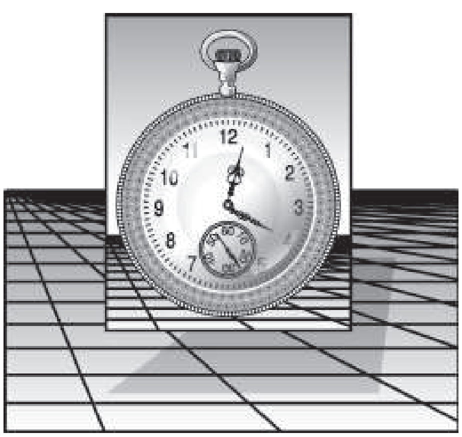
PROFESSIONAL TIMING SERVICE
Since 1978

The next issue will be published June 2.



www.protiming.com
e-mail: info@protiming.com

A MATTER OF TIMING AND PATIENCE

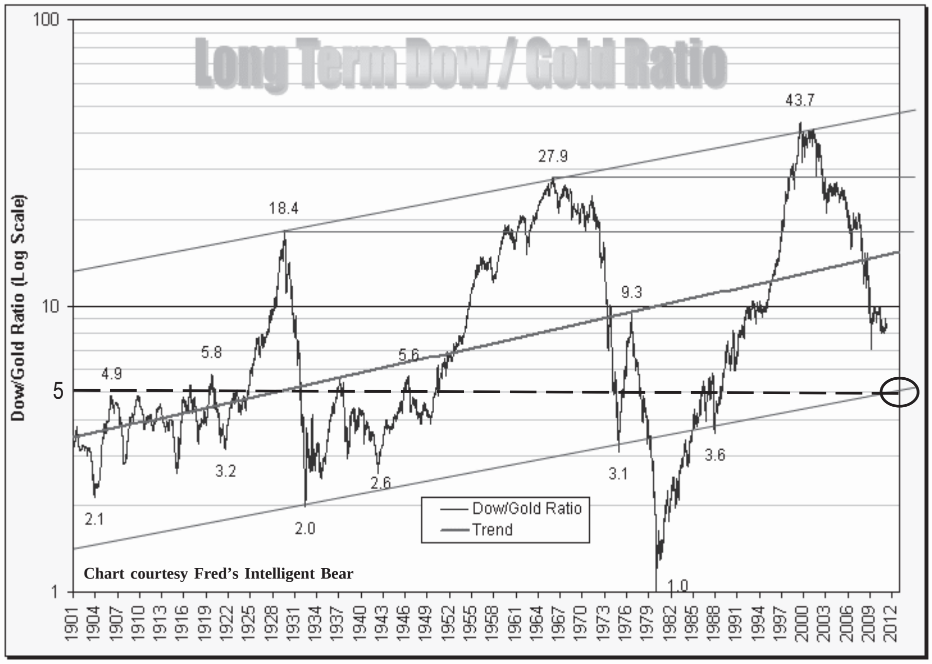
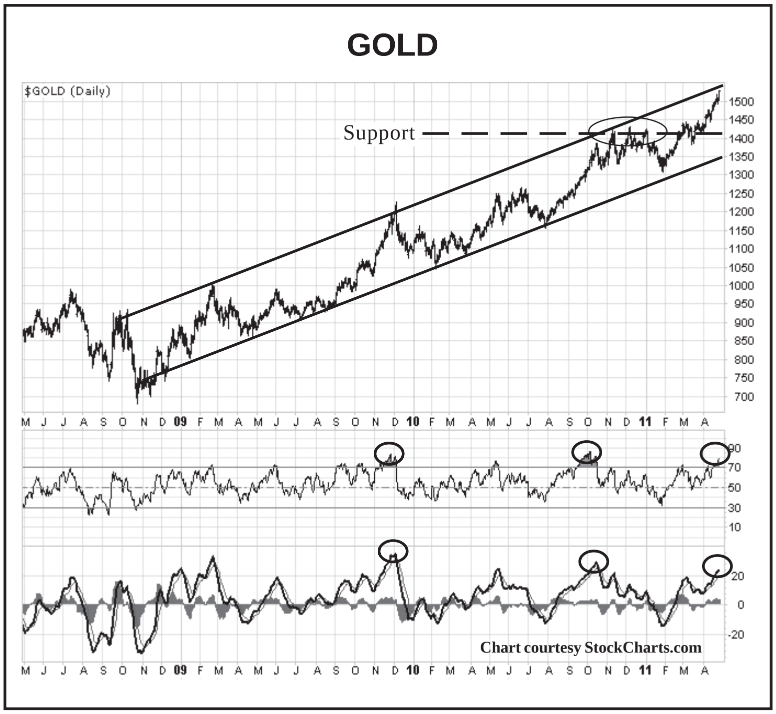


Chart courtesy Fred's Intelligent Bear

Is it better to disregard timing altogether? We are in the correct asset classes, and I am convinced that gold and crude oil are going to climb much higher before the commodity bull is over. So, what difference does it make what we pay for our positions? Why be so insistent on paying the right price?

The answer centers on managing risk. You can significantly reduce risk and thus enhance profitability by using the Dow/gold ratio to channel your money into either tangible assets or paper assets, whichever one offers the best potential. However, as a bull market progresses and matures, you need to be cognizant that at some point it will end. Those purchases made early in the bull will carry less risk than those made late in the game. No one is clairvoyant and knows the exact time and place that the present commodity bull will end, but we do have the Dow/gold ratio to serve as a guide. To date, it has fallen from 43.7 in 2000 to about 8.3 presently. Past commodity bulls have continued until the ratio has fallen below 5.0.

This chart from *Fred's Intelligent Bear* (http://home.earthlink.net/~intelligentbear/com-dow-au.htm) refines our analysis to some extent. Note on the chart that the lower up trend line intersects the current pattern at about 5.0. Frankly, with the debt time bomb that the U.S. and Europe are sitting on, I am expecting another stab to 2.0 or even 1.0 like occurred in 1980. Nevertheless, we will



need to be paying very close attention to our asset allocations once the ratio falls under 5.0. So far, we are focused on the correct asset class (tangibles), but, admittedly, the commodity bull market is getting long in the tooth.

As the price of an individual investment increases during the life of the bull market, risk increases and thus the expected payback from that point decreases. The last buyer at the final high will stand to lose the most. Likely, the last investor will suffer a permanent loss of capital.

So, as price increases, so does risk. This can be abated by seeking levels of support under the market at which to make purchases. As a bull market approaches its zenith, the risk inherent in late purchases increases, thus timing and selection of those purchases becomes more important. It has been proposed that in the long term, the expected return of all investments is zero. If this is true, one has to conclude that asset allocation is paramount. If there is any grain of truth to this idea, it is impossible to increase your wealth without timing. Buying into a bull market in its earliest stages while prices are low will excuse you from the maximum amount of inherent risk; but as the bull matures, it becomes more important to pay attention to price. In a nutshell, after some 12 years of commodity bull market, it is too late to create a commodity portfolio in a day.

You should count on the final phase of the commodity bull to become more dynamic than what we have experienced up to now. That means that prices will move stridently higher, but it also means that volatility will increase. The ups and downs will be more dynamic.

That said, it has been frustrating trying to find decent buys in the precious metal sector. Bullion prices have backed off occasionally, but very little before recovering again. In the April letter, I wrote a little about the stealthy way prices penetrated the triple highs set late last year. There is a risk warning implied by this too. We are seeing gold and silver advance on the back of unusually brief and superficial corrections. This is typical of the velocity stage of a bull market and lends credence that the velocity stage is beginning to develop in commodities. Longer term, the game is going to get more exciting now, and gold will ultimately push much higher.

From a shorter term perspective, gold is very overbought according to RSI and MACD standards and is bumping the upper trading channel line. The near term technical picture looks similar to what happened just before the triple highs formed last year. Regardless of my long term bullish outlook and the approaching velocity stage, this is not an opportune time to buy. You can see that there is nice support at $1,400. If some event triggered a selling panic in the overall stock market and gold were to fall to $1,350, I am personally backing up the truck … but I don't expect that to happen. Although a selloff of $100 to $150 an ounce, along with plenty of clap trap from the media, would emotionally upset plenty of present gold believers, there is no question that we will see gold well over $2,000 before the velocity stage is over. On the way to that goal, my work points to a probable target of $1,800 by this year's end.

Gold investors, stay the course and steel your resolve in the event of a selloff. Decide now what you want to add to your portfolios during phases of weakness. Enter your "good 'til cancelled" orders.

I have been looking for new precious metal ideas and really don't see anything currently that enhances the mix of stocks we already have on our recommended list. It is better to add to these in a responsible manner rather than complicate your financial life with too many issues.

My all-time favorite is **Goldcorp** (GG-NYSE-$55.83). I have always regarded this as the best miner on the planet and have encouraged readers to put Goldcorp at the core of their precious metals holdings. There was very good news last month concerning the Cerro Negro Project in Argentina with proven and probable reserves doubling. Goldcorp also pays a modest monthly dividend of $0.034 reflecting an 11% increase beginning last March. That is a humble dividend, I admit, as it works out to only 0.8% at our downside buy price of $50.00, but future capital gains will be enough to make up for a token dividend.

Royal Gold (RGLD-OTC-$60.98) is interesting in that it is a royalty company rather than an actual miner. I have always been intrigued by its price behavior as it will often turn ahead of the other miners and sometimes ahead of gold as well. Recent price action offers no indication of a trend change yet, and it is performing admirably. Goldcorp is also, both making new highs with bullion.

This is not the case with the XAU or HUI (ARCA Gold Bugs Index). They are definitely lagging the stronger issues as well as bullion here, and that is cause for caution. The implication is that most of the mining shares are not participating in gold's recent move over $1,500. Goldcorp and Royal Gold are exceptions, and their comparative strength bodes well for them. However, the lack of participation in the XAU and in the HUI over the last month should run a yellow flag up and call for temperance. Wait for a better time to buy. I do believe we will be able to buy Goldcorp and Royal Gold at $50.00 or better.

I took **Yamana** (AUY-NYSE-$12.71) off a hold and posted a downside buy price of $11.50 last month. Yamana's price action has been more akin to the XAU and HUI rather than the superior strength we see in Goldcorp and Royal Gold. Consequently, I would certainly buy a few shares at our price of $11.50 or better, but your main focus should always be on the strongest issues when committing new money.

Gabelli Global Gold and Natural Resources Income Trust (GGN-NYSE-$19.26) is diversified beyond gold as they hold energy companies and other natural resource plays. It is not a pure gold investment. They also produce income by selling calls against positions they hold, so the portfolio is somewhat hedged in that manner, which tends to limit upside potential. Nevertheless, they are performing very well, I think, trading at a two-year high. We were able to purchase some on March 15 at $17.75 to average down our original purchase. GGN did trade under our revised buy price of $18.00 in mid-April, and I think this will work out very well for us down the road.

I would dearly love to buy more **Central Gold Trust** (GTU-NYSE-$59.95), but we obviously need to see gold bullion come off a little first. Our downside buy price for GTU has been $52.50. Including the typical premium that GTU commands over bullion (http://www.gold-trust.com/asset_value.htm), this would imply a correction in bullion of about 13.5% to about $1,327. That is not going to happen. Likely we can pick up GTU up at technical support which lies at $54.50, implying a correction in bullion to about $1,435 factoring in the premium. I am raising our buy price from $52.50 to $54.50.

The juniors are more interesting as we appear to be entering what will be the velocity stage of the gold bull. Things will get a bit crazy as enthusiasm heats up later this year, but the juniors have their best chance of appreciation in the latter stages of the bull. **Coeur d'Alene** (CDE-NYSE-$31.71) dipped below our $30.00 buy price on April 18 before bouncing back up again. The juniors carry more risk than the majors, but being patient for the respective downside buy prices will help manage the extra risk. If you can accept the speculation, buy Coeur d'Alene at $30.00 or better.

Great Basin Gold (GBG-NYSE-$2.66) is another excellent junior miner, and it traded below our $2.40 buy price on April 18 before bouncing higher recently. This is another decent speculation, but do not pay over $2.40.

Minera Andes (MAI-TSX-C$2.80) has not come back to our buy price as yet, but patience will prove out. Buy at C$2.50 or better.

I want to take another of our junior miners off hold this month – **Nova Gold** (NG-NYSE-$12.85). We bought this back in 2008 before the great crash, and it fell drastically like most of the mining stocks. The deleveraging crunch also caused them severe financial distress, but they seem to be coming back very well. They have successfully raised $200 million, with John Paulson and George Soros participating with $175 million of that.

Nova has some awesome properties and projects, but they are still 4 or 5 years from any actual production. The commodity bull market may be over by then; but as I have said, there are some exciting times coming first. The most likely event with Nova is to see a buyout somewhere down the road. Their shareholders already turned one down from Barrick in 2006. Depending on the price of gold at the time, a buyout should come in at double today's price.

Nova is not a major producer - or a producer at all. They have spectacular properties; but even with Barrick as a partner in Dolan Creek, their projects are proving expensive to put into production. Nova is a gamble for sure, but an excellent one. The key is to buy this right. Lately, Nova has not been acting all that strong, so I suggest orders in at $10.00 or better. The payoff is excellent if we can catch a break. If not, we haven't lost anything and can always adjust our buy price later if technical conditions change.

I still expect to see a correction in gold bullion, but I have been anticipating more weakness than the brief and superficial dips we have seen to date. Shallow corrections are not always a good thing as they do not allow for the market to adequately adjust overbought conditions when there are too many folks on one side of the boat. I do realize that bull markets do not tend to get all that oversold and that higher prices tend to perpetuate yet higher prices. Nevertheless, considering a likely bounce in the U.S. dollar soon and a coming hit in the stock market, the odds are fairly good we will see bullion come off $120 or so. In that event, I expect to see our Rydex gold trading program move to a 100% invested position. The details and signals for this program are announced on Page 2 the online updates.

A look at silver. Silver has been the star of the precious metals show this year, but this long term chart should give you pause. If I were searching for a good buying opportunity, this is not the chart that I would be looking for. It does not require any technical analysis experience to see the risk assumed here by throwing new money at the silver market.

That said, our Critical Price Point (CPP) model bought silver on August 25 at $18.68, and it has not bothered to look back. The reversal price is currently $33.60 basis July, which is a good distance away from the current price. I will relay a new reversal price when one forms. Regardless, we need to see some sort of profit-taking before buying additional silver investments.

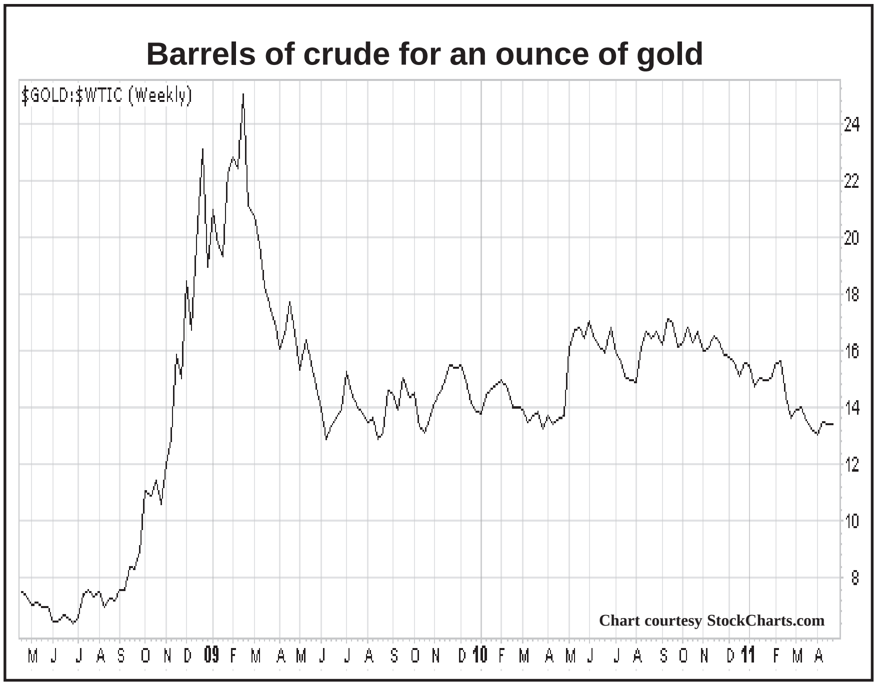
The silver stocks on our list will remain on hold. I don't see any reason to sell these and then try and buy them back. If you want to trade silver in the short term, you should use the CPP information on Page 2 of the online updates and trade off those signals. Professional Timing is primarily a long term investment letter, with the exception of those trading programs specifically outlined in the online updates. It is also a very bad idea to convert long term positions into short term trades. You will end up being locked out of the market and chasing prices in the next rally.

Hold **Endeavor Silver** (EXK-NYSE-$11.49) and **Silver Standard Resources** (SSRI-NYSE-$34.74). These are behaving in line with the silver market and our expectations. However, **Silvercorp Metals** (SVM-TSX-C$12.88) is not. It is comparatively weak, and I am suggesting a sell stop at C$11.50. Another sell stop we need to put in place is on **Silver Wheaton** (SLW-NYSE-$40.62). I like this stock very much, but it has been acting downright strange of late. Note the difference between how Silver Wheaton (SLW) and the silver ETF (SLV) are trading on the chart. This is a textbook example of comparative strength and weakness. Silver Wheaton's divergence is a warning. Put a sell stop on Silver Wheaton at $37.50.

I do expect to see silver appreciate beyond current highs. My long held target has been $50.00 for years, but that only reaches the highs set in 1980 when gold was $800.00. The July silver contract hit $49.845 on April 25 and threatens to break $50.00 in this move. The $50.00 level in 1980 was exacerbated by the Hunt brothers' attempt to corner the silver market, which tended to overstate silver prices at the time. Nevertheless, we should see something in the neighborhood of $80.00 silver - perhaps even $100.00 - depending on how crazy and irresponsible the U.S. government gets with their interference with the economy and perpetuation of extreme debt levels. There will still be periods of profit-taking that the long term silver chart tends to mask by using a monthly time frame. If we get stopped out of Silvercorp and/or Silver Wheaton, I believe we will be able to reposition that money in stronger silver plays.

Black gold is a different story with a similar ending. Due to depletion of supply, unknown future delivery assurances, global political instability, monetary malfeasance, civil unrest in the Middle East and North Africa, etc., crude oil prices will increase in the future. There will, of course, be the inevitable ups and downs in the short term price trend; but a year from now and a year beyond that, crude oil will be selling for ever higher prices - especially in terms of depreciating U.S. dollars.

On the geopolitical front, the war in Yemen disturbs me more than most of the other strife in the area. Yemen is on the east side of the Straits of Bab el Mandeb. This is an important choke point into and out of the Red Sea, which looks like it will probably come under the control of al Qaeda. The rebels are not always the good guys.



If al Qaeda gains control in Yemen, or even if they don't, they may eventually gain the ability to disrupt a core pipeline that runs along the Yemen-Saudi border. This carries another 4 million barrels a day. If 7 to 8 million barrels a day were to be taken off the market, even temporarily, crude prices would easily hit $200 or more. Western economies would be devastated as a result. This would trigger QE3, and on and on we go. It all works like this:

Higher oil prices > higher energy prices > economic slowdown > Fed policy>inflationary>higher gold prices

It is perhaps unfair to measure the price of crude oil in terms of currencies since currencies tend to be synthetic in value. The price of crude oil in dollars has been rising consistently since the end of the great 2008 chaos while crude priced in gold has been relatively flat. An ounce of gold has purchased between 14 and 16 barrels of West Texas crude since the spring of 2009. I have to attribute some of the increase from $50/barrel to over $110/barrel during that time frame to dollar weakness.

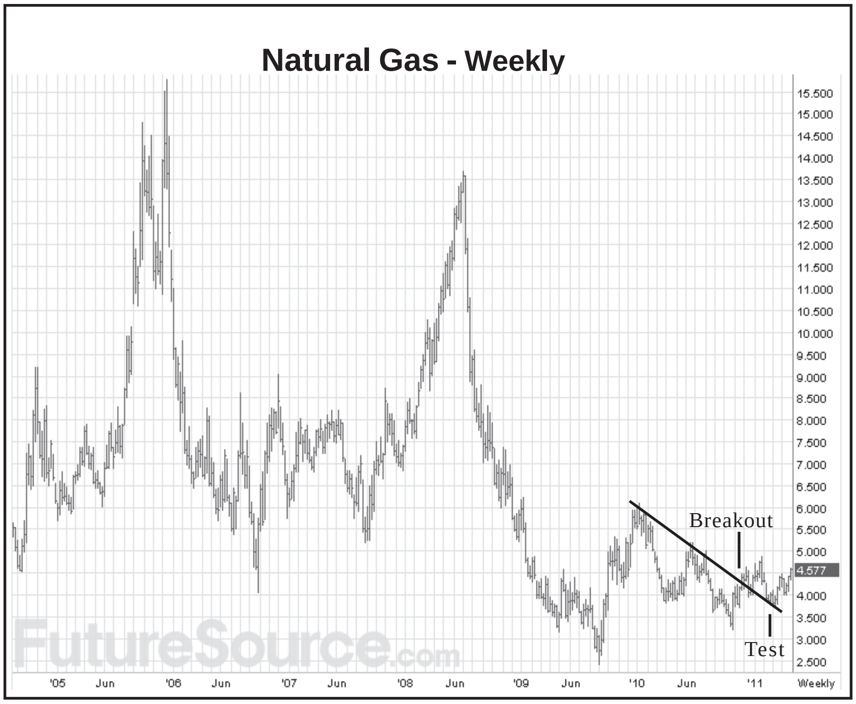
We offer a U.S. dollar trading program using the Rydex funds on Page 2 of the online updates. This program is currently short and has been since January 6. Since then, the U.S. Dollar Index has fallen just over 10% to 73.00 basis June. My longer term forecast has been to see the Dollar Index fall to 60.00, and that still holds. There was a great ad for a sports car I saw years ago. I don't remember the exact make, but the pitch line was that even though the speed limit was 65 miles per hour, there was no law about how fast you got there. Keep that in mind. Even though the Dollar Index is destined to fall to 60.00, how quickly that unfolds is another matter. The drop may be accelerated.

It is good to also remember that over 50% of the U.S. Dollar Index is represented by the euro. A drop in the index to 60.00 may make the euro look "strong" and you may have an advantage in the euro, but crude oil and gold will cost more in euros and dollars since both the U.S. dollar and the euro are depreciating currencies.

I am not a currency expert, but my favorite is the Canadian dollar, trading at 1.05 U.S. dollars. Our bullish approach to the loonie has served us well by boosting the value of our Canadian stocks and dividends once they are converted to U.S. dollars.

The key to energy investing at this point in the commodity bull is to stay with North American production and out of harm's way in Africa and the Middle East. Problems there will assist in keeping crude oil prices high; but as investors, you need to have your money placed in companies that will continue to produce. Since the U.S. market is of paramount importance, we need to be invested in companies that can feed U.S. demand unimpeded. The best sources will be domestic and Canadian production.

One exception is **Apache Corp** (APA-NYSE-$133.37) which, as I have repeatedly said, is the only major you should consider owning. It has done well for us and will continue to do so. Purchases should be limited to $110.00 or less.



We have a position in **Schlumberger** (SLB-NYSE-$89.75); and if we can take a little profit on this one, I believe you can reinvest in a stronger position. Sell Schlumberger at $90.00 or better. The natural gas sector looks very bullish and appears to be carving out a substantial long term bottom above $4.00 at this point. Our recommendation for **Natural Gas Service Group** (NGS-NYSE-$18.03) offers more promise than Schlumberger. If the Schlumberger sell triggers, consider NGS for some of the proceeds. If you haven't purchased NGS yet, buy it up to $18.50.

In the theme of limiting your investments to domestic and North American production, we have a position in **Crescent Point Energy** (CPG-TSX-C$42.96). Crescent Point participates in the Bakken shale area, which is one of the more prolific shale deposits in the U.S. and Canada, and it is trading under our downside buy price of C$43.00. The bloom in shale production is due to the development of horizontal drilling technology. The down side is due to environmental concerns. Essentially, wells are drilled horizontally through the shale deposits and then "fracked" by inducing liquids at high pressure. The shale is thus fractured which releases the oil and gas from the rock and into the well. The devil is in the materials used to frack the well. These liquids are potentially toxic. They can seep into the aquifer; and if extracted from the process, need to be controlled on the surface to protect the environment from being affected.

The good news is that science and the industry are aware of these problems and are continually making improvements in their techniques to minimize and eliminate adverse effects. That said, the Bakken and other shale deposits (like the Marcellus Shale deposits in Appalachia) are going to be huge contributors to our domestic energy needs in the future. **National Fuel Gas** (NFG-NYSE-$73.30) has operations in Appalachia, and the position was completed at $70.00 as per the last letter.

Here are two speculations to add to our list. Due to their speculative nature, I am including them in the list of junior stocks on our recommended list. First, **Northern Oil and Gas** (NOG-NYSE-$23.76) should be purchased at $22.00 or better. This is a very interesting company with only five employees the last I checked. They operate in the Bakken and are currently producing about 96% oil. I consider this recommendation speculative, so don't get overly carried away. One likely reason the stock has come off of late is that they hedge some of their production, and they are not taking full advantage of recent high crude prices. I saw that in late January, they had hedged about 30% of their production at $81.00/barrel. They may well have hedged more since.

Another speculative recommendation is **Advantage Oil and Gas** (AAV-NYSE-$8.52). Advantage was a Canadian trust named Advantage Energy Trust. They have since eliminated their dividend, changed their name somewhat, and converted to a corporation. This involved some financial restructuring and the sale of some assets, but the smoke has cleared and they are now an interesting growth speculation in the energy sector. Their operations are doing well in that they continue to find and produce oil and gas in western Canada. About two-thirds of their production is natural gas and one-third is light crude oil and NGLs. It is important that you purchase this right to trim speculative risk, but $7.25 would be an ideal purchase price.

Crude oil looks like it is ready to sell off some. I am looking for a pullback to $95 to $100 a barrel commensurate with a short covering rally in the dollar and some profit-taking in gold. That will present our next opportunity.

Several folks have written as to how the U.S. might work their way out of the debt mess they have created. Most suggestions - although right on accurate - will never be acted on in the political world. Our culture seems to only react to crisis. Politics will always be reactive rather than proactive. Only after a given number of traffic deaths will a stoplight be installed. I do not believe politicians have the fortitude or incentive to make the changes that are necessary. The result will be a crisis, and then there will be an attempt at a solution.

Consequently, interest rates will have to move higher to support the dollar. The Fed can do this or the market will, but it will happen. The Fed is holding back on raising rates because they fear snuffing out the dying ember of recovery they have ignited and because they know they would have to cut their balance sheet in half in the process to avoid extreme inflationary consequences. That is difficult to do in the midst of pumping billions into Quantitative Easing efforts.

There are unavoidable consequences when economics are artificially manipulated, when interest rates are held back when they should be rising, and when bloated balance sheets are beyond trimming. Eventually, the market will take control of interest rates. The higher rates will come without balance sheet corrections, and inflation will result. In short, the adjustment to the economy will be more dynamic, chaotic, and damaging than would be the case if politics were proactive. Consider also that if the Federal Reserve were an ordinary bank, the regulators would shut it down.

The government loves to tweak the numbers. It makes one wonder why they go to the trouble of keeping statistics, other than to employ statisticians and hoodwink the public. When the real estate boom was in full swing, they changed the housing component of the CPI from housing to rents. Rents were soft since anyone could get a liar loan and buy a house. Expect a change back to housing soon since rents are strong again -and with folks being foreclosed and real estate prices in the tank, this shift will keep the CPI under control and avoid COLA increases. The latest trick? The Fed has made a change in their accounting methods recently allowing them to show losses as "negative liabilities" to the Treasury. A negative liability on the Fed's balance sheet can be construed as a debt owed by the Treasury. This is clearly not the case in reality.

Manipulate they will, but this leaves you with one alternative and that is to monitor the situation with good technical models. The adjustment will come and rates will rise; but without some objective way to measure changes, you are left guessing. The Rydex bond trading program is currently long the 30-year Treasury; but even if you are not using this model to trade bonds (which is not appropriate for everyone), you should all be paying attention to the model's sell signals from here on out. The next sell will occur if the June 30-year Treasury contract (USM1) trades at 118-27/32 or lower.

I have been mentioning in the updates that the stock market simply does not look good although it is currently still viewed as positive by our Palio trading model. In fact, it looks downright scary. I trust Palio will kick in with a sell when the time is appropriate. I will send out an update when it does.

I realize that the last couple of sells were false and the model quickly jumped back in. I would rather approach the market with caution when storm clouds gather and optimism in when the danger passes - than simply expecting a two-year rally to last forever.

Investor's Intelligence shows bullish sentiment at 57.3% bullish and 15.7% bearish. These look like the numbers before the 2008 crash. *Investor's Intelligence* comments that "extreme readings, as we are experiencing right now, historically have major significance." When you consider traditional technical readings, it is hard to argue. The big questions are - how much of a correction will it take to erase these bearish sentiments and when will it begin? The reasonable answers are to heed Palio's signals and expect the unexpected as far as the down side goes.

I will be writing more this year about ETFs. It appears that no one, including those who operate them, understand their ramifications completely. Only now are analysts beginning to dig into what unintended consequences may occur due to the existence of ETFs. First, you have to understand they are not "mutual funds." They are not all alike in what assets they use to create the investment object they are intended to represent. You will find a booklet *Exchange Traded Funds Under The Scope* in the Special Reports folder. Those of you who subscribe through Forbes will find it in the "Special Reports" folder once you have logged into Professional Timing Service at the Forbes' Newsletters site. Those of you who subscribe directly will find this study after logging in at the Professional Timing web site. (Due to Forbes and us keeping separate databases, you need to log in to the appropriate Web site).

Is it not interesting that ETFs represent 11% of the listed securities in the U.S.? That is extraordinary. However, during the flash crash last May, 70% of the cancelled trades involved ETFs. More than half of the AMEX daily volume is in ETFs.

According to Andrew Bogan of Bogan Associates, while a normal common stock may have shorts representing 0.5% to 2.0% of its outstanding stock, ETFs can have short interest of 500% to 1,000%. Part of the reason is that ETFs do not have a fixed number of shares and they can be borrowed and sold short like a common stock. Thus, an ETF share is created in the normal manner and then that share can be borrowed and sold short. The short seller sold it to a new buyer who puts it in his or her margin account from which it is loaned to another short seller. The second short seller has a buyer who puts the stock in his margin account from which it is borrowed and delivered to another short seller. This chain can theoretically continue ad infinitum. No one is sure what a forced or panic unraveling of the chain will have on the market. I doubt it will be good.

More important is the problem of third party risk to the underlying asset supposedly held by the ETF. An ETF may enter into a swap agreement with a third party. If the third party goes bankrupt suddenly, the bankrupt party cannot deliver on his end of the bargain. The result would be that the swaps are worthless, the ETF's asset base dissappears into the vapor, and the ETF shares are worthless, yet the original asset represented by the ETF is still valuable.

This would certainly set off a panic with investors selling their ETFs and then the ETFs panicking to cover and sell the esoteric assets they hold. Hmm … another flash crash without the short life of that last May?

Stick to the closed-end funds on our list - **Central Gold Trust** (GTU-NYSE-$59.95) and **Sprott Physical Gold Trust** (PHYS-NYSE-$13.83) at their respective downside buy prices. My favorite of the two is Central Gold Trust due to their being in the fund business for so long. Buy GTU at $54.50 or better and PHYS at $11.50 or better.

A final thought about timing and waiting for advantageous prices before you buy. First of all, remember axiom Number III - wait for the "Fat Pitch" and axiom Number IV - "Be fearful when others are greedy; be greedy when others are fearful." I borrowed these two from Warren Buffett, but he will not mind. You will find all the axioms in the updated *Investor's Toolbox*. It is posted in the same Special Reports locations as the ETF booklet described above.

Along this line, too many want to know what they can buy today. It doesn't necessarily work that way if risk is a concern. Tomorrow you will say - why didn't we buy this or that? That is silly and dangerous. One major problem this market has is developing a misguided mindset. As long as there is no problem, no one is worried. Once the problem arrives, it is too late to go back. Invest proactively and remember the turkey. Just because the butcher hasn't arrived in a good long time does not mean he isn't coming.

Recommended Stocks For Buy And Hold

Note: You can get quotes on Canadian stocks in Canadian dollars by using the symbols we have listed at www.bigcharts.com. Thus, if you want a quote for Peyto Energy, go to www.bigcharts.com and type in CA:PEY. You can approximate the price in U.S. dollars by multiplying the Canadian dollar quote by 1.05. You should buy at or below the posted downside buy price. The downside buy price does not imply that this level will necessarily be reached, but that this is the maximum price we recommend that you pay for the issue. Changes since our last letter are in bold letters.

Company	Symbol	Exchange	Initial Recom. Date and	Price	Price 04/29/11	Downside Buy Price	Div 04/29/11	Target-T Stop-S	Web Site
					U.S. $				
Apache Corp	APA	NYSE	3/5/2007	68.00	133.37	110.00	0.46%		apachecorp.com
Baytex Energy	BTE	NYSE	5/18/2004	9.00	61.62	HOLD	3.91%		www.baytex.ab.ca
Blackrock	BGR	NYSE	8/3/2005	25.99	31.44	HOLD	5.23%		blackrock.com
Enerplus Res.	ERF	NYSE	11/20/2008	19.00	32.29	HOLD	6.79%		enerplus.com
Gabelli Glb. Gld.*	GGN	NYSE	1/3/2006	22.10	19.26	18.00	8.78%		gabelli.com
Central Gold Trust	**GTU**	**NYSE**	7/27/2010	45.50	59.95	**54.50**	n/a		gold-trust.com
Goldcorp	GG	NYSE	7/24/2008	40.00	55.83	50.00	0.74%		goldcorp.com
Legacy Reserves LP	LGCY	OTC	8/6/2010	24.00	32.31	29.50	6.51%		legacylp.com
Linn Energy LLC	LINE	OTC	11/18/2009	24.72	40.38	HOLD	6.57%		linnenergy.com
Natl. Fuel Gas Co.	NFG	NYSE	3/10/2011	70.00	73.30	70.00	1.89%		natfuel.com
NG Service Grp.	NGS	NYSE	1/6/2011	17.50	18.03	18.50	n/a		ngsgi.com
Pimco Com. Fund	PCRAX		3/2/2005	11.89	9.89	8.50	8.92%		pimcofunds.com
Prospect Capital	PSEC	OTC	1/5/2009	12.00	12.11	HOLD	10.11%	T=13.00	prospectstreet.com
Prospect Capital	PSEC	OTC	2/1/2010	11.00	12.11	HOLD	10.11%	T=13.00	prospectstreet.com
Royal Gold	RGLD	OTC	7/8/2009	38.00	60.98	50.00	0.73%		royalgold.com
Schlumberger	**SLB**	**NYSE**	1/18/2008	75.00	89.75	**Sell @ $90.00**		**T=90.00**	slb.com
Silver Standard	SSRI	OTC	1/4/2007	30.00	34.74	HOLD	n/a		silverstandard.com
Sprott Phys Gld Tr.	PHYS	NYSE	1/21/2011	11.50	13.83	11.50	n/a		sprottphysicalgoldtrust.com
Silver Wheaton	**SLW**	**NYSE**	3/10/2006	8.40	40.62	HOLD	0.29	**S=37.50**	silverwheaton.com
Yamana	AUY	NYSE	4/14/2005	2.90	12.71	11.50	0.95%		yamana.com
					Canadian Dollars				
Altius Minerals	CA:ALS	TSX	8/9/2007	17.88	13.00	HOLD	n/a		altiusminerals.com
ARC Resources	CA:ARX	TSX	9/8/2008	25.85	25.54	HOLD	4.74%		arcresources.com
Crescent Point En.	CA:CPG	TSX	9/16/2008	30.20	42.96	43.00	6.40%		crescentpointenergy.com
Brookfld Ren Pw	CA:BRC.UN	TSX	12/17/2008	15.99	23.03	21.00	5.67%		brookfieldpower.com
Peyto Exp & Dev	CA:PEY	TSX	7/18/2003	8.75	20.14	HOLD	3.60%		peyto.com
Silvercorp Metals	**CA:SVM**	**TSX**	1/21/2008	8.00	12.88	HOLD	0.62%	**S=11.50**	silvercorp.ca

*** GGN was bought at $17.75 on March 15, 2011 to average down original positon.**

Buy And Hold Junior Oil, Gas, Gold, & Silver Stocks - The Option Alternative

Company	Symbol	Exchange	Initial Recom. Date and	Price	Price 04/29/11	Downside Buy Price	Div	Target-T/	Web Site
					U.S. $				
Advantage Oil & Gas	**AAV**	**NYSE**	**Buy @ $7.25**		8.52	**7.25**	n/a		advantageog.com
Coeur d'Alene	CDE	NYSE	9/2/2003	31.90	31.71	30.00	n/a		coeur.com
Endeavor Silver	EXK	NYSE	7/26/2007	4.60	11.49	HOLD	n/a		edrsilver.com
Great Basin Gold	GBG	NYSE	12/21/2007	2.45	2.66	2.40	n/a		greatbasingold.com
Northern oil & Gas	**NOG**	**NYSE**	**Buy @ $22.00**		**23.76**	**22.00**	**n/a**		northernoil.com
Nova Gold	**NG**	**NYSE**	2/29/2008	11.50	12.85	**10.00**	n/a		novagold.com
Rubicon Min.	RBY	AMEX	2/1/2010	4.00	5.18	HOLD	n/a		rubiconminerals.com
US Gold Corp	UXG	NYSE	9/9/2005	1.70	9.40	HOLD	n/a		usgold.com
					Canadian Dollars				
Golden Valley	CA:GZZ	TSX	2/20/2007	0.50	0.40	HOLD	n/a		goldenvalleymines.com
Minera Andes	CA:MAI	TSX	9/11/2006	1.20	2.80	2.50	n/a		minandes.com

C$ Denotes Canadian dollar. Quotes for Canadian stocks can be obtained on the U.S. OTC Bulletin Board (pink sheets) with the following symbols. I want to caution you, however, that OTCBB quotes are not always current. They can be a day or more old at times. You should take the quote in Canadian dollars (as described above) times .1.05 to see if the OTC quote looks correct. You can access these OTCBB quotes by using www.barchart.com.
Peyto Energy-PEYUF Minera Andes - MNEAF Golden Valley - GLVMF

Target-T A price in this column preceded by "T" represents the price at which you should liquidate the position and take profits. Stop-S A price in this column preceded by "S" represents the price at which you should place a sell/stop. Do not short on the target price or the stop price. There will not always be a target or stop price listed. For a further definition of a sell/stop, see the Welcome Letter.