WHY TRADE WITH Action Alerts PLUS?

The Street
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If you’ve ever seen an episode of Mad Money, you know that I’m not afraid to express my opinion … to tell it like it is.

Most fund managers, on the other hand, would rather keep you in the dark. They won’t tell you where they bought a stock, let alone their reasons for making the purchase.

And today, most individual investors are willing to let this slide. We are emerging from one of the most difficult markets that any of us have ever witnessed, and individual investors like you do not want to navigate uncharted waters alone.

But if you don’t know what stocks your fund manager is buying when and at what price—with your money, I might add—how do you know that it’s the best investment for you, for your financial goals, for your future?

In this situation, you are completely powerless.

It’s time to take the power back.

Whether you are a novice or experienced investor … my partner in crime, Stephanie Link, and I believe that you have the potential to achieve every single one of your financial goals—and without an expensive broker or fund manager.

Now I know what you are thinking … “I don’t have time to sift through thousands of stocks or the ability to determine what events could potentially impact a stock price.”

And not just that … “The global economy seemingly changes every single day. How am I supposed to stay up to the minute on what’s happening in the U.S., let alone in Europe, South America, and Asia?”

I’ll be honest with you: It is difficult for investors like you to keep up with everything that could affect your portfolio.

But Stephanie and I believe in you, and realize that you just need a little guidance to make ALL of your financial goals a reality.

Stop Wondering, Start Investing

With Action Alerts PLUS, you never have to wonder what’s going on behind the scenes. You know exactly what we’re buying, when we’re buying, and why we’re buying.

Your Action Alerts PLUS Coaches

Jim Cramer is one of America’s most recognized & respected investment pros and media personalities. After forming his own hedge fund in 1987 and helping start Smart Money for Dow Jones, in 1996 Jim founded TheStreet, one of the “most visited” financial media websites for individual and institutional investors.

Today, Jim serves as the host of CNBC’s “Mad Money,” writes daily market commentary for TheStreet’s Real Money, is the author of several books—including Confessions of a Street Addict—and has been featured on television shows that range from The Tonight Show to CBS’ 60 Minutes.

In addition, Jim and Stephanie Link, are the Co-Portfolio Managers of Action Alerts PLUS. Stephanie is the Director of Research and Vice President of Strategy at TheStreet, managing a talented team of investment researchers and stock market analysts. Previously, Stephanie was the Managing Director of Research and Institutional Sales at Prudential Equity Group and the SVP of Institutional Sales at Dean Witter Reynolds.

Together, Jim and Stephanie inform and guide Action Alerts PLUS’ subscribers with daily written analysis and weekly summary reports of the strategy, positions and rankings of each stock in the fund.
Why Trade with *Action Alerts PLUS*?

For an individual investor, such as yourself, to be successful, you need to know the facts. You need to feel in control of your investments. And that is my goal with *Action Alerts PLUS* … to make you feel empowered.

**If you understand completely what I do, you can do even better than me!**

With *Action Alerts PLUS*, you have a unique trading advantage: you receive every single trade before I can even take action.

I have set my own stringent trading restrictions. As an *Action Alerts PLUS subscriber*, you receive my top picks in an email trading alert, and I cannot make the same trade until you have had the opportunity to act on my advice.

**Our Trading Strategy**

*Action Alerts PLUS* is based on a system that I developed in my hedge fund. The answer is not going in and out of stocks—we are long-term by nature.

We hold our trades for six to 12 months.

But that doesn’t mean that we buy and forget. Actually, our strategy is completely the opposite.

Stephanie and I believe that daily alerts are vital to your success, as we trade around our core positions. So at *Action Alerts PLUS*, we contact you via email every single trading day of the year—sometimes more than once a day—to keep you alerted to the opportunities available, as well as aware of the lurking pitfalls.

The biggest mistake that fund managers make is holding stocks that get beyond where they think they can go or owning stocks where the fundamentals don’t work out immediately. They have no conviction.

But when you evaluate your trades every single day, you know which stocks need to be bought or sold right now.

**With *Action Alerts PLUS*, you never have to guess.**

Our simple rating system makes it crystal clear which of your favorites you need to trim profits on or back up the truck … and which of your losers you need to cut loose.

Here’s a quick guide to our rating system:

- **✔ Ones** are stocks we would buy right away.
- **✔ Twos** are stocks we would buy on a pullback.
- **✔ Threes** are stocks we would sell on strength.
- **✔ Fours** are stocks we would unload as soon as possible.

We rank all of our trades—and try to stay accurate with our rankings. So if a stock is a three or a four, then its one we’d be inclined to sell. But if it’s a one or a two …
Take our trade in **Schlumberger (SLB:NYSE)**, for example.

As you can see in the chart, we started picking up shares of Schlumberger in mid-July 2012. The oil sector had dropped more than 12% from early May at that time and 22% from its highs—which was the floor for the sector.

As a best-in-breed oil services company, we recommended Schlumberger to our **Action Alerts PLUS** subscribers with a $78 target.

But we didn’t just forget about our shares as Schlumberger steadily climbed higher. We took advantage of a pull back in August to grab more shares—and trimmed some profits in early October.

Then in early November, Schlumberger shares pulled back even further when they preannounced earnings. The stock dropped from about $72.50 to $68. Stephanie said, “this is going to come right back.” She was obviously dead right.

As shares surged higher at the start of the new year, we started trimming profits. That's our style: We trim some, so as not to be greedy.

**Because my number-one rule of investing is: “Bulls and bears make money. Pigs get slaughtered.”**

So you take a little off the table … a 15% gain in just a few weeks and then we cashed out the trade at the end of February for a 10% gain.

Schlumberger remains a premier oil services company, and here at **Action Alerts PLUS** we will closely monitor shares for an opportunity to buy back at a lower level.

You are not going to want to miss that—**sign up for our Action Alerts PLUS FREE trial today.**

**How Do We Pick Stocks?**

Now that you’ve seen how we rate and trade stocks, it’s vital that you understand the best way to start building your own portfolio.

At **Action Alerts PLUS**, we talk a lot about top down and bottoms up. I’m historically a bottoms-up guy.

Simply put: I like to look at the financials. I look under the hood.
But, at the same time, I also recognize that when you are crafting a portfolio, you cannot have too much of one sector. If you do, you’re not diversified—and if you have all your eggs in one basket, that’s the quickest way to get scrambled.

So there are nine S&P sectors, and we work very closely with those sectors for our benchmark. But if we believe that there’s an industrial renaissance brewing, we want to be overweight industrials. If we like healthcare, we want to be overweight in healthcare stocks.

Remember, overweight is a technical term. When we say that we should be overweight in a particular sector, it means that sector is a better buy than most, and that we want the majority (but not all!) of our portfolio comprised of the best-in-breed-stocks of this sector.

But just because a sector is strong today does not mean that it will still be strong tomorrow. The market—as we all know—is fickle.

So, for example, even if we don’t like tech and our portfolio is only minimally invested in tech stocks … we must remember that the tech sector can come back, and we may need to reverse our weightings to account for changes in sector strength.

The constant changes in sector strength, investor sentiment, and economic news is also a key reason why you always need to have cash on hand.

I typically recommend that you have at least 5% cash stuffed under the mattress. This gives you enough free money to jump on opportunities as they arise—whether it is a new sector showing strength or a current holding on the verge of a massive breakout.

Diversification … cash on hand … this is how Action Alerts PLUS is able to beat the market year after year.

Isn’t it about time you put Action Alerts PLUS to work for you?

The Bottom Line

At Action Alerts PLUS, I want to help you beat the market.

To do this, we ensure that we always have the flexibility to buy on weakness … we diversify (it is my investing rule #5!) … we dabble in well-known names … and we’re not afraid of taking profits.

We’re not a mutual fund. We’re not a hedge fund. We play with an open hand.
In fact, when you sign up for the Action Alerts PLUS free 14-day trial today, not only do you receive regular trading alerts (sometimes more than once a day!), you also get a Weekly Roundup every Friday.

You’ll receive ratings for every single stock in our portfolio—what we’re buying, what we’re selling and when to take action.

And remember, every recommendation we make—whether it’s to buy or sell—you have the opportunity to act first on our advice, even before Stephanie and I!

That’s the whole premise behind Action Alerts PLUS: YOU receive all of our bullish recommendations—stocks that have the potential to run up for big returns in your portfolio—and you get to act on our advice immediately, before anyone else.

It’s a strategy that’s paid off big time for our subscribers …

“Thank you, Jim! Because of your advice and services, my brother and I were able to keep our small business afloat during this downturn in the economy. Your teaching and advice allowed us to use profits from the market to keep the doors open and keep 11 people employed. Although things are looking better now, I don’t see how we could have gotten to this point without you.”
–Vince J., Eldersburg, MD

Are you now ready to see what Action Alerts PLUS can do for you? I guarantee it will be the best money you ever spent …

Join Stephanie Link, the entire TheStreet Research Team and myself, Jim Cramer, at Action Alerts PLUS right now.

“… Action Alerts PLUS … was the best money I ever spent. I like that Cramer and his team of fundamentalists only recommend financially sound stocks. I’m not interested in playing the speculative game and find their strategy perfect for my mid-level risk appetite … Now that I’ve recovered everything I lost before, I look forward to growing it in the many years to come with Action Alerts PLUS! Thank you.”
–Lanz F. Camas, WA

Get started with your FREE 14-day trial today!

Booyah!

Jim Cramer
Co-founder TheStreet