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PERFORMANCE TRACKING REPORT

Previous 20 recommendations through January 22nd, 2010

| <u>Date</u> | <u>Company</u> | <u>Rec</u> | <u>Previous Day's Closing Price</u> | <u>Stop Price</u> | <u>Opening Price</u> | <u>Exit / Price</u> | <u>Exit / Date</u> | <u>Profit / Loss</u> |
|-------------|--------------------------|------------|-------------------------------------|-------------------|----------------------|---------------------|--------------------|----------------------|
| 14-Dec-09 | Honeywell 'HON' | Buy | \$40.87 | \$40.41 | \$41.06 | \$41.55 | 14-Dec-09 | \$0.49 |
| 16-Dec-09 | United Tech 'UTX' | Buy | \$70.25 | \$69.70 | \$70.40 | \$70.75 | 16-Dec-09 | \$0.35 |
| 17-Dec-09 | Travelers Co. 'TRV' | Short | \$49.70 | \$50.31 | \$49.50 | \$47.89 | 18-Dec-09 | \$1.61 |
| 18-Dec-09 | Time Warner, Inc. 'TWX' | Short | \$29.50 | \$30.13 | \$29.65 | \$28.99 | 18-Dec-09 | \$0.66 |
| 21-Dec-09 | Hewlett-Packard 'HPQ' | Buy | \$51.50 | \$50.87 | \$51.49 | \$52.57 | 23-Dec-09 | \$1.08 |
| 22-Dec-09 | Genzyme Corp. 'GENZ' | Short | \$47.95 | \$48.63 | \$48.00 | \$47.55 | 23-Dec-09 | \$0.45 |
| 23-Dec-09 | Patriot Coal 'PCX' | Buy | \$14.70 | \$13.87 | \$14.90 | \$17.24 | 28-Dec-09 | \$2.34 |
| 29-Dec-09 | Urban Outfitters 'URBN' | Buy | \$35.43 | \$34.11 | \$35.40 | \$35.84 | 29-Dec-09 | \$0.44 |
| 30-Dec-09 | EnSCO Int'l 'ESV' | Short | \$40.61 | \$41.27 | \$40.46 | \$40.06 | 31-Dec-09 | \$0.40 |
| 05-Jan-10 | TJX Companies 'TJX' | Short | \$36.43 | \$36.81 | \$35.92 | \$36.81 | 5-Jan-10 | (\$0.89) |
| 06-Jan-10 | Dow Chemical 'DOW' | Buy | \$30.48 | \$28.93 | \$30.98 | \$31.66 | 6-Jan-10 | \$0.68 |
| 07-Jan-10 | Ace Limited 'ACE' | Short | \$47.50 | \$48.61 | \$47.70 | \$47.32 | 7-Jan-10 | \$0.38 |
| 08-Jan-10 | Avon Products 'AVP' | Short | \$31.18 | \$31.87 | \$31.28 | \$30.97 | 8-Jan-10 | \$0.31 |
| 11-Jan-10 | Citrix Systems 'CTXS' | Buy | \$43.82 | \$42.31 | \$43.85 | \$42.31 | 12-Jan-10 | (\$1.54) |
| 12-Jan-10 | Best Buy Co., Inc. 'BBY' | Short | \$39.23 | \$39.93 | \$39.10 | \$38.71 | 12-Jan-10 | \$0.39 |
| 13-Jan-10 | Texas Inst. 'TXN' | Short | \$24.91 | \$25.53 | \$25.01 | \$24.67 | 13-Jan-10 | \$0.34 |
| 14-Jan-10 | Fibria Celulose 'FBR' | Short | \$21.59 | \$22.63 | \$21.21 | \$20.02 | 15-Jan-10 | \$1.19 |
| 19-Jan-10 | Western Digital 'WDC' | Short | \$43.98 | \$45.07 | \$44.04 | \$43.28 | 20-Jan-10 | \$0.76 |
| 20-Jan-10 | Paychex, Inc. 'PAYX' | Short | \$30.43 | \$31.37 | \$30.17 | \$29.83 | 20-Jan-10 | \$0.34 |
| 22-Jan-10 | NetApp, Inc. 'NTAP' | Short | \$31.78 | \$32.87 | \$31.54 | \$31.08 | 22-Jan-10 | \$0.46 |

Average Profit per Trade

\$0.51

Percentage of Profitable Recommendations

90.0%

This report is meant to be read with the summary report and notes on the accompanying page. Additionally the "exit price" is reflective of our "trailing stop" of \$0.25/share and may not reflect the full day's move or the actual move over a multiple number of days.

Report Summary: 18 of our last 20 trading recommendation have resulted in profitable stock movements, resulting in an average movement of \$0.51/share. This is a 90% success ratio.

We did not publish a Prime Stock Newsletter on December 15th due to computer issues. We did not publish a Prime Stock Newsletter on December 24th & 25th due to the Christmas holiday, and December 31st due to the New Year holiday. We did not publish on January 15th due to a doctor's appointment, and on January 21st due to adverse pre-opening moves in our selected stock.



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Column Heading Definitions and Explanations

Previous Day's Closing Price: The price the shares of the recommendation closed as recorded by the official close for the appropriate exchange or market.

Stop Price: At what price we set our trading stops, or basically when we would cut our losses.

Opening Price: The price the shares of our recommendation started trading at the day of the recommendation. This is important because this is the price you can enter your trade at, there is never any guarantee that a stock will open that day at the previous day's price or that it will ever trade there. Sterling Investment Services uses the opening price as our entry point for the trade, and it is from this price that we calculate our gains and losses. Sometimes this price is advantageous to our recommendations, and sometimes it is not. But you have to have a price from which the theoretical gains and losses can be calculated and this seems to be a much more fair and realistic price than the previous day's close. It is our personally trading philosophy to attempt to enter our trades at a price between the previous day's closing price and the opening price.

Exit Price: This is the theoretical exit price for the position. For a long position it will be the daily high that day, and for a short position it will be the daily low for that day. If have the position indicated as still being open, then it is the closing price for the last trading day prior to the publication of this report. **Please note that since we maintain a policy of using "trailing stops" on all of our positions, the exit price reflects the use of those trailing stops. Currently we are using a trailing stop of \$0.25/share. However, many of our recommendations continue to move favorably once we have exited.**

Exit Date: This is the day we would have exited, closed out, our position; or if we are still maintaining the position, then it will be indicated as an open position.

Profit / Loss: Real Simple. The gain or loss between our opening price and exit price.

Publisher's Comments: This report has been prepared in an attempt to show the performance of our trading recommendations. Actual trading results will vary. We have attempted to establish criteria to reflect real world trading. While we are the 1st to acknowledge that performance tracking will never be perfectly replicated in real life, we have attempted to do the best we can at presenting the data fairly for your evaluation.