

Parabolic Stock Picker

Newsletter dedicated to picking small *Bargain Growth* stocks ready to *Go Parabolic*

3 YEAR RETURN (+81%) MORE THAN 4x RUSSELL 2000 (+18%)

WEEKLY UPDATE – MAR 28, 2008

HOT PICKS (new Buy signals)

Bargain Bin

- BBW 03/07/08 11.05 stuffed animal retailer**
24% short, 1.2x book, strong cashflow, no debt
- CTB 03/14/08 16.59 replacement vehicle tires**
revenue +14%; \$1.91 EPS vs -\$1.28 in 2006 after cost cuts
0.7 PEG ratio, 2.0x cash, strong cashflow, 15% short
- SKX 03/14/08 20.38 footwear designer**
2007 sales +16%, earnings flat; Zacks started at Buy 3/14
14% ROE, low 0.7x sales, good cashflow, no debt
- PLCE 03/21/08 22.25 children's apparel retail**
4Q loss beat expectations; Disney Store exit a big boost
1.1x book, low 0.3x sales, good cashflow, 19% short
- KCP 03/21/08 16.20 clothing designer**
4Q down but beat analysts; low 1Q guidance was expected
15% EG, PB 1.3, PS 0.6, strong cashflow, no debt
- RACK 03/28/08 8.98 computer storage systems**
new VP to expand global svcs; price still below book value
1.4x cash, 18% EG, PS 0.7, strong cashflow, no debt

Cheap Growth

- CUTR 03/14/08 12.55 skin treatment lasers**
consumers still buying beauty; so cheap it fits Bargain Bin
32% EG, 0.5 PEG, 1.5x cash, strong cashflow, no debt
- IXYS 03/28/08 6.75 power mgmt semiconductor**
new product development still strong; now owns 5% of Zilog
53% EG, 0.3 PEG, 1.1x book, good cashflow, low debt
- MTSN 03/28/08 6.10 IC wafer processing equip**
multiple orders by new Singapore fab customer this week
48% EG, 0.4 PEG, 2.1x cash, strong cashflow, no debt

Volume 4, No. 3

March 2008

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PICKED APPLES (new Hold/Sell signals)

Bargain Bin

- AVTR 03/07/08 Sell 43.28**
+9.2%, 56 days; hard to build gains in this mkt
- EVR 03/07/08 Sell 17.58**
-10.5%, 7 days; investment banking still toxic
- BBW 03/14/08 Sell 8.16**
-26.2%, 7 days; strategic review a big phony
- AXR 03/21/08 Hold 51.77**
+46.2%, 126 days; nice gain in bad housing mkt
- CTR 03/28/08 Hold 14.82**
-11.0%, 56 days; this retailer still on markdown
- CTB 03/28/08 Hold 14.56**
-12.2%, 14 days; slippery road after downgrade

Cheap Growth

- CVCO 03/07/08 Sell 30.63**
-2.0%, 21 days; low income/muni clients hurting
- ARII 03/21/08 Hold 19.95**
+5.1%, 98 days; derailed by analyst downgrade
- KVHI 03/28/08 Hold 7.55**
-8.8%, 49 days; weak signal on satellite maker

Week 03/28	Russell 2000 +0.3%	NASDAQ +0.1%	PSP -0.3%	S&P 500 -1.1%
YTD 2008	PSP -5.3%	S&P 500 -10.4%	Russell 2000 -10.8%	NASDAQ -14.7%
2007	NASDAQ +9.8%	S&P 500 +3.5%	Russell 2000 -2.7%	PSP -4.2%
2006	PSP +49.3%	Russell 2000 +17.0%	S&P 500 +13.6%	NASDAQ +9.5%
2005	PSP +26.5%	Russell 2000 +3.3%	S&P 500 +3.0%	NASDAQ +1.4%

WEAK PICKS OF THE WEEK

- CTB 17.06 (03/21) 14.56 (03/28) -14.7%**
slippery road on analyst downgrade/comments
- CTR 16.57 (03/21) 14.82 (03/28) -10.6%**
delayed reaction to last week's weak 4Q rpt
- SKX 20.75 (03/21) 19.34 (03/28) -6.8%**
weak consumer spending data hit many stocks

TOP PICKS OF THE WEEK

- CTRN 15.15 (03/21) 18.04 (03/28) +19.1%**
4Q EPS \$.59 beat \$.44 est.; raised 1Q guidance
- WIRE 16.25 (03/21) 18.20 (03/28) +12.0%**
dividend notice this week confirms strong assets
- PLCE 22.25 (03/21) 24.53 (03/28) +10.2%**
investors still happy about exiting Disney stores

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PARABOLIC PORTFOLIO - ACTIVE PICKS (open trades)

Bargain Bin

Ticker	Business	Buy		Current (03/28/08)		Market Cap (\$M)
		Date	Price	Price	% Gain	
DBRN	female apparel retail	25-Jan	11.36	12.66	11.4%	792.9
CACH	female apparel retail	8-Feb	10.71	10.99	2.6%	152.4
DSPG	wireless chipsets	8-Feb	11.44	12.81	12.0%	369.2
WIRE	copper electrical wire	8-Feb	15.83	18.20	15.0%	390.9
CTRN	urban apparel retail	15-Feb	14.65	18.04	23.1%	204.4
EXAR	analog/mixed ICs	15-Feb	8.11	8.19	1.0%	365.9
HSII	executive search svc	22-Feb	28.71	32.68	13.8%	603.8
AMWD	kitchen cabinets	29-Feb	18.98	20.24	6.6%	273.1
STLY	wood furniture	29-Feb	13.16	12.25	-6.9%	136.0
ZIGO	optical instruments	29-Feb	12.74	12.32	-3.3%	218.4
SKX	footwear designer	14-Mar	20.38	19.34	-5.1%	934.6
PLCE	child apparel retail	21-Mar	22.25	24.53	10.2%	647.1
KCP	clothing designer	21-Mar	16.20	17.55	8.3%	314.1
RACK	computer storage sys	28-Mar	8.98	8.98	0.0%	266.1
				Average	6.8%	
				Ave Days	33	

Cheap Growth

Ticker	Business	Buy		Current (03/28/08)		Market Cap (\$M)
		Date	Price	Price	% Gain	
FLWS	Internet gift retailer	8-Feb	8.30	8.40	1.2%	508.8
ELNK	Internet services	22-Feb	7.48	7.51	0.4%	854.9
BJRI	casual restaurants	29-Feb	13.56	14.05	3.6%	357.2
CUTR	skin treatment lasers	14-Mar	12.55	13.63	8.6%	159.6
IXYS	power mgmt ICs	28-Mar	6.75	6.75	0.0%	209.8
MTSN	IC processing equip	28-Mar	6.10	6.10	0.0%	301.0
				Average	3.5%	
				Ave Days	32	