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AlphaProfit™

Sector Investors' Newsletter

Service for \$ophisticated \$ector Investors



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At A Glance

Portfolios	
Focus: Auto, DJW 5000 Index, Real Estate, Transportation	Sector Portfolio Indicator: Wait
Core: Auto, Capital Markets, Consumer Discretionary, DJW 5000 Index, Media, Real Estate, Retailing, Transportation	Favored Buy: None
	Stocks: ABG, GCI, JCI, OZM, PFE

Market Review & Outlook

Bears take charge. Global markets succumbed to repeated selling pressure as investors reacted to negative news headlines from Europe and Asia. The bailout of Greece and the downgrade of Spain's sovereign debt rating heightened the possibility of a fiscal crisis in Europe and weighed on investor sentiment. Reacting to widespread short sales of European securities, Germany imposed a partial ban on such practices. Rising tensions between North and South Korea and an unexplained 1,000-point intra-hour plunge in the Dow Jones Industrials on May 6 also unnerved investors.

Investors ignore positives. Fear emanating from Europe caused investors to ignore generally positive U. S. economic data including the Institute of Supply Management's April manufacturing index pointing to the fastest growth in almost six years and the Labor Department's report of a 290,000 increase in payrolls, the biggest gain in four years.

Only two events triggered sizeable rallies during the month. The S&P 500 advanced 4.4% on the announcement of a 750 billion euro (\$1 trillion) bailout package from the

European Union and the International Monetary Fund to preserve financial stability in Europe while China's reassurance on its commitment in maintaining European investments helped a 3.3% gain.

Oil and bond yields plummet. The disarray in Europe caused the euro to plunge nearly 8% and fall below levels seen since 2007. The resulting rise in the dollar coupled with demand concerns caused the price of oil to plunge over 15%. A 0.9% year-over-year increase in U. S. consumer prices marked the smallest increase in the inflation gage since January 1996. Tame inflation data coupled with flight to quality caused yields on the 10-year Treasury bond to decline 36 basis points to 3.30%.

Downgrading Sector Portfolio Indicator to Wait. The S&P 500 lost nearly 8% in May faring just a tad better than the 10% decline in the MSCI World Index of 24 developed nations. Broad U. S. equity averages appear oversold after this sharp sell-off.

We believe equity prices can stabilize in the current range and attempt to recover in the near-term. We however have concerns on the how high and how long this rally can last.

AlphaProfit ETF & Mutual Fund Selections

Mutual fund and exchange-traded fund recommendations for playing the investment thesis discussed in the Newsletter. Preferred mutual funds and ETFs in **bold**.

Sector or Industry Group	Mutual Funds					ETFs
	Recommendation (Ticker)	Availability, Trans. Fees, and Min. Holding Period				Recommendation (Ticker, Liquidity)
		E*Trade	Fidelity	Schwab	Ameritrade	
Auto	Fidelity Sel Automotive (FSAVX)	A, F	A, NTF, 30	R, F	A, F	Mix of ABG 10.00%, ALV 30.00%, HMC 30.00%, and JCI 30.00% (no pure-play ETF available)
Capital Markets	Fidelity Sel Brokerage (FSLBX)	A, F	A, NTF, 30	R, F	A, F	Mix of BEN 25.00%, BK 25.00%, MS 25.00%, and SF 25.00%
	Kinetics Market Opp (KMKNX)	A, NTF, 90	A, NTF, 180	I, NTF, 90	A, F	SPDR KBW Capital Markets (KCE, Limited)
Consumer Disc.	Cons Serv Ultra ProFund (CYPX)	A, NTF, 90	N	A, NTF, No	A, F	Cons Discretionary SPDR (XLY, Good)
	Fidelity Sel Cons Disc (FSCPX)	A, F	A, NTF, 30	R, F	A, F	Rydex S&P Cons Discretion (RCD, Limited) Vanguard Cons Discretion (VCR, Limited)
DJW Total Market	Fidelity Fund (FFIDX)	A, F	A, NTF, 90	A, F	A, F	SPDR DJ Total Market (TMW, Limited)
	Fidelity Sptn Total Mkt (FSTMX)	N	A, NTF, 90	A, F	A, F	Vanguard Total Stock Market (VTI, Good)
	Schwab Total Stock Mkt (SWTSX)	A, F	A, F	A, NTF, 30	A, F	
	Wilshire Target 5000 (WFIVX)	A, NTF, 90	A, NTF, 180	A, NTF, 90	A, NTF, 180	
Media	Fidelity Sel Multimedia (FBMPX)	A, F	A, NTF, 30	R, F	A, F	PowerShares Media (PBS, Limited)
Real Estate	Fidelity Real Estate (FRESX)	A, F	A, NTF, 30	A, F	A, F	iShares DJ US Real Estate (IYR, Good)
	Neuberger Real Estate (NBRFX)	A, NTF, 90	A, NTF, 180	A, NTF, 90	A, NTF, 180	SPDR DJ REIT (RWR, Good)
	Real Estate Ultra ProFund (REPIX)	A, NTF, 90	A, NTF, 180	A, NTF, 90	A, F	Vanguard REIT (VNQ, Good)
	Rydex Real Estate (RYHRX)	A, NTF, 90	A, NTF, 180	A, NTF, 90	A, NTF, No	
Retailing	Fidelity Sel Retailing (FSRPX)	A, F	A, NTF, 30	R, F	A, F	SPDR S&P Retail (XRT, Good)
	Rydex Retailing (RYRIX)	A, NTF, 90	A, NTF, 180	A, NTF, No	A, F	
Transportation	Fidelity Sel Transport (FSRFX)	A, F	A, NTF, 30	R, F	A, F	50% iShares DJ US Transportation (IYT, Good)+50%Claymore Airline (FAA, Limited)
	Rydex Transportation (RYPIX)	A, NTF, 90	A, NTF, 180	A, NTF, No	A, F	

Minimum Purchase Requirements

ETF/Fidelity Fund	Regular Accounts	Retirement Accounts
Fidelity Select	\$2,500	\$500*
Fidelity Spartan Total Mkt.	\$10,000	\$10,000
ETFs	1 share	1 share
HOLDERS	100 shares	100 shares

* \$500 for SEP-IRA, Keogh, and prototype retirement accounts. \$2,500 for traditional, Roth, and rollover IRA accounts.

Availability: A-Available, C-Limited to current shareholders, I-Limited to Institutional investors, N-Not available, R-Limited to retail investors. **Trans. Fees:** F-Transaction fee applies, NTF-No transaction fee subject to holding period. **Min. Holding Period:** For no transaction fee (NTF) funds, minimum number of days or months a fund needs to be held to avoid both fund's short-term redemption fee and broker's transaction fee. Minimum holding period not provided for transaction fee (F) funds. **Liquidity:** Investors should consider limit orders when trading ETFs with limited liquidity. **Note:** The above table is for information purposes only. Before buying any mutual fund or exchange-traded fund, read its prospectus carefully. For securities held in brokerage accounts, read the broker's specific terms and conditions which apply to trading of the securities.

Our concerns stem from the likelihood that growth will slow. The Conference Board's index of leading economic indicators has declined for the first time since March 2009 suggesting that economic growth in the U. S. is sputtering.

Abroad, the fiscal situation in Europe is likely to lead to sluggish economic activity. Inflation concerns are running high in countries like China, India, and Canada and governments are taking actions to apply brakes.

Against this backdrop, the U. S. economy will likely receive little support from the global economy to emerge from the recession at an accelerated pace. This in turn can make further improvement in employment slower-than-desirable.

We rate the AlphaProfit Sector Portfolio Indicator 'Wait'. We encourage subscribers to sell portions of equity holdings to raise the cash level to between 7% and 32%, should a sizeable rally materialize taking the S&P 500 above 1,130. This cash

level range represents an increase from the 5% to 30% range currently recommended. (On May 28, the S&P 500 closed at 1089.41.)

Performance & Prospects

Most of the investment selections outperformed the Dow Jones Wilshire 5000 index in May. Investments in the auto and capital markets groups lagged the benchmark. Both AlphaProfit model portfolios outperformed the benchmark.

Stock Searchlight

Stocks with appealing earnings trends and relatively attractive valuation characteristics are highlighted.

Company	Ticker	Price	Est. P/E	Div. Yield	Buy Below	Sell Above	Stop-Loss	Risk Rating
Asbury Automotive	ABG	\$12.75	9.0	-	\$11.30	\$14.25	\$5.45	Above Average
Gannett	GCI	\$16.04	7.2	1.0%	\$15.40	\$19.60	\$7.00	Above Average
Johnson Controls	JCI	\$27.56	12.5	1.9%	\$27.05	\$31.20	\$18.75	Above Average
Och Ziff Capital Mgmt	OZM	\$14.01	10.3	2.6%	\$13.40	\$16.00	\$8.15	Above Average
Pfizer	PFE	\$15.46	7.2	4.7%	\$15.20	\$16.75	\$12.15	Average

Earnings estimates from Capital IQ

ABG. Shares of Asbury Automotive Group have succumbed to May's bear market despite the auto retailer reporting blowout first quarter numbers. Strong increases in new and used car sales enabled Asbury to earn 27 cents per share, 80% higher than analysts' EPS estimate. The retailer of luxury and mid-line imports will likely expand through acquisitions. Asbury's shares trade at a high single-digit multiple versus the prospect of EPS growing nearly 45% in the next year. Investors with a high degree of risk tolerance can look for volatile Asbury shares to rebound if the market environment improves.

GCI. Shares of Gannett are a play on the improving prospects of the newspaper industry. In the recently completed first quarter, Gannett reported a 51% increase in net income from the year-ago period as ad revenue declined the smallest in a year. Gannett's 23 TV stations are poised to benefit from higher ad spending by political campaigns this year. The digital side of Gannett's business

also provides opportunities for revenue growth. Trading at a modest single-digit multiple, shares of the nation's largest newspaper are a value play.

JCI. Johnson Controls is executing well. Improvement in sales in automotive and power solutions segments enabled Johnson Controls to reverse losses from the year-ago period and earn 43 cents a share, 4 cents above analysts' forecast. The company has upped its 2010 earnings forecast by 20 cents a share to the \$1.90 to \$1.95 a share range. Having pulled back from a high of \$35.77 set in late April Johnson Controls shares trade at a low double-digit forward P/E multiple. With EPS likely to grow 23% in 2011, Johnson Controls shares appeal to growth-seeking conservative investors.

OZM. Investment manager Och-Ziff Capital Management's multi-strategy, multi-geography approach is working to its advantage in the current market environment. The company earned 12 cents a share in the first quarter exceeding analysts' fore-

casts and the year-ago tally by 3 cents a share and 5 cents a share, respectively. Och-Ziff expects to benefit from increasing inflows of money into hedge funds over time as investors seek opportunities in distressed credit, equity restructuring, and convertible arbitrage. Trading at a single-digit forward P/E, small-cap shares of Och-Ziff Capital Management are suitable as a speculation.

PFE. Yielding nearly 5%, Pfizer shares are a worthwhile selection for income investors. During the first quarter, Pfizer reported adjusted income of 60 cents a share, beating analysts' 53 cents a share estimate. While expiration of *Lipitor's* patent in 2011 poses a challenge for Pfizer, its acquisition of Wyeth should help meet it. The Wyeth acquisition increases the number of Pfizer's products with at least \$1 billion annual revenue to 16. The company also plans to save costs by reconfiguring its drug production facilities. Pfizer has reassured plans of increasing the dividend annually.

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The model portfolios presented in this newsletter are the products of AlphaProfit Investments, LLC. AlphaProfit applies the proprietary ValuM™ Investment Process to evaluate sectors and industries based on their valuation, momentum and news quality for inclusion in the model portfolios. We calculate total pre-tax returns based on price changes, assuming reinvestment of all distributions in the funds in which they were paid.

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Portfolio Composition

AlphaProfit model portfolios were last repositioned at Mar. 31, 2010 market close.

AlphaProfit Focus™ Model Portfolio

Fidelity Fund Holding (Ticker Symbol)	March 31, 2010		May 31, 2010	
	Amount Invested	Percent Portfolio	Value	Percent Portfolio
Automotive (FSAVX)	\$182,955	14.99%	\$175,253	14.60%
Real Estate (FRESX)	\$373,255	30.59%	\$376,593	31.38%
Spartan Total Mkt (FSTMX)	\$237,522	19.46%	\$223,418	18.61%
Transportation (FSRFX)	\$426,630	34.96%	\$425,009	35.41%
Total (rounded to)	\$1,220,362	100.00%	\$1,200,273	100.00%

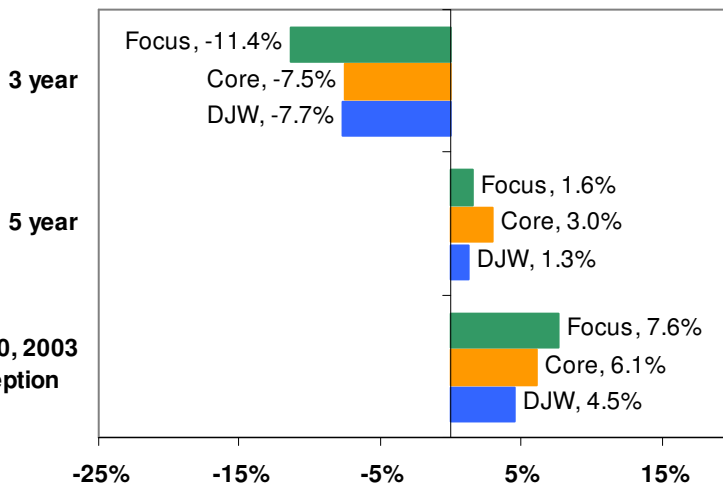
AlphaProfit Core™ Model Portfolio

Fidelity Fund Holding (Ticker Symbol)	March 31, 2010		May 31, 2010	
	Amount Invested	Percent Portfolio	Value	Percent Portfolio
Automotive (FSAVX)	\$27,888	4.49%	\$26,714	4.44%
Brokerage (FSLBX)	\$55,200	8.89%	\$50,554	8.40%
Cons Discretion (FSCPX)	\$55,553	8.95%	\$55,073	9.15%
Multimedia (FBMPX)	\$54,546	8.78%	\$53,118	8.83%
Real Estate (FRESX)	\$112,426	18.11%	\$113,432	18.85%
Retailing (FSRPX)	\$56,426	9.09%	\$55,566	9.24%
Spartan Total Mkt (FSTMX)	\$193,929	31.23%	\$182,414	30.32%
Transportation (FSRFX)	\$64,977	10.46%	\$64,730	10.76%
Total (rounded to)	\$620,945	100.00%	\$601,600	100.00%

At newsletter inception on September 30, 2003, the Focus and Core model portfolios had values of \$735,204 and \$406,160, respectively.

Scorecard

Model portfolio returns are compared with that of the Dow Jones Wilshire 5000 benchmark. Returns for periods longer than 1 year are annualized.



	May 2010	Qtr-To-Date	Year-To-Date	1 Year
Focus	-6.4%	-1.6%	7.2%	27.7%
Core	-7.1%	-3.1%	5.7%	31.5%
DJW 5000	-7.9%	-5.9%	0.0%	23.7%

Auto

Preferred auto investments trailed

the DJW 5000 index. Backed by strong earnings reports from the likes of AutoZone, auto part retail-

ers were a bright spot in a group where double-digit losses were common.

The fortunes for the auto industry continue to improve with seasonally adjusted U. S. sales running 22% higher from the year-ago level. After

Return as of May 31, 2010

Industry	Auto
Recommended On	Sep. 30, 2009
Fidelity Fund	14.4%
Auto Basket	10.4%

returning to profitability, General Motors plans become public through an IPO before year-end. Private-equity investors as well as rival auto part makers like Johnson Controls are eyeing acquisitions.

Changing fuel economy & safety standards and rising Chinese demand are shaping the moves of automakers and auto part makers. Automakers are stepping up efforts to develop electric cars and batteries to meet 2016 U. S. fuel economy standards. Part makers BorgWarner and TRW are eyeing opportunities from stringent standards. Nissan, Honda, and BMW are looking to increase production in China to meet rising demand.

Capital Markets

Return as of May 31, 2010

Industry	Capital Markets
Recommended On	Jun. 30, 2009
Fidelity Fund	19.1%
ETF	1.1%

Preferred capital markets investments underperformed the DJW 5000 index. The backdrop of bearish conditions weighed heavily on asset managers, banks, and brokers and double-digit declines in share prices were common.

The government is planning to make changes to regulations covering capital markets firms. Moves to raise capital standards, bar use of taxpayer monies to rescue banks, and reduce the power of the three large credit rating agencies are being considered. As implied in JPMorgan CEO's comments, we

ETF & Mutual Fund Facts

Industry	Automotive		Capital Markets	
MF/ETF	Fidelity Sel. Automotive	Auto Basket	Fidelity Sel. Brokerage	Capital Markets Basket
Ticker	FSAVX	None	FSLBX	None
Manager/Index	M. Weaver	AlphaProfit	B. Hesse	AlphaProfit
Category	Mid Cap Value	Mid Cap Blend	Large Cap Value	Large Cap Blend
Risk Rating	Above Average	Above Average	Average	Average
Top 10 Holdings	Toyota Motor	Autoliv, 33.3%	T. Rowe Price	Bank of NY Mellon, 25.0%
	Honda Motor	Honda Motor, 33.3%	Morgan Stanley	Franklin Res, 25.0%
	Daimler AG	Johnson Controls, 33.3%	EFG International AG	Morgan Stanley, 25.0%
	Johnson Controls		UBS AG	Stifel Financial, 25.0%
	Tenneco		MF Global	
	BorgWarner		Franklin Resources	
	ArvinMeritor		Och-Ziff Capital Mgmt	
	Gentex		SunTrust Banks	
	Sonic Automotive		Charles Schwab	
	Autoliv		Bank of NY Mellon	
% Portfolio	61.7%	100.0%	38.1%	100.0%
% Foreign	34.9%	0.0%	16.1%	0.0%
Date	As of Mar. 31, 2010	As of Mar. 31, 2010	As of Mar. 31, 2010	As of Apr. 30, 2010
Industry/Index	Consumer Discretionary		Media	
MF/ETF	Fidelity Sel. Cons. Disc.	Vanguard Cons. Disc.	Fidelity Sel. Multimedia	PowerShares Dyn. Media
Ticker	FSCPX	VCR	FBMPX	PBS
Manager/Index	J. Harris	MSCI U.S. Cons. Disc.	K. Salen	Dynamic Media Intellidex
Category	Large Cap Growth	Large Cap Blend	Large Cap Blend	Mid Cap Blend
Risk Rating	Below Average	Below Average	Average	Average
Top 10 Holdings	Walt Disney	McDonald's	Walt Disney	Viacom
	Lowe's	Walt Disney	Time Warner	Comcast Class A
	McDonald's	Home Depot	Comcast Class A	Walt Disney
	Target	Comcast Class A	DIRECTV	News Corp
	Amazon.com	Amazon.com	News Corp	Time Warner
	Ford Motor	Target	Viacom	Google
	Viacom	Ford Motor	Time Warner Cable	McGraw Hill
	Wyndham Worldwide	Time Warner	McGraw Hill	DIRECTV
	Staples	Lowe's	Omnicom	RCN
	Johnson Controls	News Corp Class A	Cablevision Systems	HSN
% Portfolio	35.6%	33.9%	60.5%	46.7%
% Foreign	6.1%	0.0%	5.1%	0.0%
Date	As of Mar. 31, 2010	As of Mar. 31, 2010	As of Mar. 31, 2010	As of Mar. 31, 2010
Industry/Index	Real Estate		Retailing	
MF/ETF	Fidelity Real Estate Inv.	Vanguard REIT	Fidelity Select Retailing	SPDR S&P Retail
Ticker	FRESX	VNQ	FSRPX	XRT
Manager/Index	S. Buller	MSCI U.S. REIT	P. Dixon	S&P Retail Sel. Industry
Category	Mid Cap Value	Mid Cap Blend	Large Cap Growth	Mid Cap Blend
Risk Rating	Above Average	Above Average	Below Average	Below Average
Top 10 Holdings	Simon Property	Simon Property	Amazon.com	GameStop
	Vornado Realty	Vornado Realty	Lowe's	CarMax
	Public Storage	Public Storage	Home Depot	Walgreen
	Ventas	Equity Residential	Staples	Expedia
	HCP	Boston Properties	Target	Limited Brands
	Host Hotels & Resorts	HCP	Best Buy	Munro Muffler Brake
	ProLogis	Host Hotels & Resorts	TJX	Netflix
	Equity Residential	Ventas	Kohl's	Barnes & Noble
	Boston Properties	AvalonBay Communities	Bed Bath & Beyond	AnnTaylor Stores
	Kimco Realty	Kimco Realty	Expedia	Jos A Banks
% Portfolio	54.3%	43.6%	56.5%	16.9%
% Foreign	0.0%	0.0%	0.0%	0.0%
Date	As of Mar. 31, 2010	As of Mar. 31, 2010	As of Mar. 31, 2010	As of Mar. 31, 2010

ETF & Mutual Fund Facts (cont'd from p.5)

Industry	DJ Wilshire Total Market	
MF/ETF	Fidelity Spar. Tot. Mkt.	Vanguard Tot Stk Mkt
Ticker	FSTMX	VTI
Manager/Index	Geode Capital Mgmt	MSCI US Broad Market
Category	Large Cap Blend	Large Cap Blend
Risk Rating	Below Average	Below Average
Top 10 Holdings	ExxonMobil	ExxonMobil
	Microsoft	Microsoft
	Apple	Apple
	General Electric	General Electric
	Procter & Gamble	Procter & Gamble
	Johnson & Johnson	Johnson & Johnson
	JPMorgan Chase	Bank of America
	Bank of America	JPMorgan Chase
	Intl Business Machines	Intl Business Machines
	Berkshire Hathaway Class B	AT&T
% Portfolio	15.4%	15.5%
% Foreign	0.0%	0.0%
Date	As of Mar. 31, 2010	As of Mar. 31, 2010

believe these changes can result in a stronger financial services industry. Meanwhile selected firms like Lazard stand to benefit as the government jettisons troubled assets acquired during the credit crisis.

Valuation metrics for European banks are compressed by deteriorating investor confidence. However, banks like Credit Suisse, UBS, and Barclays have wide geographic diversification, substantial presence in investment banking, and limited exposure to commercial banking. We believe such shares offer attractive recovery potential.

Consumer Discretionary

Preferred consumer discretionary investments fared marginally better than the DJW 5000 index. Until now, hopes of improvement in the labor market have helped con-

sumer confidence to improve. In home improvement retail, first quarter EPS at Home Depot and Lowe's beat analysts' forecast by double-digits. Same-store-sales increased at both retailers after a long hiatus. Linger benefits from home pur-

Return as of May 31, 2010	
Industry	Cons Discr
Recommended On	Dec. 31, 2008
Fidelity Fund	52.2%
ETF	55.2%

chase tax credits that ended on April 30 are likely to support home improvement retailer earnings in the second quarter. With private equity firms keen in taking over restaurants, Captain D's and Dave & Buster's recently joined the list of eating-places going private.

Firms in the consumer discretionary space are looking overseas for growth. In the near-term, the soccer

world cup is likely to rev up sales at Adidas and Nike. Nike is also targeting the growing middle class in BRIC nations to lift sales. Las Vegas Sands has restarted its mothballed expansion of its casino in Macau. Swatch, the maker of *Rolex* and *Omega* brand watches, is increasingly targeting Chinese customers.

DJW Total Market

Return as of May 31, 2010	
Index	DJW 5000
Recommended On	Sep. 30, 2009
Fidelity Fund	5.6%
ETF	5.7%

Preferred investments tracking the DJW 5000 index performed in line with the benchmark.

We include investments that track the broad DJW 5000 index in both model portfolios. This provides exposure to sectors like consumer staples, energy, health care, materials, technology, and utilities otherwise not included in the model portfolios.

The resulting balance helps to not only cut short-term volatility but also mitigate risks from factors such as declining U. S. dollar, rising energy prices, or rising interest rates.

Media

Preferred media investments performed mixed. The Fidelity fund outperformed the DJW 5000 while the PowerShares ETF lagged a bit. In earnings reports, News Corp.

Disclosure continued from page 3

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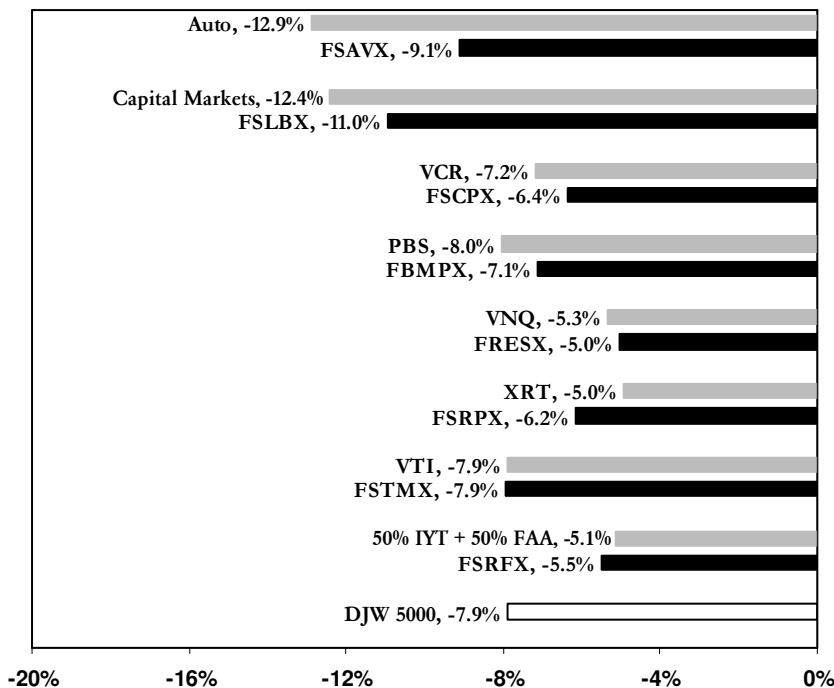
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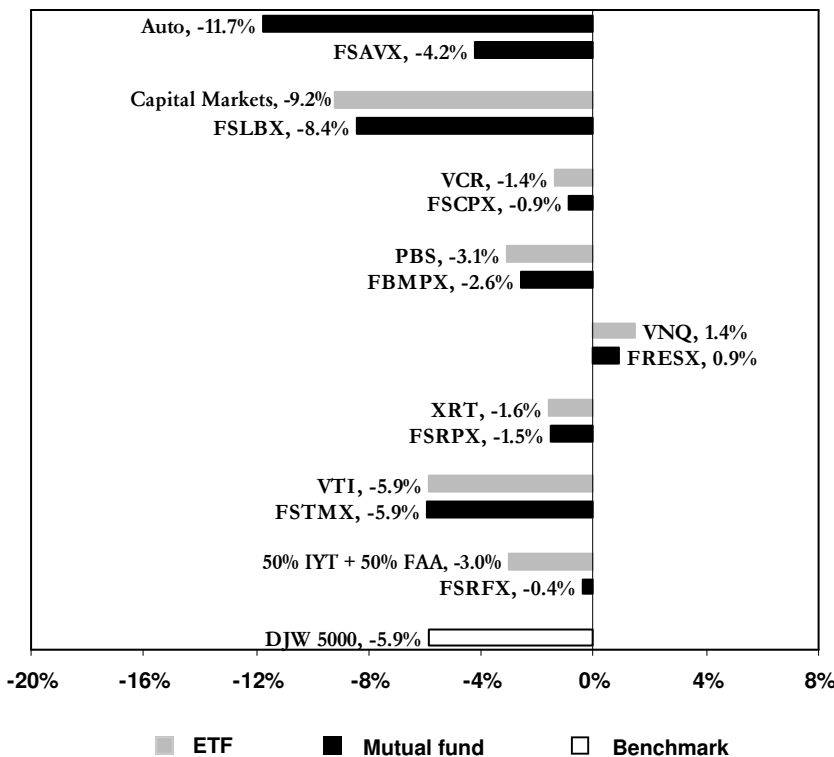
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Preferred ETF & Mutual Funds Returns

May 2010



2Q-T-D 2010 Returns



Featured Quote

"Debt is always repaid, either by the borrower or by the lender."

Jim Grant

DirecTV, and Time Warner exceeded analysts' first quarter EPS forecasts by more than 25%.

The advertising milieu is improving. Cable advertising revenue at Comcast and Cablevision has increased 25% and 35%, respectively. Viacom's CEO is predicting ad rates for

Return as of May 31, 2010

Industry	Media
Recommended On	Dec. 31. 2009
Fidelity Fund	6.3%
ETF	8.2%

the rest of the year to increase. In Internet advertising, Google's 23% revenue increase marks the highest growth since the summer of 2008.

Media companies are focusing on innovation and transactions. Google has introduced software to put Web content on television. The movement of 3-D technology from theatres to television is underway. The launch of film financing futures can help film producers share risk.

The U. S. Federal Trade Commission has approved Google's \$750 million purchase of AdMob. Comcast is working to gain approval for its new NBC Universal joint venture. Washington Post is looking to sell Newsweek.

Real Estate

Strong relative performance of selected healthcare and apartment REITs limited losses of preferred



The AlphaProfit Sector Investors' Newsletter™ is edited and published by Dr. Sam Subramanian, Managing Principal and Chief Investment Officer of AlphaProfit Investments, LLC. Sam is an avid stock market investor and has tracked Fidelity Select Funds for several years. With a strong quantitative and analytical bent, Sam has honed his skills in security research and analysis. Sam developed the ValuM Investment Process™ for managing investments. The ValuM Investment Process has helped Sam build a successful track record in managing his investments since 1985. Prior to founding AlphaProfit Investments, LLC, Sam worked in positions of increasing responsibility in Finance and Corporate Strategy advising in Acquisitions and Divestitures, Asset Valuation, Trading, Bankruptcies, and Risk Management. Sam graduated with honors from the MBA program at the University of Michigan and has a Doctorate Degree in Chemical Engineering from Syracuse University. Sam also holds 16 U. S. patents.

ETF & Mutual Fund Facts (continued from pg. 6)

Industry MF/ETF Ticker	Transportation		
	Fidelity Sel Transport FSRFX	iShares DJ Trans IYT	Claymore Airline FAA
Manager/Index	J. Mirshekari	DJ Transportation	NYSE GI Airlines
Category	Mid Cap Value	Mid Cap Growth	Mid Cap Value
Risk Rating	Average	Average	Above Average
Top 10 Holdings	United Parcel Service Union Pacific CSX UAL Delta Air Quality Distribution Southwest Airlines Vitran Norfolk Southern Continental Airlines	FedEx Union Pacific United Parcel Service Norfolk Southern CH Robinson Wwide CSX Ryder System Landstar System Kansas City Southern Con-way	Delta Airlines Continental Airlines Southwest Airlines Deutsche Lufthansa Qantas Airways UAL All Nippon Airways Alaska Air Group JetBlue Airways US Airways
% Portfolio	71.2%	69.7%	73.6%
% Foreign	9.7%	0.0%	23.4%
Date	As of Mar. 31, 2010	As of Mar. 31, 2010	As of Mar. 31, 2010

real estate investments and enabled them to outperform the DJW 5000 index.

In the early stage of the recovery, real estate transactions have centered on high-quality assets. With U. S. banks and special servicers holding nearly \$185 billion in distressed loans, transaction activity is likely to switch to distressed properties as recovery matures.

Leasing activity for shopping centers is up 15% to 20% from the year-ago period and rents in prime locales are firmer. Seeking opportunities overseas, Sam Zell's Equity

Return as of May 31, 2010

Industry	Real Estate
Recommended On	Dec. 31, 2009
Fidelity Fund	12.3%
ETF	11.5%

International is increasing investments in Brazil while Marriott's luxury chain Ritz-Carlton is intensifying its search for locations to add hotels in China.

Countering concerns of erosion in commercial property values, U. S. life insurers MetLife and Prudential Financial are confident prices have bottomed and are predicting a rebound. Benefiting from higher income, lower Manhattan's biggest office property owner Brookfield

Asset Management reported EPS higher than analysts' forecast.

Retailing**Return as of May 31, 2010**

Industry	Retailing
Recommended On	Dec. 31, 2008
Fidelity Fund	76.0%
ETF	102.8%

Preferred retailing investments lost less and outperformed the DJW 5000. A relatively tame 0.4% increase in April retail sales provided ammunition to the bears in a tough stock market environment and curb optimism from earnings reports.

Most retailers performed well on the earnings front with the likes of CitiTrends and Children's Place posting double-digit earnings surprises. Leading discounters Wal-Mart & Target and upscale retailer Saks too reported EPS higher than analysts' forecasts.

Capital is becoming more readily available to retailers. Troubled jewelry retailer Zale has attracted new capital while Toys R' Us may become public again.

We are cautious in our outlook for the group as the recent decline in the stock market may impede consumers from spending freely. A

stronger U. S. dollar and falling commodity prices are a plus for this group. Yet, a sustained increase in job creation may be needed to prevent industry profit growth from decelerating in the second half.

Transportation**Return as of May 31, 2010**

Industry	Transportation
Recommended On	Mar. 31, 2010
Fidelity Fund	-0.4%
ETF	-3.0%

Preferred transportation investments lost less ground than the DJW 5000 index. Transportation shares owe their relative outperformance to the decline in fuel prices.

News from the transportation sector reflective of conditions in April was generally upbeat. Expeditors International reported an 18% year-over-year increase in ocean volumes. Strong Asian demand for commodities helped ocean freight rates stay firm. April railroad carloads were up 16% year-over-year in the U. S. and 27% in Canada.

While falling fuel prices are a plus, transportation shares can come under pressure if growth in the U. S. and around the world slows materially. Falling oil consumption and curtailment in U. S. deepwater drilling can pose headwinds on the volume front.

Meanwhile, United Airlines parent UAL and Continental are moving forward with their \$3.7 billion merger. Route divestitures likely required by UAL-Continental to win regulatory approval may provide opportunities for competitors like American Airlines.

AlphaProfit Investments, LLC
Date: May 31, 2010