Bank	7
403	SAIC, Inc.		15.95 3	3	12.6	3.0	Industrial Services	43
2591	SAP AG		74.33 4	3	19.9	1.5	Computer Software	94
2614	SEI Investments	(NDQ)	32.20 3	3	20.0	1.2	IT Services	42
194	St. Jude Medical		53.60 1	3	14.2	1.9	Med Supp Invasive	75
151	SCANA Corp.		51.18 2	3	15.1	4.0	Electric Utility (East)	16
2427	Schlumberger Ltd.		80.25 1	3	16.6	1.6	Oilfield Svcs/Equip.	24
2335	Scripps Networks		75.76 3	3	20.0	0.8	Entertainment	78
2247	Sempra Energy		86.15 3	4	18.9	3.0	Electric Utility (West)	23
1728	Snap-on Inc.		97.70 3	3	16.8	1.6	Machinery	70
1185	Sonoco Products		39.25 2	3	16.4	3.2	Packaging & Container	28
547	South Jersey Inds.		61.04 3	3	18.9	3.0	Natural Gas Utility	25
1729	Stanley Black & Decker		88.19 3	3	15.5	2.3	Machinery	70
373	Starbucks Corp.	(NDQ)	72.93 3	3	31.0	1.2	Restaurant	66
414	Stericycle Inc.	(NDQ)	117.31 4	3	30.7	NIL	Environmental	64
195	STERIS Corp.		44.25 3	3	17.4	1.9	Med Supp Invasive	75
153	TECO Energy		17.54 3	3	19.7	5.0	Electric Utility (East)	16
2153	Target Corp.		70.76 4	3	15.1	2.4	Retail Store	31
198	Teleflex Inc.		77.40 3	4	15.7	1.8	Med Supp Invasive	75
939	TELUS Corporation	(TSE)	30.85 3	2	14.3	4.5	Telecom. Services	1
2594	Teradata Corp.		64.13 4	2	22.7	NIL	Computer Software	94
134	Thermo Fisher Sci.		92.18 3	3	17.1	0.7	Precision Instrument	96
447	Thomson Reuters	(TSE)	36.10 3	3	19.3	3.7	Information Services	83
375	Tim Hortons		59.49 3	3	19.3	1.7	Restaurant	66
1561	Torchmark Corp.		71.14 3	3	12.3	1.0	Insurance (Life)	2
2527	Toronto-Dominion	(TSE)	86.41 3	3	11.5	3.9	Bank	7
405	Towers Watson & Co.		86.62 3	3	16.2	0.5	Industrial Services	43
611	TransCanada Corp.		45.37 3	3	21.8	4.1	Oil/Gas Distribution	91
1214	Tri-Continental		18.63 –	3	NMF	4.0	Investment Co.	–
549	UGI Corp.		42.28 1	4	17.3	2.7	Natural Gas Utility	25
154	UIL Holdings		40.04 2	3	17.9	4.3	Electric Utility (East)	16
346	Union Pacific		159.17 3	3	16.1	2.0	Railroad	52
815	UnitedHealth Group		72.39 3	5	12.7	1.5	Medical Services	18
2120	V.F. Corp.		198.19 3	3	18.0	1.8	Apparel	71
918	Vectren Corp.		35.79 3	4	16.7	4.0	Electric Util. (Central)	65
448	Verisk Analytics	(NDQ)	62.94 3	3	29.6	NIL	Information Services	83
1960	Village Super Market	(NDQ)	36.93 4	1	17.7	2.7	Retail/Wholesale Food	34
2570	Visa Inc.		179.76 3	4	22.0	0.8	Financial Svcs. (Div.)	26
942	Vodafone Group ADR	(NDQ)	30.27 2	3	12.4	5.4	Telecom. Services	1
1201	WD-40 Co.	(NDQ)	58.48 4	3	24.0	2.2	Household Products	84
2382	Washington Post		585.00 1	3	24.3	1.7	Newspaper	17
418	Waste Management		43.17 2	3	19.8	3.4	Environmental	64
137	Waters Corp.		103.47 4	3	20.4	NIL	Precision Instrument	96
919	Westar Energy		33.40 3	3	15.2	4.1	Electric Util. (Central)	65
1962	Weston (George)	(TSE)	86.22 3	3	18.7	1.9	Retail/Wholesale Food	34
2163	Wolverine World Wide		57.30 3	2	19.8	0.8	Shoe	82
2249	Xcel Energy Inc.		29.24 3	3	15.6	3.9	Electric Utility (West)	23
1387	Xilinx Inc.	(NDQ)	45.39 4	3	19.6	2.2	Semiconductor	88
1778	York Water Co. (The)	(NDQ)	21.07 4	3	26.3	2.7	Water Utility	53
377	Yum! Brands		74.47 5	3	24.0	1.9	Restaurant	66
202	Zimmer Holdings		82.31 2	3	14.8	1.0	Med Supp Invasive	75

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HIGHEST DIVIDEND YIELDING STOCKS (Based upon estimated year-ahead dividends per share)

Page No.	Stock Name	Recent Price	Time-liness	Safety Rank	Current P/E Ratio	Est'd % Yield	Industry Group	Industry Rank
602	Rhino Resource Partners	12.60	–	3	30.0	14.1	Coal	32
528	Linn Energy, LLC	23.93	3	3	16.4	12.9	Natural Gas (Div.)	4
1589	CVR Partners, LP	19.77	–	3	11.3	12.3	Chemical (Basic)	49
1042	Windstream Corp.	8.34	2	3	19.4	12.0	Telecom. Utility	13
1514	Annaly Capital Mgmt.	11.97	3	3	7.7	11.9	R.E.I.T.	58
599	Natural Resource	19.50	3	3	11.0	11.3	Coal	32
1207	DWS High Income	9.20	–	4	NMF	10.9	Investment Co.	–
1815	StoneMor Partners L.P.	22.76	5	3	NMF	10.5	Funeral Services	72
2645	Apollo Investment	8.10	2	4	5.4	9.9	Public/Private Equity	55
2649	Gladstone Capital	8.78	4	4	12.0	9.6	Public/Private Equity	55
600	PVR Partners, L.P.	23.50	5	3	NMF	9.4	Coal	32
1218	Atlantic Power Corp.	4.25	3	4	NMF	9.2	Power	38
932	NTELOS Hldgs.	18.62	–	3	17.4	9.0	Telecom. Services	1
1037	Consol. Communic.	17.32	2	3	24.4	8.9	Telecom. Utility	13
1039	Frontier Communic.	4.65	2	4	20.2	8.6	Telecom. Utility	13
1230	TransAlta Corp.	13.75	2	3	18.8	8.4	Power	38
532	Pengrowth Energy	5.81	3	3	NMF	8.3	Natural Gas (Div.)	4
2651	KKR & Co. L.P.	20.37	5	2	7.6	8.2	Public/Private Equity	55
1211	MFS Multimarket	6.47	–	4	NMF	8.0	Investment Co.	–
2428	Seadrill Ltd.	44.12	3	3	15.0	8.0	Oilfield Svcs/Equip.	24
1780	BGC Partners Inc.	6.05	–	4	9.2	7.9	Securities Brokerage	27
1205	AllianceBernstein Income	7.04	–	3	NMF	7.8	Investment Co.	–
623	Suburban Propane	46.05	3	3	17.2	7.6	Pipeline MLPs	95
1627	PDL BioPharma	8.44	1	4	4.8	7.3	Drug	81
2534	AllianceBernstein Hldg.	21.01	1	3	11.4	7.2	Financial Svcs. (Div.)	26
614	Boardwalk Pipeline	29.45	4	3	21.3	7.2	Pipeline MLPs	95
1210	Liberty All-Star	5.58	–	2	NMF	7.2	Investment Co.	–
624	Williams Partners L.P.	49.15	4	3	28.9	7.2	Pipeline MLPs	95
1203	Aberdeen Asia-Pac. Fd.	6.11	–	4	NMF	6.9	Investment Co.	–
617	Energy Transfer	52.18	3	2	29.0	6.9	Pipeline MLPs	95
1532	Hospitality Properties	29.00	2	3	36.3	6.5	R.E.I.T.	58
620	Kinder Morgan Energy	82.62	3	2	32.5	6.5	Pipeline MLPs	95
1508	New York Community	15.42	3	3	14.5	6.5	Thrift	33
399	Macquarie Infrastructure	55.09	5	3	38.5	6.4	Industrial Services	43
594	Alliance Resource	74.47	2	3	10.6	6.3	Coal	32
615	Buckeye Partners L.P.	67.96	3	3	23.5	6.3	Pipeline MLPs	95
1035	CenturyLink Inc.	34.08	3	3	12.6	6.3	Telecom. Utility	13
1522	Digital Realty Trust	55.20	3	3	36.8	6.0	R.E.I.T.	58
616	El Paso Pipeline	41.86	5	3	19.7	6.0	Pipeline MLPs	95
1033	BCE Inc.	40.37	4	3	13.5	5.8	Telecom. Utility	13
2646	Blackstone Group LP	22.94	2	3	9.4	5.8	Public/Private Equity	55
2357	Ryman Hospitality	34.61	3	4	24.4	5.8	Hotel/Gaming	15
937	Telecom N. Zealand	9.12	–	3	12.7	5.8	Telecom. Services	1
2306	Cedar Fair L.P.	44.20	3	3	16.0	5.7	Recreation	29
1520	Corrections Corp. Amer.	34.83	3	3	18.1	5.7	R.E.I.T.	58
516	Total ADR	53.57	2	1	8.0	5.7	Petroleum (Integrated)	36
163	Douglas Dynamics	14.93	4	2	27.1	5.6	Heavy Truck & Equip	60
1527	Geo Group (The)	35.59	3	3	20.9	5.6	R.E.I.T.	58
770	Mercury General	44.08	3	2	16.6	5.6	Insurance (Prop/Cas.)	48
513	Royal Dutch Shell 'A'	64.40	3	1	7.6	5.6	Petroleum (Integrated)	36
1605	AstraZeneca PLC (ADS)	51.00	3	2	12.2	5.5	Drug	81
2369	Donnelley (R.R) & Sons	19.20	2	3	11.9	5.4	Publishing	21
1929	NutriSystem Inc.	12.94	4	3	34.1	5.4	Food Processing	76
942	Vodafone Group ADR	30.27	2	2	12.4	5.4	Telecom. Services	1
502	BP PLC ADR	41.08	2	3	7.6	5.3	Petroleum (Integrated)	36
1212	Nuveen Muni Value Fund	9.05	–	1	NMF	5.3	Investment Co.	–
149	Pepco Holdings	20.20	2	3	18.2	5.3	Electric Utility (East)	16
922	AT&T Inc.	34.92	2	1	13.7	5.2	Telecom. Services	1
2412	Diamond Offshore	67.70	3	3	13.7	5.2	Oilfield Svcs/Equip.	24
1537	Mack-Cali Rlty	23.17	3	3	NMF	5.2	R.E.I.T.	58
1529	HCP Inc.	42.21	4	3	21.3	5.1	R.E.I.T.	58
1535	Liberty Property	37.46	3	3	32.6	5.1	R.E.I.T.	58
1992	Lorillard Inc.	43.55	2	2	13.4	5.1	Tobacco	80
1541	Realty Income Corp.	43.00	3	3	50.6	5.1	R.E.I.T.	58
2316	Regal Entertainment	18.91	1	5	18.2	5.1	Recreation	29
1990	Altria Group	35.16	4	2	14.6	5.0	Tobacco	80
1038	Deutsche Telekom ADR	13.16	1	2	14.2	5.0	Telecom. Utility	13
911	Entergy Corp.	66.14	2	3	15.0	5.0	Electric Util. (Central)	65
1530	Health Care REIT	63.14	4	3	65.8	5.0	R.E.I.T.	58
609	Pembina Pipeline Corp.	32.86	4	3	27.4	5.0	Oil/Gas Distribution	91
1994	Reynolds American	50.50	3	2	15.5	5.0	Tobacco	80
2318	Six Flags Entertainment	35.73	5	3	26.9	5.0	Recreation	29
153	TECO Energy	17.54	3	2	19.7	5.0	Electric Utility (East)	16
1547	W.P. Carey Inc.	67.07	–	3	39.0	5.0	R.E.I.T.	58
420	Aberdeen Australia Fd.	10.25	–	3	NMF	4.9	Investment Co.(Foreign)	–
2509	Can. Imperial Bank	78.47	2	2	9.4	4.9	Bank	7
1531	Healthcare R'lty Trust	24.61	5	3	NMF	4.9	R.E.I.T.	58
2389	National CineMedia	18.30	3	3	30.0	4.9	Advertising	41
2638	United Online	8.13	–	3	22.6	4.9	Internet	54
2506	Bank of Montreal	63.42	3	2	10.7	4.8	Bank	7
332	Golar LNG Ltd.	37.85	4	3	32.9	4.8	Maritime	85
771	Old Republic	14.98	2	3	20.0	4.8	Insurance (Prop/Cas.)	48
152	Southern Co.	43.56	3	1	16.3	4.8	Electric Utility (East)	16
1381	STMicroelectronics	8.38	4	3	26.2	4.8	Semiconductor	88
1308	Garmin Ltd.	39.50	3	3	15.4	4.7	Electrical Equipment	51
1616	GlaxoSmithKline ADR	51.30	3	1	16.6	4.7	Drug	81
123	Landauer, Inc.	46.86	4	3	20.6	4.7	Precision Instrument	96
2518	Nat'l Bank of Canada	77.83	2	2	8.9	4.7	Bank	7
148	PPL Corp.	31.73	3	3	12.4	4.7	Electric Utility (East)	16
791	Park National	80.59	3	3	16.1	4.7	Bank (Midwest)	30
2431	Transocean Ltd.	47.62	1	3	10.1	4.7	Oilfield Svcs/Equip.	24
2340	World Wrestling Ent.	10.27	4	3	31.1	4.7	Entertainment	78
1981	Canon Inc. ADR	32.34	1	2	13.8	4.6	Foreign Electronics	3
526	Encana Corp.	17.45	3	3	16.5	4.6	Natural Gas (Div.)	4
618	Enterprise Products	60.60	4	3	19.9	4.6	Pipeline MLPs	95
2239	Hawaiian Elec.	26.78	2	2	16.9	4.6	Electric Utility (West)	23
2321	Sturm, Ruger & Co.	56.35	2	3	11.4	4.6	Recreation	29
1548	Washington R.E.I.T.	26.08	3	3	76.7	4.6	R.E.I.T.	58
904	Ameren Corp.	35.19	3	3	16.9	4.5	Electric Util. (Central)	65
905	Amer. Elec. Power	44.69	4	3	14.4	4.5	Electric Util. (Central)	65

STOCKS WITH HIGH 3- TO 5-YEAR PRICE APPRECIATION POTENTIAL

Some of the stocks tabulated below are very risky and appreciation potentialities tentative. Please read the full-page reports in Ratings & Reports to gain an understanding of the risks entailed. Some of these stocks may not be timely investment commitments. (See the Performance Ranks below.)

Page No.	Stock Name	Recent Price	3- to 5-year Potential	Time-liness	Safety Rank	Industry Group	Industry Rank
590	Smith Micro Software	1.04	430%	4	5	Wireless Networking	89
1366	LSI Corp.	7.68	390%	3	3	Semiconductor	88
1590	China Green Agriculture	3.06	360%	–	5	Chemical (Basic)	49
2207	Body Central Corp.	7.56	330%	4	3	Retail (Softlines)	69
535	Quicksilver Res.	1.65	325%	2	5	Natural Gas (Div.)	4
1187	Blyth Inc.	10.93	290%	4	3	Household Products	84
1404	Extreme Networks	4.10	290%	3	4	Computers/Peripherals	57
1754	McDermott Int'l	7.34	275%	4	3	Diversified Co.	74
831	Dendreon Corp.	3.37	270%	4	5	Biotechnology	93
532	Pengrowth Energy	5.81	260%	3	3	Natural Gas (Div.)	4
845	XenoPort, Inc.	4.59	240%	5	5	Biotechnology	93
409	Casella Waste Sys.	4.75	235%	4	5	Environmental	64
412	Fuel Tech, Inc.	4.03	225%	2	4	Environmental	64
1422	ACCO Brands	7.21	220%	–	5	Office Equip/Supplies	19
2419	ION Geophysical	5.04	215%	3	5	Oilfield Svcs/Equip.	24
1937	Synutra Int'l	4.91	215%	–	5	Food Processing	76
511	Petroleo Brasileiro ADR	13.96	205%	2	3	Petroleum (Integrated)	36
1188	Central Garden & Pet	6.62	195%	3	4	Household Products	84
415	Tetra Tech	23.02	195%	4	3	Environmental	64
1008	Titan Int'l	17.00	195%	3	3	Auto Parts	6
582	Echelon Corp.	2.24	190%	4	4	Wireless Networking	89
2016	Rovi Corp.	19.02	190%	3	3	Entertainment Tech	59
1569	Kinross Gold	5.57	185%	3	3	Precious Metals	86
2370	Martha Stewart	2.62	185%	–	5	Publishing	21
1638	Cross Country Health.	5.50	180%	3	3	Human Resources	20
2548	EZCORP, Inc.	18.01	180%	3	3	Financial Svcs. (Div.)	26
1224	FuelCell Energy	1.25	180%	4	5	Power	38
1986	Panasonic Corp.	8.72	180%	4	3	Foreign Electronics	3
832	Enzo Biochem	2.35	175%	4	4	Biotechnology	93
191	LCA-Vision	3.83	175%	3	4	Med Supp Invasive	75
841	Senomyx, Inc.	3.25	175%	3	5	Biotechnology	93
596	Arch Coal	4.51	165%	2	4	Coal	32
1361	Fairchild Semic.	12.26	165%	3	3	Semiconductor	88
1405	Fusion-io, Inc.	11.40	165%	–	3	Computers/Peripherals	57
965	Riverbed Technology	16.02	165%	4	3	Telecom. Equipment	56
349	BJ's Restaurants	31.89	160%	5	3	Restaurant	66
1526	FelCor Lodging Tr.	6.01	160%	3	5	R.E.I.T.	58
2520	Popular Inc.	33.51	160%	2	4	Bank	7
2432	Weatherford Int'l	14.49	160%	2	3	Oilfield Svcs/Equip.	24
2645	Apollo Investment	8.10	155%	2	4	Public/Private Equity	55
2015	RealD Inc.	9.22	155%	4	4	Entertainment Tech	59
603	Walter Energy	12.73	155%	3	4	Coal	32
2196	Weight Watchers	37.03	155%	4	3	Retail (Hardlines)	47
1390	Amkor Technology	4.19	150%	2	5	Semiconductor Equip	87
182	CryoLife Inc.	6.87	145%	4	3	Med Supp Invasive	75
833	Exelixis,Inc.	4.92	145%	4	5	Biotechnology	93
1124	Hovnanian Enterpr. 'A'	5.31	145%	3	5	Homebuilding	12
2185	Nautilus Inc.	6.36	145%	3	5	Retail (Hardlines)	47
742	AK Steel Holding	3.74	140%	2	5	Steel	61
993	Fuel Sys. Solns.	20.69	140%	3	3	Auto Parts	6
1533	Host Hotels & Resorts	17.71	140%	1	3	R.E.I.T.	58
2420	Nabors Inds.	15.57	140%	2	3	Oilfield Svcs/Equip.	24
1571	Pan Amer. Silver	13.60	140%	3	3	Precious Metals	86
1597	Potash Corp.	30.97	140%	4	3	Chemical (Basic)	49
1130	PulteGroup, Inc.	15.73	140%	3	3	Homebuilding	12
843	United Therapeutics	73.56	140%	1	3	Biotechnology	93
2009	Avid Technology	5.79	135%	–	3	Entertainment Tech	59
1973	Cott Corp.	8.35	135%	3	4	Beverage	68
2610	Infosys Ltd. ADR	49.54	135%	3	2	IT Services	42
2612	ManTech Int'l 'A'	28.86	135%	3	3	IT Services	42
401	Resources Connection	13.73	135%	4	3	Industrial Services	43
107	Tata Motors ADR	23.17	135%	4	3	Automotive	8
1384	Tessera Technologies	19.24	135%	4	3	Semiconductor	88
1564	ASA Gold & Precious	14.06	130%	–	3	Precious Metals	86
1576	Allegheny Techn.	28.46	130%	3	3	Metals & Mining (Div.)	45
553	Amer. Vanguard Corp.	25.87	130%	4	3	Chemical (Specialty)	63
2603	Cognizant Technology	73.39	130%	3	2	IT Services	42
214	Cutera, Inc.	9.29	130%	4	3	Med Supp Non-Invasive	79
332	Golar LNG Ltd.	37.85	130%	4	3	Maritime	85
2627	IAC/InterActiveCorp	50.16	130%	2	2	Internet	54
528	Linn Energy, LLC	23.93	130%	3	3	Natural Gas (Div.)	4
1595	Mosaic Company	43.85	130%	3	3	Chemical (Basic)	49
1136	BlueLinx Holdings	1.78	125%	4	5	Retail Building Supply	77
746	Cliffs Natural Res.	24.47	125%	3	3	Steel	61
2011	Daktronics Inc.	10.94	125%	3	3	Entertainment Tech	59
2401	Forest Oil	5.14	125%	–	4	Petroleum (Producing)	9
601	Peabody Energy	17.78	125%	2	3	Coal	32
1380	Skyworks Solutions	24.25	125%	2	3	Semiconductor	88
2006	Strayer Education	44.68	125%	3	3	Educational Services	44
744	ArcelorMittal	13.72	120%	3	3	Steel	61
947	Arris Group	16.97	120%	1	3	Telecom. Equipment	56
2507	Bank of New York Mellon	30.75	120%	2	3	Bank	7
1907	Calavo Growers	27.09	120%	5	3	Food Processing	76
1799	Equinix, Inc.	178.75	120%	5	3	E-Commerce	97
424	India Fund (The)	19.46	120%	–	3	Investment Co.(Foreign)	–
976	PharMerica Corp.	13.52	120%	2	3	Pharmacy Services	14
1557	Phoenix (The) Cos.	42.36	120%	3	5	Insurance (Life)	2
825	Quality Systems	22.54	120%	4	3	Healthcare Information	92
403	SAIC, Inc.	15.95	120%	3	2	Industrial Services	43
1583	Southern Copper	29.46	120%	4	3	Metals & Mining (Div.)	45
2020	Synchronoss Techn.	35.38	120%	2	3	Entertainment Tech	59
595	Alpha Natural Res.	5.84	115%	2	4	Coal	32
985	Commercial Vehicle	7.14	115%	4	5	Auto Parts	6
1024	DIRECTV	62.10	115%	3	3	Cable TV	39
2622	EarthLink, Inc.	5.15	115%	2	3	Internet	54
526	Encana Corp.	17.45	115%	3	3	Natural Gas (Div.)	4
1123	Horton D.R.	18.82	115%	2	3	Homebuilding	12
2349	Las Vegas Sands	56.43	115%	2	4	Hotel/Gaming	15
1374	ON Semiconductor	7.49	115%	3	3	Semiconductor	88
963	Polycom, Inc.	9.78	115%	4	3	Telecom. Equipment	56

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BIGGEST "FREE FLOW" CASH GENERATORS

Stocks of companies that have earned more "cash flow" in the last 5 years than was required to build plant and pay dividends

Page No.	Stock Name	Recent Price	Ratio "Cash Flow" To Cash Out	Time-liness	Safety Rank	Industry Group	Industry Rank
1796	Check Point Software	58.87	71.01	3	1	E-Commerce	97
2108	Iconix Brand Group	33.85	35.18	3	3	Apparel	71
2634	priceline.com	958.02	27.92	3	3	Internet	54
2578	BMC Software	46.02	22.68	–	3	Computer Software	94
1356	CEVA, Inc.	17.78	21.45	5	3	Semiconductor	88
1129	NVR, Inc.	894.00	21.00	3	2	Homebuilding	12
2165	Avis Budget Group	28.62	20.87	3	4	Retail (Hardlines)	47
1614	Forest Labs.	43.45	19.45	4	3	Drug	81
1720	Middleby Corp. (The)	208.90	17.62	3	3	Machinery	70
1784	IntercontinentalExch.	183.14	15.83	3	3	Securities Brokerage	27
1615	Gilead Sciences	58.90	15.07	4	3	Drug	81
584	InterDigital Inc.	36.84	14.02	5	3	Wireless Networking	89
839	Questcor Pharmac.	66.14	13.98	3	3	Biotechnology	93
836	Myriad Genetics	30.50	13.97	2	3	Biotechnology	93
1393	Kulicke & Soffa	11.51	13.54	4	4	Semiconductor Equip	87
2003	ITT Educational	30.00	12.96	2	4	Educational Services	44
2565	MasterCard Inc.	630.72	12.89	3	2	Financial Svcs. (Div.)	26
2576	ANSYS, Inc.	88.35	12.78	5	3	Computer Software	94
2016	Rovi Corp.	19.02	12.44	3	3	Entertainment Tech	59
811	MEDNAX, Inc.	98.61	12.16	3	2	Medical Services	18
973	Express Scripts	65.14	12.15	3	2	Pharmacy Services	14
2328	Discovery Communic.	82.84	12.03	4	3	Entertainment	78
1609	Celgene Corp.	140.83	11.53	4	2	Drug	81
1014	Helen of Troy Ltd.	42.01	11.24	3	3	Toiletries/Cosmetics	90
1375	PMC-Sierra	6.47	11.17	3	3	Semiconductor	88
2585	MICROS Systems	49.40	11.16	4	3	Computer Software	94
1977	Monster Beverage	62.76	10.90	4	3	Beverage	68
2392	ValueClick Inc.	21.63	10.74	4	3	Advertising	41
199	Thoratec Corp.	37.12	10.68	3	3	Med Supp Invasive	75
2601	CACI Int'l	68.34	10.55	3	3	IT Services	42
1634	Warner Chilcott plc	21.15	10.43	–	3	Drug	81
2594	Teradata Corp.	64.13	10.29	4	2	Computer Software	94
2342	Bally Technologies	73.85	10.21	2	3	Hotel/Gaming	15
968	Verifone Systems	19.64	10.21	3	4	Telecom. Equipment	56
1572	Silver Wheaton	24.51	10.06	4	3	Precious Metals	86
1344	3D Systems	49.76	9.80	4	3	Electronics	40
219	Hologic, Inc.	22.60	9.40	3	3	Med Supp Non-Invasive	79
1601	Actavis, Inc.	133.24	9.24	3	2	Drug	81
2648	Fortress Investment	7.65	9.18	1	4	Public/Prvate Equity	55
225	Masimo Corp.	25.13	9.14	3	3	Med Supp Non-Invasive	79
235	Schein (Henry)	106.50	9.03	3	3	Med Supp Non-Invasive	79
1315	Trimble Nav. Ltd.	26.87	8.81	5	3	Electrical Equipment	51
1417	Synaptics	41.98	8.57	2	3	Computers/Peripherals	57
954	F5 Networks	92.70	8.56	3	3	Telecom. Equipment	56
1808	TIBCO Software	24.20	8.55	5	3	E-Commerce	97
2160	Madden (Steven) Ltd.	55.39	8.40	4	3	Shoe	82
1316	WESCO Int'l	74.79	8.10	3	3	Electrical Equipment	51
134	Thermo Fisher Sci.	92.18	8.02	3	2	Precision Instrument	96
958	Marvell Technology	12.71	7.96	3	3	Telecom. Equipment	56
1415	ScanSource	36.36	7.56	4	3	Computers/Peripherals	57
2611	Manhattan Assoc.	90.07	7.47	3	3	IT Services	42
2588	Oracle Corp.	33.25	7.34	3	1	Computer Software	94
1322	Anixter Int'l	86.55	7.05	3	3	Electronics	40
1236	Foster Wheeler AG	24.70	6.99	2	3	Engineering & Const	11
929	j2 Global	52.48	6.99	3	3	Telecom. Services	1
1607	Biogen Idec Inc.	206.89	6.82	4	2	Drug	81
951	Cisco Systems	26.34	6.67	1	1	Telecom. Equipment	56
436	Alliance Data Sys.	206.70	6.66	3	3	Information Services	83
1734	Wabtec Corp.	58.94	6.63	3	3	Machinery	70
948	Black Box	28.51	6.61	3	3	Telecom. Equipment	56
1106	Beacon Roofing	38.00	6.59	4	3	Building Materials	35
1744	Danaher Corp.	66.52	6.59	4	2	Diversified Co.	74
1726	Roper Inds.	127.18	6.52	3	2	Machinery	70
2391	Valassis Communic.	28.98	6.49	3	4	Advertising	41
1418	Tech Data	52.79	6.43	3	3	Computers/Peripherals	57
1788	Nasdaq OMX Group	31.96	6.42	4	3	Securities Brokerage	27
403	SAIC, Inc.	15.95	6.42	3	2	Industrial Services	43
2553	Franklin Resources	48.46	6.40	3	2	Financial Svcs. (Div.)	26
960	NETGEAR	30.48	6.40	5	3	Telecom. Equipment	56
2572	WEX Inc.	87.93	6.38	3	3	Financial Svcs. (Div.)	26
1401	Dell Inc.	13.73	6.29	–	3	Computers/Peripherals	57
2110	Maidenform Brands	23.39	6.29	–	3	Apparel	71
829	Amgen	108.21	6.28	3	1	Biotechnology	93
1604	Allergan, Inc.	91.07	6.24	3	1	Drug	81
1328	Cubic Corp.	51.38	6.16	3	3	Electronics	40
947	Arris Group	16.97	6.15	1	3	Telecom. Equipment	56
200	Varian Medical Sys.	73.85	5.98	3	1	Med Supp Invasive	75
2606	DealerTrack Techn.	41.20	5.95	4	3	IT Services	42
2571	Western Union	18.45	5.95	3	3	Financial Svcs. (Div.)	26
722	Precision Castparts	216.18	5.93	3	2	Aerospace/Defense	37
183	Cyberonics	54.68	5.92	3	3	Med Supp Invasive	75
168	Oshkosh Corp.	45.88	5.90	2	4	Heavy Truck & Equip	60
2577	Autodesk, Inc.	35.95	5.88	4	3	Computer Software	94
2593	Synopsys, Inc.	37.27	5.88	3	1	Computer Software	94
1972	Constellation Brands	54.07	5.81	3	3	Beverage	68
1617	Hi-Tech Pharmacal	36.00	5.81	5	3	Drug	81
2574	Adobe Systems	47.20	5.80	5	3	Computer Software	94
2587	Nuance Communic.	19.34	5.79	5	3	Computer Software	94
415	Tetra Tech	23.02	5.79	4	3	Environmental	64
390	FTI Consulting	33.12	5.77	3	3	Industrial Services	43
1160	Tempur Sealy Int'l	40.11	5.77	5	4	Furn/Home Furnishings	62
224	Life Technologies	74.79	5.72	–	3	Med Supp Non-Invasive	79
974	Omnicare, Inc.	54.98	5.57	2	3	Pharmacy Services	14
2589	PTC Inc.	27.55	5.56	3	3	Computer Software	94
1998	Apollo Group 'A'	19.77	5.55	2	3	Educational Services	44
2579	CA, Inc.	31.12	5.55	3	2	Computer Software	94
119	FEI Company	78.52	5.54	5	3	Precision Instrument	96
808	Laboratory Corp.	97.94	5.54	3	1	Medical Services	18
182	CryoLife Inc.	6.87	5.50	4	3	Med Supp Invasive	75
1603	Alexion Pharmac.	109.26	5.45	3	3	Drug	81

BEST PERFORMING STOCKS

(Measured by Price Change in the Last 13 Weeks)

Page No.	Stock Name	Ticker	Recent Price	Percent Change In Price	Time-liness	Safety Rank
1429	Standard Register	SR	12.05	255.5%	3	5
930	Leap Wireless	LEAP	16.20	152.1%	–	5
1032	Alaska Communic.	ALSK	3.79	110.6%	2	4
992	Federal-Mogul Corp.	FDML	17.26	108.2%	1	4
108	Tesla Motors	TSLA	147.38	77.1%	4	4
946	Alcatel-Lucent ADR	ALU	2.66	76.2%	4	5
984	China Auto. Sys.	CAAS	9.41	73.9%	2	4
828	Alnylam Pharmac.	ALNY	48.61	73.7%	4	4
366	Krispy Kreme	KKD	22.52	69.6%	3	3
2199	Zale Corp.	ZLC	9.59	68.8%	1	5
1219	Ballard Power Sys.	BLDP	1.98	67.8%	3	5
583	Finisar Corp.	FNSR	21.77	66.8%	3	4
2359	Scientific Games	SGMS	14.36	66.0%	3	4
1904	Boulder Brands	BDBD	16.22	64.7%	5	3
2642	Yelp, Inc.	YELP	50.75	63.9%	–	3
837	NPS Pharmac.	NPSP	23.51	62.7%	4	4
1930	Pilgrim's Pride Corp.	PPC	18.20	59.2%	2	3
1148	Dixie Group	DXYN	11.45	59.0%	2	4
798	Amedisys, Inc.	AMED	17.54	57.5%	2	3
839	Questcor Pharmac.	QCOR	66.14	56.0%	3	3
2194	ValueVision Media	VVTV	6.13	52.9%	2	5
2389	Donnelley (R.R) & Sons	RRD	19.20	52.5%	2	3
2621	Ctrip.com Int'l ADR	CTRP	43.25	50.1%	4	3
950	Ciena Corp.	CIEN	22.35	49.9%	3	5
1999	Bridgepoint Education	BPI	16.71	49.6%	3	4
1929	NutriSystem Inc.	NTRI	12.94	49.3%	4	3
997	Goodyear Tire	GT	19.38	49.2%	1	4
841	Senomyx, Inc.	SNMX	3.25	48.4%	3	5
1017	Nu Skin Enterprises	NUS	88.28	48.0%	3	3
2631	Orbitz Worldwide	OWW	11.74	47.9%	3	5
1918	Herbalife, Ltd.	HLF	66.27	47.7%	1	3
2619	Baidu, Inc.	BIDU	136.73	47.3%	4	3
1352	Applied Micro	AMCC	11.72	46.5%	3	3
439	CoStar Group	CSGP	162.82	45.4%	3	3
2367	Consolidated Graphics	CGX	57.00	45.2%	1	3
738	NN Inc.	NNBR	13.42	45.1%	3	4
1814	Stewart Enterpr. 'A'	STEI	13.11	44.1%	–	3
1003	Modine Mfg.	MOD	13.92	43.4%	2	4
1365	Intersil Corp. 'A'	ISIL	11.03	41.4%	3	3
2625	Facebook Inc.	FB	38.22	41.2%	–	3
1967	Boston Beer 'A'	SAM	211.65	40.8%	3	2

WORST PERFORMING STOCKS

(Measured by Price Change in the Last 13 Weeks)

Page No.	Stock Name	Ticker	Recent Price	Percent Change In Price	Time-liness	Safety Rank
1911	Dean Foods	DF	10.64	–46.5%	–	3
1613	Enzon Pharmac.	ENZN	1.84	–41.4%	–	5
2015	RealD Inc.	RLD	9.22	–38.7%	4	4
619	Inergy, L.P.	NRGY	15.00	–38.4%	–	3
1130	PulteGroup, Inc.	PHM	15.73	–35.1%	3	3
2189	RadioShack Corp.	RSH	2.76	–33.7%	4	4
2214	Coldwater Creek	CWTR	2.57	–33.2%	4	5
528	Linn Energy, LLC	LINE	23.93	–33.0%	3	3
1125	KB Home	KBH	16.80	–32.3%	2	4
1123	Horton D.R.	DHI	18.82	–31.8%	2	3
2207	Body Central Corp.	BODY	7.56	–31.2%	4	3
535	Quicksilver Res.	KWK	1.65	–31.0%	2	5
603	Walter Energy	WLT	12.73	–31.0%	3	4
1008	Titan Int'l	TWI	17.00	–29.5%	3	3
579	BlackBerry	BBRY	10.78	–29.3%	–	3
2147	Penney (J.C.)	JCP	13.17	–29.3%	4	4
396	Iron Mountain	IRM	27.95	–28.9%	4	3
1595	Mosaic Company	MOS	43.85	–28.9%	3	3
1136	BlueLinx Holdings	BXC	1.78	–28.8%	4	5
949	Broadcom Corp. 'A'	BRCM	26.06	–28.7%	4	3
1597	Potash Corp.	POT	30.97	–28.1%	4	3
925	Cbeyond, Inc.	CBEY	6.64	–27.5%	2	4
227	Medical Action Inds.	MDCI	6.35	–27.1%	3	4
1187	Blyth Inc	BTH	10.93	–26.4%	4	3
2151	Sears Holdings	SHLD	42.43	–25.7%	3	3
1566	AngloGold Ashanti ADS	AU	13.48	–25.6%	2	3
845	XenoPort, Inc.	XNPT	4.59	–25.6%	5	5
1013	Elizabeth Arden	RDEN	35.00	–25.4%	5	3
1112	NCI Bldg. Sys.	NCS	13.08	–25.1%	3	4
1589	CVR Partners, LP	UAN	19.77	–24.7%	–	3
1126	Lennar Corp.	LEN	33.03	–24.7%	2	3
511	Petroleo Brasileiro ADR	PBR	13.96	–24.7%	2	3
1405	Fusion-io, Inc.	FIO	11.40	–24.6%	–	3
1131	Ryland Group	RYL	37.92	–24.2%	2	4
371	Ruby Tuesday	RT	7.39	–24.0%	4	4
2185	Nautilus Inc.	NLS	6.36	–23.6%	3	5
1127	M.D.C. Holdings	MDC	29.64	–23.5%	1	3
1122	Beazer Homes USA	BZH	16.72	–23.4%	3	5
2115	Quiksilver Inc.	ZQK	5.69	–23.2%	5	5
2157	Crocs, Inc.	CROX	13.41	–23.1%	4	4
1799	Equinix, Inc.	EQIX	178.75	–22.0%	5	3

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WIDEST DISCOUNTS FROM BOOK VALUE

Stocks whose ratios of recent price to book value are lowest

Page No.	Stock Name	Ticker	Recent Price	Book Value Per sh.*	Percent Price-to-Book Value	Time-liness	Safety Rank	Beta	P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
331	Genco Shipping	GNK	1.80	24.09	7%	4	5	2.10	NMF	NIL	Maritime	85
329	Eagle Bulk Shipping	EGLE	3.38	35.71	9%	4	5	2.10	NMF	NIL	Maritime	85
595	Alpha Natural Res.	ANR	5.84	22.53	26%	2	4	2.05	NMF	NIL	Coal	32
596	Arch Coal	ACI	4.51	13.46	34%	2	4	1.80	NMF	2.7	Coal	32
2000	Career Education	CECO	3.07	9.12	34%	4	4	0.85	NMF	NIL	Educational Services	44
1590	China Green Agriculture	CGA	3.06	8.82	35%	–	5	1.10	1.8	NIL	Chemical (Basic)	49
2001	Corinthian Colleges	COCO	2.31	6.63	35%	2	5	1.10	9.6	NIL	Educational Services	44
1553	Genworth Fin'l	GNW	12.60	33.61	37%	1	4	2.45	9.9	NIL	Insurance (Life)	2
744	ArcelorMittal	MT	13.72	33.39	41%	3	3	1.75	NMF	1.5	Steel	61
1551	AEGON	AEG	7.70	17.04	45%	3	3	1.80	9.7	3.9	Insurance (Life)	2
2189	RadioShack Corp.	RSH	2.76	6.01	46%	4	4	1.10	NMF	NIL	Retail (Hardlines)	47
120	Hutchinson Techn.	HTCH	3.32	7.02	47%	4	5	1.85	NMF	NIL	Precision Instrument	96
1982	FUJIFILM Hldgs. ADR	FUJIY	22.99	44.70	51%	1	2	0.85	15.3	1.7	Foreign Electronics	3
931	NII Holdings	NIHD	6.83	13.49	51%	4	5	1.60	NMF	NIL	Telecom. Services	1
1407	Imation Corp.	IMN	4.95	9.33	53%	4	4	0.85	NMF	NIL	Computers/Peripherals	57
511	Petroleo Brasileiro ADR	PBR	13.96	25.74	54%	2	3	1.55	5.9	1.1	Petroleum (Integrated)	36
2009	Avid Technology	AVID	5.79	10.25	56%	–	3	1.10	NMF	NIL	Entertainment Tech	59
2388	Monster Worldwide	MWW	4.62	7.92	58%	2	4	1.35	12.5	NIL	Advertising	41
311	SkyWest	SKYW	15.47	26.78	58%	1	3	1.10	11.5	1.0	Air Transport	10
967	UTStarcom Holdings	UTSI	2.69	4.53	59%	–	5	1.55	NMF	NIL	Telecom. Equipment	56
579	BlackBerry	BBRY	10.78	18.05	60%	–	3	1.25	NMF	NIL	Wireless Networking	89
2556	Hartford Fin'l Svcs.	HIG	31.04	50.17	62%	2	4	2.05	9.8	1.9	Financial Svcs. (Div.)	26
1569	Kinross Gold	KGC	5.57	8.64	64%	3	3	1.10	16.9	NIL	Precious Metals	86
752	Schnitzer Steel	SCHN	27.22	41.04	66%	2	3	1.55	24.5	2.8	Steel	61
1575	Alcoa Inc.	AA	8.26	12.32	67%	1	3	1.45	25.0	1.5	Metals & Mining (Div.)	45
1188	Central Garden & Pet	CENT	6.62	9.88	67%	3	4	1.00	11.8	NIL	Household Products	84
1218	Atlantic Power Corp.	AT	4.25	6.11	70%	3	4	0.70	NMF	9.2	Power	38
1789	Piper Jaffray Cos.	PJC	33.80	48.20	70%	3	3	1.25	15.4	NIL	Securities Brokerage	27
2504	Bank of America	BAC	14.41	20.24	71%	2	3	1.85	12.9	0.3	Bank	7
532	Pengrowth Energy	PGH	5.81	8.19	71%	3	3	1.35	NMF	8.3	Natural Gas (Div.)	4
1560	Reinsurance Group	RGA	66.61	93.47	71%	3	2	0.95	17.5	1.8	Insurance (Life)	2
1988	Sony Corp. ADR	SNE	20.00	28.22	71%	1	3	1.00	33.3	1.3	Foreign Electronics	3
2536	Amer. Int'l Group	AIG	47.75	66.38	72%	3	4	1.55	11.8	0.8	Financial Svcs. (Div.)	26
1558	Protective Life	PL	42.87	59.06	73%	2	3	1.55	10.7	1.9	Insurance (Life)	2
2622	EarthLink, Inc.	ELNK	5.15	7.00	74%	2	3	0.70	85.8	3.9	Internet	54
1730	Tecumseh Products 'A'	TECUA	10.37	13.98	74%	3	5	1.50	NMF	NIL	Machinery	70
746	Cliffs Natural Res.	CLF	24.47	32.51	75%	3	3	2.05	8.4	2.5	Steel	61
2644	Amer. Capital, Ltd.	ACAS	13.24	17.49	76%	3	5	2.35	10.9	NIL	Public/Private Equity	55
1514	Annaly Capital Mgmt.	NLY	11.97	15.85	76%	3	3	0.60	7.7	11.9	R.E.I.T.	58
2420	Nabors Inds.	NBR	15.57	20.47	76%	2	3	1.60	19.0	1.0	Oilfield Svcs/Equip.	24
1571	Pan Amer. Silver	PAAS	13.60	17.91	76%	3	3	1.35	NMF	3.7	Precious Metals	86
1396	Photronics Inc.	PLAB	7.53	9.73	77%	3	5	1.95	14.8	NIL	Semiconductor Equip	87
173	AngioDynamics	ANGO	11.82	15.09	78%	3	3	0.80	65.7	NIL	Med Supp Invasive	75
763	CNA Fin'l	CNA	35.68	45.71	78%	3	3	1.30	12.3	2.2	Insurance (Prop/Cas.)	48
1554	Lincoln Nat'l Corp.	LNC	42.81	55.17	78%	1	3	2.00	9.2	1.3	Insurance (Life)	2
938	Telephone & Data	TDS	29.26	37.16	79%	2	3	0.95	NMF	1.7	Telecom. Services	1
603	Walter Energy	WLT	12.73	16.16	79%	3	4	2.00	NMF	0.3	Coal	32
565	OM Group	OMG	30.26	37.82	80%	3	3	1.60	21.6	NIL	Chemical (Specialty)	63
754	U.S. Steel Corp.	X	19.20	24.10	80%	2	3	1.80	NMF	1.0	Steel	61
1638	Cross Country Health.	CCRN	5.50	6.77	81%	3	3	1.05	NMF	NIL	Human Resources	20
222	Invacare Corp.	IVC	16.04	19.46	82%	4	3	0.95	NMF	0.3	Med Supp Non-Invasive	79
1227	NRG Energy	NRG	25.97	31.82	82%	3	3	1.10	16.9	1.8	Power	38
2114	Perry Ellis Int'l	PERY	19.77	24.22	82%	3	3	1.60	11.8	NIL	Apparel	71
371	Ruby Tuesday	RT	7.39	9.00	82%	4	4	1.50	NMF	NIL	Restaurant	66
1567	Barrick Gold	ABX	18.21	21.82	83%	3	3	0.95	7.7	1.1	Precious Metals	86
2510	Citigroup Inc.	C	50.90	61.28	83%	1	3	2.05	9.9	0.7	Bank	7
1504	First Niagara Finl Group	FNFG	10.73	12.98	83%	3	3	0.85	13.9	3.0	Thrift	33
2539	Assurant Inc.	AIZ	55.69	65.92	84%	4	3	1.05	9.3	1.8	Financial Svcs. (Div.)	26
1162	Domtar Corp.	UFS	69.40	82.56	84%	3	3	1.55	14.1	3.2	Paper/Forest Products	46
2029	Endurance Specialty	ENH	52.21	62.47	84%	4	3	0.85	12.2	2.5	Reinsurance	67
2533	Aircastle Ltd.	AYR	16.91	19.81	85%	3	4	1.45	10.6	3.9	Financial Svcs. (Div.)	26
1782	E*Trade Fin'l	ETFC	14.51	17.14	85%	1	4	1.55	21.0	NIL	Securities Brokerage	27
1411	Mercury Systems	MRCY	9.48	11.20	85%	4	4	1.05	NMF	NIL	Computers/Peripherals	57
2520	Popular Inc.	BPOP	33.51	39.34	85%	2	4	1.15	11.2	NIL	Bank	7
336	Teekay Corp.	TK	39.00	45.79	85%	3	3	1.50	NMF	3.2	Maritime	85
2027	Assured Guaranty	AGO	22.13	25.74	86%	3	4	1.90	10.2	1.8	Reinsurance	67
1556	MetLife Inc.	MET	48.88	57.12	86%	1	3	1.70	8.9	2.3	Insurance (Life)	2
1953	Pantry (The), Inc.	PTRY	12.09	14.02	86%	2	3	0.85	15.9	NIL	Retail/Wholesale Food	34
2026	Aspen Insurance Hldgs.	AHL	36.34	41.91	87%	5	3	0.85	13.7	2.0	Reinsurance	67
2561	Legg Mason	LM	33.53	38.46	87%	2	3	1.60	15.6	1.6	Financial Svcs. (Div.)	26
1786	Morgan Stanley	MS	26.52	30.70	87%	3	3	1.70	13.7	0.8	Securities Brokerage	27
590	Smith Micro Software	SMSI	1.04	1.19	87%	4	5	1.35	NMF	NIL	Wireless Networking	89
776	XL Group plc	XL	30.73	35.19	87%	2	3	1.45	13.5	1.8	Insurance (Prop/Cas.)	48
304	Atlas Air Worldwide	AAWW	42.92	48.57	88%	3	4	1.70	8.7	NIL	Air Transport	10
1566	AngloGold Ashanti ADS	AU	13.48	15.18	89%	2	3	1.15	NMF	1.6	Precious Metals	86
2320	Speedway Motorsports	TRK	18.49	20.71	89%	3	3	0.95	15.0	3.2	Recreation	29
748	Gibraltar Inds.	ROCK	13.84	15.41	90%	3	4	1.55	14.3	NIL	Steel	61
976	PharMerica Corp.	PMC	13.52	15.01	90%	2	3	0.85	9.0	NIL	Pharmacy Services	14
2147	Penney (J.C.)	JCP	13.17	14.46	91%	4	4	1.20	NMF	NIL	Retail Store	31
2612	ManTech Int'l 'A'	MANT	28.86	31.46	92%	3	3	0.85	12.4	2.9	IT Services	42
1754	McDermott Int'l	MDR	7.34	8.00	92%	4	3	1.75	14.7	NIL	Diversified Co.	74
1584	Teck Resources Ltd. 'B'	TCKB.TO	28.18	30.57	92%	3	3	1.90	13.7	3.5	Metals & Mining (Div.)	45
2521	Regions Financial	RF	9.85	10.63	93%	3	4	1.20	12.8	1.2	Bank	7
2524	SunTrust Banks	STI	34.80	37.59	93%	1	3	1.20	12.7	1.1	Bank	7
1562	Unum Group	UNM	29.63	31.92	93%	3	3	1.30	9.0	2.0	Insurance (Life)	2
795	Wintrust Financial	WTFC	40.95	44.18	93%	1	3	1.00	16.4	0.4	Bank (Midwest)	30
2562	Loews Corp.	L	46.42	49.25	94%	3	2	1.10	14.0	0.5	Financial Svcs. (Div.)	26
948	Black Box	BBOX	28.51	29.89	95%	3	3	1.10	15.0	1.3	Telecom. Equipment	56
1915	Fresh Del Monte Prod.	FDP	29.66	31.12	95%	2	3	0.90	16.6	1.9	Food Processing	76
768	Hanover Insurance	THG	55.73	58.59	95%	2	2	0.80	13.8	2.4	Insurance (Prop/Cas.)	48
310	JetBlue Airways	JBLU	6.36	6.72	95%	3	4	1.20	11.6	NIL	Air Transport	10
2559	Kemper Corp.	KMPR	35.06	36.98	95%	3	3	1.10	19.2	2.7	Financial Svcs. (Div.)	26
1240	Layne Christensen	LAYN	19.75	20.83	95%	3	3	1.35	NMF	NIL	Engineering & Const	11
2197	West Marine	WMAR	11.10	11.72	95%	3	3	0.95	20.9	NIL	Retail (Hardlines)	47
1706	Brooks Automation	BRKS	9.35	9.77	96%	4	3	1.50	15.8	3.4	Machinery	70
1559	Prudential Fin'l	PRU	79.71	83.31	96%	1	3	1.85	9.4	2.2	Insurance (Life)	2
2525	Susquehanna Bancshs.	SUSQ	13.38	13.90	96%	2	3	1.20	13.9	2.4	Bank	7
1390	Amkor Technology	AMKR	4.19	4.32	97%	2	5	1.65	7.6	NIL	Semiconductor Equip	87
1502	Astoria Financial	AF	12.76	13.15	97%	3	3	0.95	24.1	1.3	Thrift	33
1408	Ingram Micro 'A'	IM	23.40	24.02	97%	1	3	0.95	10.2	NIL	Computers/Peripherals	57

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LOWEST P/Es

Stocks with the lowest estimated current P/E ratios

Page No.	Stock Name	Recent Price	Current P/E Ratio	Time-liness	Safety Rank	Industry Group	Industry Rank
1590	China Green Agriculture	3.06	1.8	–	5	Chemical (Basic)	49
946	Alcatel-Lucent ADR	2.66	4.2	4	5	Telecom. Equipment	56
1613	Enzon Pharmac.	1.84	4.6	–	5	Drug	81
1627	PDL BioPharma	8.44	4.8	1	4	Drug	81
1557	Phoenix (The) Cos.	42.36	5.0	3	5	Insurance (Life)	2
2379	McClatchy Co.	3.00	5.3	2	5	Newspaper	17
2645	Apollo Investment	8.10	5.4	2	4	Public/Private Equity	55
511	Petroleo Brasileiro ADR	13.96	5.9	2	3	Petroleum (Integrated)	36
314	US Airways Group	16.82	6.5	–	5	Air Transport	10
309	Hawaiian Hldgs.	7.37	6.6	2	4	Air Transport	10
1422	ACCO Brands	7.21	6.9	–	5	Office Equip/Supplies	19
506	HollyFrontier Corp.	44.98	7.3	–	3	Petroleum (Integrated)	36
1588	CF Industries	190.12	7.4	3	3	Chemical (Basic)	49
1390	Amkor Technology	4.19	7.6	2	5	Semiconductor Equip	87
502	BP PLC ADR	41.08	7.6	2	3	Petroleum (Integrated)	36
2031	Greenlight Capital Re	27.15	7.6	3	3	Reinsurance	67
513	Royal Dutch Shell 'A'	64.40	7.6	3	1	Petroleum (Integrated)	36
1514	Annaly Capital Mgmt.	11.97	7.7	3	3	R.E.I.T.	58
1567	Barrick Gold	18.21	7.7	3	3	Precious Metals	86
2548	EZCORP, Inc.	18.01	7.7	3	3	Financial Svcs. (Div.)	26
1416	Seagate Technology	41.34	7.7	4	3	Computers/Peripherals	57
107	Tata Motors ADR	23.17	7.7	4	3	Automotive	6
1632	Teva Pharmac. ADR	39.80	7.7	3	1	Drug	81
2651	KKR & Co. L.P.	20.37	7.8	5	2	Public/Private Equity	55
512	Phillips 66	58.17	7.8	–	3	Petroleum (Integrated)	36
307	Delta Air Lines	21.04	7.9	1	4	Air Transport	10
516	Total ADR	53.57	8.0	2	1	Petroleum (Integrated)	36
1420	Western Digital	68.17	8.1	4	3	Computers/Peripherals	57
2030	Everest Re Group Ltd.	134.50	8.2	1	1	Reinsurance	67
598	Joy Global	51.84	8.2	3	3	Coal	32
1757	Park-Ohio	33.11	8.2	2	4	Diversified Co.	74
2016	Rovi Corp.	19.02	8.3	3	3	Entertainment Tech	59
746	Cliffs Natural Res.	24.47	8.4	3	3	Steel	61
1998	Apollo Group 'A'	19.77	8.6	2	3	Educational Services	44
304	Atlas Air Worldwide	42.92	8.7	3	4	Air Transport	10
159	CNH Global NV	47.49	8.7	–	3	Heavy Truck & Equip	60
2414	Ensco plc	58.40	8.7	2	3	Oilfield Svcs/Equip.	24
2568	SLM Corporation	24.79	8.7	1	4	Financial Svcs. (Div.)	26
1419	Unisys Corp.	25.44	8.7	3	5	Computers/Peripherals	57
1357	Cirrus Logic	20.34	8.8	4	3	Semiconductor	88
1040	Telefonica SA ADR	14.50	8.8	2	4	Telecom. Utility	13
1556	MetLife Inc.	48.88	8.9	1	3	Insurance (Life)	2
2518	Nat'l Bank of Canada	77.83	8.9	2	2	Bank	7
1032	Alaska Communic.	3.79	9.0	2	4	Telecom. Utility	13
1323	Arrow Electronics	47.43	9.0	3	3	Electronics	40
976	PharMerica Corp.	13.52	9.0	2	3	Pharmacy Services	14
1582	Rio Tinto plc	49.74	9.0	3	3	Metals & Mining (Div.)	45
1562	Unum Group	29.63	9.0	3	3	Insurance (Life)	2
517	Valero Energy	36.85	9.0	3	3	Petroleum (Integrated)	36
1586	Agrium, Inc.	86.91	9.1	4	3	Chemical (Basic)	49
503	Chevron Corp.	121.80	9.1	4	1	Petroleum (Integrated)	36
1780	BGC Partners Inc.	6.05	9.2	–	4	Securities Brokerage	27
2544	Cash Amer. Int'l	40.65	9.2	4	3	Financial Svcs. (Div.)	26
1580	Freep't-McMoRan C&G	31.85	9.2	3	3	Metals & Mining (Div.)	45
1554	Lincoln Nat'l Corp.	42.81	9.2	1	3	Insurance (Life)	2
2539	Assurant Inc.	55.69	9.3	4	3	Financial Svcs. (Div.)	26
1587	Axiall Corp.	44.05	9.3	3	4	Chemical (Basic)	49
949	Broadcom Corp. 'A'	26.06	9.3	4	3	Telecom. Equipment	56
2545	Crawford & Co. 'B'	7.59	9.3	3	4	Financial Svcs. (Div.)	26
2646	Blackstone Group LP	22.94	9.4	2	3	Public/Private Equity	55
2509	Can. Imperial Bank	78.47	9.4	2	2	Bank	7
997	Goodyear Tire	19.38	9.4	1	4	Auto Parts	6
2515	JPMorgan Chase	54.09	9.4	1	3	Bank	7
1559	Prudential Fin'l	79.71	9.4	1	3	Insurance (Life)	2
740	Trinity Inds.	40.98	9.4	1	3	Metal Fabricating	73
986	Cooper Tire & Rubber	33.01	9.5	–	3	Auto Parts	6
2391	Valassis Communic.	28.98	9.5	3	4	Advertising	41
1345	Vishay Intertechnology	13.46	9.5	3	3	Electronics	40
156	AGCO Corp.	57.45	9.6	2	3	Heavy Truck & Equip	60
1324	Avnet, Inc.	38.99	9.6	2	3	Electronics	40
2001	Corinthian Colleges	2.31	9.6	2	5	Educational Services	44
508	Marathon Petroleum	73.05	9.6	–	3	Petroleum (Integrated)	36
2319	Smith & Wesson Hldg.	12.46	9.6	2	3	Recreation	29
515	Tesoro Corp.	52.27	9.6	4	3	Petroleum (Integrated)	36
943	Vonage Holdings	3.26	9.6	3	5	Telecom. Services	1
1551	AEGON	7.70	9.7	3	3	Insurance (Life)	2
2396	Apache Corp.	82.70	9.7	3	3	Petroleum (Producing)	9
783	Fifth Third Bancorp	19.27	9.7	2	3	Bank (Midwest)	30
1595	Mosaic Company	43.85	9.7	3	3	Chemical (Basic)	49
1216	AES Corp.	13.08	9.8	1	3	Power	38
1223	First Solar, Inc.	40.57	9.8	3	3	Power	38
2556	Hartford Fin'l Svcs.	31.04	9.8	2	4	Financial Svcs. (Div.)	26
1930	Pilgrim's Pride Corp.	18.20	9.8	2	3	Food Processing	76
2033	RenaissanceRe Hldgs.	84.58	9.8	3	2	Reinsurance	67
1418	Tech Data	52.79	9.8	3	3	Computers/Peripherals	57
1008	Titan Int'l	17.00	9.8	3	3	Auto Parts	6
2543	Capital One Fin'l	68.42	9.9	2	3	Financial Svcs. (Div.)	26
2510	Citigroup Inc	50.90	9.9	1	3	Bank	7
1304	Corning Inc.	15.11	9.9	2	3	Electrical Equipment	51
162	Deere & Co.	83.38	9.9	2	2	Heavy Truck & Equip	60
1553	Genworth Fin'l	12.60	9.9	1	4	Insurance (Life)	2
1952	Nash Finch Co.	26.06	9.9	–	3	Retail/Wholesale Food	34
1552	Aflac Inc.	61.53	10.0	3	3	Insurance (Life)	2
947	Arris Group	16.97	10.0	1	3	Telecom. Equipment	56
2003	ITT Educational	30.00	10.0	2	4	Educational Services	44
1432	Xerox Corp.	10.15	10.0	2	3	Office Equip/Supplies	19
981	Amer. Axle	20.14	10.1	3	5	Auto Parts	6
412	Fuel Tech, Inc.	4.03	10.1	2	4	Environmental	64
104	General Motors	35.98	10.1	2	3	Automotive	8
2384	Global Sources	7.25	10.1	3	3	Advertising	41

HIGHEST P/Es

Stocks with the highest estimated current P/E ratios

Page No.	Stock Name	Recent Price	Current P/E Ratio	Time-liness	Safety Rank	Industry Group	Industry Rank
1542	SL Green Realty	89.71	98.6	4	3	R.E.I.T.	58
1937	Synutra Int'l	4.91	98.2	–	5	Food Processing	76
597	CONSOL Energy	31.58	90.2	3	3	Coal	32
435	Advisory Board	58.58	90.1	5	2	Information Services	83
2622	EarthLink, Inc.	5.15	85.8	2	3	Internet	54
585	Intermec Inc.	9.91	82.6	–	3	Wireless Networking	89
1576	Allegheny Techn.	28.46	79.1	3	3	Metals & Mining (Div.)	45
1548	Washington R.E.I.T.	26.08	76.7	3	3	R.E.I.T.	58
1405	Fusion-io, Inc.	11.40	76.0	–	3	Computers/Peripherals	57
2361	Vail Resorts	68.86	75.7	3	3	Hotel/Gaming	15
580	Crown Castle Int'l	67.44	74.9	5	3	Wireless Networking	89
1426	Office Depot	4.37	72.8	–	5	Office Equip/Supplies	19
2115	Quiksilver Inc.	5.69	71.1	5	5	Apparel	71
1614	Forest Labs.	43.45	70.1	4	3	Drug	81
1382	SunEdison Inc.	7.62	69.3	3	4	Semiconductor	88
1344	3D Systems	49.76	68.1	4	3	Electronics	40
1533	Host Hotels & Resorts	17.71	68.1	1	3	R.E.I.T.	58
2625	Facebook Inc.	38.22	67.1	–	3	Internet	54
2387	Lamar Advertising	44.18	66.9	2	3	Advertising	41
1799	Equinix, Inc.	178.75	66.2	5	3	E-Commerce	97
1516	AvalonBay Communities	131.77	65.9	4	3	R.E.I.T.	58
1530	Health Care REIT	63.14	65.8	4	3	R.E.I.T.	58
936	T-Mobile US	25.01	65.8	–	3	Telecom. Services	1
173	AngioDynamics	11.82	65.7	3	3	Med Supp Invasive	75
2574	Adobe Systems	47.20	65.6	5	3	Computer Software	94
838	QIAGEN N.V.	21.51	65.2	3	3	Biotechnology	93
439	CoStar Group	162.82	64.6	3	3	Information Services	83
581	DSP Group	7.00	63.6	3	3	Wireless Networking	89
2354	Orient-Express Hotels	12.59	63.0	2	4	Hotel/Gaming	15
2590	Red Hat, Inc.	52.28	61.5	4	3	Computer Software	94
135	Ultratech, Inc.	28.43	60.5	5	3	Precision Instrument	96
970	BioScrip, Inc.	14.13	58.9	5	4	Pharmacy Services	14
221	Illumina Inc.	78.72	57.9	3	3	Med Supp Non-Invasive	79
1358	Cree, Inc.	74.75	57.5	4	3	Semiconductor	88
1018	Regis Corp.	17.59	56.7	3	3	Toiletries/Cosmetics	90
1353	ARM Holdings plc	41.27	56.5	4	3	Semiconductor	88
2637	TripAdvisor, Inc.	81.26	55.3	–	3	Internet	54
1603	Alexion Pharmac.	109.26	55.2	3	3	Drug	81
1148	Dixie Group	11.45	54.5	2	4	Furn/Home Furnishings	62
583	Finisar Corp.	21.77	54.4	3	4	Wireless Networking	89
1170	Wausau Paper	11.38	54.2	3	3	Paper/Forest Products	46
2232	Wet Seal 'A'	4.32	54.0	3	3	Retail (Softlines)	69
1528	General Growth Prop.	20.83	53.4	–	3	R.E.I.T.	58
2359	Scientific Games	14.36	53.2	3	4	Hotel/Gaming	15
1041	tw telecom	29.67	53.0	5	3	Telecom. Utility	13
1803	Rackspace Hosting	47.51	52.2	5	3	E-Commerce	97
1534	Kimco Realty	21.88	52.1	3	3	R.E.I.T.	58
2142	Five Below, Inc.	37.27	51.8	–	3	Retail Store	31
1142	Tile Shop Hldgs.	27.26	51.4	–	3	Retail Building Supply	77
840	Regeneron Pharmac.	245.96	51.2	4	3	Biotechnology	93
1541	Realty Income Corp.	43.00	50.6	3	3	R.E.I.T.	58
2213	Citi Trends	14.04	50.1	3	4	Retail (Softlines)	69
824	MedAssets	23.93	49.9	3	3	Healthcare Information	92
2224	New York & Co.	5.96	49.7	1	5	Retail (Softlines)	69
2405	Range Resources Corp.	78.80	49.3	3	3	Petroleum (Producing)	9
1904	Boulder Brands	16.22	49.2	5	3	Food Processing	76
1386	TriQuint Semic.	7.72	48.3	3	4	Semiconductor	88
2118	Under Armour	73.93	48.3	3	3	Apparel	71
537	Talisman Energy	11.08	48.2	2	3	Natural Gas (Div.)	4
1800	Informatica Corp.	38.44	48.1	5	3	E-Commerce	97
174	ArthroCare Corp.	35.21	47.6	5	3	Med Supp Invasive	75
1746	GenCorp Inc.	16.20	47.6	4	4	Diversified Co.	74
993	Fuel Sys. Solns.	20.69	47.0	3	3	Auto Parts	6
1771	Amer. States Water	62.91	46.3	3	2	Water Utility	53
1525	Federal Rlty. Inv. Trust	104.10	46.1	3	3	R.E.I.T.	58
806	Healthways Inc.	17.95	46.0	3	3	Medical Services	18
204	Abaxis, Inc.	40.96	45.5	5	3	Med Supp Non-Invasive	79
619	Inergy, L.P.	15.00	45.5	–	3	Pipeline MLPs	95
127	National Instruments	27.92	45.0	5	3	Precision Instrument	96
2347	Hyatt Hotels	45.06	44.6	1	3	Hotel/Gaming	15
972	Catamaran Corp.	57.22	44.4	3	3	Pharmacy Services	14
2183	MarineMax	11.91	44.1	2	4	Retail (Hardlines)	47
1362	Integrated Device	8.75	43.8	4	3	Semiconductor	88
1912	Diamond Foods	20.08	43.7	–	4	Food Processing	76
1026	EchoStar Corp.	43.80	43.4	4	3	Cable TV	39
2575	Advent Software	28.95	43.2	–	3	Computer Software	94
2620	Blue Nile	37.65	42.8	3	3	Internet	54
1146	Bassett Furniture	16.19	42.6	3	4	Furn/Home Furnishings	62
1015	Inter Parfums	30.19	42.5	5	3	Toiletries/Cosmetics	90
1027	Liberty Global plc	77.86	42.1	3	3	Cable TV	39
1748	Griffon Corp.	11.63	41.5	3	3	Diversified Co.	74
318	Arkansas Best	23.53	41.3	2	3	Trucking	5
1808	TIBCO Software	24.20	41.0	5	3	E-Commerce	97
443	Forrester Research	35.00	40.7	5	3	Information Services	83
2355	Penn Nat'l Gaming	52.46	40.0	5	3	Hotel/Gaming	15
2621	Ctrip.com Int'l ADR	43.25	39.7	4	3	Internet	54
1967	Boston Beer 'A'	211.65	39.6	3	2	Beverage	68
963	Polycom, Inc.	9.78	39.1	4	3	Telecom. Equipment	56
1805	Sapient Corp.	15.63	39.1	3	3	E-Commerce	97
1547	W.P. Carey Inc.	67.07	39.0	–	3	R.E.I.T.	58
1543	Simon Property Group	157.29	38.9	3	3	R.E.I.T.	58
612	Williams Cos.	35.49	38.6	–	3	Oil/Gas Distribution	91
399	Macquarie Infrastructure	55.09	38.5	5	3	Industrial Services	43
445	IHS Inc.	115.91	38.3	4	3	Information Services	83
2330	DreamWorks Animation	28.28	38.2	3	3	Entertainment	78
2595	VMware, Inc.	86.02	38.2	3	3	Computer Software	94
1602	Albany Molecular	11.31	37.7	2	4	Drug	81
358	Chipotle Mex. Grill	402.97	37.7	3	3	Restaurant	66
227	Medical Action Inds.	6.35	37.4	3	4	Med Supp Non-Invasive	79
2212	Christopher & Banks	6.70	37.2	3	5	Retail (Softlines)	69

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STOCKS WITH HIGHEST ANNUAL TOTAL RETURNS (NEXT 3 TO 5 YEARS)

(Estimated compound annual stock price appreciation plus estimated annual dividend income.)

Page No.	Stock Name	Recent Price	Est'd Total Return	Time-liness	Safety Rank	Industry Group	Industry Rank
1350	ANADIGICS Inc.	1.85	58%	4	5	Semiconductor	88
590	Smith Micro Software	1.04	52%	4	5	Wireless Networking	89
1366	LSI Corp.	7.68	49%	3	3	Semiconductor	88
1590	China Green Agriculture	3.06	46%	–	5	Chemical (Basic)	49
2207	Body Central Corp.	7.56	44%	4	3	Retail (Softlines)	69
535	Quicksilver Res.	1.65	44%	2	5	Natural Gas (Div.)	4
532	Pengrowth Energy	5.81	43%	3	3	Natural Gas (Div.)	4
1187	Blyth Inc.	10.93	42%	4	3	Household Products	84
1404	Extreme Networks	4.10	41%	3	4	Computers/Peripherals	57
831	Dendreon Corp.	3.37	39%	4	5	Biotechnology	93
1754	McDermott Int'l	7.34	39%	4	3	Diversified Co.	74
845	XenoPort, Inc.	4.59	36%	5	5	Biotechnology	93
409	Casella Waste Sys.	4.75	35%	4	5	Environmental	64
1422	ACCO Brands	7.21	34%	–	5	Office Equip/Supplies	19
412	Fuel Tech, Inc.	4.03	34%	2	4	Environmental	64
2645	Apollo Investment	8.10	33%	2	4	Public/Private Equity	55
2419	ION Geophysical	5.04	33%	3	5	Oilfield Svcs/Equip.	24
511	Petroleo Brasileiro ADR	13.96	33%	2	3	Petroleum (Integrated)	36
1937	Synutra Int'l	4.91	33%	–	5	Food Processing	76
1188	Central Garden & Pet	6.62	31%	3	4	Household Products	84
582	Echelon Corp.	2.24	31%	4	4	Wireless Networking	89
1526	FelCor Lodging Tr.	6.01	31%	3	5	R.E.I.T.	58
1569	Kinross Gold	5.57	31%	3	3	Precious Metals	86
415	Tetra Tech	23.02	31%	4	3	Environmental	64
1008	Titan Int'l	17.00	31%	3	3	Auto Parts	6
1638	Cross Country Health.	5.50	30%	3	3	Human Resources	20
528	Linn Energy, LLC	23.93	30%	3	3	Natural Gas (Div.)	4
2370	Martha Stewart	2.62	30%	–	5	Publishing	21
1986	Panasonic Corp.	8.72	30%	4	3	Foreign Electronics	3
2016	Rovi Corp.	19.02	30%	3	3	Entertainment Tech	59
596	Arch Coal	4.51	29%	2	4	Coal	32
832	Enzo Biochem	2.35	29%	4	4	Biotechnology	93
2548	EZCORP, Inc.	18.01	29%	3	3	Financial Svcs. (Div.)	26
1224	FuelCell Energy	1.25	29%	4	5	Power	38
191	LCA-Vision	3.83	29%	3	4	Med Supp Invasive	75
841	Senomyx, Inc.	3.25	29%	3	5	Biotechnology	93
1361	Fairchild Semic.	12.26	28%	3	3	Semiconductor	88
965	Riverbed Technology	16.02	28%	4	3	Telecom. Equipment	56
603	Walter Energy	12.73	28%	3	4	Coal	32
2196	Weight Watchers	37.03	28%	4	3	Retail (Hardlines)	47
349	BJ's Restaurants	31.89	27%	5	3	Restaurant	66
182	CryoLife Inc.	6.87	27%	4	3	Med Supp Invasive	75
1405	Fusion-io, Inc.	11.40	27%	–	3	Computers/Peripherals	57
332	Golar LNG Ltd.	37.85	27%	4	3	Maritime	85
1533	Host Hotels & Resorts	17.71	27%	1	3	R.E.I.T.	58
2520	Popular Inc.	33.51	27%	2	4	Bank	7
1597	Potash Corp.	30.97	27%	4	3	Chemical (Basic)	49
2432	Weatherford Int'l	14.49	27%	2	3	Oilfield Svcs/Equip.	24
1390	Amkor Technology	4.19	26%	2	5	Semiconductor Equip	87
1571	Pan Amer. Silver	13.60	26%	3	3	Precious Metals	86
2015	RealD Inc.	9.22	26%	4	4	Entertainment Tech	59
1042	Windstream Corp.	8.34	26%	2	3	Telecom. Utility	13
742	AK Steel Holding	3.74	25%	2	5	Steel	61
1589	CVR Partners, LP	19.77	25%	–	3	Chemical (Basic)	49
1973	Cott Corp.	8.35	25%	3	4	Beverage	68
833	Exelixis,Inc.	4.92	25%	4	5	Biotechnology	93
993	Fuel Sys. Solns.	20.69	25%	3	3	Auto Parts	6
1124	Hovnanian Enterpr. 'A'	5.31	25%	3	5	Homebuilding	12
2627	IAC/InterActiveCorp	50.16	25%	2	2	Internet	54
2610	Infosys Ltd. ADR	49.54	25%	3	2	IT Services	42
2651	KKR & Co. L.P.	20.37	25%	5	2	Public/Private Equity	55
2612	ManTech Int'l 'A'	28.86	25%	3	3	IT Services	42
1595	Mosaic Company	43.85	25%	3	3	Chemical (Basic)	49
2420	Nabors Inds.	15.57	25%	2	3	Oilfield Svcs/Equip.	24
2185	Nautilus Inc.	6.36	25%	3	5	Retail (Hardlines)	47
1130	PulteGroup, Inc.	15.73	25%	3	3	Homebuilding	12
401	Resources Connection	13.73	25%	4	3	Industrial Services	43
1583	Southern Copper	29.46	25%	4	3	Metals & Mining (Div.)	45
107	Tata Motors ADR	23.17	25%	4	3	Automotive	8
1384	Tessera Technologies	19.24	25%	4	3	Semiconductor	88
843	United Therapeutics	73.56	25%	1	3	Biotechnology	93
1576	Allegheny Techn.	28.46	24%	3	3	Metals & Mining (Div.)	45
553	Amer. Vanguard Corp.	25.87	24%	4	3	Chemical (Specialty)	63
2009	Avid Technology	5.79	24%	–	3	Entertainment Tech	59
1907	Calavo Growers	27.09	24%	5	3	Food Processing	76
746	Cliffs Natural Res.	24.47	24%	3	3	Steel	61
2011	Daktronics Inc.	10.94	24%	3	3	Entertainment Tech	59
526	Encana Corp.	17.45	24%	3	3	Natural Gas (Div.)	4
601	Peabody Energy	17.78	24%	2	3	Coal	32
825	Quality Systems	22.54	24%	4	3	Healthcare Information	92
1564	ASA Gold & Precious	14.06	23%	–	3	Precious Metals	86
2534	AllianceBernstein Hldg.	21.01	23%	1	3	Financial Svcs. (Div.)	26
744	ArcelorMittal	13.72	23%	3	3	Steel	61
2507	Bank of New York Mellon	30.75	23%	2	3	Bank	7
2603	Cognizant Technology	73.39	23%	3	2	IT Services	42
214	Cutera, Inc.	9.29	23%	4	3	Med Supp Non-Invasive	79
2622	EarthLink, Inc.	5.15	23%	2	3	Internet	54
1799	Equinix, Inc.	178.75	23%	5	3	E-Commerce	97
2514	First Commonwealth	7.64	23%	4	3	Bank	7
2349	Las Vegas Sands	56.43	23%	2	4	Hotel/Gaming	15
371	Ruby Tuesday	7.39	23%	4	4	Restaurant	66
403	SAIC, Inc.	15.95	23%	3	2	Industrial Services	43
1380	Skyworks Solutions	24.25	23%	2	3	Semiconductor	88
1399	Apple Inc.	467.36	22%	4	2	Computers/Peripherals	57
947	Arris Group	16.97	22%	1	3	Telecom. Equipment	56
1218	Atlantic Power Corp.	4.25	22%	3	4	Power	38
1136	BlueLinx Holdings	1.78	22%	4	5	Retail Building Supply	77
2545	Crawford & Co. 'B'	7.59	22%	3	4	Financial Svcs. (Div.)	26
2401	Forest Oil	5.14	22%	–	4	Petroleum (Producing)	9
2649	Gladstone Capital	8.78	22%	4	4	Public/Private Equity	55

STOCKS WITH HIGHEST PROJECTED 3- TO 5-YEAR DIVIDEND YIELD

Based upon the projected dividend per share 3 to 5 years hence divided by the recent price

Page No.	Stock Name	Recent Price	Est'd Future Yield	Time-liness	Safety Rank	Industry Group	Industry Rank
2645	Apollo Investment	8.10	22%	2	4	Public/Private Equity	55
532	Pengrowth Energy	5.81	22%	3	3	Natural Gas (Div.)	4
1514	Annaly Capital Mgmt.	11.97	17%	3	3	R.E.I.T.	58
528	Linn Energy, LLC	23.93	16%	3	3	Natural Gas (Div.)	4
1589	CVR Partners, LP	19.77	15%	–	3	Chemical (Basic)	49
602	Rhino Resource Partners	12.60	14%	–	3	Coal	32
1780	BGC Partners Inc.	6.05	13%	–	4	Securities Brokerage	27
599	Natural Resource	19.50	12%	3	3	Coal	32
1042	Windstream Corp.	8.34	12%	2	3	Telecom. Utility	13
2534	AllianceBernstein Hldg.	21.01	11%	1	3	Financial Svcs. (Div.)	26
1815	StoneMor Partners L.P.	22.76	11%	5	3	Funeral Services	72
2649	Gladstone Capital	8.78	10%	4	4	Public/Private Equity	55
2651	KKR & Co. L.P.	20.37	10%	5	2	Public/Private Equity	55
932	NTELOS Hldgs.	18.62	10%	–	3	Telecom. Services	1
600	PVR Partners, L.P.	23.50	10%	5	3	Coal	32
2428	Seadrill Ltd.	44.12	10%	3	3	Oilfield Svcs/Equip.	24
937	Telecom N. Zealand	9.12	10%	–	3	Telecom. Services	1
1218	Atlantic Power Corp.	4.25	9%	3	4	Power	38
1037	Consol. Communic.	17.32	9%	2	3	Telecom. Utility	13
1039	Frontier Communic.	4.65	9%	2	4	Telecom. Utility	13
619	Inergy, L.P.	15.00	9%	–	3	Pipeline MLPs	95
1537	Mack-Cali R'lty	23.17	9%	3	3	R.E.I.T.	58
623	Suburban Propane	45.05	9%	3	3	Pipeline MLPs	95
1040	Telefonica SA ADR	14.50	9%	2	4	Telecom. Utility	13
624	Williams Partners L.P.	49.15	9%	4	3	Pipeline MLPs	95
614	Boardwalk Pipeline	29.45	8%	4	3	Pipeline MLPs	95
2306	Cedar Fair L.P.	44.20	8%	3	3	Recreation	29
1522	Digital Realty Trust	55.20	8%	3	3	R.E.I.T.	58
616	El Paso Pipeline	41.86	8%	5	3	Pipeline MLPs	95
617	Energy Transfer	52.18	8%	3	2	Pipeline MLPs	95
2648	Fortress Investment	7.65	8%	1	4	Public/Private Equity	55
332	Golar LNG Ltd.	37.85	8%	4	3	Maritime	85
620	Kinder Morgan Energy	82.62	8%	3	2	Pipeline MLPs	95
399	Macquarie Infrastructure	55.09	8%	5	3	Industrial Services	43
2357	Ryman Hospitality	34.61	8%	3	4	Hotel/Gaming	15
1230	TransAlta Corp.	13.75	8%	2	3	Power	38
942	Vodafone Group ADR	30.27	8%	2	2	Telecom. Services	1
594	Alliance Resource	74.47	7%	2	3	Coal	32
1990	Altria Group	35.16	7%	4	2	Tobacco	60
1033	BCE Inc.	40.37	7%	4	3	Telecom. Utility	13
502	BP PLC ADR	41.08	7%	2	3	Petroleum (Integrated)	36
2646	Blackstone Group LP	22.94	7%	2	3	Public/Private Equity	55
1520	Corrections Corp. Amer.	34.83	7%	3	3	R.E.I.T.	58
1038	Deutsche Telekom ADR	13.16	7%	1	2	Telecom. Utility	13
1530	Health Care REIT	63.14	7%	4	3	R.E.I.T.	58
1532	Hospitality Properties	29.00	7%	2	3	R.E.I.T.	58
1535	Liberty Property	37.46	7%	3	3	R.E.I.T.	58
1992	Lorillard Inc.	43.55	7%	2	2	Tobacco	60
1583	Southern Copper	29.46	7%	4	3	Metals & Mining (Div.)	45
516	Total ADR	53.57	7%	2	1	Petroleum (Integrated)	36
1547	W.P. Carey Inc.	67.07	7%	–	3	R.E.I.T.	58
1548	Washington R.E.I.T.	26.08	7%	3	3	R.E.I.T.	58
922	AT&T Inc.	34.92	6%	2	1	Telecom. Services	1
615	Buckeye Partners L.P.	67.96	6%	3	3	Pipeline MLPs	95
1981	Canon Inc. ADR	32.34	6%	1	2	Foreign Electronics	3
2209	Cato Corp.	28.57	6%	3	3	Retail (Softlines)	69
1035	CenturyLink Inc.	34.08	6%	3	3	Telecom. Utility	13
952	Comtech Telecom.	26.50	6%	3	3	Telecom. Equipment	56
1521	DDR Corp.	16.52	6%	3	4	R.E.I.T.	58
360	Darden Restaurants	49.26	6%	3	3	Restaurant	66
2369	Donnelley (R.R) & Sons	19.20	6%	2	3	Publishing	21
163	Douglas Dynamics	14.93	6%	4	2	Heavy Truck & Equip	60
1523	Duke Realty Corp.	15.80	6%	3	3	R.E.I.T.	58
618	Enterprise Products	60.60	6%	4	3	Pipeline MLPs	95
1524	Equity Residential	53.47	6%	4	3	R.E.I.T.	58
1308	Garmin Ltd.	39.50	6%	3	3	Electrical Equipment	51
1527	Geo Group (The)	35.59	6%	3	3	R.E.I.T.	58
1529	HCP Inc.	42.21	6%	4	3	R.E.I.T.	58
1531	Healthcare R'lty Trust	24.61	6%	5	3	R.E.I.T.	58
1533	Host Hotels & Resorts	17.71	6%	1	3	R.E.I.T.	58
1365	Intersil Corp. 'A'	11.03	6%	3	3	Semiconductor	88
396	Iron Mountain	27.95	6%	4	3	Industrial Services	43
123	Landauer, Inc.	46.86	6%	4	3	Precision Instrument	96
621	Magellan Midstream	54.83	6%	4	3	Pipeline MLPs	95
770	Mercury General	44.08	6%	3	2	Insurance (Prop/Cas.)	48
2518	Nat'l Bank of Canada	77.83	6%	2	2	Bank	7
2389	National CineMedia	18.30	6%	3	3	Advertising	41
1506	New York Community	15.42	6%	3	3	Thrift	33
1627	PDL BioPharma	8.44	6%	1	4	Drug	81
609	Pembina Pipeline Corp.	32.86	6%	4	3	Oil/Gas Distribution	91
149	Pepco Holdings	20.20	6%	2	3	Electric Utility (East)	16
622	Plains All Amer. Pipe.	54.25	6%	5	3	Pipeline MLPs	95
1541	Realty Income Corp.	43.00	6%	3	3	R.E.I.T.	58
2316	Regal Entertainment	18.91	6%	1	5	Recreation	29
1994	Reynolds American	50.50	6%	3	2	Tobacco	80
513	Royal Dutch Shell 'A'	64.40	6%	3	1	Petroleum (Integrated)	36
793	TCF Financial	14.52	6%	3	3	Bank (Midwest)	30
336	Teekay Corp.	39.00	6%	3	3	Maritime	85
939	TELUS Corporation	30.85	6%	3	2	Telecom. Services	1
2431	Transocean Ltd.	47.62	6%	1	3	Oilfield Svcs/Equip.	24
1545	Ventas, Inc.	64.43	6%	3	3	R.E.I.T.	58
612	Williams Cos.	35.49	6%	–	3	Oil/Gas Distribution	91
1551	AEGON	7.70	5%	3	3	Insurance (Life)	2
2533	Aircastle Ltd.	16.91	5%	3	4	Financial Svcs. (Div.)	26
904	Ameren Corp.	35.19	5%	3	3	Electric Util. (Central)	65
905	Amer. Elec. Power	44.69	5%	4	3	Electric Util. (Central)	65
743	Ampco-Pittsburgh	19.01	5%	3	3	Steel	61
1515	Apartment Investment	29.01	5%	2	3	R.E.I.T.	58
744	ArcelorMittal	13.72	5%	3	3	Steel	61
1605	AstraZeneca PLC (ADS)	51.00	5%	3	2	Drug	81

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HIGH RETURNS EARNED ON TOTAL CAPITAL

Stocks with high average returns on capital in last 5 years ranked by earnings retained to common equity

Page No.	Stock Name	Ticker	Recent Price	Avg. Retained to Com. Eq.	Avg. Return On Cap.	Time-liness	Safety Rank	Beta	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
718	Lockheed Martin	LMT	123.00	782%	41%	2	1	0.85	13.2	3.9	Aerospace/Defense	37
1993	Philip Morris Int'l	PM	88.30	460%	48%	4	2	0.75	14.8	3.9	Tobacco	80
2125	AutoZone Inc.	AZO	425.60	279%	38%	3	3	0.60	14.6	NIL	Retail Automotive	22
1992	Lorillard Inc.	LO	43.55	227%	103%	2	2	0.55	13.4	5.1	Tobacco	80
2003	ITT Educational	ESI	30.00	177%	89%	2	4	0.75	10.0	NIL	Educational Services	44
1368	Linear Technology	LLTC	40.18	171%	37%	4	3	1.00	21.1	2.6	Semiconductor	88
348	AFC Enterprises	AFCE	38.35	167%	34%	3	3	1.10	25.7	NIL	Restaurant	66
446	Moody's Corp.	MCO	69.00	140%	114%	3	3	1.20	18.3	1.2	Information Services	83
448	Verisk Analytics	VRSK	62.94	129%	43%	3	2	0.60	29.8	NIL	Information Services	83
2648	Fortress Investment	FIG	7.65	80%	36%	1	4	2.15	10.2	3.1	Public/Private Equity	55
444	Gartner Inc.	IT	59.28	66%	40%	4	3	1.05	28.0	NIL	Information Services	83
2411	Core Laboratories	CLB	147.67	62%	43%	3	3	1.10	27.4	0.9	Oilfield Svcs/Equip.	24
1918	Herbalife, Ltd.	HLF	66.27	60%	46%	1	3	1.05	13.2	1.8	Food Processing	76
1409	Int'l Business Mach.	IBM	189.09	60%	36%	2	1	0.85	12.3	2.0	Computers/Peripherals	57
2006	Strayer Education	STRA	44.68	60%	60%	3	3	0.80	11.4	NIL	Educational Services	44
1998	Apollo Group 'A'	APOL	19.77	55%	51%	2	3	0.75	8.6	NIL	Educational Services	44
1191	Colgate-Palmolive	CL	60.96	53%	38%	4	1	0.60	22.8	2.3	Household Products	84
839	Questcor Pharmac.	QCOR	66.14	53%	56%	3	3	0.75	14.2	1.5	Biotechnology	93
437	Arbitron Inc.	ARB	46.26	49%	46%	–	3	0.95	21.0	0.9	Information Services	83
1236	Foster Wheeler AG	FWLT	24.70	49%	37%	2	3	1.70	15.0	NIL	Engineering & Const	11
1225	GT Advanced Tech.	GTAT	5.56	46%	60%	3	4	1.60	NMF	NIL	Power	38
2598	Accenture Plc	ACN	72.79	43%	62%	3	1	0.85	16.2	2.2	IT Services	42
2620	Blue Nile	NILE	37.65	42%	41%	3	3	1.20	42.8	NIL	Internet	54
2171	Coach Inc.	COH	53.06	42%	48%	3	3	1.20	13.3	2.5	Retail (Hardlines)	47
2565	MasterCard Inc.	MA	630.72	42%	44%	3	2	1.10	23.3	0.4	Financial Svcs. (Div.)	26
1999	Bridgepoint Education	BPI	16.71	41%	41%	3	4	1.30	20.9	NIL	Educational Services	44
1780	BGC Partners Inc.	BGCP	6.05	40%	32%	–	4	1.40	9.2	7.9	Securities Brokerage	27
2634	priceline.com	PCLN	958.02	40%	36%	3	3	1.00	24.4	NIL	Internet	54
2619	Baidu, Inc.	BIDU	136.73	38%	38%	4	3	1.25	25.3	NIL	Internet	54
584	InterDigital Inc.	IDCC	36.84	38%	36%	5	3	0.95	NMF	1.1	Wireless Networking	89
2202	Aeropostale	ARO	13.22	36%	36%	4	3	1.10	29.4	NIL	Retail (Softlines)	69
2229	TJX Companies	TJX	52.40	36%	35%	3	1	0.80	18.3	1.1	Retail (Softlines)	69
1010	WABCO Hldgs.	WBC	79.56	36%	33%	3	3	1.35	16.1	NIL	Auto Parts	6
1977	Monster Beverage	MNST	62.76	34%	34%	4	3	0.70	28.1	NIL	Beverage	68
724	Rockwell Collins	COL	73.33	34%	33%	3	1	1.05	15.2	1.6	Aerospace/Defense	37
2226	Ross Stores	ROST	67.72	34%	36%	3	2	0.80	16.8	1.0	Retail (Softlines)	69
2314	Polaris Inds.	PII	113.12	33%	34%	3	3	1.25	21.2	1.5	Recreation	29
579	BlackBerry	BBRY	10.78	32%	32%	–	3	1.25	NMF	NIL	Wireless Networking	89
2208	Buckle (The), Inc.	BKE	54.79	30%	41%	4	3	1.05	15.3	1.5	Retail (Softlines)	69
810	Medidata Solutions	MDSO	87.97	29%	32%	5	3	0.95	NMF	NIL	Medical Services	18
943	Vonage Holdings	VG	3.26	29%	36%	3	5	1.20	9.6	NIL	Telecom. Services	1
2586	Microsoft Corp	MSFT	32.87	26%	32%	3	1	0.85	12.1	2.9	Computer Software	94
1625	Novo Nordisk ADR	NVO	173.30	26%	39%	3	1	0.60	23.9	1.8	Drug	81
2321	Sturm, Ruger & Co.	RGR	56.35	25%	34%	2	3	0.80	11.4	4.6	Recreation	29
442	FactSet Research	FDS	110.55	23%	31%	3	2	1.00	22.9	1.3	Information Services	83
384	C.H. Robinson	CHRW	57.06	19%	34%	4	2	0.90	17.9	2.5	Industrial Services	43
1002	Meritor, Inc.	MTOR	7.65	19%	487%	3	5	2.25	11.8	NIL	Auto Parts	6
402	Rollins, Inc.	ROL	25.40	19%	31%	4	2	0.85	29.2	1.5	Industrial Services	43
438	Corporate Executive	CEB	68.63	13%	83%	2	3	1.00	35.4	1.4	Information Services	83
823	Computer Prog. & Sys.	CPSI	56.95	8%	42%	3	3	0.80	19.4	3.6	Healthcare Information	92

BARGAIN BASEMENT STOCKS

Stocks with current price-earnings multiples and price-to-"net" working capital ratios that are in the bottom quartile of the Value Line universe

("Net" working capital equals current assets less all liabilities including long-term debt and preferred)

Page No.	Stock Name	Ticker	Recent Price	Percent Price-to "Net" Wkg. Capital	Current P/E Ratio	Percent Price-to Book Value	Time-liness	Safety Rank	Beta	% Est'd Yield	Industry Group	Industry Rank
1590	China Green Agriculture	CGA	3.06	65%	1.8	35%	–	5	1.10	NIL	Chemical (Basic)	49
1418	Tech Data	TECD	52.79	138%	9.8	101%	3	3	1.00	NIL	Computers/Peripherals	57
130	Orbotech Ltd.	ORBK	12.25	149%	12.9	119%	1	3	0.85	NIL	Precision Instrument	96
1408	Ingram Micro 'A'	IM	23.40	153%	10.2	97%	1	3	0.95	NIL	Computers/Peripherals	57
1393	Kulicke & Soffa	KLIC	11.51	158%	13.5	133%	4	4	1.70	NIL	Semiconductor Equip	87
984	China Auto. Sys.	CAAS	9.41	194%	12.5	114%	2	4	1.40	NIL	Auto Parts	6
2186	PC Connection	PCCC	15.78	195%	11.5	140%	3	3	1.15	NIL	Retail (Hardlines)	47
1127	M.D.C. Holdings	MDC	29.64	198%	11.6	164%	1	3	1.25	0.8	Homebuilding	12
1415	ScanSource	SCSC	36.36	208%	13.9	154%	4	3	1.15	NIL	Computers/Peripherals	57
1996	Universal Corp.	UVV	56.67	213%	12.1	127%	4	3	0.75	3.5	Tobacco	80
2220	Joseph A. Bank	JOSB	40.30	219%	14.6	169%	4	3	1.00	NIL	Retail (Softlines)	69
2181	Insight Enterprises	NSIT	20.99	231%	10.5	133%	3	3	1.40	NIL	Retail (Hardlines)	47
412	Fuel Tech, Inc.	FTEK	4.03	233%	10.1	106%	2	4	1.40	NIL	Environmental	64
139	Zygo Corp.	ZIGO	15.34	235%	13.7	163%	5	3	1.25	NIL	Precision Instrument	96
1756	National Presto Ind.	NPK	72.36	241%	12.9	172%	4	3	0.95	NIL	Diversified Co.	74
1641	Kelly Services 'A'	KELYA	19.46	243%	12.5	98%	2	3	1.25	1.0	Human Resources	20
1327	Celestica Inc.	CLS	10.78	248%	13.3	167%	3	3	1.30	NIL	Electronics	40
1783	Goldman Sachs	GS	161.69	252%	10.4	108%	1	3	1.25	1.2	Securities Brokerage	27
1345	Vishay Intertechnology	VSH	13.46	260%	9.5	119%	3	3	1.35	NIL	Electronics	40
1324	Avnet, Inc.	AVT	38.99	279%	9.6	142%	2	3	1.20	NIL	Electronics	40
1705	Briggs & Stratton	BGG	20.33	281%	13.8	154%	3	3	1.10	2.4	Machinery	70
2157	Crocs, Inc.	CROX	13.41	297%	12.4	193%	4	4	1.65	NIL	Shoe	82
1123	Horton D.R.	DHI	18.82	315%	13.1	168%	2	3	1.35	0.2	Homebuilding	12
1981	Canon Inc. ADR	CAJ	32.34	321%	13.8	123%	1	2	1.00	4.6	Foreign Electronics	3
2217	Finish Line (The)	FINL	21.86	347%	14.1	205%	4	3	1.00	1.3	Retail (Softlines)	69
1131	Ryland Group	RYL	37.92	356%	12.8	340%	2	4	1.35	0.3	Homebuilding	12
958	Marvell Technology	MRVL	12.71	357%	14.3	144%	3	3	1.25	1.9	Telecom. Equipment	56
2135	Aaron's Inc.	AAN	28.38	373%	12.4	189%	3	3	0.85	0.2	Retail Store	31
805	Health Net	HNT	31.06	379%	13.9	164%	2	3	1.05	NIL	Medical Services	18
2218	Foot Locker	FL	34.97	382%	11.9	221%	2	3	1.00	2.3	Retail (Softlines)	69
947	Arris Group	ARRS	16.97	386%	10.0	202%	1	3	1.20	NIL	Telecom. Equipment	56
122	KLA-Tencor	KLAC	58.75	412%	14.2	295%	5	3	1.25	3.1	Precision Instrument	96
2207	Body Central Corp.	BODY	7.56	432%	11.1	123%	4	3	1.00	NIL	Retail (Softlines)	69
2223	Men's Wearhouse	MW	39.59	444%	14.4	184%	2	3	1.05	2.2	Retail (Softlines)	69
1397	Teradyne Inc.	TER	16.49	454%	13.5	173%	5	3	1.45	NIL	Semiconductor Equip	87

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UNTIMELY STOCKS

Stocks ranked 5 (Lowest) for Relative Price Performance in the next 12 months

Page No.	Stock Name	Recent Price	Rank Safety	Rank Technical	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
204	Abaxis, Inc. ■	40.96	3	3	45.5	NIL	Med Supp Non-Invasive	79
2574	Adobe Systems	47.20	3	5	65.6	NIL	Computer Software	94
435	Advisory Board	58.58	2	4	90.1	NIL	Information Services	83
1349	Altera Corp.	36.12	2	2	20.6	1.7	Semiconductor	88
1351	Analog Devices	49.41	2	3	21.3	2.8	Semiconductor	88
2576	ANSYS, Inc.	88.35	3	3	36.8	NIL	Computer Software	94
174	ArthroCare Corp.	35.21	3	4	47.6	NIL	Med Supp Invasive	75
578	Aruba Networks	18.70	3	5	NMF	NIL	Wireless Networking	89
2026	Aspen Insurance Hldgs. ■	36.34	3	4	13.7	2.0	Reinsurance	67
821	athenahealth	115.66	3	3	NMF	NIL	Healthcare Information	92
1903	B&G Foods	35.60	3	4	23.0	3.6	Food Processing	76
349	BJ's Restaurants	31.89	3	2	24.3	NIL	Restaurant	66
779	BOK Financial	65.99	2	2	13.8	2.3	Bank (Midwest)	30
113	Badger Meter	49.66	3	5	26.1	1.4	Precision Instrument	96
830	BioMarin Pharmac.	64.61	3	3	NMF	NIL	Biotechnology	93
970	BioScrip, Inc.	14.13	4	5	58.9	NIL	Pharmacy Services	14
1904	Boulder Brands	16.22	3	5	49.2	NIL	Food Processing	76
1608	Bristol-Myers Squibb	43.11	1	3	24.9	3.2	Drug	81
1356	CEVA, Inc.	17.78	3	4	34.2	NIL	Semiconductor	88
1907	Calavo Growers	27.09	3	1	16.6	2.4	Food Processing	76
211	Cepheid	35.89	4	1	NMF	NIL	Med Supp Non-Invasive	79
2581	Citrix Sys.	73.34	3	2	36.1	NIL	Computer Software	94
1176	CLARCOR Inc.	56.41	3	2	21.4	1.0	Packaging & Container	28
116	Cognex Corp.	55.65	3	2	32.7	NIL	Precision Instrument	96
782	Commerce Bancshs.	45.45	1	3	16.1	2.0	Bank (Midwest)	30
580	Crown Castle Int'l	67.44	3	3	74.9	NIL	Wireless Networking	89
1611	Cubist Pharm.	61.72	3	2	27.9	NIL	Drug	81
2158	Deckers Outdoor	58.34	3	3	14.9	NIL	Shoe	82
215	DexCom Inc.	26.92	4	3	NMF	NIL	Med Supp Non-Invasive	79
1709	Donaldson Co.	37.25	3	2	21.3	1.4	Machinery	70
616	El Paso Pipeline	41.86	3	4	19.7	6.0	Pipeline MLPs	95
1013	Elizabeth Arden	35.00	3	3	13.0	NIL	Toiletries/Cosmetics	90
1222	EnerSys	53.92	3	3	15.4	0.9	Power	38
1799	Equinix, Inc.	178.75	3	3	66.2	NIL	E-Commerce	97
118	FARO Technologies	37.40	3	1	31.7	NIL	Precision Instrument	96
119	FEI Company	78.52	3	3	24.5	0.6	Precision Instrument	96
2551	First Cash Fin'l Svcs	54.28	3	3	18.6	NIL	Financial Svcs. (Div.)	26
443	Forrester Research	35.00	3	4	40.7	1.7	Information Services	83
216	Genomic Health	33.52	3	1	NMF	NIL	Med Supp Non-Invasive	79
1568	Goldcorp Inc.	28.71	3	2	35.9	2.1	Precious Metals	86
1531	Healthcare R'lty Trust	24.61	3	3	NMF	4.9	R.E.I.T.	58
1617	Hi-Tech Pharmacal	36.00	3	4	17.4	NIL	Drug	81
1921	Hormel Foods	43.39	1	3	21.3	1.7	Food Processing	76
187	ICU Medical	71.95	3	4	27.6	NIL	Med Supp Invasive	75
834	Incyte Corp.	27.25	5	1	NMF	NIL	Biotechnology	93
1800	Informatica Corp.	38.44	3	1	48.1	NIL	E-Commerce	97
1922	Ingredion Inc.	65.81	3	5	11.4	2.5	Food Processing	76
1015	Inter Parfums	30.19	3	3	42.5	1.6	Toiletries/Cosmetics	90
584	InterDigital Inc.	36.84	3	2	NMF	1.1	Wireless Networking	89
190	Intuitive Surgical	388.58	3	4	25.5	NIL	Med Supp Invasive	75
835	Isis Pharmac.	27.15	3	3	NMF	NIL	Biotechnology	93
2651	KKR & Co. L.P.	20.37	2	4	7.8	8.2	Public/Private Equity	55
122	KLA-Tencor	58.75	3	3	14.2	3.1	Precision Instrument	96
1752	Kadant Inc.	33.07	3	3	14.8	1.5	Diversified Co.	74
561	Kronos Worldwide	16.10	3	3	NMF	3.7	Chemical (Specialty)	63
2222	lululemon athletica	72.90	3	1	33.8	NIL	Retail (Softlines)	69
1719	MSC Industrial Direct	79.68	2	2	19.7	1.5	Machinery	70
124	MTS Systems	61.12	3	4	16.5	2.0	Precision Instrument	96
399	Macquarie Infrastructure	55.09	3	3	38.5	6.4	Industrial Services	43
810	Medidata Solutions	87.97	3	2	NMF	NIL	Medical Services	18
1370	Mellanox Technologies	42.75	3	1	32.4	NIL	Semiconductor	88
127	National Instruments	27.92	3	3	45.0	2.0	Precision Instrument	96
167	Navistar Int'l	34.56	4	2	NMF	NIL	Heavy Truck & Equip	60
960	NETGEAR	30.48	3	2	15.6	NIL	Telecom. Equipment	56
1801	NetSuite Inc.	97.87	3	3	NMF	NIL	E-Commerce	97
1723	Nordson Corp.	73.58	3	3	18.3	0.8	Machinery	70
2587	Nuance Communic.	19.34	3	5	NMF	NIL	Computer Software	94
193	NuVasive, Inc.	23.30	3	1	NMF	NIL	Med Supp Invasive	75
600	PVR Partners, L.P.	23.50	3	5	NMF	9.4	Coal	32
2355	Penn Nat'l Gaming	52.46	3	3	40.0	NIL	Hotel/Gaming	15
622	Plains All Amer. Pipe.	54.25	3	3	17.3	4.5	Pipeline MLPs	95
1337	Plantronics Inc.	44.50	3	3	16.8	1.0	Electronics	40
2115	Quiksilver Inc.	5.69	5	3	71.1	NIL	Apparel	71
1803	Rackspace Hosting	47.51	3	5	52.2	NIL	E-Commerce	97
1169	Rayonier Inc. ■	57.65	3	3	28.3	3.4	Paper/Forest Products	46
751	Reliance Steel	71.36	3	4	13.7	1.8	Steel	61
1804	salesforce.com	45.39	3	2	NMF	NIL	E-Commerce	97
1631	Sanofi ADR	51.79	1	4	24.1	3.6	Drug	81
571	Schulman (A.)	28.00	3	2	16.5	2.8	Chemical (Specialty)	63
2381	Scripps (E.W.) 'A'	15.08	5	5	17.7	NIL	Newspaper	17
1378	Semtech Corp.	29.73	3	2	22.9	NIL	Semiconductor	88
1379	Silicon Labs.	40.33	3	4	25.0	NIL	Semiconductor	88
2336	Sinclair Broadcast	24.86	4	4	19.9	2.4	Entertainment	78
2318	Six Flags Entertainment	35.73	3	3	26.9	5.0	Recreation	29
1815	StoneMor Partners L.P.	22.76	3	3	NMF	10.5	Funeral Services	72
1957	Susser Holdings	47.03	3	3	22.8	NIL	Retail/Wholesale Food	34
1160	Tempur Sealy Int'l	40.11	4	4	20.4	NIL	Furn/Home Furnishings	62
1397	Teradyne Inc.	16.49	3	2	13.5	NIL	Semiconductor Equip	87
1808	TIBCO Software	24.20	3	1	41.0	NIL	E-Commerce	97
728	TransDigm Group	140.37	3	3	20.8	NIL	Aerospace/Defense	37
1315	Trimble Nav. Ltd.	26.87	3	3	27.7	NIL	Electrical Equipment	51
1041	tw telecom	29.67	3	4	53.0	NIL	Telecom. Utility	13
135	Ultratech, Inc.	28.43	3	3	60.5	NIL	Precision Instrument	96
136	Veeco Instruments	34.12	4	2	27.3	NIL	Precision Instrument	96
844	Vertex Pharmac.	77.48	3	3	NMF	NIL	Biotechnology	93
237	Volcano Corp.	22.11	3	5	NMF	NIL	Med Supp Non-Invasive	79
201	Wright Medical	24.89	3	2	NMF	NIL	Med Supp Invasive	75
845	XenoPort, Inc.	4.59	5	3	NMF	NIL	Biotechnology	93
377	Yum! Brands	74.47	2	3	24.0	1.9	Restaurant	66
139	Zygo Corp.	15.34	3	2	13.7	NIL	Precision Instrument	96

■ **Newly added this week.**

HIGHEST DIVIDEND YIELDING NON-UTILITY STOCKS

Based upon estimated year-ahead dividends per share

Page No.	Stock Name	Recent Price	Time-liness	Safety Rank	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
602	Rhino Resource Partners	12.60	–	3	30.0	14.1	Coal	32
528	Linn Energy, LLC	23.93	3	3	16.4	12.9	Natural Gas (Div.)	4
1589	CVR Partners, LP	19.77	–	3	11.3	12.3	Chemical (Basic)	49
1514	Annaly Capital Mgmt.	11.97	3	3	7.7	11.9	R.E.I.T.	58
599	Natural Resource	19.50	3	3	11.0	11.3	Coal	32
1207	DWS High Income	9.20	–	4	NMF	10.9	Investment Co.	–
1815	StoneMor Partners L.P.	22.76	5	3	NMF	10.5	Funeral Services	72
2645	Apollo Investment	8.10	2	4	5.4	9.9	Public/Private Equity	55
2649	Gladstone Capital	8.78	4	4	12.0	9.6	Public/Private Equity	55
600	PVR Partners, L.P.	23.50	5	3	NMF	9.4	Coal	32
1218	Atlantic Power Corp.	4.25	3	4	NMF	9.2	Power	38
932	NTELOS Hldgs.	18.62	–	3	17.4	9.0	Telecom. Services	1
1230	TransAlta Corp.	13.75	2	3	18.8	8.4	Power	38
532	Pengrowth Energy	5.81	3	3	NMF	8.3	Natural Gas (Div.)	4
2651	KKR & Co. L.P.	20.37	5	2	7.8	8.2	Public/Private Equity	55
1211	MFS Multimarket	6.47	–	4	NMF	8.0	Investment Co.	–
2428	Seadrill Ltd.	44.12	3	3	15.0	8.0	Oilfield Svcs/Equip.	24
1780	BGC Partners Inc.	6.05	–	4	9.2	7.9	Securities Brokerage	27
1205	AllianceBernstein Income	7.04	–	3	NMF	7.8	Investment Co.	–
623	Suburban Propane	46.05	3	3	17.2	7.6	Pipeline MLPs	95
1627	PDL BioPharma	8.44	1	4	4.8	7.3	Drug	81
2534	AllianceBernstein Hldg.	21.01	1	3	11.4	7.2	Financial Svcs. (Div.)	26
614	Boardwalk Pipeline	29.45	4	3	21.3	7.2	Pipeline MLPs	95
1210	Liberty All-Star	5.58	–	2	NMF	7.2	Investment Co.	–
624	Williams Partners L.P.	49.15	4	3	28.9	7.2	Pipeline MLPs	95
1203	Aberdeen Asia-Pac. Fd.	6.11	–	4	NMF	6.9	Investment Co.	–
617	Energy Transfer	52.18	3	2	29.0	6.9	Pipeline MLPs	95
1532	Hospitality Properties	29.00	2	3	36.3	6.5	R.E.I.T.	58
620	Kinder Morgan Energy	82.62	3	2	32.5	6.5	Pipeline MLPs	95
1508	New York Community	15.42	3	3	14.5	6.5	Thrift	33
399	Macquarie Infrastructure	55.09	5	3	38.5	6.4	Industrial Services	43
594	Alliance Resource	74.47	2	3	10.6	6.3	Coal	32
615	Buckeye Partners L.P.	67.96	3	3	23.5	6.3	Pipeline MLPs	95
1522	Digital Realty Trust	55.20	3	3	36.8	6.0	R.E.I.T.	58
616	El Paso Pipeline	41.86	5	3	19.7	6.0	Pipeline MLPs	95
2646	Blackstone Group LP	22.94	2	3	9.4	5.8	Public/Private Equity	55
2357	Ryman Hospitality	34.61	3	4	24.4	5.8	Hotel/Gaming	15
937	Telecom N. Zealand	9.12	–	3	12.7	5.8	Telecom. Services	1
2306	Cedar Fair L.P.	44.20	3	3	16.0	5.7	Recreation	29
1520	Corrections Corp. Amer.	34.83	3	3	18.1	5.7	R.E.I.T.	58
516	Total ADR	53.57	2	1	8.0	5.7	Petroleum (Integrated)	36
163	Douglas Dynamics	14.93	4	2	27.1	5.6	Heavy Truck & Equip	60
1527	Geo Group (The)	35.59	3	3	20.9	5.6	R.E.I.T.	58
770	Mercury General	44.08	3	2	16.6	5.6	Insurance (Prop/Cas.)	48
513	Royal Dutch Shell 'A'	64.40	3	1	7.6	5.6	Petroleum (Integrated)	36
1605	AstraZeneca PLC (ADS)	51.00	3	2	12.2	5.5	Drug	81
2369	Donnelley (R.R) & Sons	19.20	2	3	11.9	5.4	Publishing	21
1929	NutriSystem Inc.	12.94	4	3	34.1	5.4	Food Processing	76
942	Vodafone Group ADR	30.27	2	2	12.4	5.4	Telecom. Services	1
502	BP PLC ADR	41.08	2	3	7.6	5.3	Petroleum (Integrated)	36
1212	Nuveen Muni Value Fund	9.05	–	1	NMF	5.3	Investment Co.	–
922	AT&T Inc.	34.92	2	1	13.7	5.2	Telecom. Services	1
2412	Diamond Offshore	67.70	3	3	13.7	5.2	Oilfield Svcs/Equip.	24
1537	Mack-Cali R'lty	23.17	3	3	NMF	5.2	R.E.I.T.	58
1529	HCP Inc.	42.21	4	3	21.3	5.1	R.E.I.T.	58
1535	Liberty Property	37.46	3	3	32.6	5.1	R.E.I.T.	58
1992	Lorillard Inc.	43.55	2	2	13.4	5.1	Tobacco	80
1541	Realty Income Corp.	43.00	3	3	50.6	5.1	R.E.I.T.	58
2316	Regal Entertainment	18.91	1	5	18.2	5.1	Recreation	29
1990	Altria Group	35.16	4	2	14.6	5.0	Tobacco	80
1530	Health Care REIT	63.14	4	3	65.8	5.0	R.E.I.T.	58
609	Pembina Pipeline Corp.	32.86	4	3	27.4	5.0	Oil/Gas Distribution	91
1994	Reynolds American	50.50	3	2	15.5	5.0	Tobacco	80
2318	Six Flags Entertainment	35.73	5	3	26.9	5.0	Recreation	29
1547	W.P. Carey Inc.	67.07	–	3	39.0	5.0	R.E.I.T.	58
420	Aberdeen Australia Fd.	10.25	–	3	NMF	4.9	Investment Co.(Foreign)	–
2509	Can. Imperial Bank	78.47	2	2	9.4	4.9	Bank	7
1531	Healthcare R'lty Trust	24.61	5	3	NMF	4.9	R.E.I.T.	58
2389	National CineMedia	18.30	3	3	30.0	4.9	Advertising	41
2638	United Online	8.13	–	3	22.6	4.9	Internet	54
2506	Bank of Montreal	63.42	3	2	10.7	4.8	Bank	7
332	Golar LNG Ltd.	37.85	4	3	32.9	4.8	Maritime	85
771	Old Republic	14.98	2	3	20.0	4.8	Insurance (Prop/Cas.)	48
1381	STMicroelectronics	8.38	4	3	26.2	4.8	Semiconductor	88
1308	Garmin Ltd.	39.50	3	3	15.4	4.7	Electrical Equipment	51
1616	GlaxoSmithKline ADR	51.30	3	1	16.6	4.7	Drug	81
123	Landauer, Inc.	46.86	4	3	20.6	4.7	Precision Instrument	96
2518	Nat'l Bank of Canada	77.83	2	2	8.9	4.7	Bank	7
791	Park National	80.59	3	3	16.1	4.7	Bank (Midwest)	30
2431	Transocean Ltd.	47.62	1	3	10.1	4.7	Oilfield Svcs/Equip.	24
2340	World Wrestling Ent.	10.27	4	3	31.1	4.7	Entertainment	78
1981	Canon Inc. ADR	32.34	1	2	13.8	4.6	Foreign Electronics	3
526	Encana Corp.	17.45	3	3	16.5	4.6	Natural Gas (Div.)	4
618	Enterprise Products	60.60	4	3	19.9	4.6	Pipeline MLPs	95
2321	Stumm, Ruger & Co.	56.35	2	3	11.4	4.6	Recreation	29
1548	Washington R.E.I.T.	26.08	3	3	76.7	4.6	R.E.I.T.	58
2582	Compuware Corp.	11.17	–	3	31.9	4.5	Computer Software	94
952	Comtech Telecom.	26.50	3	3	28.5	4.5	Telecom. Equipment	56
1206	DNP Select Inc. Fund	10.09	–	2	NMF	4.5	Investment Co.	–
360	Darden Restaurants	49.26	3	3	15.3	4.5	Restaurant	66
622	Plains All Amer. Pipe.	54.25	5	3	17.3	4.5	Pipeline MLPs	95
1597	Potash Corp.	30.97	4	3	13.0	4.5	Chemical (Basic)	49
939	TELUS Corporation	30.85	3	2	14.3	4.5	Telecom. Services	1
2376	A.H. Belo	7.30	2	5	27.0	4.4	Newspaper	17
1365	Intersil Corp. 'A'	11.03	3	3	NMF	4.4	Semiconductor	88

† Dividend cut possible

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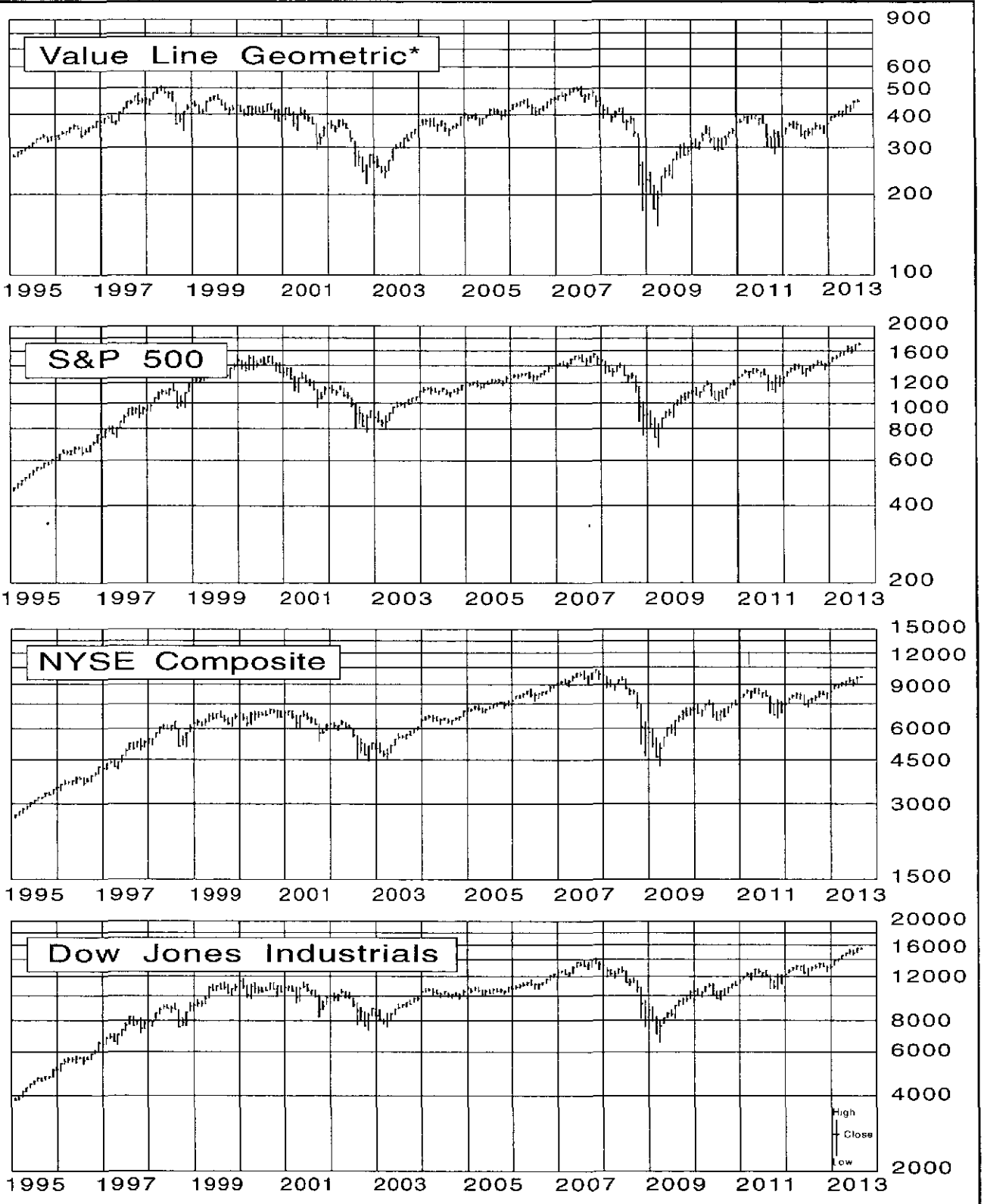
HIGHEST GROWTH STOCKS

(To be included, a company's annual growth of sales, cash flow, earnings, dividends and book value must together have averaged 10% or more over the past 10 years and be expected to average at least 10% in the coming 3-5 years.)

Page No.	Stock Name	Ticker	Recent Price	Growth Past 10 Years	Est'd Growth 3-5 Years	Time-liness	Safety Rank	Beta	Current P/E Ratio	% Est'd Yield	Estimated 3-5 Year Price Appreciation	Industry Group	Industry Rank
2122	Advance Auto Parts	AAP	82.45	18%	12%	3	3	0.80	14.6	0.3	20- 75%	Retail Automotive	22
552	Airgas Inc.	ARG	104.00	13%	13%	3	2	0.95	20.6	1.9	25- 70%	Chemical (Specialty)	63
1604	Allergan, Inc.	AGN	91.07	14%	12%	3	1	0.90	19.9	0.2	45- 75%	Drug	81
553	Amer. Vanguard Corp.	AVD	25.87	15%	18%	4	3	1.05	13.2	0.6	95-170%	Chemical (Specialty)	63
208	AmerisourceBergen	ABC	58.67	16%	12%	3	1	0.70	18.2	1.4	60- 95%	Med Supp Non-Invasive	79
1321	Amphenol Corp.	APH	77.49	19%	11%	4	3	1.10	19.6	1.0	N- 30%	Electronics	40
1399	Apple Inc.	AAPL	467.36	42%	17%	4	2	1.00	11.6	2.6	80-140%	Computers/Peripherals	57
2205	Ascena Retail Group	ASNA	17.57	15%	14%	4	3	1.05	13.7	NIL	70-130%	Retail (Softlines)	69
349	BJ's Restaurants	BJRI	31.89	17%	14%	5	3	1.00	24.3	NIL	105-215%	Restaurant	66
1174	Ball Corp.	BLL	44.96	14%	12%	4	2	0.90	14.6	1.2	20- 65%	Packaging & Container	28
2397	Berry Petroleum 'A'	BRY	40.96	16%	12%	–	4	1.85	12.9	0.8	35-120%	Petroleum (Producing)	9
1967	Boston Beer 'A'	SAM	211.65	16%	11%	3	2	0.75	39.6	NIL	N- N%	Beverage	68
2542	Brown & Brown	BRO	32.86	12%	12%	3	2	0.75	21.3	1.1	20- 65%	Financial Svcs. (Div.)	26
354	Buffalo Wild Wings	BWLD	106.25	26%	15%	3	3	0.90	27.0	NIL	N- 45%	Restaurant	66
519	Cabot Oil & Gas 'A'	COG	37.75	13%	18%	3	3	1.30	20.4	0.2	5- 60%	Natural Gas (Div.)	4
2409	Cameron Int'l Corp.	CAM	57.11	17%	14%	4	3	1.50	15.2	NIL	60-135%	Oilfield Svcs/Equip.	24
822	Cerner Corp.	CERN	48.93	18%	13%	4	3	0.85	35.7	NIL	10- 65%	Healthcare Information	92
1234	Chicago Bridge & Iron	CBI	59.65	17%	20%	3	3	1.75	14.1	0.4	25- 85%	Engineering & Const	11
2210	Chico's FAS	CHS	16.54	17%	12%	3	3	1.20	14.0	1.4	50-140%	Retail (Softlines)	69
2581	Citrix Sys.	CTXS	73.34	13%	13%	5	3	1.05	36.1	NIL	35-110%	Computer Software	94
410	Clean Harbors	CLH	53.81	25%	16%	4	3	0.85	17.2	NIL	50-125%	Environmental	64
2171	Coach Inc.	COH	53.06	27%	13%	3	3	1.20	13.3	2.5	40-105%	Retail (Hardlines)	47
2603	Cognizant Technology	CTSH	73.39	41%	21%	3	2	1.10	17.5	NIL	100-165%	IT Services	42
2411	Core Laboratories	CLB	147.67	18%	13%	3	3	1.10	27.4	0.9	N- 40%	Oilfield Svcs/Equip.	24
1744	Danaher Corp.	DHR	66.52	17%	12%	4	2	1.00	18.7	0.2	45- 95%	Diversified Co.	74
802	DaVita HealthCare	DVA	114.73	20%	13%	3	2	0.70	15.0	NIL	30- 75%	Medical Services	18
2140	Dollar Tree, Inc.	DLTR	52.97	17%	15%	3	1	0.50	18.3	NIL	40- 80%	Retail Store	31
989	Dorman Products	DORM	49.18	15%	12%	3	3	1.20	22.1	NIL	N- 10%	Auto Parts	6
2413	Dril-Quip, Inc.	DRQ	102.17	18%	13%	3	3	1.55	27.6	NIL	5- 50%	Oilfield Svcs/Equip.	24
2623	eBay Inc.	EBAY	53.28	30%	13%	3	2	1.15	23.8	NIL	20- 60%	Internet	54
557	Ecolab Inc.	ECL	92.79	12%	13%	3	1	0.80	25.1	1.0	N- 25%	Chemical (Specialty)	63
185	Edwards Lifesciences	EW	72.32	13%	14%	3	2	0.70	22.5	NIL	65-130%	Med Supp Invasive	75
2414	Ensco plc	ESV	58.40	15%	15%	2	3	1.25	8.7	3.4	30- 90%	Oilfield Svcs/Equip.	24
973	Express Scripts	ESRX	65.14	25%	16%	3	2	1.00	22.2	NIL	55-105%	Pharmacy Services	14
2415	FMC Technologies	FTI	54.07	18%	18%	3	3	1.40	23.8	NIL	50-120%	Oilfield Svcs/Equip.	24
442	FactSet Research	FDS	110.55	17%	12%	3	2	1.00	22.9	1.3	20- 65%	Information Services	83
1137	Fastenal Co.	FAST	46.78	16%	14%	4	2	1.05	28.5	2.1	30- 70%	Retail Building Supply	77
2551	First Cash Fin'l Svcs	FCFS	54.28	18%	14%	5	3	0.95	18.6	NIL	20- 75%	Financial Svcs. (Div.)	26
2174	Fossil Group	FOSL	120.19	19%	15%	2	3	1.30	19.3	NIL	20- 85%	Retail (Hardlines)	47
412	Fuel Tech, Inc.	FTEK	4.03	15%	14%	2	4	1.40	10.1	NIL	150-295%	Environmental	64
342	Genesee & Wyoming	GWR	87.30	15%	16%	3	3	1.25	18.5	NIL	15- 80%	Railroad	52
2105	Gildan Activewear	GIL	45.04	19%	16%	3	3	1.05	15.8	0.9	35- 90%	Apparel	71
1310	Grainger (W.W.)	GWW	258.03	12%	14%	3	1	0.95	21.3	1.4	5- 30%	Electrical Equipment	51
1947	Green Mtn. Coffee	GMCR	78.59	37%	22%	3	3	1.00	24.6	NIL	20- 85%	Retail/Wholesale Food	34
2416	Halliburton Co.	HAL	46.02	12%	12%	3	3	1.45	14.0	1.1	30- 95%	Oilfield Svcs/Equip.	24
394	Healthcare Svcs.	HCSG	25.07	12%	12%	3	3	0.80	29.8	2.8	N- 40%	Industrial Services	43
714	HEICO Corp.	HEI	59.50	13%	14%	3	3	1.05	29.9	0.2	N- 35%	Aerospace/Defense	37
2418	Helmerich & Payne	HP	67.30	14%	12%	3	3	1.50	11.5	3.0	5- 55%	Oilfield Svcs/Equip.	24
2609	Henry (Jack) & Assoc.	JKHY	50.63	12%	11%	3	2	0.85	23.4	1.6	N- 30%	IT Services	42
2180	Hibbett Sports	HIBB	60.37	16%	12%	4	3	0.95	18.9	NIL	10- 55%	Retail (Hardlines)	47
322	Hub Group	HUBG	38.65	12%	12%	3	3	1.15	18.1	NIL	15- 80%	Trucking	5
323	Hunt (J.B.)	JBHT	76.19	11%	12%	3	3	1.05	24.9	0.8	N- 30%	Trucking	5
2610	Infosys Ltd. ADR	INFY	49.54	28%	12%	3	2	0.95	15.5	1.6	100-175%	IT Services	42
334	Kirby Corp.	KEX	85.19	13%	11%	3	3	1.15	19.1	NIL	5- 55%	Maritime	85
999	LKQ Corp.	LKQ	30.69	22%	12%	3	3	1.00	26.2	NIL	N- 45%	Auto Parts	6
1394	Lam Research	LRCX	47.98	13%	11%	3	3	1.25	19.2	NIL	25-100%	Semiconductor Equip	87
1718	Lindsay Corp.	LNN	74.00	12%	13%	2	3	1.30	13.2	0.7	50-125%	Machinery	70
1719	MSC Industrial Direct	MSM	79.68	13%	12%	5	2	1.00	19.7	1.5	55-115%	Machinery	70
2585	MICROS Systems	MCRS	49.40	19%	12%	4	3	1.05	21.1	NIL	40-100%	Computer Software	94
1720	Middleby Corp. (The)	MIDD	208.90	28%	14%	3	3	1.20	26.5	NIL	N- 10%	Machinery	70
1977	Monster Beverage	MNST	62.76	47%	14%	4	3	0.70	28.1	NIL	N- 35%	Beverage	68
2161	NIKE, Inc. 'B'	NKE	66.51	13%	12%	3	1	0.80	22.2	1.3	15- 35%	Shoe	82
2422	Noble Corp.	NE	40.36	14%	16%	1	3	1.40	13.2	2.5	25- 85%	Oilfield Svcs/Equip.	24
2403	Noble Energy	NBL	63.42	15%	12%	2	3	1.25	18.0	0.9	10- 75%	Petroleum (Producing)	9
2146	Nordstrom, Inc.	JWN	60.79	14%	12%	3	3	1.35	15.5	2.1	30- 90%	Retail Store	31
1625	Novo Nordisk ADR	NVO	173.30	21%	13%	3	1	0.80	23.9	1.8	25- 55%	Drug	81
1017	Nu Skin Enterprises	NUS	88.28	12%	18%	3	3	1.05	19.0	1.5	N- 35%	Toiletries/Cosmetics	90
129	OSI Systems	OSIS	74.36	14%	12%	3	3	0.80	28.3	NIL	N- 50%	Precision Instrument	96
2423	Oceaneering Int'l	OII	81.44	18%	12%	3	3	1.45	23.2	1.1	N- 30%	Oilfield Svcs/Equip.	24
1802	Open Text Corp.	OTEX	67.93	18%	11%	3	3	0.90	23.8	1.8	25- 90%	E-Commerce	97
2130	O'Reilly Automotive	ORLY	126.96	17%	12%	3	2	0.70	21.1	NIL	5- 40%	Retail Automotive	22
386	Outerwall Inc.	OUTR	62.19	20%	13%	3	3	0.90	10.2	NIL	30- 95%	Industrial Services	43
368	Panera Bread Co.	PNRA	174.98	24%	14%	3	2	0.90	24.6	NIL	25- 70%	Restaurant	66
1628	PAREXEL Int'l	PRXL	50.91	13%	12%	3	3	1.35	28.3	NIL	N- 30%	Drug	81
1629	Perrigo Co.	PRGO	128.30	16%	12%	3	3	0.75	24.1	0.3	N- 45%	Drug	81
2314	Polaris Inds.	PII	113.12	11%	16%	3	3	1.25	21.2	1.5	N- 35%	Recreation	29
722	Precision Castparts	PCP	216.18	14%	12%	3	2	1.15	18.0	0.1	N- 30%	Aerospace/Defense	37
964	Qualcomm Inc.	QCOM	66.46	19%	12%	2	2	0.85	14.0	2.1	20- 65%	Telecom. Equipment	56
234	ResMed Inc.	RMD	49.70	20%	14%	3	2	0.80	20.1	2.0	10- 50%	Med Supp Non-Invasive	79
1726	Roper Inds.	ROP	127.18	15%	13%	3	2	1.05	21.3	0.5	20- 55%	Machinery	70
2226	Ross Stores	ROST	67.72	17%	14%	3	2	0.80	16.8	1.0	10- 55%	Retail (Softlines)	69
2614	SEI Investments	SEIC	32.20	11%	12%	3	2	1.05	20.0	1.2	10- 40%	IT Services	42
2427	Schlumberger Ltd.	SLB	80.25	12%	13%	1	2	1.25	16.6	1.6	70-130%	Oilfield Svcs/Equip.	24
1416	Seagate Technology	STX	41.34	16%	12%	4	3	1.40	7.7	3.7	10- 55%	Computers/Peripherals	57
1379	Silicon Labs.	SLAB	40.33	17%	12%	5	3	1.05	25.0	NIL	35-110%	Semiconductor	88
2319	Smith & Wesson Hldg.	SWHC	12.46	15%	17%	2	3	1.30	9.6	NIL	35-100%	Recreation	29
373	Starbucks Corp.	SBUX	72.93	17%	16%	3	2	1.10	31.0	1.2	10- 45%	Restaurant	66
1342	Stratasys Ltd.	SSYS	103.11	15%	16%	4	3	1.20	NMF	NIL	N- 20%	Electronics	40
2229	TJX Companies	TJX	52.40	14%	14%	3	1	0.80	18.3	1.1	15- 35%	Retail (Softlines)	69
515	Tesoro Corp.	TSO	52.27	15%	15%	4	3	1.25	9.6	1.9	25- 80%	Petroleum (Integrated)	36
1808	TIBCO Software	TIBX	24.20	17%	13%	5	3	1.05	41.0	NIL	25- 85%	E-Commerce	97
1143	Tractor Supply	TSCO	120.23	20%	18%	3	1	0.90	26.5	0.9	10- 35%	Retail Building Supply	77
1315	Trimble Nav. Ltd.	TRMB	26.87	20%	14%	5	3	1.35	27.7	NIL	30-105%	Electrical Equipment	51
729	Triumph Group	TGI	76.32	13%	13%	3	3	1.05	11.9	0.2	10- 70%	Aerospace/Defense	37
2231	Urban Outfitters	URBN	42.10	24%	13%	3	3	1.00	21.6	NIL	30-100%	Retail (Softlines)	69
517	Valero Energy	VLO	36.85	14%	14%	3	3	1.30	9.0	2.4	35-105%	Petroleum (Integrated)	36
591	ViaSat, Inc.	VSAT	67.29	13%	12%	4	3	0.95	NMF	NIL	N- 20%	Wireless Networking	89
1734	Wabtec Corp.	WAB	58.94	13%	15%	3	3	1.15	19.2	0.3	N- 20%	Machinery	70
1316	WESCO Int'l	WCC	74.79	17%	13%	3	3	1.45	13.3	NIL	15- 65%	Electrical Equipment	51
1963	Whole Foods Market	WFM	55.40	13%	15%	3	3	1.00	34.8	0.8	N- 55%	Retail/Wholesale Food	34

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