

FLASH CRASH

In early May I was driving my wife and myself to her doctor's appointment. I didn't need to go in to the doctor's with her and I'm not sure now why we were both there.... probably the visit was sandwiched in between other errands.

Anyway, while she was in the doctor's office and while I remained in the car, I pulled out my trusty iPhone to see how the stock market was doing. Imagine my surprise to see that the Dow was down by more than 1,000 points! A fabulous buying opportunity, I thought, so I logged into the brokerage account. But because I have the original iPhone, which runs on a very slow data network, and because the brokerage's servers were bogged down with other, panicked people trying to log on, response was *very slow*.

After about 15 minutes of (painfully, it was so slow!) navigating for bargains I had decided on a trade, only to find that the market had recovered almost as quickly as it had collapsed. So I gave up and logged off, just as my wife came out from her appointment.

"While you were at the doctor's", I told her, "the stock market crashed. And then it came right back again."

"That's nice", she said and changed the subject, which again reminded me that she suffers from MEGO when it comes to things financial.

I was curious to see what the usually-wrong network

evening news would say about the flash crash, and their explanation was: A fat-fingered trader hit the wrong button and tried to sell millions of dollars worth of stock at once, thereby causing "panic" in computerized trading systems. Sounds plausible, but I wasn't convinced.

On further analysis I concluded that the panic was real.... triggered by an announcement by the European Central Bank (later reversed) that they would not print money to bail out Greece and/or Spain and/or Italy and/or Portugal. The fact that the crash was almost instantaneous is a testimonial to the extent the various computerized trading systems monitor each other and the rapidity (milliseconds, really) with which they react to unexpected events.

When I was looking for bargains on my iPhone, one of the trades I saw was Provident Energy Trust for a penny. Did somebody really buy shares for only a penny, I wondered, as the stock was back to \$7 when I was looking at it. Apparently not, as those bargain trades were later cancelled, with routing failures being blamed for the trades.

At any rate, it seemed to me that sovereign debt woes were at the root of the panic, and those weren't about to go away, so those early-May lows were likely to be revisited. And they were, in late May and early June, and in late June/early July.

In the April 2010 issue of **The Contrarian's View** I said that my view of the stock market for the

remainder of the year was really cloudy.... but that I expected to continue buying stocks when they were very oversold, then lightening up when they recovered. What I had in mind was buying at oversold levels and selling at overbought levels. But fore the past two months (May and June) stocks haven't reached overbought levels.... at best they've only returned to neutral.

So I've managed to capture a few new shares here and there, as you will see when you look at the changes in the portfolios, but not as much as I had expected. But I keep trying.... there's got to be a good rally in here somewhere.... or not. And I am careful in that, if I'm wrong, by buying almost entirely stocks of sound companies with juicy dividend yields, I can afford to wait until I'm right.

QUOTES FOR THE MONTH

The collapse of the financial system as we know it is real, and the crisis is far from over. Indeed, we have just entered Act II of the drama. When the financial markets started losing confidence in the credibility of sovereign debt, Greece and the euro have taken center stage, but the effects are liable to be felt worldwide. - George Soros

The stock market at this point, which used to be a reflection of the future value of actual businesses in this country, has been turned by our government and our banks into little more than a paper-shredding facility. 70% of the volume is computers that are run by the banks playing Ping-Pong with stocks for 10 seconds at a time. - Dylan Ratigan

The Wall Street crowd pocketed billions from that financial engineering, while investors and American taxpayers got screwed. And don't get me started on Tweedle Dee (Alan Greenspan) and Tweedle Dumb (Ben Bernanke), who made it possible for the new generation of Gordon Gekkos to make billions from what Warren Buffett called "financial weapons of mass destruction." Gordon Gekko's motto, "greed is good," couldn't be more relevant in today's debt-ridden environment. The geniuses elected to represent us at the U.S. Senate want us to believe that they have fixed the problem with their new (and costly) financial reform package called the Wall Street Financial Reform Act. The truth is that the reform completely ignores some problems and actually makes some things worse. How so? This new bill, all 1,500 pages of it, insures that the Federal government will continue to bail out banks, brokers, and insurance companies that are too stupid to handle money. This bill will create a new Federal agency with a "resolution mechanism" that gives sweeping authority to the Federal Deposit Insurance Corporation to borrow from our Treasury to support failing firms. The FDIC has the authority to operate failed companies for us up to five years. And two of the biggest problem makers, Fannie Mae and Freddie Mac, aren't even addressed. One of the ultimate results of this new

legislation is going to be even more government spending. On top of the bailouts, on top of health care, on top of already record budget deficits. Our politicians are spending money at an unprecedented pace and there is only one long-term result of that type of reckless spending: Higher interest rates and a weaker U.S. dollar. - Tony Sagami

Even though some people say we are living in a "knowledge economy," we are living in a political atmosphere in which ignorance has more power than ever. Washington politicians who have never run any business are telling all kinds of businesses, from automobile companies and banks to hospitals and insurance companies, how they have to run their businesses. This is the golden age of ignorance in power. - Thomas Sowell

On or about Jan. 1, 2011, federal, state and local tax rates are scheduled to rise quite sharply. President George W. Bush's tax cuts expire on that date, meaning that the highest federal personal income tax rate will go 39.6% from 35%, the highest federal dividend tax rate pops up to 39.6% from 15%, the capital gains tax rate to 20% from 15%, and the estate tax rate to 55% from zero. Lots and lots of other changes will also occur as a result of the sunset provision in the Bush tax cuts. In 1981, Ronald Reagan - with bipartisan support - began the first phase in a series of tax cuts passed under the Economic Recovery Tax Act (ERTA), whereby the bulk of the tax cuts didn't take effect until Jan. 1, 1983. Reagan's delayed tax cuts were the mirror image of President Barack Obama's delayed tax rate increases. For 1981 and 1982 people deferred so much economic activity that real GDP was basically flat (i.e., no growth), and the unemployment rate rose to well over 10%. But at the tax boundary of Jan. 1, 1983 the economy took off like a rocket, with average real growth reaching 7.5% in 1983 and 5.5% in 1984. It has always amazed me how tax cuts don't work until they take effect. Mr. Obama's experience with deferred tax rate increases will be the reverse. The

economy will collapse in 2011. - Arthur Laffer

There is no birth certificate. It's like an open secret. There isn't one. Everyone in the government there knows this. I managed the absentee-ballot office. It was my job to verify the voters' identity. I had direct access to the Social Security database, the national crime computer, state driver's license information, international passport information, basically just about anything you can imagine to get someone's identity. I could look up what bank your home mortgage was in. I was informed by my boss that we did not have a birth record [for Obama]. They [Queen's Medical Center and the Kapi'olani Medical Center for Women and Children] told my supervisor, either by phone or by e-mail, neither one has a document that a doctor signed off on saying they were present at this man's birth. They [election workers] may say, 'We don't have access to that.' The regular workers don't, the ones processing ballots; but the people in administration do. I was the one overseeing the work of the people doing the balloting. In my professional opinion, [Obama] definitely was not born in Hawaii. I can say without a shadow of a doubt that he was not born in Hawaii because there is no legal record of him being born there. If someone called and asked about it, I could not tell them that person was born in the state. Anyone can get that [Certification of Live Birth]. They are normally given if you give birth at home or while traveling overseas. We have a lot of Asian population [in Hawaii]. It's quite common for people to come back and get that. It's come to the point where it's [Obama's birthplace controversy] a monster, and it's time to kill it. Solve the problem so that everyone can get back to cooperating to improve the country. People have lost sight that we're trying to make the country a better place. You don't have to like President Obama, but it is sad that he's going to have to go through this public pillory by the time this all comes out, that they did cover this up; and that's sad because the first African-American man to become president shouldn't have this blight on his term in office. That's what he'll get remembered for. It's sad. - Tim Adams [a former senior elections clerk for Honolulu, now an English instructor at Western Kentucky University. Nick's comment: Although no doctor-signed long-form birth certificate for Obama has ever been publicly released, I would say that the very strong circumstantial evidence points to Obama's being born at Kapi'olani Medical Center; but if this man is telling the truth (or thinks he is telling the truth), then I would also say the birth-certificate controversy is about to heat up again.]

It should be evident to all that Obamanomics is a disaster. It reminds one of nothing so much as the

Medieval practice of bleeding the patient to make him well by expelling the evil spirits that dwelt within. When the patient did not recover, they just bled him more and, when he died, they just said that the spirits killed him. The practice of spending, borrowing and then taxing to fuel job growth is the modern analogy. - Dick Morris

[Obama] is Mr. Mass Destruction. I mean, he is a human destroyer. This guy has spent his way into oblivion and we don't have a budget. In other words, he is surrounded by a bunch of complete incompetents, led by himself, and he's spending like crazy, and we keep digging the hole deeper. - Howard Davidowitz [Davidowitz & Associates]

It's time to call Obama what he is: The Great Jobs Killer. With his massive spending and tax hikes - rewarding big government and big unions, while punishing taxpayers and business owners - Obama has killed jobs, he has killed motivation to create new jobs, he has killed the motivation to invest in new businesses, or expand old ones. With all this killing, Obama should be given the top spot on the FBI's Most Wanted List. I've polled all my friends who own small businesses - many of them in the Internet and high-tech fields. They all agree that in this new Obama world of high business taxes, income taxes, payroll taxes, capital gains taxes, and workers compensation taxes, the key to success is to avoid employees. The only way to survive as a business owner today is by keeping the payroll very low and by hiring only independent contractors or part-time employees provided by temp agencies. The days of jobs in the private sector with big salaries, full benefits, and pensions are over. We've all seen where those kinds of jobs get you as a business owner - in Bankruptcy Court or surviving on government welfare like GM and Chrysler. - Wayne Allyn Root [former Libertarian Party vice-presidential nominee]

Everyone knows Obama promised - he was hardly tentative about his prediction - that if the nation followed him over the cliff with his harebrained "stimulus" scheme, unemployment would not exceed 8 percent. When unemployment soared above 10 percent, he insisted that we be patient to allow his plan to work. Now that it stubbornly remains in the high 9s, he tells us that if he hadn't implemented his stimulus bill, the economy would be much worse (12 percent or 13 percent or 15 percent), so we not only are forbidden from criticizing him for this disaster but also must genuflect because only three of the four wheels of the economy are teetering over the edge of the cliff. - David Limbaugh



[Billboard in Mason City, Iowa, later papered over because its sponsors realized the images of the evil dictators (Hitler and Lenin) overwhelmed the anti-socialist message being conveyed.]

From a young age, most of us are told to advance our education and otherwise better ourselves so that we will be able to find a good job, or a succession of good jobs, that will provide sustenance and security lasting most of a lifetime before retiring to dawdle about in our golden years..... But having spent some time in rural Argentina recently - where it seems to me that most people spend more time living and less time planning to live - I have had some time to ponder the assumptions embedded in this view. What if, I wonder, the whole modern construct of what passes for making the right moves in an advanced society is plain wrong? Is the goal of working hard to get a good job and then moving up the corporate ladder really so desirable? Is marrying and having 2.5 kids and growing old in a glorified box in the burbs really so

wonderful? I asked someone who knows what percentage of their income - which is to say the income of a reasonably successful person - now goes to taxes, and the answer was, "Over 60%." What if the modern version of society is really nothing more than a sleight of hand designed to fool the masses into becoming little more than government mules, allowed their simple pleasures in exchange for providing the muscle and the money needed to feed the beast? - David Galland

The central bank is an institution of the most deadly hostility existing against the principles and form of our Constitution. I am an enemy to all banks discounting bills or notes for anything but coin. If the American people allow private banks to control the issuance of their currency, first by inflation and then by deflation, the banks and corporations that will grow up around them will deprive the people of all their property until their children will wake up homeless on the continent their fathers conquered. - Thomas Jefferson [Nick's comment: Most are familiar with the last sentence of Jefferson's statement, but the more complete quotation seems to me to deliver a more explicit warning against the immorality of having a central bank.]

It's the banks laundering money for the cartels that finances the [drug trade] tragedy. If you don't see the correlation between the money laundering by banks and the 22,000 people killed in Mexico, you're missing the point. - Martin Woods [former director of Wachovia's anti-money-laundering unit]

STOCK MARKET OUTLOOK

Taxable Income (Line 43 on 2009 Form 1040) Brackets for 2010 and 2011 (estimated)

Status (right); Bracket (below)	2010 single	2010 married, joint	2011 single	2011 married, joint
10%	\$0-\$8,375	\$0-\$16,750	X	X
15%	\$8,375-\$34,000	\$16,750-\$68,000	\$0-\$34,000	\$0-\$56,685
25%	\$34,000-\$82,400	\$68,000-\$137,300	X	X
28%	\$82,400-\$171,850	\$137,300-\$209,250	\$34,000-\$82,400	\$56,685-\$137,375
higher brackets	above \$171,850	above \$209,250	above \$82,400	above \$137,375

I went onto the Internet looking for a table similar to the one above, because I was curious to know just how much our personal income tax bill would rise when the so-called "Bush tax cuts" expire and if no

corrective legislation is undertaken. I couldn't find one, so I constructed one myself from the available verbiage, which I believe is accurate. (Given the quality of today's "journalists", you never really

know.) I've used the 2010 bracket numbers as the basis for calculating 2011, although the IRS is likely to adjust those numbers upward slightly to adjust for CPI inflation.

As currently scheduled, in 2011 the 10% tax bracket disappears and the 25% reverts to 28%. Also in 2011, the "marriage penalty" returns, with married/joint income brackets only 1-2/3 higher than the single brackets, instead of double.

As retirees, my wife and I find ourselves in the 15% bracket; as a result, our modest income from stock dividends is currently free of tax. In 2011, dividends will be taxed at ordinary income rates.... 15% for us, if we're not pushed into a higher tax bracket. If we had long-term capital gains, currently they would be tax-free; in 2011, they would be taxed at 10%.

Other ugly features for 2011 include: Higher rates for higher-income taxpayers, the return of "disappearing deductions" at higher incomes which create marginal tax rates as high as 60%, and the return of the estate tax for estates above \$1 million, which will again force heirs to sell farms and small businesses to pay taxes on the death of the owner. Oh yes, the annual congressional "fix" for the dreaded Alternative Minimum Tax also expires, which will throw maybe 10% to 15% of filers into taxpayer hell.

I keep looking for signs that the current truly malevolent Congress, which never met a tax increase or governmental takeover it didn't like, recognizes the problem and will do something about it; but so far, I don't see any. Perhaps as the November election draws closer the congresscritters will panic and push through something to bribe the voters into re-electing them, but I wouldn't count on it. If they don't, the damage you see in the table above will strike us with full force at the new year.

Oh well, they can always Blame Bush. After all, it's his fault he pushed for these tax cuts in the first place and then allowed us the time to get used to them.

One of the things that struck me from the figures shown in the table is the big hit taken by families with lower incomes. A family with \$17K of taxable income, meaning maybe about \$30K to \$35K of

gross income, will pay \$837 more in income tax. That's a big chunk of change for a family that's just above the poverty level - a 50% tax increase - one that will hit them really hard.

Retirees with investment income also take a hit, as I already indicated. Allowing for the \$837 increase almost everybody will pay, plus the taxes on dividends, and the probability my wife and I will be pushed into the 28% tax bracket for 2011, I figure our personal tax bill for 2011 will climb by about 30% over what we paid in 2010.

My point in presenting you with this information is not to have you feel sympathy for me and my wife, though sympathy is always appreciated.... I figure you'll be busy enough feeling sorry for yourself. My point is to show that anybody who thinks that in 2011 the economy wouldn't greatly suffer from these rather stiff tax increases is a fool.

Additionally, much of the supposed economic recovery which is occurring now is just front-loading in preparation for and in avoidance of the scheduled 2011 tax increases.

In the stock market, the 2011 economic collapse would start being discounted just about now. In the December 2009 issue of **The Contrarian's View**, I noted that I expected essentially a flat market from the spring of 2010 to the November elections. After struggling for two months to skim off additional shares of stocks in putative rallies, I have to modify that to "neutral with a bearish cast". My current best guess is: A choppy summer (Dow 9600 to 10,700), really sick September and early October, a rally in November leading up to and following a big turnover of congresscritters and the realization that potential further economic damage done by the government will be stalemated, then a big bear market in 2011 when people realize that it doesn't matter after all.... it's too late, the damage has already been done, we're in a depression.

For the rest of 2010 we'll see a hefty rally if at any time the congresscritters show some signs of intelligent life and attempt to mitigate the damage of the onrushing tax increases, instead of continuing on the currently deadly course.

PORTFOLIO REVIEW

Prices shown are as of July 20, 2010.

A. "Gold and 'Free' Stocks" - real "dividend and interest distribution" portfolio:

Shrs	Description		Symbol	Bought	Cash Spent	Cost Was	Price	Curr Value
25	Alliant Energy Corp.	1.58	[LNT/nyse]	17Aug2009	199.53	659.75	34.41	860.25
5	Alliant Energy Corp.	1.58	[LNT/nyse]	25May2010	36.28	153.89	34.41	172.05
35	Barclays PLC	.18	[BCS/nyse]	19Nov2008	139.66	394.50	17.73	620.55
15	Barclays PLC	.18	[BCS/nyse]	4Jun2010	93.53	248.96	17.73	265.95
40	Baytex Energy Trust	2.13	[BTE/nyse]	6Apr2009	205.43	522.67	31.38	1255.20
55	Baytex Energy Trust	2.13	[BTE/nyse]	23May2009	83.63	700.96	31.38	1725.90
12	BHP Billiton Ltd.	1.68	[BHP/nyse]	18Nov2008	10.71	376.64	69.14	829.68
20	BHP Billiton Ltd.	1.68	[BHP/nyse]	19Nov2008	15.20	589.19	69.14	1382.80
11	Cenovus Energy Inc.	.78	[CVE/nyse]	20Nov2008	64.86	173.91	28.39	312.29
4	Cenovus Energy Inc.	.78	[CVE/nyse]	25Feb2010	26.52	95.79	28.39	113.56
7	Cenovus Energy Inc.	.78	[CVE/nyse]	19May2010	22.34	177.47	28.39	198.73
5	Cenovus Energy Inc.	.78	[CVE/nyse]	29Jun2010	57.07	131.64	28.39	141.95
10	CommonWealth REIT	1.92	[CWH/nyse]	4Mar2009	14.61	193.68	25.08	250.80
100	Continental Minerals Corp.		[KMKCF/otc]	17Dec2009	204.30	204.30	1.79	179.00
100	Continental Minerals Corp.		[KMKCF/otc]	27Jan2010	201.00	201.00	1.79	179.00
100	Continental Minerals Corp.		[KMKCF/otc]	28Jan2010	191.00	191.00	1.79	179.00
200	Continental Minerals Corp.		[KMKCF/otc]	30Jun2010	359.93	359.93	1.79	358.00
20	Coeur d'Alène Mines		[CDE/nyse]	10Nov2008	64.87	140.95	14.74	294.80
50	Deswell Industries Inc.	.40	[DSWL/otc]	12Dec2008	29.32	71.00	3.55	177.50
15	Dow Chemical Co.	.60	[DOW/nyse]	29Dec2008	16.36	415.00	25.58	383.70
5	Duke Energy Corp.	.98	[DUK/nyse]	21May2010	12.62	79.70	17.14	85.70
40	ECB Bancorp Inc.	.28	[ECBE/otc]	4Jan2010	219.37	452.00	12.12	484.80
11	EnCana Corp.	.80	[ECA/nyse]	20Nov2008	79.28	212.56	32.91	362.01
4	EnCana Corp.	.80	[ECA/nyse]	19Mar2010	39.24	123.34	32.91	131.64
10	EnCana Corp.	.80	[ECA/nyse]	25May2010	88.03	286.49	32.91	329.10
45	Entrée Gold		[EGI/ase]	28Feb2007	41.23	69.63	2.21	99.45
100	Entrée Gold		[EGI/ase]	28Oct2008	.00	56.94	2.21	221.00
50	FelCor Lodging Trust		[FCH/nyse]	18Nov2008	1.84	115.95	5.10	255.00
50	First Marblehead Corp.		[FMD/nyse]	23Dec2008	36.95	68.00	2.36	118.00
35	Freeport-McMoRan Copper&Gld	.60	[FCX/nyse]	12Nov2008	95.94	819.32	64.32	2251.20
10	Gammon Gold		[GRS/nyse]	22Oct2008	2.04	41.48	5.60	56.00
50	Gammon Gold		[GRS/nyse]	31Oct2008	7.94	174.95	5.60	280.00
50	Gammon Gold		[GRS/nyse]	3Nov2008	7.45	167.45	5.60	280.00
50	Gammon Gold		[GRS/nyse]	5Dec2008	6.57	123.00	5.60	280.00
100	Gammon Gold		[GRS/nyse]	21Apr2010	699.85	699.85	5.60	560.00
50	Gammon Gold		[GRS/nyse]	16Jul2010	275.82	275.82	5.60	280.00
100	Gammon Gold		[GRS/nyse]	19Jul2010	535.75	535.75	5.60	560.00

65	Gladstone Capital Corp.	.84	[GLAD/otc]	25Nov2008	64.86	336.15	11.10	721.50
150	Gladstone Capital Corp.	.84	[GLAD/otc]	18Feb2009	349.66	1151.59	11.10	1665.00
100	Gladstone Commercial Corp.	1.50	[GOOD/otc]	16Jan2009	192.82	772.67	16.95	1695.00
100	Gladstone Investment Corp.	.48	[GAIN/otc]	17Nov2008	127.98	349.65	6.35	635.00
100	Gladstone Investment Corp.	.48	[GAIN/otc]	16Jan2009	307.83	518.97	6.35	635.00
15	Gladstone Investment Corp.	.48	[GAIN/otc]	7May2010	26.93	81.42	6.35	95.25
30	Gladstone Investment Corp.	.48	[GAIN/otc]	20,24May2010	46.38	162.30	6.35	190.50
15	GlaxoSmithKline PLC ADS	2.29	[GSK/nyse]	8Jun2009	329.88	497.10	36.37	545.55
5	GlaxoSmithKline PLC ADS	2.29	[GSK/nyse]	21May2010	60.83	163.59	36.37	181.85
75	Integrus Energy Group	2.72	[TEG/nyse]	4Mar2009	1325.50	1644.91	46.96	3522.00
15	Intel Corp.	.63	[INTC/otc]	20Nov2008	43.59	187.90	21.65	324.75
5	Intel Corp.	.63	[INTC/otc]	2Jul2010	30.53	95.80	21.65	108.25
50	Kinross Gold Corp.		[KGC/nyse]	11Dec2009	966.00	966.00	15.79	789.50
25	Kinross Gold Corp.		[KGC/nyse]	17Dec2009	461.75	461.75	15.79	394.75
25	Kinross Gold Corp.		[KGC/nyse]	4Feb2010	417.95	417.95	15.79	394.75
25	Kinross Gold Corp.		[KGC/nyse]	19Jul2010	392.95	392.95	15.79	394.75
15	L-3 Communications	1.60	[LLL/nyse]	15May2003	160.67	672.97	73.12	1096.80
22	Macquarie Global Infrastructure	.64	[MGU/nyse]	30Apr2009	97.65	240.46	14.64	322.08
15	Macquarie Global Infrastructure	.64	[MGU/nyse]	21May2010	186.59	57.63	14.64	219.60
100	Macquarie Infrastructure Co.		[MIC/nyse]	2Mar2009	46.46	84.59	13.27	1327.00
20	Market Vectors Gold Miners ETF		[GDX/ase]	6Oct2008	105.70	517.22	48.55	971.00
20	Market Vectors Gold Miners ETF		[GDX/ase]	13Oct2008	127.43	538.95	48.55	971.00
25	Market Vectors Gold Miners ETF		[GDX/ase]	31Oct2008	30.79	545.20	48.55	1213.75
50	Medical Properties Trust	.80	[MPW/nyse]	12Feb2009	11.39	218.00	9.64	482.00
50	Medical Properties Trust	.80	[MPW/nyse]	18feb2009	11.38	194.50	9.64	482.00
11	Microsoft Corp.	.52	[MSFT/otc]	20Nov2008	17.37	198.99	25.48	280.28
4	Microsoft Corp.	.52	[MSFT/otc]	2Jul2010	35.37	93.23	25.48	101.92
100	Neuberger Berman Real Estate	.08	[NRO/nyse]	16Jun2009	111.01	197.00	3.31	331.00
50	Neuberger Berman Real Estate	.08	[NRO/nyse]	25May2010	11.56	156.99	3.31	165.50
10	Newmont Mining	.40	[NEM/nyse]	25May2007	266.47	397.99	58.99	589.90
10	Newmont Mining	.40	[NEM/nyse]	20Mar2008	337.82	469.34	58.99	589.90
20	Newmont Mining	.40	[NEM/nyse]	24Oct2008	182.92	445.95	58.99	1179.80
10	NextEra Energy Inc.	2.00	[NEE/nyse]	9Nov2005	98.03	419.60	52.70	527.00
3	NextEra Energy Inc.	2.00	[NEE/nyse]	4Jun2010	51.87	148.03	52.70	158.10
115	Penn West Energy Trust	1.77	[PWE/nyse]	18Feb2009	203.69	1126.86	19.51	2243.65
25	Penn West Energy Trust	1.77	[PWE/nyse]	3Mar2009	32.78	190.69	19.51	487.75
25	Precision Drilling Corp.		[PDS/nyse]	20May2010	34.16	168.13	7.52	188.00
100	PNM Resources Inc.	.50	[PNM/nyse]	6Apr2009	454.92	831.57	11.87	1187.00
50	Qwest Communications Int'l	.32	[Q/nyse]	29Apr2009	62.30	187.86	5.59	279.50
25	R.R. Donnelley & Sons	1.04	[RRD/nyse]	12Feb2009	68.86	238.24	16.28	407.00
10	R.R. Donnelley & Sons	1.04	[RRD/nyse]	2Jul2010	80.83	161.27	16.28	162.80
100	Richmont Mines Inc.		[RIC/ase]	21Jan2010	418.59	418.59	4.28	428.00

50	Richmont Mines Inc.		[RIC/ase]	29Jan2010	197.50	197.50	4.28	214.00
100	Richmont Mines Inc.		[RIC/ase]	19Jul2010	441.08	441.08	4.28	428.00
4	Rio Tinto PLC ADS	.90	[RTP/nyse]	30Jun2010	94.14	178.71	49.14	196.56
110	Rubicon Minerals Corp.		[RBY/ase]	4Jun2008	18.40	148.46	3.33	366.30
100	Rubicon Minerals Corp.		[RBY/ase]	13Oct2008	16.54	124.94	3.33	333.00
25	Teekay Corp.	1.27	[TK/nyse]	14Nov2008	60.19	451.24	26.65	666.25
100	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	13May2009	196.53	436.70	5.49	549.00
100	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	26May2009	168.22	408.39	5.49	549.00
100	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	28May2008	151.36	391.53	5.49	549.00
200	Tortoise Capital Resources Corp.	.52	[TTO/nyse]	6Jun2009	395.27	875.62	5.49	1098.00
25	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	31Mar2009	191.58	400.06	26.35	658.75
35	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	31Mar2009	405.54	516.36	26.35	922.25
15	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	5Feb2010	270.18	317.68	26.35	395.25
10	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	19May2010	132.88	237.52	26.35	263.50
5	Tortoise Energy Capital Corp.	1.60	[TYY/nyse]	25May2010	52.30	113.54	26.35	131.75
25	Tortoise North American Enrgy	1.48	[TYN/nyse]	10Oct2008	.00	177.17	23.84	596.00
150	Tortoise North American Enrgy	1.48	[TYN/nyse]	15Oct2008	217.93	1357.52	23.84	3576.00
100	US Gold Corporation		[UXG/ase]	9Jun2008	141.77	213.94	4.59	459.00
10	VimpelCom Ltd.	.32	[VIP/nyse]	19Nov2008	31.07	82.60	15.65	156.50
25	VimpelCom Ltd.	.32	[VIP/nyse]	22Dec2008	61.18	190.00	15.65	391.25
25	VimpelCom Ltd.	.32	[VIP/nyse]	2Feb2009	15.43	144.25	15.65	391.25
50	Windstream Corp.	1.00	[WIN/nyse]	30Oct2008	353.92	353.92	11.40	570.00
40	Windstream Corp.	1.00	[WIN/nyse]	6Apr2009	243.00	597.50	11.40	456.00
40	Windstream Corp.	1.00	[WIN/nyse]	8Jun2009	274.00	628.50	11.40	456.00
10	Yamana Gold	.04	[AUY/nyse]	22Jun2009	41.46	86.73	9.45	94.50
40	Yamana Gold	.04	[AUY/nyse]	17Aug2009	171.71	351.58	9.45	378.00
50	Yamana Gold	.04	[AUY/nyse]	4Feb2010	501.92	501.92	9.45	472.50
50	Yamana Gold	.04	[AUY/nyse]	2Jul2010	494.45	494.45	9.45	472.50
50	Yamana Gold	.04	[AUY/nyse]	19Jul2010	469.45	469.45	9.45	472.50
	adjust cash spent for closeouts				-2438.36			
	Totals				15,712.95	36,034.41		59013.15

SUMMARY - "Free" Stock:

Original cost:	\$36,034.41	
Present value:	\$59,013.15	
Increase:	\$22,978.74	[+63.77%]
(Cash spent:	\$15,712.95	
Increase on cash spent:	\$47,676.54	[+375.57%]

COMMENT on "Gold And 'Free' Stock": keeping 5 shares.

Changes include:

Alliant Energy - I bought 50 shares @ \$30.78 on 25May2010 and sold 45 of them on 16Jun2010, Barclays - I bought 100 shares @ \$16.60 on 4Jun2010 and sold 85 @ \$18.43 on 22Jun2010, keeping 15 shares.

Cenovus Energy - bought 60 @ \$25.35 on 19May2010; sold 53 @ \$28.28 on 3Jun2010, keeping 7 shares. Also, I bought 100 @ \$26.33 on 29Jun2010 and sold 95 @ \$27.11 on 7July2010, keeping 5 shares.

Duke Energy - I bought 100 @ \$15.94 on 21May2010 and sold 95 @ \$16.65 on 9Jul2010, keeping 5 shares. (New to portfolio.)

Encana - bought 50 @ \$28.65 on 25May2010; sold 40 @ \$33.61 on 4Jun2010, keeping 10 shares.

Gladstone Investment Corp. - I bought 200 @ \$5.43 on 7May2010 and sold 185 of them @ \$ 5.72 on 10May2010, keeping 15 shares. I bought 200 shares @ \$5.56 on 20May2010 and 200 @ \$5.36 on 24May2010 and sold 370 of them @ \$5.72 on 18Jun2010, keeping 30 shares. (Portfolio table entry shows a blended purchase.)

GlaxoSmithKline - bought 50 @ \$32.72 on 21May2010 and sold 45 @ \$35.00 on 24Jun2010, keeping 5 shares.

Intel - I bought 100 @ \$19.16 on 2July2010 and sold 95 of the shares @ \$19.85 on 7July2010, keeping 5 shares.

Macquarie Global Infrastructure - I bought 100 shares @ \$12.44 on 21May2010 and sold 85 of them @ \$13.96 on 18Jun2010, keeping 15 shares.

Microsoft - bought 50 @ \$23.31 on 2Jul2010 and sold 46 @ \$24.58 on 12Jul2010, keeping 4 shares.

Neuberger Berman Real Estate Securities Income Fund - I bought 400 @ \$3.14 on 25May2010 and

sold 350 of the shares @ \$3.56 on 21Jun2010, keeping 50 shares.

NextEra Energy (Florida P&L) - bought 35 @ \$49.34 on 4Jun2010 and sold 32 @ \$52.35 on 18Jun2010, keeping 3 shares.

Precision Drilling - an old friend returns, this time after conversion from a trust to a corporation. I bought 100 @ \$5.70 on 20May2010 and sold 75 @ \$7.15 on 9Jul2010, keeping 25 shares. PDS currently pays no dividend, but I expect the dividend to return within a few years. (New to the portfolio.)

R. R. Donnelley - bought 100 @ \$16.13 on 2Jul2010 and sold 90 @ \$17.02 on 13Jul2010, keeping 10 shares.

Rio Tinto - bought 50 @ \$44.68 on 30Jun2010 and sold 46 of them @ \$46.52 on 7Jul2010, keeping 4 shares. (New to portfolio.)

Tortoise Energy Capital - I bought 50 @ \$22.71 on 25May2010 and sold 45 @ \$24.07 on 8Jul2010, keeping 5 shares. Also, I bought 65 @ \$23.75 on 19May2010 and sold 55 @ \$25.66 on 16Jul2010, keeping 10 shares.

I bought an additional 50 shares of Yamana Gold @ \$9.89 on 2July2010 and another 50 @ \$9.39 on 19Jul2010; and an additional 200 shares of Continental Minerals (a takeover candidate) @ \$1.80 on 30Jun2010; and an additional 50 shares of Gammon Gold @ \$5.52 on 16Jul2010 and 100 shares @ \$5.36 on 19Jul2010; and 25 more shares of Kinross Gold @ \$15.72 on 19Jul2010; and 100 more Richmond @ \$4.41 on 19Jul2010.

B. "Penny Stock Wonders (I Hope)" - real (non-IRA) portfolio

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
200	China 3C Group	[CHCG/otc]	30Nov09			104.00	0.27	54.00
200	Coates International	[COTE/otc]	14Jan09			66.00	0.29	58.00
	CASH & money market					.00		0.00
	Totals					170.00		112.00

SUMMARY - "PSW":

Original cost: \$ 170.00
Present value: \$ 112.00

Increase: \$ -58.00 [-34.12%]

COMMENT on "Penny Stock Wonders": There is no change from the last issue.

C. Roth IRAs - real portfolio:

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
1	T-note 4.5% due 15May2017	-	12Jun07			1941.94	114.008	1,140.08
200	Borex Power Income Fund .40	[BLXJF/otc,pk]	14Dec09	9Jun10	842.43	726.40		
75	China Nepstar Chain Drugstore .26	[NPD/nyse]	21May10			313.20	3.00	225.00
100	China Nepstar Chain Drugstore .26	[NPD/nyse]	9Jun10			325.21	3	300.00
55	China Nepstar Chain Drugstore .26	[NPD/nyse]	16Jul10			172.37	3	165.00
15	CommonWealth REIT 1.92	[CWH/nyse]	2009			199.90	25.08	376.20
80	First Niagara Financial Group .56	[FNFG/otc]	2009			1008.57	13.05	1,044.00
48	ING Global Equity Opportunity 1.50	[IGD/nyse]	2009			470.43	10.54	505.92
52	ING Global Equity Opportunity 1.50	[IGD/nyse]	4Feb10			620.51	10.54	548.08
200	M&F Bancorp .07	[MFBP/otc]	25Jan10			320.00	3.10	620.00
379	Penn West Energy Trust 1.77	[PWE/nyse]	2006			11716.10	19.51	7,394.29
290	Prospect Capital Corp. 1.64	[PSEC/otc]	2007			5113.00	9.68	2,807.20
100	Pulaski Financial Corp. .38	[PULB/otc]	4Jan10			658.00	6.75	675.00
100	Pulaski Financial Corp. .38	[PULB/otc]	9Jun10			610.94	6.75	675.00
100	Rurban Financial Corp.	[RBNF/otc]	8Jan10			660.00	4.38	438.00
40	Rurban Financial Corp.	[RBNF/otc]	19Mar10			247.95	4.38	175.20
100	Shaw Communications	[SJR/nyse]	19May10			1789.95	19.60	1,960.00
650	Tortoise Capital Resources .52	[TTO/nyse]	2007,8,9			6699.97	5.49	3,568.50
110	USA Mobility Inc. 1.00	[USMO/otc]	2009			1155.60	13.21	1,453.10
	CASH (CD & Fidelity money market)	[FDRXX}				6263.70		6,263.70
	Totals					41,013.74		30,334.27

SUMMARY - Roth IRAs:

Original cost: \$ 30,746.19
 Present value: \$ 30,334.27
 Increase/decrease: \$ -411.92 [-1.34%]

COMMENT on Roth IRAs: Borex is being acquired with payment in convertible debentures that will be relatively illiquid for U.S. holders, so I decided to sell the shares and deploy the funds elsewhere.

for awhile, but recently earnings disappeared and the stock tanked. A temporary situation, I think - and the stock has paid a dividend in the past, though that is probably toast now, and will likely do so again when earnings recover.

Part of the money went to an additional 100 shares of Pulaski Financial; the rest into shares of China Nepstar Chain Drugstore, a company which will, in my opinion, eventually become the equivalent of CVS or Walgreens in China. (The Chinese drugstore business is currently very fragmented and dominated by singly-owned stores.) This was a highflying stock

With the cash from a maturing Treasury note in May and from the sale of 200 M&F Bancorp in April I bought 100 shares of Shaw Communications, a Canadian cable/telephone company. With cash from dividends I bought an additional 55 shares of China Nepstar (see above) on 16Jul2010.

D. "Free' Stock inside IRA" - real "dividend distribution" portfolio:

Shrs	Description		Symbol	Bought	Cash Spent	Cost Was	Price	Curr Value
3	AFLAC Inc.	1.12	[AFL/nyse]	2Mar2009	27.68	50.34	41.43	124.29
6	AFLAC Inc.	1.12	[AFL/nyse]	10Mar2009	55.35	84.50	41.43	248.58
6	AFLAC Inc.	1.12	[AFL/nyse]	8Apr2009	55.35	130.28	41.43	248.58
2	AFLAC Inc.	1.12	[AFL/nyse]	4Jun2010	19.47	85.83	41.43	82.86
20	Alexander & Baldwin	1.26	[ALEX/nyse]	2Jan2009	302.01	463.80	32.38	647.60
5	Alexander & Baldwin	1.26	[ALEX/nyse]	1Jul2010	79.37	147.09	32.38	161.90
15	Allete Inc.	1.76	[ALE/nyse]	15May2009	219.28	396.75	35.20	528.00
5	Allete Inc.	1.76	[ALE/nyse]	25Feb2010	109.42	158.84	35.20	176.00
5	Allete Inc.	1.76	[ALE/nyse]	4Jun2010	95.93	170.34	35.20	176.00
50	Alpine Total Dynamic Dividend	1.44	[AOD/nyse]	14Jan2009	271.06	356.00	5.37	268.50
25	Alpine Total Dynamic Dividend	1.44	[AOD/nyse]	13Feb2009	149.78	192.25	5.37	134.25
15	Alpine Total Dynamic Dividend	1.44	[AOD/nyse]	5Feb2010	47.30	119.63	5.37	80.55
15	American Electric Power	1.64	[AEP/nyse]	14Apr2009	268.53	392.25	35.92	538.80
5	Automatic Data Processing Inc.	1.36	[ADP/nyse]	6Jun2009	62.62	177.50	41.43	207.15
2	Automatic Data Processing Inc.	1.36	[ADP/nyse]	25Feb2010	27.19	82.98	41.43	82.86
15	Black Hills Corp.	1.44	[BKH/nyse]	15Jan2009	325.11	382.85	30.27	454.05
25	Black Hills Corp.	1.44	[BKH/nyse]	19Jan2009	376.52	472.75	30.27	756.75
15	CenturyLink Inc.	2.90	[CTL/nyse]	16Apr2009	272.44	403.19	35.05	525.75
15	CorpBanca S.A. ADS	2.84	[BCA/nyse]	29Dec2008	110.52	300.00	54.00	810.00
50	BlackRock Real Asset Equity Tr	1.08	[BCF/nyse]	15Jan2009	42.82	332.97	11.39	569.50
20	BlackRock Energy & Resourc Tr	1.64	[BGR/nyse]	20Apr2009	125.67	315.99	22.89	457.80
50	BlackRock Enhanced Dividend	1.00	[BDJ/nyse]	7May2009	263.26	357.00	8.06	403.00
25	BlackRock Enhanced Dividend	1.00	[BDJ/nyse]	6May2010	42.38	190.69	8.06	201.50
10	BP PLC ADS	3.36	[BP/nyse]	15Apr2009	43.24	520.65	35.20	352.00
5	Cohen & Steers Infrastructure	.96	[UTF/nyse]	14Apr2009	5.85	141.25	14.00	70.00
25	Cohen & Steers Infrastructure	.96	[UTF/nyse]	20Apr2009	29.25	244.75	14.00	350.00
5	ConocoPhillips	2.20	[COP/nyse]	14Apr2009	26.51	201.40	52.66	263.30
5	ConocoPhillips	2.20	[COP/nyse]	8Jul2009	28.65	203.55	52.66	263.30
5	ConocoPhillips	2.20	[COP/nyse]	8Feb2010	102.85	240.30	52.66	263.30
5	ConocoPhillips	2.20	[COP/nyse]	25May2010	110.28	243.92	52.66	263.30
5	ConocoPhillips	2.20	[COP/nyse]	1Jul2010	173.54	243.99	52.66	263.30
25	DWS Dreman Value IncomEdge	.32	[DHG/nyse]	4May2009	102.82	205.00	12.78	319.50
30	Eaton Vance Enhanced Equity	1.44	[EOS/nyse]	12May2009	251.55	339.48	12.61	378.30
45	Eaton Vance Tax-Adv Global	1.20	[ETG/nyse]	20Apr2009	207.46	389.22	12.71	571.95
35	Enbridge Energy Management LLC		[EEQ/nyse]	18Dec2008	0.88	970.40	56.05	1961.75
100	Endeavour Silver Corp.		[EXK/ase]	8Feb2010	326.75	326.75	3.33	333.00
50	Exeter Resource Corp.		[XRA/ase]	8Dec2009	131.54	245.60	5.89	294.50
50	Exeter Resource Corp.		[XRA/ase]	17Dec2009	169.54	285.20	5.89	294.50
100	Exeter Resource Corp.		[XRA/ase]	16Jul2010	587.77	587.77	5.89	589.00
50	Extorre Gold Mines Ltd.		[EXGMF/otc.pk]	8Dec2009	32.88	61.40	2.41	120.50

50	Extorre Gold Mines Ltd.		[EXGMF/otc,pk]	17Dec2009	42.38	71.30	2.41	120.50
50	Fauquier Bankshares Inc.	.80	[FBSS/otc]	22Dec2009	489.97	639.00	15.59	779.50
10	First Trust Specialty Finance	.60	[FGB/nyse]	15Jan2009	9.60	195.50	6.53	65.30
50	First Trust Specialty Finance	.60	[FGB/nyse]	17Apr2009	47.99	190.47	6.53	326.50
25	First Trust Specialty Finance	.60	[FGB/nyse]	5Feb2010	48.07	139.12	6.53	163.25
15	First Trust Specialty Finance	.60	[FGB/nyse]	7May2010	14.83	99.60	6.53	97.95
25	First Trust Specialty Finance	.60	[FGB/nyse]	14May2010	52.44	180.16	6.53	163.25
35	Glatfelter	.36	[GLT/nyse]	17Apr2009	22.92	241.13	11.57	404.95
10	Glatfelter	.36	[GLT/nyse]	4Jun2010	40.62	110.09	11.57	115.70
10	Glatfelter	.36	[GLT/nyse]	1Jul2010	57.61	105.85	11.57	115.70
200	Golden Predator Royalty & Develop		[[GPRXF/otc,pk]	21Oct2009	114.54	114.54	0.49	98.00
200	Golden Predator Royalty & Develop		[[GPRXF/otc,pk]	5Feb2010	115.33	115.33	0.49	98.00
100	Great Basin Gold Ltd.		[GBG/ase]	5Oct2009	152.80	152.80	1.74	174.00
100	Great Basin Gold Ltd.		[GBG/ase]	11Dec2009	175.00	175.00	1.74	174.00
100	Great Basin Gold Ltd.		[GBG/ase]	17Dec2009	169.98	169.98	1.74	174.00
200	Great Basin Gold Ltd.		[GBG/ase]	4Feb2010	341.81	341.81	1.74	348.00
27	H&Q Life Sciences Investors	.80	[HQL/nyse]	14Apr2009	118.02	208.59	8.90	240.30
15	H&Q Life Sciences Investors	.80	[HQL/nyse]	2feb2010	56.31	142.10	8.90	133.50
20	Hawaiian Electric Industries	1.24	[HE/nyse]	14Apr2009	198.59	313.59	23.60	472.00
3	HSBC Holdings PLC ADS	2.00	[HBC/nyse]	15Jan2009	26.40	200.45	48.23	144.69
5	HSBC Holdings PLC ADS	2.00	[HBC/nyse]	8Apr2009	44.00	92.44	48.23	241.15
25	ING Asia Pacific High Div Eq In	1.80	[IAE/nyse]	13Jan2009	183.99	272.74	16.52	413.00
17	Kayne Anderson Energy Dev	1.20	[KED/nyse]	20Apr2009	4.33	176.22	15.40	261.80
10	Kayne Anderson Energy Dev	1.20	[KED/nyse]	6May2010	29.44	145.34	15.40	154.00
10	Kayne Anderson Energy Dev	1.20	[KED/nyse]	19May2010	69.48	147.99	15.40	154.00
20	Kayne Anderson Energy Total R	1.92	[KYE/nyse]	20Apr2009	130.77	276.99	24.74	494.80
10	Kayne Anderson Energy Total R	1.92	[KYE/nyse]	5Feb2010	84.79	209.65	24.74	247.40
5	Kayne Anderson Energy Total R	1.92	[KYE/nyse]	6May2010	30.34	117.84	24.74	123.70
15	Kinder Morgan Management LLC		[KMR/nyse]	16Apr2009	558.41	623.65	59.58	893.70
3	Kinder Morgan Management LLC		[KMR/nyse]	25May2010	55.66	154.43	59.58	178.74
10	LNB Bancorp	.04	[LNBB/otc]	12May2009	27.84	50.80	4.83	48.30
50	LNB Bancorp	.04	[LNBB/otc]	21May2009	119.68	234.50	4.83	241.50
100	LNB Bancorp	.04	[LNBB/otc]	22Dec2009	311.94	418.99	4.83	483.00
30	Louisiana-Pacific Corp.		[LPX/nyse]	20Apr2009	24.91	150.50	7.01	210.30
20	L.S. Starrett & Co.	.24	[SCX/nyse]	6Jul2009	.00	213.80	9.05	181.00
20	L.S. Starrett & Co.	.24	[SCX/nyse]	25May2010	70.70	187.67	9.05	181.00
10	L.S. Starrett & Co.	.24	[SCX/nyse]	24Jun2010	29.42	90.30	9.05	90.50
25	Methanex Corp.	.62	[MEOH/otc]	17Apr2009	35.83	358.63	21.76	544.00
5	Methanex Corp.	.62	[MEOH/otc]	30Jun2010	18.74	100.10	21.76	108.80
50	New York Community Bancorp	1.00	[NYB/nyse]	6Nov2009	322.57	538.00	16.66	833.00
30	Nisource Inc.	.92	[NI/nyse]	14Apr2009	202.42	315.43	16.08	482.40
10	Nisource Inc.	.92	[NI/nyse]	25May2010	64.83	143.29	16.08	160.80

10	Northwestern Corp.	1.36	[NWE/nyse]	17Apr2009	82.89	217.10	27.77	277.70
5	Northwestern Corp.	1.36	[NWE/nyse]	25Feb2010	46.23	126.54	27.77	138.85
5	Northwestern Corp.	1.36	[NWE/nyse]	28May2010	75.05	132.84	27.77	138.85
10	Novagold Resources		[NG/ase]	16Apr2009	6.27	26.30	6.44	64.40
50	Novagold Resources		[NG/ase]	17Apr2009	31.24	124.00	6.44	322.00
24	Pace Oil & Gas Ltd.		[MDOEF/otc]	29Dec2008	10.25	98.73	6.98	167.52
200	Provident Energy Trust	.71	[PVX/nyse]	29Dec2008	73.58	708.87	6.75	1350.00
100	PSB Holdings Inc.		[PSBH/otc]	21Sep2009	166.97	330.00	4.05	405.00
35	Telecom Corp. of New Zealand	.84	[NZT/nyse]	30Dec2008	36.21	334.00	6.90	241.50
20	Southern Copper Corp.	1.72	[SCCO/nyse]	15Jan2009	.00	285.00	30.61	612.20
20	Southern Copper Corp.	1.72	[SCCO/nyse]	19May2010	132.35	521.99	30.61	612.20
15	Southern Copper Corp.	1.72	[SCCO/nyse]	1Jul2010	144.10	394.88	30.61	459.15
50	Premier Financial Bancorp Inc.	.44	[PFBI/otc]	14May2009	94.99	271.50	7.78	389.00
100	Quest Capital Corp.		[QCC/nyse]	20Apr2009	77.94	77.94	1.52	152.00
5	Rayonier Inc.	2.00	[RYN/nyse]	20Apr2009	55.43	348.40	47.02	235.10
5	Rayonier Inc.	2.00	[RYN/nyse]	4Feb2010	124.32	207.19	47.02	235.10
5	Rayonier Inc.	2.00	[RYN/nyse]	20May2010	91.53	216.59	47.02	235.10
4	Rio Tinto PLC ADS	3.60	[RTP/nyse]	14Nov2008	18.17	81.44	49.14	196.56
20	Rio Tinto PLC ADS	3.60	[RTP/nyse]	15Nov2008	90.85	420.40	49.14	982.80
5	Rio Tinto PLC ADS	3.60	[RTP/nyse]	30Jun2010	130.33	221.44	49.14	245.70
10	RMR Real Estate Income Fund	1.60	[RIF/nyse]	8Jul2009	64.67	178.10	25.25	252.50
15	Smith International Inc.	.48	[SII/nyse]	24Dec2008	100.58	429.60	42.22	633.30
40	Silvercorp Metals Inc.	.08	[SVM/nyse]	20Apr2009	52.21	92.40	6.31	252.40
50	Riversource LaSalle Real Estate	.36	[SLS/nyse]	27Apr2009	44.96	253.47	7.46	373.00
40	Southern Bank	.48	[SMBC/otc]	10Jul2009	228.98	376.00	15.11	604.40
15	Spectra Energy Corp.	1.00	[SE/nyse]	11May2009	179.57	238.80	21.22	318.30
60	Taseko Mines Ltd.		[TGB/ase]	8Jul2009	3.51	96.00	3.94	236.40
75	Teck Resources Ltd.		[TCK/nyse]	14Jan2009	22.96	370.88	32.78	2458.50
50	Teck Resources Ltd.		[TCK/nyse]	15Jan2009	15.30	215.20	32.78	1639.00
25	Tri-Continental Corp.	.16	[TY/nyse]	8Jul2009	71.47	227.00	11.39	284.75
100	South Financial Group Inc.		[TSFG/otc]	10Dec2009	64.23	60.00	0.28	28.00
300	South Financial Group Inc.		[TSFG/otc]	4Feb2010	125.98	113.28	0.28	84.00
5	Sunoco Inc.	.60	[SUN/nyse]	22Jun2009	67.36	120.62	33.39	166.95
15	Sunoco Inc.	.60	[SUN/nyse]	6Jul2009	183.02	342.80	33.39	500.85
10	Sunoco Inc.	.60	[SUN/nyse]	18Dec2009	136.12	257.50	33.39	333.90
5	Waste Management Inc.	1.26	[WM/nyse]	10Jul2009	47.85	133.27	32.68	163.40
3	Waste Management Inc.	1.26	[WM/nyse]	10Feb2010	33.50	96.21	32.68	98.04
5	Weyerhaeuser Co.	.20	[WY/nyse]	14Jan2009	5.87	284.50	41.83	209.15
10	Weyerhaeuser Co.	.20	[WY/nyse]	8Jul2009	11.73	284.50	41.83	418.30
5	Weyerhaeuser Co.	.20	[WY/nyse]	2Jul2010	77.57	173.64	41.83	209.15
	adjust cash spent for closeouts				-691.12			

Totals		12,730.74	29,455.44		42487.62
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SUMMARY - "Free in IRA":

Original cost:	\$29,455.44	
Present value:	\$42,487.62	
Increase:	\$13,032.18	[+67.52%]
(Cash spent:	\$12,730.74	
Increase on cash spent:	\$29,756.88	[+333.74%]

Comment on "Free in IRA": Enhanced S&P 500 Covered Call Fund was liquidated on May 25 at \$8.0397 per share, and the cash from the 35 shares I owned as shown in the April issue, and the profit from 200 shares I bought on May 7 @ \$7.79975, has been used to update the "adjust cash spent for closeouts" entry. Also liquidated on May 25 were my 40 shares of Small Cap Premium & Dividend Income Fund @ \$10.3795, with similar accounting for the cash proceeds.

Other additions and changes since the April 2010 issue are:

AFLAC - I bought 50 @ \$45.67 on 14May2010 and 10 @ \$42.91 on 4Jun2010 and sold 58 @ \$46.44 on 8Jul2010, keeping 2 shares.

Alexander & Baldwin - I bought 50 shares @ \$31.58 on 17May2010 and 50 @ \$29.42 on 1Jul2010 and sold 95 @ \$31.27 on 9Jul2010, keeping 5 shares.

Allete - I bought 50 shares @ \$34.07 on 4Jun2010 and sold 45 of them on 22Jun2010 @ \$35.73, keeping 5 shares.

Blackrock Enhanced Dividend Achievers Trust - bought 200 @ \$7.63 on 6May2010 and sold 175 of them @ \$8.48 on 10May2010, keeping 25 shares.

ConocoPhillips - I bought 30 @ \$48.78 on 25May2010 and sold 25 @ \$54.13 on 16Jun2010, keeping 5 shares. Also, bought 40 @ \$48.80 on 1Jul2010 and sold 35 @ \$50.82 on 7Jul2010, keeping 5 shares.

Exeter Resource - I added 100 shares @ \$5.88 on 16Jul2010.

Fauquier Bankshares - bought 50 @ \$12.86 on 7May2009, subsequently sold @ \$15.84 on

4May2010, leaving 50 shares bought on 22Dec2009 @ \$12.78. (New to the portfolio.)

First Trust Specialty Finance and Financial Opportunities Fund - bought 200 @ \$6.64 on 7May2010 and sold 185 of them @ \$7.10 on 10May2010, keeping 15 shares. Also, bought 300 @ \$7.20 on 14May2010 and sold 275 of them @ \$7.67 on 3Jun2010, keeping 25 shares.

Glatfelter - I bought 100 shares @ \$11.01 on 4Jun2010 and sold 90 @ \$11.78 on 18Jun2010, keeping 10 shares. Also, I bought 100 @ \$10.59 on 1July2010 and sold 90 @ \$11.12 on 13Jul2010, retaining an additional 10 shares.

Kayne Anderson Energy Development Corp. - I bought 100 @ \$14.53 on 6May2010 and subsequently sold 90 @ \$15.82 on 12May2010, retaining 10 shares. Also, I bought 100 @ \$14.80 on 19May2010 and sold 90 @ \$15.67 on 8July2010, keeping 10 shares.

Kayne Anderson Energy Total Return - bought 50 @ \$23.57 on 6May2010 and sold 45 of them @ \$25.51 on 13May2010, keeping 5 shares.

Kinder Morgan Management - I bought 30 shares on 16Apr2009 @ \$41.58 and sold 15 @ 45.93 on 5Nov2009; and I bought 25 @ \$51.48 on 25May2010 and sold 22 @ \$55.47 on 23Jun2010. (New to the portfolio.)

L.S. Starrett & Co. - bought 200 @ \$9.38 on 25May2010 and sold 180 of them @ \$10.03 on 15Jun2010, keeping 20 shares. Also, bought 200 @ \$9.03 on 2Jun2010 and sold 190 @ \$9.35 on 15Jul2010, keeping 10 shares.

Methanex - bought 100 @ \$20.02 on 30Jun2010 and sold 95 @ \$20.88 on 9Jul2010, keeping 5

