

Reporting Tricks

At least 80 – 90 % of stock research firms engage in some very dubious practices when reporting the performance of their research. These are the top three cheap tricks:

- 1) **Sell the Sizzle, Not the Steak** - One common trick is that they just do not report their performance. They tell how their proprietary research was designed, but they don't tell you how it actually performed. They **sell the "sizzle," not the steak**. Unfortunately, this means they provide plenty of bun (image) but no beef (substance).
- 2) **Favor Non-Dividend Paying Stocks** - They favor non-dividend paying stocks (which tend to have greater price appreciation, but not a greater return). Then they report their performance in terms of price appreciation and insinuate this is their return (which it is not).
- 3) **Provide Vague Research** - They provide what they claim is "powerful," "proprietary," research with fancy names like "Power Ratio." But they don't tell plainly if a stock is a Buy, Sell, or Hold. They admit they don't provide Buy/Sell/Hold ratings, but they provide powerful research that can be used to generate Buys/Sell/Hold ratings. They don't explain why (since they know their proprietary research better than anyone) if their research is so powerful, they don't use it themselves to identify Buys and Sells. Why don't they eat their own cooking?

We engage in none of these tricks. We cover more than 2,000 of the most popular stocks in the market. We give every one of them unambiguous Buy/Sell/Hold ratings. And we report how every one of them did since inception.