The Bull & Bear's
Tech Stock Report
BIOTECHS
CHIPS
HARDWARE
SOFTWARE
TELECOM
CONNECTIVITY
EMERGING TECHS
Second Quarter 2013

Three Big Data Stocks to Watch

By Chad Fraser
InvestingDaily.com

The world creates 2.5 quintillion bytes of data every day, according to **International Business Machines** (NYSE: IBM). To put that in perspective, 90% of the data that exists today – everything from blog posts to readings from electronic sensors on bridges, trucks and oil rigs – was created in the last two years alone. Or put another way, if every byte of data in the world was a liter of water, we'd have enough to fill the oceans – two times over.

The sharply higher amount of data is a result of a fall in the price of storage. For example, at your nearest electronics store, you can now buy an external hard drive that will hold a terabyte of data for less than $100, which was unthinkable just a few years ago.

This massive stockpile of information opens countless doors to improving efficiency and decision-making. For example, **Norfolk Southern Corp.** (NYSE: NSC) is now using software that makes its trains more fuel efficient by accounting for things like the surrounding landscape, the number of cars the train is pulling and a raft of other data. "It coaches the locomotive engineer to keep the train on schedule but to do it in a way that optimizes fuel burn, and we are seeing tremendous results here," company vice-president and CIO Deborah Butler told the *Wall Street Journal*.

Thanks to improvements like these, Norfolk Southern was able to chop its fuel costs by 6.3% in 2011, according to the *Journal*.

For other businesses, uses for data analytics could range from creating coupons that are targeted at specific customers based on their individual purchasing patterns, thereby ensuring higher response rates. Many companies are also tracking and instantaneously sifting through tweets, status updates and other feedback on social media to develop new products to take advantage of rising trends.

In addition to making better decisions, analytics software can also greatly enhance the speed

Continued on page 2

Cisco Systems: Tech Stock for the New Age

by Genia Turanova
The Complete Investor

Technology stocks aren't what they used to be, whether you view them through a growth or an income prism. Amazingly, today more than one-third of large-cap tech stocks offer higher yields than the benchmark U.S. 10-year Treasury. The average yield from Income/Value's Portfolio two current tech picks, 2.5 percent, not only is significantly higher than the yield on the 10-year Treasury, it's not all that much less than what you'd get – 3.26 percent as we went to press – from lending money to the US government for 30 years.

At the same time, while growth for tech stocks may be less manic than in the past, many still have a lot of growth potential. And if you can find one that both pays a dividend and is attractively valued in terms of both price to earnings and price to book, you've hit pay dirt.

Continued on page 2

Big Data: A Special Report on a Rising Investment Trend

Continued from page 1

of decision-making, making big companies far more nimble. This technology can also be used to detect fraudulent transactions in the blink of an eye by looking for specific patterns in huge volumes of payments.

The overall big data market is set to grow quickly in the coming years. According to IT research firm IDC, big data revenue will increase by 31.7% a year between 2012 and 2016, when it will hit $23.8 billion.

3 Big Data Stocks to Watch

One factor driving demand for applications in this area is the fact that about 80% of the world's data is unstructured, making it much more difficult to analyze than information stored in databases or other, better organized formats.

That's where data analytics software comes in. Below, we begin our look at three companies that specialize in making products that help their clients navigate – and profit from – the huge volumes of data they're collecting, with IBM.

Big Data Stock #1: IBM: Big Blue's efforts in this area include its big data platform, which consists of applications that let users store and analyze large amounts of data. The company's applications also include stream computing capability, which lets users analyze data as it comes in and take action on the spot.

Since 2005, IBM has made 35 acquisitions, worth a total of $16 billion, in the analytics space, according to tech website GigaOM. In February, it bought privately held Star Analytics for an undisclosed sum. According to an IBM press release, Star's software helps companies share and manage data across their businesses, whether on site or through cloud computing (or accessing programs and data stored on remote servers). Star's products also eliminate time-consuming manual processes.

In 2012, IBM's business analytics revenue rose 13% from 2011; revenue from cloud computing gained 80%. In its latest quarter, the company's overall revenue was down 0.6%, to $29.3 billion, while earnings before one-time items rose to $5.39 a share from $4.71 a year ago. That beat the consensus forecast of $5.25 a share in earnings on $29.09 billion in revenue.

IBM shares are up 2.4% in the past year and currently trade at 14.88 times the company's last 12 months of earnings. Quarterly dividends of $0.85 yield 1.6% on a yearly basis.

Continued on page 13

Cisco: Tech Stock for the New Age

Continued from page 1

One such company is **Cisco Systems** (CSCO), which has been added to our Income/Value Portfolio. It's the worldwide leader in making things that connect people to the Internet and to each other. It's No. 1 in many of its markets, including routers, telepresence, wireless LAN, switching, Web conferencing, and security. It's No. 2 in storage (via area networks), and it's No. 3 in some other areas. In all, Cisco lets you invest both in Internet growth and in the way the modern world operates.

A high flyer during the dot.com bubble, Cisco has been held down in recent years by contracting P/Es, disappointing earnings, and slow growth in both the U.S. and Europe. Sales suffered as companies and governments alike delayed large-scale purchases in the age of austerity. And lower-cost competitors took away some of Cisco's customers.

But as investors abandonded the stock, its valuations became increasingly attractive, especially since its core businesses have proved resilient and its balance sheet has remained strong. In 2011, about 40 percent of Cisco's total market cap was in cash and marketable securities, and it was clearly only a matter of time before it began to generate income.

Today, after establishing a dividend in the summer of 2011 and raising it twice since then, Cisco is a bona fide income stock, with an indicated yield of 2.6 percent. And it continues to be a compelling valuation story, selling at a current P/E of 13.5, an expected PE of only 10, a PEG of 1.1, and a price-to-book of only 2.1.

Of course, these attractive values reflect the market's lingering concerns about Cisco's growth and economic sensitivity. But there are indications that the company's business is improving faster than the Street anticipates. Cisco has been steadily regaining lost market share as quality takes center stage again. And it's among those companies poised to benefit from the explosion in the demand for data, thanks to its data center business. Finally, Cisco is benefiting from the troubles that have been plaguing a competitor, *Hewlett Packard*.

Buy attractively valued Cisco Systems for both its growth potential and income.

Editor's Note Genia Turanova is a Portfolio Editor for *The Complete Investor*, P.O. Box 248, Williamsport, PA 17703. Monthly, 1 year, $199. Each issue of the newsletter is chock-full of precise predictions for where the dollar is headed…what to expect from oil, interest rates, gold, bonds… and how each one will affect the economy and your investments. For more information visit www.completeinvestor.com.

Tech Stock Strategies

INVESTOR'S DIGEST of Canada
133 Richmond St. W., Toronto, ON M5H 3M8.
1 year, 24 issues, $137.
www.AdviceforInvestors.com.

Apple should take a lesson from IBM

Digested from a report by analysts Steven Milunovich commenting on Apple and Stephen Chin, commenting on Intel, UBS Investment Research.

"Why can't you be more like your older brother, IBM? In essence, that's Mr. Milunovich's surprising advice. And he lays out a convincing case for the parallels between these two iconic technology giants, at certain points in their respective development. And some of the lessons **Apple Inc.** (Nasdaq: AAPL; $425.25) should take from "Big Blue's" own unexpected path to its current success as a mature technology company. Despite the implied criticism, the analyst maintains his "buy" rating and 12- month target price of $600.

To be sure, he starts by emphasizing that "Apple and IBM are different animals." Yet, he adds, they "now share some characteristics." For some time now, IBM has generated slow sales growth, but strong cash flow. That, he says, looks a lot like what investors can expect from Apple. The novelty has worn off its groundbreaking products, and rivals have brought out real competition for its most important item, the iPhone. Still, Mr. Milunovich argues, "Both emphasize quality of revenue": IBM in the high-end niches it targets" and Apple in building great products."

Looking back a few decades, Mr. Milunovich reminds investors that IBM was among the first technology device makers to "deal with maturity." As adoption of the new technology (IBM's PCs) became widespread, growth slowed. Yet cash flow remained strong.

IBM, he says, made a strength of this, "consistently giving back up to 80 per cent of its free cash flow to investors." Others, including Intel and Cisco Systems, followed suit.

Mr. Milunovich says, "We believe Apple needs to do the same. And he thinks it will, although that's likely to take the form of share buybacks.

The final lesson Mr. Milunovich thinks Apple should take from IBM is to learn to be more transparent. Even IBM hasn't always got this right, he says. In 2005, he notes, Big Blue told the Street it could grow earnings at a double-digit rate. Yet its plan was "so complicated that analysts didn't believe it." IBM learned to handle that better.

"Apple," Mr. Milunovich says, "needs to be more transparent, perhaps beginning with an analyst meeting." That's a pretty modest proposal. Apple, he adds, should outline its thinking, strengths and management depth, "without having to pre-announced products." It would mean acting more like IBM.

Intel: Fairly Valued

Stephen Chin sees some interesting potential scenarios for chip-maker **Intel Corp**. (Nasdaq; INTC; $21.64) and how it may exert more influence over its clients. But it's still not enough to make him want to buy the stock. He rates Intel a "neutral," with a 12-month target price of $22.50. That implies upside of four per cent for the stock price, plus a dividend that yields 4.2 per cent.

Mr. Chin reminds investors that Intel recently struck a deal to make chips for Altera Corp. And that Cisco Systems is rumored to be Intel's next major foundry customer. That he says, has been fueling speculation that Intel may nab (at least some of) Apple's mobile processing business for 2014.

Mr. Chin has modeled various scenarios, with Intel winning different amounts of the contract, etc. Still, he says, the important thing may be that Intel is "much more actively finding alternative ways to use it manufacturing advantage," size and low cost "to regain control of client computing… and maintain its grip on the cloud." Most important? Intel is fairly valued."

****

PEARSON INVESTMENT LETTER
published for clients of Pearson Capital, Inc.
P.O. Box 3739, Apollo Beach, FL 33572.
Monthly, 1 year, $150. www.pearsoncapitalinc.com.

Syntel: A value tech play

One of Walter Pearson's recent value recommendations is **Syntel Inc** (Nasdaq: SYNT).

"Syntel, Inc. is a provider of information technology (IT) and knowledge process outsourcing (KPO) services to Global 2000 companies. The Company is primarily organized into four business segments: Application Outsourcing, Knowledge Process Outsourcing (KPO), e-Business and TeamSourcing. Through Applications Outsourcing offering, the Company provides complete software applications development, maintenance, testing, migration and infrastructure services. Through its KPO offerings, the Company provides a host of outsourced solutions for knowledge and business processes. Through its e-Business practices, the Company provides advanced technology services in the areas of architecting, implementing and maintaining Web Solutions, Data Warehousing/ Business Intelligence, Enterprise Application Integration (EAI), Business Process Management (BPM) and Enterprise Resource Planning solutions. Through TeamSourcing, the Company provides professional IT consulting services. Institutional Holdings: 277."

THE MAJOR TRENDS, published for clients of Sadoff Investment Management LLC, 250 West Coventry Ct., Ste. 109, Milwaukee, 53217. www.sadoffinvestments.com.

Yahoo: A mega low risk uptrend is developing

One of several stocks that Ronald Sadoff added to clients' accounts was "**Yahoo Inc.** (YHOO), a top digital media company around the world.

Yahoo's website has many features including: e-mail, news, shopping and finance. Yahoo is ranked as the fourth most visited web site in the world. We recently purchased Yahoo shares to go with several other media companies we own. The company was founded in 1994 and went public in 1996. During the technology boom its market cap exceeded $100 billion. Today it has fallen to $25 billion.

Approximately 60% of the value of the company is in Asian Internet investments: Yahoo Japan and Alibaba. Yahoo owns a 35% stake in Yahoo Japan (the 15th most visited site in the world) which has surged recently. Yahoo's stake in Yahoo Japan is now worth over $5 billion. Yahoo also owns a 24% stake in Alibaba, which is a leading Chinese owned Internet company, estimated to be worth $10 billion or 40% of Yahoo's market cap. There are rumors that Alibaba is preparing for an IPO in 2013 which could significantly benefit Yahoo shares.

In 2012, Yahoo named Marissa Mayer, a Wisconsin native, as their CEO. She is the company's fifth CEO in four years. Yahoo spurned a take over from Microsoft in 2008 which was worth $40 billion (60% more than today). Mayer who came from Google is working diligently to turn around this struggling media company. Yahoo recently broke out of a seven year downtrend suggesting a mega low risk uptrend is developing."

****

THE KONLIN LETTER
5 Water Rd., Rocky Point, NY 11778.
Monthly, 1 year, $95. www.konlin.com

Revolution taking place in the lighting industry

Konrad Kuhn: "**Revolution Lighting Technologies, Inc.** (Nasdaq: RVLT; $1.03) (formerly Nexxus Lighting, Inc.) sold its Legacy Commercial and Pool Lighting Businesses, completed an initial $6 mil. investment by Aston Capital (founder is Robert V. LaPenta, Chmn. of RVLT) to enhance operational and financial discipline while accelerating growth to tap into the large and growing LED lighting market, and completed the acquisition of Seesmart Technologies, a leading LED solutions provider with a broad range of products serving the commercial, industrial, and institutional lighting markets.

RVLT designs, manufactures, markets and sells high-performance, commercial grade, LED replacement light bulbs and LED-based signage, channel letter and contour lighting products. With 46 issued patents and 28 combined U.S. and foreign patent applications pending related to their Array Lighting and Lumificient product offerings, RVLT's products incorporate many proprietary and innovative features. RVLT's patented Selective Heat Sink technology and patented designs provide opportunities for significant savings in energy and maintenance costs without compromising the environment. RVLT sells its products to the commercial, hospitality, institutional, retail and sign markets. They also market and distribute products globally through multiple networks of independent sales representatives and distributors, as well as through energy savings companies and national accounts.

Revenue for the 1st 9 mos. of FY'12 declined 55% to $3.5 mil., primarily due to lower sales to Lowe's Companies due to the expiration of their arrangement. The net loss was (.75) per share vs. (.20) for the same period in the prior year. Recapitalizing RVLT and successfully resolving past litigation were critical in providing RVLT with the required stability to meet their customer's long-term product and service needs. RVLT significantly strengthened its balance sheet, increasing its cash position to $4.3 mil. ending Sept. 30, '12. Of the 35,005,507 shares outstanding, about 35.4% are held by insiders and 13% by institutions. RVLT announced the receipt of a $5 mil. order for LED lighting products with a total value of $10 mil. The majority of the order will be installed within the Q1, '13. RVLT is anticipating tremendous growth in '13 as Seesmart's pipeline of potential projects currently exceeds $1 bil. and includes large school districts, commercial office and retail buildings, industrial facilities, and government buildings. Customers, who include SL Green, Memorial Sloan-Kettering Cancer Center, the City of Los Angeles, Idealease and the Cerebral Palsy Assoc. of N.Y., enjoy the benefits of significant energy savings, reduced maintenance, a rapid payback, and a more sustainable facility. The stock had a recent explosive upsurge of 148% and has since pulled back significantly, where we would look to purchase in the .80 area for a 1st target of 3½-4 as we enter an error of unprecedented change in the way we light our homes and businesses.

There is a revolution taking place in the lighting industry and RVLT provides cutting-edge products, service and distribution which will strongly position RVLT as a major force in serving the needs of a very large and growing market. New energy efficient LED lighting systems and control technologies are transforming the lighting industry. By 2020, 70% of the lighting market is forecasted to be products with LEDs as their light source, with a worldwide market approaching $85 bil. Ultimate target 6.5-7."

HENDERSHOT INVESTMENTS
11321 Trenton Ct., Bristow, VA 20136.
1 year, 4 issues, $50.
www.hendershotinvestments.com.

Long-term investors seeking a healthy dividend should consider CPSI

Ingrid Hendershot: "**Computer Programs and Systems** (CPSI: $53.03) is a leading provider of healthcare information solutions for community hospitals with over 650 client hospitals in 45 states and the District of Columbia. The company is a single-source vendor providing comprehensive software and hardware products, complemented by complete installation services and extensive support, to automate clinical and financial data for hospital management.

Profitable Operations

Computer Programs and Systems (CPSI) has been serving the healthcare information system needs of the medical community for over 30 years. Founded in 1979, the company provides a complete information and patient care system from business office to bedside to meet the unique demands of small and midsize hospitals.

On Feb. 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009 (ARRA). This economic stimulus package contained a number of health care policy provisions, including approximately $19 billion in funding over a 10-year period for health information technology. In addition, Medicare and Medicaid incentives encourage doctors, hospitals and other providers to use information technology to electronically maintain and exchange patients' health information through the development of health information exchanges and the adoption of electronic health records. ARRA, along with the increasing pressure to improve patient care, should have a positive impact on CPSI's business as community hospitals increase the adoption of information technology as a management tool.

CPSI's business model is highly profitable with the company generating an outstanding 52% return on shareholders' equity in 2012 as the company's profit margin expanded. Over the last five years, the return on equity has averaged a superb 42% as sales have compounded at an 11% annual rate with net income growing at an 18% annual rate.

Strong Balance Sheet

This small company has maintained a strong balance sheet over the years with no long-term debt and bountiful cash. Free cash flow increased 23% in 2012 to $27.8 million. The company paid a $1.00 per share special dividend in 2012, approximating $11.1 million. Even after paying the special dividend, CPSI ended the year with nearly $20 million of cash, which represented 34% of shareholders' equity.

Management is committed to providing superior shareholder returns while retaining the financial capability to reinvest in the company's long-term growth.

Healthy Dividend

CPSI recently increased its 2013 dividend 11% to an annualized rate of $2.04 per share, with the dividend currently yielding a healthy 3.8%. Management anticipates further dividend increases along with further growth in 2013 with total revenues expected in the range of $194-$206 million and EPS in the range of $2.80-$2.98. The company's backlog as of year end was $149.3 million, consisting of $42.4 million in non -recurring system purchases and $106.9 million in recurring payments for support, business management services and software-as-a-service contracts. A new subsidiary, TruBridge, was formed to provide additional services targeted specifically at rural and community healthcare organizations. Long-term investors seeking a healthy dividend should consider CPSI, a *HI-quality* firm with highly profitable operations and a strong balance sheet. Buy."

****

Russ Kaplan's HEARTLAND ADVISER
5002 Dodge St., Ste. 302, Omaha, NE 68132.
Monthly, 1 year, $150.
www.russkaplaninvestments.com.

Apple vs. Amazon

Russ Kaplan: "A good example of how expectations influence the market short-term has been provided for us this quarter. Two high tech companies reported earnings this quarter. One of them earned $54 billion, which is near the highest quarterly earnings reports ever, while the other lost money for the second quarter in a row.

Which one would you rather have? Probably most would choose the one that made $54 billion. You would be wrong.

The one that earned $54 billion was **Apple** (AAPL) and the one that lost money two quarters in a row was **Amazon** (AMZN). Upon announcement of the results Apple plunged in price, while shares of Amazon soared.

The one thing the analysts gave as an excuse for Apple's low performance was the iPod sales were a bit below expectations. I believed that Apple mostly fell because over the years you had soaring sales and a constant series of blockbuster products. I believe that because of this slowdown investors have panicked and driven Apple shares way below where they should be on a value basis.

I would not in fact be surprised to in fact see a blockbuster come out in the future, and I am hearing about Apple's alleged breakthroughs in televisions and wristwatches.

The price may go lower, but I think Apple is a steal at its current price and if you buy now you will be well rewarded in the future.

Amazon, on the other hand, is in my opinion in a bubble based on unrealistic expectations and that eventually this bubble will burst."

THE BOWSER REPORT
P.O. Box 5156, Williamsburg, VA 23188.
Monthly, 1 year, $59. www.thebowserreport.com.

ADDvantage Tech's remains focused on growth strategy

Cynthia Bowser: "**ADDvantage Technologies Group Inc.** (Nasdaq: AEY) works through its subsidiaries as a distributor and servicer of products for the cable television industry. The company's subsidiaries and their services are as follows:

- Tulsat Corp distributes Cisco video products out of Broken Arrow, OK. Tulsat, a Cisco Premier Partner, also sells Cisco's IT related products and acts as a third party repair center for Cisco products.
- NCS Industries Inc. operates as one of only three Motorola broadband product distributors. NCS also is a Master Distributor for the United States distribution of Fujitsu Frontech North America encoders, decoders and media solutions products. NCS is located in Warminster, PA.
- Adams Global Communications is a reseller of Arris Solutions' cable television products and is located in Lanexa, KS.

ADDvanatge Tech has a number of other subsidiaries, and sells products from a number of other manufacturers.

AEY's business is not limited to just the sale of new equipment. The company also purchases and sells surplus new and refurbished equipment. It has one of the largest inventories, allowing the company to fulfill customer orders within a short period of time.

By stocking and selling new equipment, new equipment that is no longer manufactured and refurbished equipment, servicing this equipment and providing technical know-how to its customers, AEY claims to set itself apart from its competition.

ADDvantage Tech's growth strategy is through organic growth as well as acquisitions. The company is looking to expand its scope within the cable equipment industry by locating viable acquisition targets.

Following the announcement of the company's most recent quarterly results, President and CEO David Humphrey explained, "We remain focused on our growth strategy, which is to expand upon existing agreements with our suppliers, entering into new agreements with new suppliers, expanding our geographical footprint and identifying accretive acquisitions within our industry."

Financials

If ADDvantage Tech can carry the momentum of its first quarter through its entire fiscal year 2013, it could be a major turnaround play. Since 2010, net revenues have decreased 26%. Despite this, the company has been able to maintain profitability by keeping costs down.

For the most recent quarter ended 12/31/12, the company reported a 7% increase in net revenues. New equipment sales rose 6% and refurbished equipment sales rose 16%. As a result of these increases, the company reported a 79% increase in net income attributable to shareholders. In the most recent quarter, new equipment sales accounted for 58% of AEY's total revenues; refurbished equipment, 31% and equipment servicing, 11%.

Much more impressive than the company's income statement is its balance sheet. For a company with around a $20 million market cap, it has $33,190,845 in currents assets – $7 million of which is cash and cash equivalents and $22 million of which is current inventory. On just $2,672,413 in current assets, the company has $30,518,432 in working capital and a current-assets-to-liabilities ratio of 12.4.

Also, with over $38 million in shareholder's equity, AEY has a book value of $3.79. That represents a 72% premium over its current share price.

ADDvantage also maintains little long-term debt – $1,456,610. AEY's current long-term debt is down significantly (86%) from September 30, 2011, when it reported over $10 million in LTD.

AEY also has a good share structure. According to Yahoo! Finance, insiders own just shy of 45% of the common shares outstanding and the company has a float of just over 5 million. Management has been adding value to the company's shares by repurchasing small amounts in the open market-over 120,000 since this past December.

Management

As previously stated, David Humphrey leads ADDvantage as the company's president and chief executive officer-positions that he has held since April 2012. Mr. Humphrey has extensive leadership experience, having served as CEO and CFO of TokenEx and COO of Oklahoma Equity Partners. Mr. Humphrey currently owns 4,545 shares of common stock.

AEY's vice president and chief financial officer is Scott Francis. Mr. Francis has held his current positions since September 2008, prior to which he was the controller of accounting for Vanguard Rental Car USA and the manager of financial reporting for WilTel Communications, Inc. Mr. Francis currently owns 17,732 shares of common stock.

The largest shareholder is David Chymiak, who currently owns 2,622,211 common shares, including 17,000 in exercisable options. This accounts for 26% of AEY's shares.

Address: 1221 East Houston St., Broken Arrow, OK 74012, Tel: (918) 251-9121, http://www.addvantagetechnologies.com."

The Bull & Bear Financial Report

P.O. Box 917179, Longwood, FL 32791
Phone: 1-800-336-2855
Fax: (407) 682-6170
Editor: David J. Robinson

Turning Your Smartphone Into a Mobile Wallet

By Lisa Gerstner
Kiplinger's Money Power

No pen or stylus required. There are two ways to use your smartphone at checkout. The first involves loading a cloud-based mobile application, such as LevelUp or Square Wallet. You then link the app to a bank or credit account and make payments by hitting a button on your phone or displaying a code for the cashier to scan. The other relies on near field communication, or NFC. Install a mobile app such as Google Wallet or Isis on an NFC-equipped phone and you can pay from the account you choose by tapping the phone on an NFC payment terminal.

It's not just about the money. Some mobile wallets store your loyalty cards and reward accounts. With Google Wallet, you can automatically redeem discounts stored in the app when you tap your phone to pay at some Macy's and Old Navy locations. Apple's Passbook app lets you organize items such as coupons and movie tickets, and pull up an item you need to your screen, such as an airline boarding pass.

Your data is more vulnerable. Sign up with your carrier (or load a security app) for a service that disables your phone remotely if it is stolen. Before you use any mobile-payment app, research its security protections carefully. Safeguard your phone's home screen and your wallet app with separate PINs, if possible.

Now for the fine print. A limited number of merchants accept mobile transactions (and those that do may or may not support your method of payment). Plus, your carrier may not offer handsets that support the technology. For example, Sprint is the only major wireless carrier with a selection of devices that support Google Wallet. Sorry, Apple aficionados: The iPhone doesn't yet support NFC.

Are we there yet? Tech experts are predicting that swiping or tapping a phone to make purchases will become mainstream over the next decade. But consumers still seem to be satisfied with their low-tech, analog wallets, given the current lack of streamlined payment options that work everywhere and on any phone. And items such as driver's licenses and insurance cards haven't gone digital yet, notes Michael Katz, professor of economics at the Haas School of Business at the University of California at Berkeley. He suggests that bonuses and sweeteners – such as an automatic discount on, say, every fifth cup of coffee you buy at your favorite shop – would enhance the value of mobile wallets for many consumers.

Editor's Note: Lisa Gerstner is a staff writer at Kiplinger's Personal Finance magazine.

Steven Halpern's THESTOCKADVISORS.COM A free website featuring daily stock picks and market commentary.

Tech Buys

TheStockAdvisors.com provides a daily overview of the latest stock, mutual fund, resource industry and ETF recommendations, investment ideas and stock commentary of the nation's leading financial advisors. Edited by Steven Halpern, here are a few recent postings for tech stocks:

Arrow Electronics: Buyback target

David Fried, editor *The Buyback Letter*, secure.buybackletter.com: "**Arrow Electronics** (ARW) is a global provider of products and services to industrial and commercial users of electronic components and enterprise computing solutions.

Arrow is a supply channel partner for more than 100,000 original equipment manufacturers, contract manufacturers and commercial customers through a network of more than 470 locations in 55 countries.

Arrow has a market cap of $4.3 billion and is part of the services sector. Shares are up some 4% so far this year, and analysts praise the company for its increase in net income, attractive valuation levels, good cash flow from operations and largely solid financial position with reasonable debt levels by most measures.

For the quarter ended Dec. 31 (Q4), Arrow Electronics beat expectations on revenues and on earnings per share. Revenue was $5.40 billion ($5.26 billion predicted), and EPS came in at $1.22 ($1.08 predicted).

A component of the Russell 3000, Arrow was identified as having a larger market cap than the smaller end of the S&P 500 (Leggett & Platt, Inc.).

In February, the board approved another $200 million for buybacks. Arrow has spent some $800 million on buybacks since 2006. In the last 12 months, management has reduced shares outstanding by 5.3%."

Splunk: Big data and the cloud

Mike Cintolo, editor *Cabot Top Ten Trader*, secure.cabot.net: "**Splunk** (SPLK) is a software company whose products give businesses control over the mountains of data that they collect and store in the Cloud. Analysts say that it's such a superior product that the company is competing on an equal footing with Hewlett Packard and IBM.

With 60 of the Fortune 100 companies on the customer list and a string of 25 seven-figure contracts signed in the fiscal year ending in January, Splunk is clearly getting major traction.

The demand for software to handle Big Data is so strong that Splunk has been able to grow revenue at an impressive rate; the 51% revenue growth in the latest quarter would have many companies doing cartwheels, but it's the lowest growth rate in over two years for Splunk.

The 200% jump in earnings in its latest quarter is also important, as it pushes the company closer to consistent profitability. Throw in the rumors that Splunk is a tempting takeover target, and it's a nice package.

Technically, SPLK made a run from $26 to $40 late last summer, but a September–October correction pulled it back down to support at $26. The current rally began in mid-December.

The ideal buy point would be on a dip to $38, with a stop just below the 50-day moving average, now at $35.40. The drop-dead sell line is at $33."

AVG Technologies: Small cap buy

Jim Oberweis, Jr., editor *The Oberweis Report*, www.oberweisreport.com: "**AVG Technologies** (AVG) provides software and online services by simplifying, optimizing and securing their Internet experiences. It has amassed a large community of 146 million active users.

Its product portfolio targets the consumer and small business markets and includes Internet security, PC performance optimization, online backup, mobile security, identity protection and family safety software.

The company offers offer free and low-cost offerings that can be accessed and utilized with minimal effort and limited technical know-how from the user.

While a significant majority of their active users have been users of their free products and online services, AVG also offers products with premium functionality and enhanced customer support when customers purchase an annual or multi-year subscription.

Further monetization of this user base through online services represents a significant market opportunity for the company. AVG has approximately 15 million subscription users.

AVG has been successful in growing their product portfolio over time through internal development and select acquisitions.

In the company's latest reported fourth quarter, sales increased approximately 28% to $95.2 million from $74.3 million in the fourth quarter of last year. AVG reported earnings per share of $0.32 in the latest reported fourth quarter versus $0.21 in the same quarter of last year.

Clients of Oberweis Asset Management own approximately 326,000 shares. These shares may be appropriate for risk oriented investors."

Tech talk: 4 buys from Quickel

Stephen Quickel, editor *US Investment Report*, www.usinvestmentreport.com: "When the market tells us that it wants to rise, as it is today, I prefer to be fully invested in sector-leading stocks with superior earnings prospects. Here's a look at 4 tech stocks on our buy list.

Yahoo (YHOO) has continued rising from the mid-teens to the low 20s on the strength of strong quarterly earnings and an apparent turnaround. Yet analysts remain skeptical.

Their consensus 5-year earnings growth is a relatively mild 13%, which with the P/E at 18 gives YHOO a pricey PEG of 1.36. In our model portfolios we are sticking with the stock, but with tight stop-loss limits that are advanced as the shares notch higher.

In the chip sector, fallout from the seemingly bottomless plunge in **Apple** (AAPL) is worrying. However, we continue to regard the Apple meltdown from 700 to 430 as an over-wrought reaction, and agree with the analyst foresee consensus of 18% a year earnings growth for AAPL over the coming five years and their $625 consensus price target

Cirrus Logic (CRUS), an Apple supplier, has seen its shares in a free fall since August, with the stock plunging from $45 to $24. With 25% a year earnings growth expected, its foreword P/E of 6 is tempting for aggressive investors.

EMC Corp. (EMC), the world's largest data storage equipment company, has growing growth prospects in cloud-computing and big data markets is a conservative buy at 12 times earnings."

LeapFrog: A jump from toys to education

Geoffrey Seiler, editor *BullMarket.com*, www.bullmarket.com: "Imperial Capital was out with a bullish note on **LeapFrog** (LF) after its analysts met with management in Los Angeles.

"LeapFrog has a relatively new management team that has altered its strategy from being primarily a toy company to an emphasis on becoming the leading educational entertainment content provider," analyst Lee Giordano wrote. "Its singular focus on educating kids in the 3-8 year old age range represents an attractive market niche."

The analyst is looking for high-digit sales growth and for margins to improve after this year due to a greater emphasis on software and from sales leverage. Giordano noted that the company should support over 800 pieces of content by the end of this year. Giordano has an "outperform" rating and $13 price target on the stock.

The key for LeapFrog at this point is trying to convince investors that it's an educational content company and not a toy company riding one strong product, which in this case is the LeapPad tablet. Management clearly believes this, and is working to bolster its content both on the LeapPad and off it.

Nonetheless, in the near term, the success of the LeapPad and related content for the device is going to drive sales, and on that front, we remain positive that it will continue to be the No. 1 selling kiddie tablet in the U.S. given the great lengths it goes to provide both educational and entertaining content for children, all of which is developed or selected by a qualified child development expert.

The international market is a good potential growth opportunity, and we concur that ESL could be a big market. Many countries around the world teach English at an early age, so this could be a pretty big market.

LeapFrog is still going to have to change investor perception, but if it can, then this is a very cheap stock that has a lot of room to the upside.

We also think it could be an attractive takeover candidate for a larger toy company like Mattel or Hasbro, as well as private equity. We rate LeapFrog a "Buy" with a $12 target."

Hedge Funds Are Buying 3 Rallying Technology Dividend Stocks

Looking to trade technology stocks that offer dividend income and show the potential to rise in value? Rebecca Lipman, Kapitall Wire created a stock list with this in mind.

Ms. Lipman began by screening the technology industry for stocks that are rallying above their 20-day, 50-day, and 200-day moving averages, indicating that these stocks have strong upward momentum. But will it continue?

She then screened for those with bullish sentiment from institutional investors, with significant net institutional purchases over the last quarter representing at least 5% of share float. This indicates that institutional investors such as hedge fund managers and mutual fund managers expect these names to outperform into the future.

The List

Only three rallying dividend technology stocks made the final list below.

Institutional money mangers expect these stocks to outperform. Do you agree with this sentiment? Use this list as a starting point for your own analysis, says Lipman.

1. ChipMOS TECHNOLOGIES (Bermuda) LTD. Provides semiconductor testing and assembly services for LCD and other flat-panel display driver semiconductors, as well as for advanced memory and logic/mixed-signal products. Market cap at $425.48M, most recent closing price at $12.63.

Dividend yield at 1.12%.

The stocks is currently rallying 9.01% above its 20-day MA, 11.59% above its 50-day MA and 8.26% above its 200-day MA.

Net institutional purchases in the current quarter at 1.4M shares, which represents about 9.56% of the company's float of 14.65M shares. Average analyst recommendation: Strong Buy.

2. Iron Mountain Inc. Provides information management and related services for various media in North America, Europe, Latin America, and the Asia Pacific. The company's information management services can be divided into three major categories, records management services, data protection & recovery services, and information destruction services. It offers both physical services and technology solutions in the records management and data protection & recovery categories. The company offers only physical services in the information destruction services category

Market cap at $6.9B, most recent closing price at $36.13.

Dividend yield at 2.96%. Payout ratio: 103.61%.

The stocks is currently rallying 0.67% above its 20-day MA, 3.47% above its 50-day MA and 14.83% above its 200-day MA.

Net institutional purchases in the current quarter at 17.3M shares, which represents about 10.25% of the company's float of 168.75M shares. Average analyst recommendation: Moderate Buy.

3. Western Digital Corp. Engages in the development and manufacture of storage products that enable people to create, manage, experience, and preserve digital content. The company designs and makes storage devices, networking equipment, and home entertainment products under the WD, HGST, and G-Technology brands.

Market cap at $12.0B, most recent closing price at $49.80.

Dividend yield at 1.97%. Payout ratio: 5.81%.

The stocks is currently rallying 1.1% above its 20-day MA, 3.6% above its 50-day MA and 24.22% above its 200-day MA.

Net institutional purchases in the current quarter at 17.3M shares, which represents about 8.08% of the company's float of 214.16M shares. Average analyst recommendation: Moderate Buy.

Editor's Note: Kapitall Wire, which is not a broker/dealer, offers free cutting edge investing ideas, lively commentary and timely analysis of companies enhanced by interactive tools. And the Investing 101 section breaks complex concepts down to their basics, offering education to novices that doubles as a refresher course for more seasoned investors.

Kapitall Wire is a division of Kapitall Inc. Securities products and services are offered by Kapitall Generation, LLC, member FINRA/ SIPC. Kapitall Generation, LLC is a wholly owned subsidiary of Kapitall, Inc. For more information visit www.kapitall.com.

Big Data: A Special Report on a Rising Investment Trend

Continued from page 2

Big Data Stock #2: General Electric (NYSE: GE): The industrial giant may seem an odd fit with the mainly tech companies that are commonly associated with big data. But in many ways, moving into this area makes sense for GE, because it can use analytics software to make its products even more efficient and adaptable. Examples include systems that catch problems on jet engines, railroad components and other systems before they become severe, reducing costly delays and repair bills for GE's clients.

"If I can begin to see that something is starting to deteriorate and get out there and fix it before it breaks, that's a foundational change," Bill Ruh, vice-president of the company's software and analytics center, told Bloomberg BusinessWeek in April 2012. "In the end, what everybody wants is predictability." The company recently opened its new, $1-billion software headquarters in San Ramon, California. By 2014, GE's software sales could rise to $5 billion from about $3 billion in 2011, according to Bloomberg.

In the fourth quarter, GE's overall revenue rose 3.6% from a year ago, to $39.3 billion, topping the consensus forecast of $39.0 billion. Operating profits rose 13%, from $0.39 to $0.44, also beating the Street's expectation of $0.43.

GE shares are up 16.270% in the past year and currently trade at 16.76 times the company's last 12 months of earnings. Quarterly dividends of $0.19 yield 3.29% on a yearly basis.

Big Data Stock #3: EMC Corp. (NYSE: EMC) operates in a number of IT areas, including cloud computing, security, big data, storage, backup and recovery, and content management. In the fourth quarter, the company **controlled** 34.2 percent of the global disk storage market, according to IT research firm Gartner.

The company also owns 80% of virtualization and cloud computing specialist **VMWare, Inc.** (NYSE: VMW). Virtualization is a means of creating a virtual version of something – such as an operating system, application or even a server – which helps IT departments get more out of their resources. It can also reduce the need to buy additional hardware. A simple example of virtualization is partitioning a hard drive, which in effect creates two separate hard drives.

VMWare's share price recently moved lower after the company released improved quarterly results but disappointing full-year and first-quarter earnings guidance. The company is now restructuring, including laying off 900 workers, consolidating facilities and exiting certain businesses, according to a recent SEC filing.

EMC's big data products include the **Greenplum** Unified Analytics Platform, which allows for the co-processing of structured and unstructured data, as well as collaboration between IT professionals.

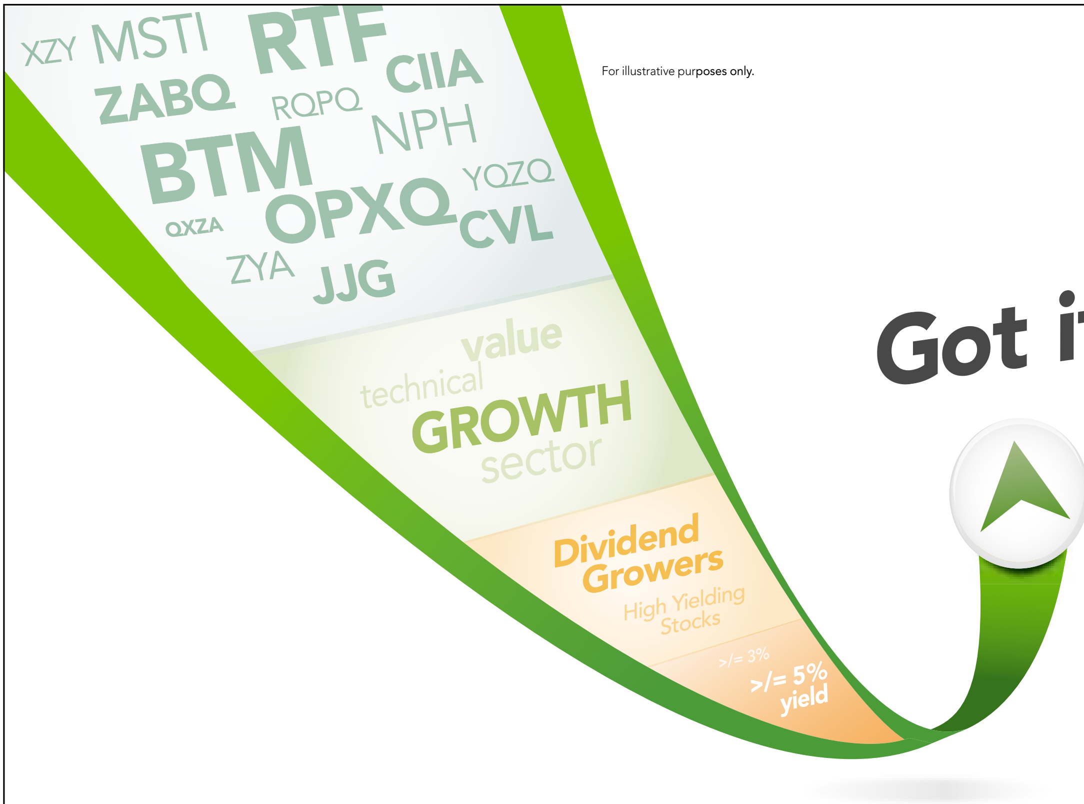
In the fourth quarter, EMC's revenue rose 8.2% from a year earlier, to a record $6.03 billion from $5.6 billion a year earlier. Net income rose 4.6%, to $869.9 million, or $0.39 a share, from $832.0 million, or $0.38. Adjusted earnings came in at $0.54, up 10% from a year ago and ahead of the $0.52 that the Street was expecting. Revenue also beat expectations of $5.98 billion.

For 2013, EMC expects revenue of $23.5 billion, up from $21.7 billion in 2012, with net income rising to $1.35 a share from $1.23. That met the Street's expectations.

EMC shares down 20% in the past year and currently trade at 19.24 times the company's last 12 months of earnings. EMC doesn't pay a dividend, but it did say that it plans to spend $1 billion on share repurchases this year.

The big data space continues to evolve at a rapid clip, with more new players constantly entering the market. Some other firms to keep an eye on in this area include **Teradata** (NYSE: TDC), **NetApp** (NasdaqGS: NTAP) and **Oracle** (NasdaqGS: ORCL), to name just a few.

Editor's Note: Chad Fraser is a contributor to *InvestingDaily.com*, an online service of KCI Investing. Chad has also worked on some of Canada's most respected investment publications. To sign up for free reports and E-mail alerts visit www.InvestingDaily.com.



For illustrative purposes only.

Got it.

Go from over 6,500 stocks to the dividends you want.

Tap into Independent Expert Strategy Screens.

Fidelity's Stock Screener gives you a fast, easy, and expert-guided way to find the dividend-paying stocks you want today.

- Start with preset strategies from independent experts like Standard & Poor's and Zacks
- Gain insights on what to watch for—and watch out for—from the pros
- Customize your strategy using a wide range of screening criteria
- Get a list of stocks to research—and execute when you're ready

Fidelity's Stock Screener—one more innovative reason serious investors are choosing Fidelity

Sign up for 30 days of FREE ACCESS—and get 200 FREE TRADES* when you open an account.

Try It Now

Fidelity.com/expertscreens
800.FIDELITY

Turn here®

Fidelity INVESTMENTS®

Mobile

Retirement | Planning | Trading | Investments

Investing involves risk, including risk of loss.

Fidelity's Stock Screener is a research tool for self-directed individual investors. Information supplied by or obtained from it or Fidelity's stock research pages are for informational purposes only and should not be considered investment advice or guidance, an offer of or a solicitation of an offer to buy or sell securities, or a recommendation or endorsement by Fidelity of any security or investment strategy.

*See Fidelity.com/200trades for further details. Valid only for Fidelity customers opening a Fidelity retail account and funding it with at least $100,000 in cash and/or eligible securities.

Bull & Bear's
Web Sites for Investors

The Bull & Bear Financial Report • P.O. Box 917179, Longwood, FL 32791 • 1-800-336-BULL

FEATURED COMPANIES

Argonaut Gold Inc.
Creating the Next Quality Mid-Tier Gold Producer in the Americas
www.argonautgoldinc.com

Atna Resources Ltd.
Rapidly Growing Gold Producer with Two Operating Mines; Starting Construction at Reward Mine
www.atna.com

Aurcana Corporation
Solidly on Track to Becoming the Next Primary Silver Producer
www.Aurcana.com

Aurizon Mines Ltd.
Gold Producer Utilizing Cash Resources to Grow Production
www.aurizon.com

BacTech Environmental Corporation
Proprietary Reclamation Technology Asset-Rich Exploration/Mining Properties
www.bactechgreen.com

Batero Gold Corp.
Aggressively Exploring Massive Gold/Copper Porphyry in Colombia
www.baterogold.com

DTS8 Coffee Co., Ltd.
Challenging Major Players in Growing Chinese Coffee Market
www.dts8coffee.com

Great Panther Silver Limited
Fast-Growing Silver Producer Based in Mexico
www.greatpanther.com

Latin American Minerals Inc.
Exploring Potential New Gold District in Paraguay
www.LatinAmericanMinerals.com

Lithium Americas Corp.
Developing One of the World's Largest and Lowest Cost Lithium Operations.
www.lithiumamericas.com

Maderas Futuro, S.A.
Privately Held Tropical Hardwood Ownership: Top Performing Risk-Adverse Asset Class
www.MaderasFuturoSA.com

Puma Exploration
Exploring Large Silver, Copper and Gold Projects in New Brunswick & Manitoba
www.explorationpuma.com

Terraco Gold Corp.
Exploring Advanced Stage Gold Deposits in Western U.S.
www.terracogold.com

Teryl Resources Corp.
Gold & Silver Properties in Alaska and Northern British Columbia.
www.terylresources.com

Torex Gold Resources Inc.
Moving Multi-Million Oz Morelos Gold Project to Production
www.torexgold.com

U.S. Silver & Gold Inc.
New Company Built for Growth
www.us-silver.com

INVESTOR SERVICES

American Gold Exchange, Inc.
Your Reliable Hard Asset Advisor Gold, Platinum, Silver, Rare Coins
www.amergold.com

Canaccord Wealth Management
Rod Blake
"Your Gateway to Canadian Securities"
www.RodneyBlake.com

Gold Stock News
Top Gold Stock Picks Live Charts, News, Area Plays
www.GoldStockNews.com

Precious Metals Warrants
Detail on ALL Warrants U.S. & CA. Exchanges
preciousmetalswarrants.com

The Resource Investor
Precious Metals Trends Gold, Silver, Uranium, Oil & Gas
www.TheResourceInvestor.com

PUBLICATIONS

The Bowser Report
Your Source for Penny Stock Info
www.thebowserreport.com

BullishInvestor.com
Free Daily Technical Analysis Ratings on 15,000 Companies
www.BullishInvestor.com

The Buyback Letter
Turning Buybacks Into Profits
www.buybackletter.com

The Dines Letter
Cycle Analysis • Precious Metals Stocks Explicit "Buy" to "Sell" Advice
www.DinesLetter.com

The Inger Letter
Fundamental & Technical Analysis; Focused on S&P E-Mini Trading
www.ingerletter.com

The KonLin Letter
Micro/Small-Caps Buy - Sell • Technical Fundamental Market Timing
www.konlin.com

The Morgan Report
Silver Analysis & Research
www.Silver-Investor.com

The Northern Miner
Covering the global mining industry Mining news as it happens
www.northernminer.com

Small Bank Newsletter
Bank Stock Portfolios Private Account Management
www.banknewsletter.com

Street Smart Report
"Top-Ranked Timer for Over 10 Years"
StreetSmartReport.com

STOCK BROKERS

PennTrade.com
Online CDN, US & OTC trades Div. of Pennaluna & Co., Member FINRA/SIPC
www.Penntrade.com

Visit Bull & Bear's Web Sites...

TheBullandBear.com

GoldStockNews.com

TheGoldShow.com

TheResourceInvestor.com

GreenInvestorDigest.com

ChinaGoldMining.com

Register Online for Bull & Bear's FREE E-newsletters