

# Parabolic Stock Picker

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

**WEEKLY UPDATE – DEC 29, 2006**

Volume 2, No. 12

December 2006

[www.parabolicstockpicker.com](http://www.parabolicstockpicker.com)

## HOT PICKS (new Buy signals)

### Bargain Bin

- CALL 12/08/06 2.86 call bridging services**  
*1.0x cash, good cashflow, low 1.8x sales, no debt*
- WSTL 12/15/06 2.54 telecom equipment**  
*PB 1.1, strong cashflow, PS 0.7 (ind ave 3.4), no debt*
- ELNK 12/15/06 6.75 Internet service provider**  
*low 0.6x sales, 1.7x book, strong cashflow, no debt*
- WNI 12/29/06 6.65 vitamins/supplements**  
*-Tiger's Milk bars, Move Free joint care move this Bargain  
PB 1.6, strong cashflow, 2.7x cash, 14% ROE, no debt*

### Cheap Growth

- LUFK 12/01/06 59.18 oil field equipment**  
*PEG 0.6, 23% EG, strong cashflow, no debt, 23% ROE*
- MTZ 12/08/06 12.00 specialty contractor**  
*PEG 0.9, 21% EG, low 0.9x sales, DE 0.4 (3.6 ind ave)*
- ASVI 12/08/06 16.35 track-driven vehicles**  
*22% EG, PEG 0.9, no debt, 17% ROE, 26% short int.*

## PICK THAT APPLE (new Hold/Sell signals)

### Bargain Bin

- CAMD 12/01/06 Sell 4.59**  
*+1.5%, 91 days; on a roll before bad earnings*
- PLNR 12/01/06 Sell 10.21**  
*-9.1%, 77 days; image clouded by home theater*
- PLAY 12/08/06 Sell 13.37**  
*+11.9%, 126 days; buyout price was too cheap*
- ESCL 12/20/06 Hold 10.53**  
*+111.4%, 26 days; Parabolic gain of the year*
- ARBX 12/29/06 Sell 5.49**  
*-down since 12/5 news of pvt company buy, not ARBX sale  
+6.8%, 119 days; another weak exchange*

### Cheap Growth

- OVTI 12/01/06 Sell 13.62**  
*-15.5%, 42 days; sensor chip cracked here*
- PSEM 12/22/06 Sell 11.44**  
*+29.7%, 140 days; timing right on chip maker*
- HITK 12/22/06 Sell 12.08**  
*-20.1%, 49 days; pharma just not popular*
- JOSB 12/29/06 Sell 29.35**  
*-holiday discounting to boost sales may discount earnings  
+2.9%, 133 days; still discounted by investors*

<b>Week 12/29</b>	<b>PSP +1.2%</b>	Russell 2000 +0.9%	NASDAQ +0.6%	S&P 500 +0.5%
<b>Dec 2006</b>	<b>PSP +4.8%</b>	S&P 500 +1.3%	Russell 2000 +0.2%	NASDAQ <b>-0.7%</b>
<b>2006</b>	<b>PSP +31.2%</b>	Russell 2000 +17.0%	S&P 500 +13.6%	NASDAQ +9.5%
<b>2005</b>	<b>PSP +21.5%</b>	Russell 2000 +3.3%	S&P 500 +3.0%	NASDAQ +1.4%

## WEAK PICKS OF THE WEEK

- WSTL 2.67 (12/22) 2.50 (12/29) -6.4%**  
*reverses first week gain; no specific reason*
- ARBX 5.65 (12/22) 5.49 (12/29) -2.8%**  
*Dec slide after buy news not what mkt wanted*
- SRT 13.87 (12/22) 13.54 (12/29) -2.4%**  
*confusion over Cingular deal amendment*

## TOP PICKS OF THE WEEK

- STC 41.18 (12/22) 43.36 (12/29) +5.3%**  
*Nov new and existing home sales beat forecasts*
- CALL 2.56 (12/22) 2.69 (12/29) +5.1%**  
*partly recovered last week's loss; higher volume*
- ACET 8.27 (12/22) 8.64 (12/29) +4.5%**  
*bounced back after ex-dividend last week*

© 2005 *Parabolic Stock Picker*, a publication of Parabolic Management Group. All rights reserved; reproduction prohibited without permission. All trademarks property of their respective owners. *Parabolic Stock Picker* is published monthly. One year basic subscription is \$199 (\$299 with weekly *Pick Updates*). Contact Don Rogers, *Parabolic Stock Picker*, 415-531-7848, [dpr@parabolicstockpicker.com](http://dpr@parabolicstockpicker.com)

*Parabolic Stock Picker* opinions are not based upon individual needs of subscribers nor an offer to buy/sell securities. We receive no compensation from featured companies. We are usually owners of the stocks in the *Active Picks Portfolios* – why else would we care about them – but may sell these positions at any time.  
*Parabolic Stock Picker* is dedicated to picking small *Bargain Growth* stocks ready to *Go Parabolic!*

# Parabolic Stock Picker

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

## PARABOLIC PORTFOLIO - ACTIVE PICKS (open trades)

### *Bargain Bin*

<u>Ticker</u>	<u>Business</u>	<u>Buy Date</u>	<u>Price</u>	<u>Current (12/29/06) Price</u>	<u>% Gain</u>	<u>Market Cap (\$M)</u>
XJT	regional airline svcs	21-Jul	6.57	8.10	23.3%	438.7
MMS	govt consulting svcs	28-Jul	27.36	30.78	12.5%	664.6
ISSI	memory IC chips	1-Sep	5.31	5.75	8.3%	215.6
STC	title insurance/svcs	15-Sep	36.08	43.36	20.2%	790.2
ACET	specialty chem dist	15-Sep	7.24	8.64	19.3%	209.8
SRT	business mgmt svcs	22-Sep	12.11	13.54	11.8%	199.0
METH	electric components	22-Sep	9.06	10.83	19.5%	405.1
VNUS	venous reflux disease	6-Oct	7.05	8.88	26.0%	134.0
TEAM	IT consulting svcs	13-Oct	8.62	11.25	30.5%	116.1
JAKK	toy designer/maker	13-Oct	17.82	21.84	22.6%	606.5
IRN	loyalty reward plans	27-Oct	5.80	6.95	19.8%	184.8
CAV	manufactured homes	27-Oct	3.28	4.20	28.0%	77.0
AGYS	enterprise sftw distrib	10-Nov	15.33	16.74	9.2%	512.5
CALL	call bridging svcs	8-Dec	2.86	2.69	-5.9%	56.0
WSTL	telecom equipment	15-Dec	2.54	2.50	-1.6%	176.1
ELNK	Internet service	15-Dec	6.75	7.10	5.2%	870.5
WNI	vitamins/supplements	29-Dec	6.65	6.65	0.0%	176.7
				<b>Average</b>	<b>15.5%</b>	
				<b>Ave Days</b>	<b>87</b>	

### *Cheap Growth*

<u>Ticker</u>	<u>Business</u>	<u>Buy Date</u>	<u>Price</u>	<u>Current (12/29/06) Price</u>	<u>% Gain</u>	<u>Market Cap (\$M)</u>
SOLD	online real estate svc	16-Jun	8.92	5.63	-36.9%	137.1
EZEM	GI medical devices	8-Sep	14.60	17.47	19.7%	190.1
EDGW	managed IT services	13-Oct	6.23	6.11	-1.9%	70.1
ANSR	IT consulting svcs	20-Oct	3.04	3.08	1.3%	139.3
PDC	oil drilling services	10-Nov	13.55	13.28	-2.0%	658.7
PRSC	social services mgmt	10-Nov	25.24	25.13	-0.4%	302.0
LUFK	oil field equipment	1-Dec	59.18	58.08	-1.9%	864.8
MTZ	specialty contractor	8-Dec	12.00	11.54	-3.8%	751.4
ASVI	track-driven vehicles	8-Dec	16.35	16.27	-0.5%	434.1
				<b>Average</b>	<b>-2.9%</b>	
				<b>Ave Days</b>	<b>77</b>	