AlphaProfit™

Sector Investors' Newsletter

$ervice for $ophisticated $ector Investors

Ideas. Insights. Results.

Monthly Report

WHAT'S INSIDE

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For definitions of terms used in this report, please see Glossary available at www.alphaprofit.com.

At A Glance

Portfolios	
Focus: Auto, DJW 5000 Index, Real Estate, Transportation	**Sector Portfolio Indicator**: Buy on Dips
	Favored Buy: None
Core: Auto, Capital Markets, Consumer Discretionary, DJW 5000 Index, Media, Real Estate, Retailing, Transportation	**Stocks**: C, CVX, JPM, MS, MSFT

Market Review & Outlook

Sovereign debt concerns return to the forefront. Concerns on the ability of European countries like Greece, Portugal, and Spain to remain nearly solvent and meet debt obligations returned to the headlines after lurking in the background for over two months. Standard & Poor's downgraded the sovereign debt ratings of the three countries and cut Greece's rating to junk after its budget deficit last year was larger than previously thought.

Earnings surprise to the upside. Corporate America lived up to expectations with first quarter earnings reports. Companies like Apple, Caterpillar, and General Electric reported notably strong results. Looking at aggregate data, profits increased 47% on a year-over-year basis and over 75% of S&P 500 member companies beat EPS forecasts. Revenue comparisons too supported the picture that things are on the mend as 60% of S&P 500 member companies beat forecasts.

Federal Reserve leaves rates unchanged. The Federal Reserve believes slackness in employment and resulting lack of wage pressures will keep inflation stable for some time. Citing these factors, the Central Bank has left its benchmark short-term interest rate unchanged in the 0% to 0.25% range.

Rating AlphaProfit Sector Portfolio Indicator 'Buy on Dips'. Weathering negatives like the downgrade of sovereign debt ratings and the initiation of Securities and Exchange Commission's civil suit against Goldman Sachs, the S&P 500 advanced 1.6% in April.

We are cautious in our near-term outlook for the stock market. The backdrop of positive earnings and revenue surprises has helped equity prices withstand the above shocks rather well. That said, the strong bull-run which began in March 2009 has pushed a large number of stocks to their 52-week highs. The market increasingly looks due for a pause.

With the first quarter earnings reporting season tapering off in the next couple of weeks, the likelihood of last week's decline in equity prices extending longer is high.

Even though gross domestic product growth can continue to decelerate further from the 5.6% annualized rate recorded in the fourth quarter of 2009 and 3.2% recorded

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 ALV 33.33%, HMC 33.33%, and JCI 33.33%** (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 (CYPIX)	A, NTF, 90	N	A, NTF, No	A, F	Cons Discretionary SPDR (XLY, Good)
						Rydex S&P Cons Discretion (RCD, Limited)
	Fidelity Sel Cons Disc (FSCPX)	A, F	A, NTF, 30	R, F	A, F	**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
HOLDRS	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.

in the first quarter of 2010, we believe the economy is likely to continue expanding in the quarters ahead.

Assuming externalities like a falling dollar or rising commodity prices do not become an inflation driver and the Federal Reserve's forecast for stable inflation stays true, the backdrop of moderate growth can help stock prices add to their gains over time.

We now rate the AlphaProfit Sector Portfolio Indicator '**Buy on Dips**'. Risk tolerant investors can modestly prune the cash position from 7% of investments to 5% if the S&P 500 dips below 1156. Conservative investors can maintain 30% of investments in cash, unchanged from the level recommended on March 31. (On April 30, the S&P 500 closed at 1186.68.)

Performance & Prospects

Most of the investment selections outperformed the Dow Jones Wilshire 5000 index in May with selections in the consumer discretionary sector and real estate group leading the way. Both AlphaProfit model portfolios comfortably outperformed the benchmark.

Auto

Return as of April 30, 2010	
Industry	Auto
Recommended On	Sep. 30, 2009
Fidelity Fund	25.9%
Auto Basket	26.7%

Preferred auto investments performed mixed with the Fidelity fund outperforming the DJW 5000 index.

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
Citigroup	C	$4.17	14.4	-	$4.24	$4.95	$2.40	Above Average
Chevron	CVX	$79.62	8.6	3.6%	$78.10	$88.50	$58.50	Below Average
JPMorgan Chase	JPM	$41.55	12.6	0.5%	$38.10	$44.75	$26.25	Average
Morgan Stanley	MS	$28.38	9.0	0.7%	$26.65	$31.25	$15.25	Above Average
Microsoft	MSFT	$28.88	13.0	1.8%	$28.15	$31.25	$20.25	Below Average

Earnings estimates from Capital IQ

C. The worst for Citigroup appears to be over. The U. S. Treasury is proceeding with its plan to exit from being a major stakeholder. The third largest U. S. bank earned 15 cents a share in the first quarter exceeding analysts' break-even estimate. Even though Citigroup has sold over $500 billion in assets to focus on its main lines, it still has work cut out as evident from the weak performance of its corporate and investment banking units abroad. Trading at nearly 80% of book value, low-priced, risky Citigroup shares are a worthwhile speculation.

CVX. We re-feature Chevron with revised target prices. Helped by rising oil and gas production, stronger oil prices, and better-than-expected performance in the refining business, Chevron earned $2.36 a share in the first quarter, nearly 22% better than analysts' forecast. With falling U. S. gasoline demand not auguring well for the oil refining business in general, the integrated oil giant is reducing its refining footprint and focusing on higher margin projects. Trading at a single-digit forward P/E and offering a meaty dividend yield, Chevron shares are attractive for income-seeking, conservative investors.

JPM. Shares of JPMorgan Chase are down since our previous recommendation exited with a 16% gain on March 12. Meanwhile, the second-biggest U. S. bank by assets has reported strong first quarter results earning 74 cents a share, nearly 15% above analysts' estimates. Results received a boost from stronger investment banking activity and release of loan loss reserves. The release of loan loss provisions should boost EPS going forward too. A dividend hike is contingent on further improvement in employment and credit markets. Shares of JPMorgan are among the stodgier selections in the recovering financial services sector.

MS. New CEO James Gorman's efforts to shake up management and slash compensation expense are working to turn around Morgan Stanley. Morgan Stanley earned $1.03 a share in the first quarter nearly double analysts' 57 cents a share estimate. The investment bank is looking to the Smith Barney joint venture to widen margins and improve stability in the wealth management business. Morgan Stanley's partnership with Mitsubishi along with legal troubles at Goldman Sachs can provide the former access to new markets. Trading at just around book value, volatile shares of Morgan Stanley are a tempting play for risk-tolerant, value investors.

MSFT. Shares of Microsoft lagged those of its tech peers like Intel and Apple in April even after the software giant reported sound fiscal third quarter results. Microsoft is benefiting from strength in consumer demand for its *Windows 7* operating system. While corporate demand has been slow to pick up, a business upgrade cycle is not far off given the advancing age of PCs. Microsoft shares trade at a modest double-digit forward P/E multiple vis-à-vis prospects for 13% EPS growth in fiscal 2011. The company's shares are of interest to conservative investors.

continued on page 6

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 Amount Invested	March 31, 2010 Percent Portfolio	April 30, 2010 Value	April 30, 2010 Percent Portfolio
Automotive (FSAVX)	$182,955	14.99%	$192,800	15.04%
Real Estate (FRESX)	$373,255	30.59%	$396,615	30.94%
Spartan Total Mkt (FSTMX)	$237,522	19.46%	$242,623	18.93%
Transportation (FSRFX)	$426,630	34.96%	$449,809	35.09%
Total (rounded to)	$1,220,362	100.00%	$1,281,848	100.00%

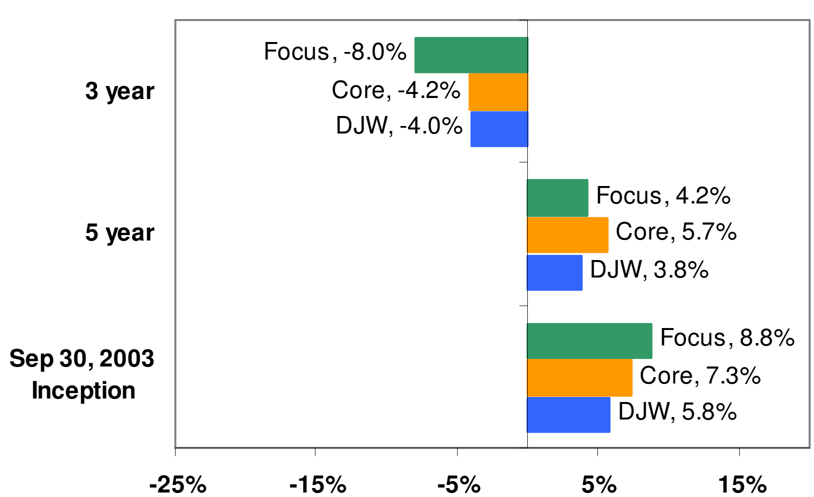
AlphaProfit Core™ Model Portfolio

Fidelity Fund Holding (Ticker Symbol)	March 31, 2010 Amount Invested	March 31, 2010 Percent Portfolio	April 30, 2010 Value	April 30, 2010 Percent Portfolio
Automotive (FSAVX)	$27,888	4.49%	$29,389	4.54%
Brokerage (FSLBX)	$55,200	8.89%	$56,778	8.77%
Cons Discretion (FSCPX)	$55,553	8.95%	$58,824	9.09%
Multimedia (FBMPX)	$54,546	8.78%	$57,204	8.83%
Real Estate (FRESX)	$112,426	18.11%	$119,462	18.45%
Retailing (FSRPX)	$56,426	9.09%	$59,217	9.15%
Spartan Total Mkt (FSTMX)	$193,929	31.23%	$198,094	30.59%
Transportation (FSRFX)	$64,977	10.46%	$68,507	10.58%
Total (rounded to)	$620,945	100.00%	$647,476	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.



	Apr 2010	Qtr-To-Date	Year-To-Date	1 Year
Focus	5.0%	5.0%	14.5%	46.3%
Core	4.3%	4.3%	13.8%	45.9%
DJW 5000	2.2%	2.2%	8.6%	41.3%

A 4% decline in shares of Honda Motor limited the AlphaProfit auto basket's gains.

Auto sales in the U. S. continue to rebound driven by incentives, broader economic recovery, and pent-up demand. In March, U. S. auto sales increased 24% year-over-year to top the 1 million mark. AutoNation expects industry sales to range between 11.5 million units and 12 million units in 2010.

Benefiting from rising sales and market share, Ford reported its highest pre-tax quarterly profit in six years. Ford is looking to smaller fuel-efficient models like *Focus* and *Fusion* for growth in the U. S. Leading auto retailers like AutoNation and Group 1 Automotive have reported positive earnings surprises. Selected auto retailers like CarMax are looking to resume store openings.

Meanwhile in China, low market penetration, rising affordability, and a herd effect are causing auto sales to surge. Auto sales jumped 76% in the first quarter to 3.52 million units with luxury car sales climbing 66%. Foreign automakers like Volkswagen, Nissan, and Honda are aggressively competing in the Chinese market.

Rising global demand for more efficient, cleaner-burning engines is providing ample business opportunities for auto part makers like BorgWarner.

Capital Markets

Return as of April 30, 2010	
Industry	Capital Markets
Recommended On	Jun. 30, 2009
Fidelity Fund	33.8%
ETF	15.5%

Preferred capital markets investments outperformed the DJW 5000 index. Leading capital markets firms like Goldman Sachs, Bank of America, and Morgan Stanley exceeded analysts' first quarter EPS forecasts by 40%. Tight rein on compensation costs, strength in trading, and rising sales of junk bonds contributed to the bottom line.

The recovery in stock prices is prompting investors to switch cash from money market funds to equity mutual funds and ETFs. Such switches benefit asset management

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

firms as they are able to charge management fees on the latter whereas fee waivers have been common on money market investments. Meanwhile, *iShares* sponsor BlackRock is targeting mid- and small-sized employers to make ETFs popular in 401k plans.

Exchanges stand to benefit if the drive to greater transparency in derivatives trading leads to regulatory reform.

This positive backdrop for the capital markets group is botched by the SEC's securities fraud suit and the Justice Department's criminal inquiry against Goldman Sachs. While these events elevate downside risk in Goldman's shares, selected capital markets firms may have access to new business due to Goldman's troubles.

On May 3, we recommended rolling over investments in iShares Broker-Dealers ETF (IAI) into AlphaProfit's Capital Markets Basket. Fidelity Select Brokerage & Investment Management (FSLBX) remains a preferred investment for playing the capital markets thesis.

Consumer Discretionary

Return as of April 30, 2010	
Industry	Cons Discr
Recommended On	Dec. 31, 2008
Fidelity Fund	62.6%
ETF	67.2%

Preferred consumer discretionary investments outperformed the DJW 5000 index. Stability in home prices and rising stock prices have helped consumers feel more confident. Becoming less reliant on tax credits, consumer purchases increased 3.6% during the first quarter. Beleaguered businesses in the consumer discretionary space like Las Vegas casinos too are beginning to recover.

Parents are spending more on toys as fears about jobs and the economy ease. Leading toy makers Hasbro and Mattel reported strong first quarter earnings reports. Hasbro beat analysts' EPS forecast by over 60% while Mattel reported a sizable profit when a loss was expected. Sony is looking to new features and 3-D games to make its *PlayStation* business profitable in the current fiscal year.

Restaurant chains are faring well across a wide price spectrum. Same-store sales at fast-food giant McDonald's rose 4.2% in March. Same store sales at more upscale joints like Starbucks and Panera Bread jumped 7% and 10%, respectively. Private-equity firms are demonstrating a strong appetite for taking over restaurant chains.

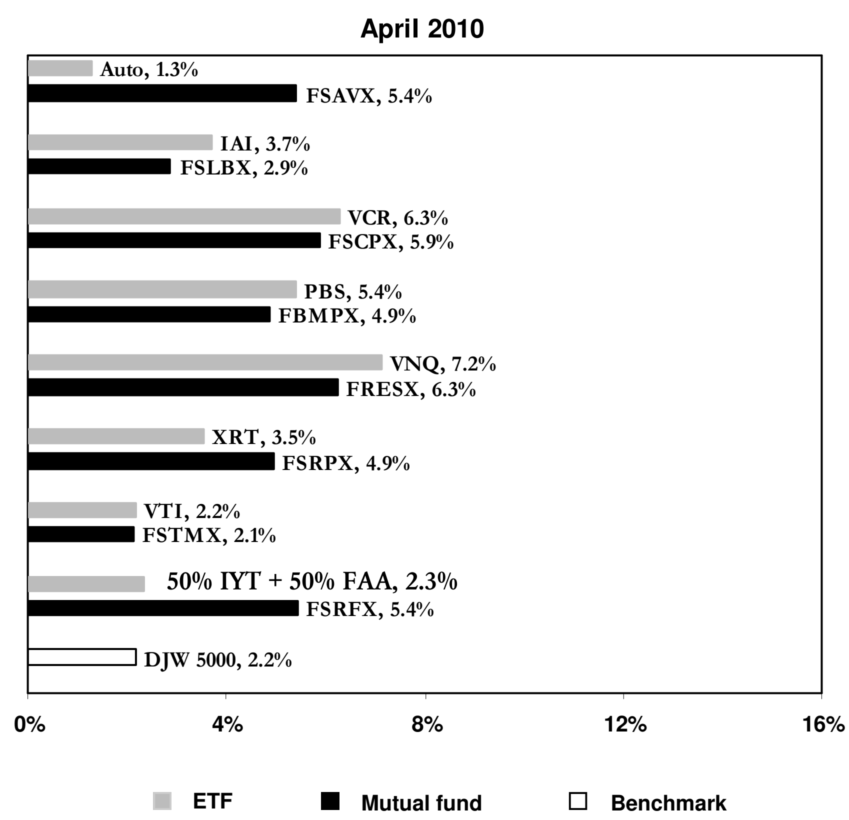
Shares in the consumer discretionary sector are up over 20% in the past three months. They could be due for some consolidation. Looking farther, improvement in the employment market can give shares here another leg up.

DJW Total Market

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

Preferred ETF & Mutual Funds Returns



Featured Quote

"Volatility is a symptom that people have no idea of the underlying value."

Jeremy Grantham

model portfolios. This provides exposure to sectors like consumer staples, energy, health care, materials, technology, and utilities otherwise not included in the model portfolios.

Return as of April 30, 2010	
Index	DJW 5000
Recommended On	Sep. 30, 2009
Fidelity Fund	14.7%
ETF	14.8%

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 outperformed the DJW 5000 index. The advertising environment is improving as automakers and dealerships boost local ad sales. Total ad sales are expected to grow 3% this year in the U. S. with online advertising growing a strong 13%.

In the content provider space, Viacom reported sound results beating analysts' EPS forecast by over 5%. The company is generating strong cash flow. Share buybacks or the initiation of a dividend could materialize in the next three months.

Among content distributors, both Comcast and Time Warner Cable performed well in the first quarter. Investments in high-speed Internet services are now bearing fruit. Both companies increased their number of broadband and telephone subscribers. Cable advertising revenue gained to mark its first year-over-year increase in two years.

Google and Yahoo! posted mixed results in the Internet space. While Google's EPS marginally exceeded analysts' forecast, the company's profit margin fell to 54.9% from 55.7% in the previous quarter. Meanwhile, Yahoo's share of the U. S. search market continued to shrink.

Return as of April 30, 2010	
Industry	Media
Recommended On	Dec. 31. 2009
Fidelity Fund	14.5%
ETF	17.7%

Real Estate

Preferred real estate investments outperformed the DJW 5000 index. After declining 40% in value from its peak, the commercial real estate market is rebounding. Executives from financial services companies MetLife and Principal Financial Group have commented on new buyers entering the U. S. commercial real estate market and pushing prices up. Investors are forming new pools to buy loan portfolios and buildings. Many REITs have also come forth with initial pubic offerings.

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	Transportation		
MF/ETF	Fidelity Sel Transport	iShares DJ Trans	Claymore Airline
Ticker	FSRFX	IYT	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	FedEx	Delta Airlines
	Union Pacific	Union Pacific	Continental Airlines
	CSX	United Parcel Service	Southwest Airlines
	UAL	Norfolk Southern	Deutsche Lufthansa
	Delta Air	CH Robinson Wwide	Qantas Airways
	Quality Distribution	CSX	UAL
	Southwest Airlines	Ryder System	All Nippon Airways
	Vitran	Landstar System	Alaska Air Group
	Norfolk Southern	Kansas City Southern	JetBlue Airways
	Continental Airlines	Con-way	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

Vacancies in shopping centers are starting to decline as retail spending perks up and tenants look to increase space. Leading shopping center REITs like Vornado and Kimco are now operating at over 92% occupancy. Brookfield Asset Management & its partners and Simon Property Group are vying with competing proposals to bring General Growth Properties out of bankruptcy.

Return as of April 30, 2010	
Industry	Real Estate
Recommended On	Dec. 31. 2009
Fidelity Fund	18.3%
ETF	17.8%

Major hotel chains came through with their earnings. Marriott International, Starwood Hotels, and Wyndham Worldwide beat analysts' EPS forecast by at least 10%. The hotel chains have raised their 2010 revenue per available room and EPS forecasts. U. S. hotel chains are stepping up expansion efforts in Europe's fragmented market.

Retailing

Preferred retailing investments outperformed the DJW 5000 index. Share price gains were well-supported by strength in retail sales in general. Rising 1.6% in March, retail sales recorded their biggest gain in four months. Same store sales increased 9.1% for the largest monthly jump since 2000.

Both lower-end and upscale department stores fared well. Target reported a 10.3% increase in March same-store-sales and boosted its first quarter EPS forecast. A 10.8% increase in March same-store-sales at Macy's has prompted the company to up its full year same-store-sales forecast. Mid-level chain Kohl's and upscale rival Nordstrom too reported stronger same-store-sales increases of 22.5% and 16.8%, respectively.

Takeover talk is simmering. Canada's Alimentation Couche-Tard has offered nearly $2 billion to buy Casey's General Stores, a price tag deemed opportunistic by the latter. Radio Shack and Williams-Sonoma could be next in line to receive buyout offers. Meanwhile, Sears Holdings is upping its stake in its cash-rich unit Sears Canada to 90.4%. This can pave the way for Sears Holdings to take the better-positioned Canadian unit private and improve its financial position.

Return as of April 30, 2010	
Industry	Retailing
Recommended On	Dec. 31, 2008
Fidelity Fund	87.5%
ETF	113.4%

Transportation

Return as of April 30, 2010	
Industry	Transportation
Recommended On	Mar. 31, 2010
Fidelity Fund	5.4%
ETF	2.3%

Preferred transportation investments outperformed the DJW 5000 index. Shares of freight and logistics services providers received a boost from United Parcel Service's strong first quarter earnings report. Backed by strength in its international package, supply chain, and freight segments, UPS earned 71 cents a share beating analysts' forecast by over 22%. UPS has joined FedEx in upping 2010 EPS forecasts.

Merger talks and the eruption of volcanic ash in Iceland were major factors affecting share prices in the airline space. Talks between United Airlines and US Airways spurred Continental Airlines to return to the merger table after a two-year hiatus and move forward its combination with United. Volcanic ash disrupted 29% of global aviation leading to industry-wide losses of $400 million a day. Such losses however are a one-time event. Auguring well for summer air travel, a Travelocity survey found 49% of customers plan to travel more this year.

Railroads are seeing volumes pick up pretty much across the board. Trucking companies are noticing a broadening of economic recovery beyond manufacturing. In the big picture, a recovery in the U. S. economy should benefit the transportation sector and we like its prospects.

AlphaProfit Investments, LLC
Date: April 30, 2010 ■