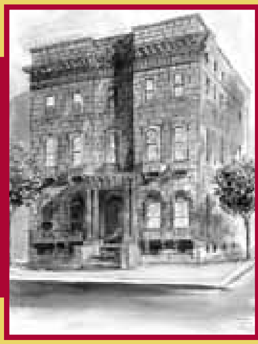
Matthew Carr: Buy This Stock and Profit This Summer. . . . . Page 8



THE OXFORD CLUB
COMMUNIQUÉ
GREAT PROFITS IN THE COMPANY OF GOOD FRIENDS | APRIL 1, 2013, VOLUME 26, NO.4

It's Time to Buy the Biggest Soda Company You've Never Heard Of

Dear Member,

Alexander Green

The Coca-Cola Company (NYSE: KO) hasn't been one of the market's hottest performers of late. But it's one of the biggest long-term winners. There are plenty of people in and around Atlanta who are still living high on the shares of Coke their parents or grandparents bought a few decades ago.

Pepsi (NYSE: PEP) is another great American success story. Like Coke, it has split again and again over the years, and grew right through the Great Recession.

However, these two legendary beverage makers now have a scrappy new competitor. And – of all things – it's a consumer appliance maker! It is less than 1% of their size but its sales are growing 20 times as fast. In fact, this upstart has millions of satisfied customers in the United States and 42 other countries. Yet most Americans have never heard of it. The key is to own it before they do.

It's a surprising story but this consumer appliance maker is also one of the world's leading beverage companies, with blockbuster sales and earnings growth, double-digit profit margins and plenty of room to run. That's why it's the newest addition to our Oxford Trading Portfolio.

Running With the Bulls

March marked the five-year anniversary of the low the stock market hit near Dow 6,500. It was easily one of the most treacherous periods in American stock market history.

Yet *Oxford Club* members came through with flying colors. By October 2007, we

Over, please...

had stopped out of every single position in our Trading Portfolio. We sold 44 positions that year with an average gain of 28%. Not bad for a market meltdown.

We also knew the Chicken Littles claiming that the economy and the market wouldn't recover were dead wrong.

We correctly anticipated that stocks would bounce back as companies cut costs, laid off non-essential personnel and refinanced debt at lower levels. Gradually – month by month – we rebuilt our portfolio with new companies that would prosper even during an economic slowdown.

Now we are reaping the rewards. Our Oxford Trading Portfolio, All-Star Portfolio and Gone Fishin' Portfolio are filled with investments showing enormous profits. And – despite the naysaying that persists in the media – there is still plenty of opportunity in today's market.

Famed investor Warren Buffett said it best in his recent annual report for Berkshire Hathaway shareholders:

"American business will do fine over time. And stocks will do well just as certainly, since their fate is tied to business performance. Periodic setbacks will occur, yes, but investors and managers are in a game that is heavily stacked in their favor. (The Dow Jones Industrial advanced from 66 to 11,497 in the twentieth century, a staggering 17,320% increase that materialized despite four costly wars, a Great Depression and many recessions. And don't forget that shareholders received substantial dividends throughout the century as well.)

"Since the basic game is so favorable, Charlie [Munger] and I believe it's a terrible mistake to try to dance in and out of it based upon the turn of tarot cards, the predictions of 'experts,' or the ebb and flow of business activity. The risks of being out of the game are huge compared to the risks of being in it."

Amen.

One of Buffett's four biggest positions, of course, is Coca-Cola. More than most, he understands how steady and how profitable the soda business is. However, Coke is too big today to grow at the prodigious rate it did when it was a young, up-and-coming company.

But we've identified a firm that is today where Coca-Cola was several decades ago. And the returns in the years ahead may be just as large.

That's why you really should have a position in **SodaStream International** (Nasdaq: SODA).

Carbonated Profits

SodaStream is the world leader in the development, manufacture and marketing of home carbonation systems. Its soda makers and carbonators transform ordinary tap water into sodas or sparkling water. It does this by adding fizz (in the form of carbon dioxide from a soda carbonator) and flavor (from one of over 100 concentrate syrups).

It is hardly new at this. The company has been making carbonation systems for 100 years.

Why would anyone want to make soda at home? It's less costly than buying branded sodas for one thing.

But most families – including mine – would start by saying it's fun. The carbonators – which don't need electricity or batteries – are quick, creating sodas or sparkling water in less than 30 seconds. And there is no cleanup required. The devices are convenient, too. Consumers don't have to store cases of soda or lug heavy bottles from the store.

SodaStream was rated the 2013 product of the year at the recent Home and Housewares Show. But you don't have to use it at home. Its carbonators are portable, so it can be used in RVs and boats and at tailgating events.

SodaStream offers over 100 flavors, including regular, diet and caffeine-free options. It claims its products are healthier than the competition's. Its regular flavors have much less sugar, carbs and sodium than store-bought brands. Its diet flavors are sweetened with Splenda and contain no aspartame. And there is a green angle, as well. SodaStream's reusable bottles are an environmentally friendly alternative to store-bought bottles and cans.

The company has developed quite a fan base, selling more than 10 million drink makers in more than 40 countries around the world. (There are more than 600 positive reviews on Amazon alone.)

The company enjoys widespread distribution. It sells its products on its own website as well as through e-commerce leaders like Amazon. They are also available in over 55,000 retail outlets through well-known retailers like Walmart, Target, Costco, Macy's, Sears, Sam's Club, Crate & Barrel, Best Buy, Kohl's, JC Penney, Bed Bath & Beyond, and Staples.

Like Coke, But Without the Cans

However, if SodaStream only sold machines – and got a single pop from customers – this wouldn't be such a fantastic business. But – as in the razor/razor blade model – the real money is selling flavored syrups, CO2 carbonators, and other accessories.

Every year SodaStream provides 600 million liters of carbonated beverage to millions of households, making it one of the largest beverage companies in the world.

Profit margins are well protected. This is not an easy business to break into. SodaStream has an intellectual property portfolio that includes 65 patents and 198 trademark registrations worldwide.

Of course, no matter how good the story, our recommendations always hinge on the numbers. They have to be excellent. And that is certainly the case here. In the most recent quarter, earnings soared 39% on a 53% increase in sales. Yet the stock sells for a modest 15 times prospective earnings.

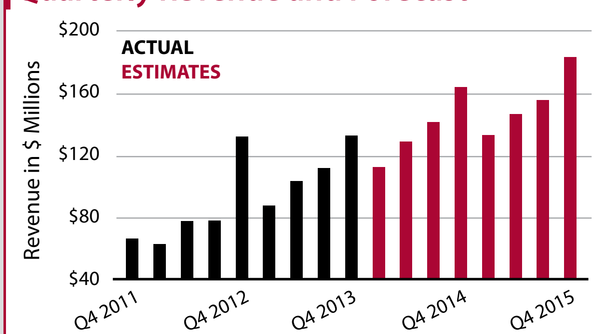
SodaStream also enjoys double-digit profit margins. Management is earning a healthy 18% return on equity. And the company is sitting on $62 million in cash and zero debt.

I estimate SodaStream will earn $3 a share this year, much more than consensus estimates. And, as the company's bottom-line continues to beat expectations, the stock – already in a strong uptrend – should keep trending higher.

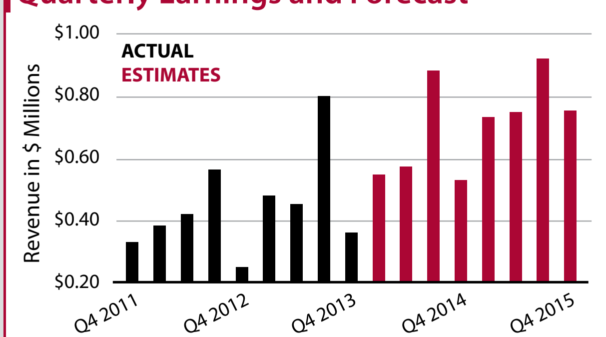
Action to Take: *Buy **SodaStream International** (Nasdaq: SODA) at market. And use our customary 25% trailing stop to protect your principal and your profits.*

SODASTREAM INT'L
Nasdaq: SODA

Quarterly Revenue and Forecast



Quarterly Earnings and Forecast



My "10-11-12" System: One Year Old and Growing Strong

by Marc Lichtenfeld, Assoc. Investment Director, *The Oxford Club*

Marc Lichtenfeld

I'm writing this on a very significant personal anniversary...

It was exactly one year ago that I finished the manuscript for my book, *Get Rich With Dividends: A Proven System for Earning Double-Digit Returns.*

The volume of air that I exhaled when I hit "send" on my email, transmitting the document to the publisher, could have powered the Nina, the Pinta and the Santa Maria across the ocean on the way to the New World...

I thought creating the book's proprietary 10-11-12 System was the hard part. It took hundreds of hours to devise an investment program with dividend paying stocks that generate safe double-digit returns over the long term.

Four months later, the book came out: I went to New York and promoted it on Fox Business and Bloomberg. I flew to Vegas for a book signing at FreedomFest. And from there, on to Park City, Utah for another book signing at an *Oxford Club* conference.

It was a whirlwind summer; I enjoyed every minute of it. The book hit No. 1 on Amazon's investment best-sellers. It was on the verge of cracking Amazon's overall Top 10 list when they ran out of copies.

With great satisfaction, like the Lone Ranger I felt, "My work here is done."

Only it wasn't done. Not by a long shot.

The 10-11-12 System: The Start of Something *Big*

In just a few short weeks, I started receiving email after email from readers and *Club* members asking me to recommend stocks using the system. Inevitably they asked, "When are you going to build a portfolio of 10-11-12 stocks?"

I was immediately intrigued and excited. Over the next nine months, I ironed out the details for a 10-11-12 portfolio.

For those of you who are not familiar with the system, here are its main components:

1. The 10-11-12 System is designed to generate an average yield of 11% within 10 years, or an average annual total return of 12% over 10 years.

2. It uses only the safest stocks in the market.

3. It focuses on a stock's starting dividend yield and its dividend growth rate. I found that you don't need an extraordinarily high starting yield for a stock if it's growing by a reasonable amount every year.

The key is finding stocks with a track record of raising their dividends every single year. As long as the dividend is growing by double digits per year, you don't need much more than a 4% yield to start.

The other thing I look for is a payout ratio (the percentage of profits paid out in dividends) below 75%. I also use a payout ratio that substitutes cash flow for net income.

Why?

Because cash flow is a more accurate representation of how much cash has been brought in by the business.

If the company is paying out 75% or less of its cash flow in the form of dividends, chances are the dividend is safe and the company can continue to pay (and raise) the dividend, even if it has a bad year.

There are a few exceptions to my payout rule, with MLPs, REITs and BDCs (business development companies). Those entities, by Federal code, must pay out 90% of their profits in the form of dividends in order to avoid corporate income tax.

What I Love Most About the 10-11-12 System...

We're just pulling out of what is often referred to as "the lost decade," because it took about 10 years for stocks to get back to the highs of the dot-com bubble. Many investors didn't see much, if any, return on their stocks during that period.

> ***"...I started receiving email after email from readers and* Club *members asking me to recommend stocks using the system. Inevitably they asked, 'When are you going to build a portfolio of 10-11-12 stocks?'"***

But if you invested in a stock paying a 4% dividend yield, with a dividend that grew 10% per year, the math worked a lot better. Even if the share price never budged for 10 years, you still received an average annual return of 6.4%, thanks to all those dividend hikes.

Dividend Growth Increases Your Buying Power

The reason dividend growth is so important, particularly for retirees, is to beat inflation. Currently, inflation is low, at just 1.59%. However, we all know that the prices of many important items like food, health care and gas are rising much faster.

Let's say you have a $100,000 portfolio that yields 4%, or $4,000:

- With a 2% rate of inflation after 10 years, you'd need $4,876 to buy the same goods and services as today – that's a 22% decrease in buying power.

- If we return to the 100-year historical average of 3.4%, you'd need $5,588, or 40% more money.

But if you get 10% annual growth in your dividends, you'll find that the math looks a lot nicer. In 10 years, instead of $4,000 per year, you'd be making $9,431 – nearly double what you'd need if inflation returns to its long-term average.

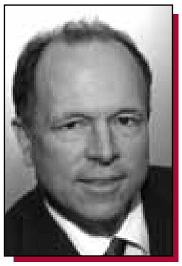
Keep in mind, this has nothing to do with dividend *reinvesting* (where you'd make even more money). It's like giving yourself a raise in retirement, simply because the dividends paid to you grow and grow. And not some stingy cost-of-living increase, either. A 10% or more annual boost is a welcome raise in any economic environment.

Editor's Note: *The Oxford Income Letter* makes its debut in April. *Chairman's Circle* and *Lifetime Fellowship* members receive this new newsletter from the *Club* as part of their benefits, but all other members receive a subscription discount on this exciting publication, as well. Read Marc's latest dividend recommendations, along with bond-buying ideas from *Club* bond guru Steve McDonald, by calling 855.837.7115 or 1.410.864.1751 to start your subscription to *The Oxford Income Letter.* OC

HOT STACKED

by David Fessler, Energy and Infrastructure Specialist, The Oxford Club

Electric Cars: People Are Buying Them… Get in Line Now for Profits



David Fessler

Suppose for a minute you're at a dinner party. The conversation turns to investing. (Is there ever a party where the subject of stocks *doesn't* come up?)

One investor says, "Hey, I know about a company… Its quarterly revenue just jumped 500%!"

You raise one eyebrow skeptically, like Dr. McCoy on the original *Star Trek* TV series: "Five hundred percent? C'mon! Compared to what? Three years ago, five years ago?"

Your party friend leans in, whispering now – he knows he's got your attention: "A 500% revenue jump *in just two consecutive quarters*."

With that, he leaves you to get a refill on his gin and tonic. You, on the other hand, are intrigued. *What new widget… What wonder drug or miracle software app is this company peddling?*

Mr. Gin and Tonic totters back with a new drink in hand: "Oh, I didn't mention it? It's that electric car maker, **Tesla Motors** (Nasdaq: TSLA)."

Turning on the Juice

In 2012, Tesla was still a struggling electric vehicle (EV) startup company with only a few Model S sedan prototypes to its name.

What a difference a few months make. Since November, Tesla's churned out new vehicles at a rate of ***400 per week***. That's not a typo. In 2013, it expects to produce and ship 20,000 of its *Model S sedans*.

I know what you're saying right about now…

- EVs don't sell.
- EV batteries don't have enough range, or charge up quickly enough.
- The only Tesla buyers are those eco-green Hollywood- and Silicon Valley-types who drive around Napa Valley, going to chardonnay tastings.
- EVs are another one of those faddish, wildly *un*-profitable business trends – like llama ranching and eBay drop-off stores – that come around every 20 years or so… Just enough time to burn a whole new generation of investors.

Well, here's the news: EVs – by Tesla and other manufacturers – are making significant inroads into the U.S. vehicle market. Don't believe me?

Nissan Motor (OTC: NSANY): The company told *The Detroit News* recently that February 2013 sales of its LEAF were 36.6% higher than February 2012.

General Motors Company (NYSE: GM): While the Chevrolet Volt is not a true EV (it's a plug-in hybrid), sales are also up big. GM, in the same article by *The Detroit News*, said Volt sales rose 60% in February from year-ago levels.

Ford Motor Company (NYSE: F) just rolled out its all-electric Focus in recent months. Sales of its C-Max hybrid electrics are already a force to reckon with. According to the automaker, Toyota – the king of hybrids sold in America – saw its market share shrink by 8%, to 60% total, while Ford's hybrid share more than doubled, to 16%.

And then there's Tesla, which is selling every vehicle it can make. More on how to profit with this company in a moment…

Driving on $1 a Gallon

Before you go shopping for your next car, look in the mirror and ask yourself this question: *"Would I like to pay the equivalent of $1 on a gallon of gas for the next 25 years?"*

Sure you would. Short of owning your own oil well and refinery, how would you do it? Simple: You'd drive an EV.

But $1 a gallon? Sound impossible? It's not…

The U.S. Energy Information Administration (EIA) went through the trouble recently of looking at "dollar per gallon equivalent prices" for gasoline versus electricity. Electricity is pegged at only slightly more than $1 a gallon going out five, 10 and 20 years. So which would you rather fuel your car with?

No wonder a market research firm like Maxim Group forecasts 2013 as a "coming of age" year for EVs. It sees EV sales spiking by 130%, with 127,000 new EVs hitting American roads in the coming months, based on:

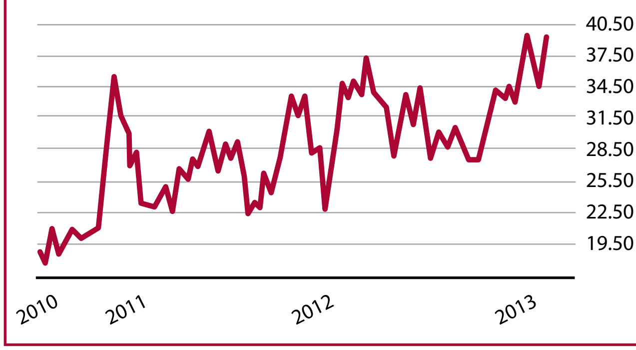
1. Availability of new models and vehicle classes
2. Variety of pricing and lease options
3. Larger networks of charging stations

But the big point that most Americans are missing with regard to EVs: ***They're cheap to run now, and will be for the rest of your lifetime.***

Why Buy Tesla Now?

Tesla recently announced fourth quarter and full-year 2012 results. The most impressive achievement was the company's ramp-up of production, and subsequent 500% revenue jump in its fourth quarter, to $306 million.

Tesla: The EV Car Company That Could?



It also issued guidance for 2013. Incredibly, ***the company now expects to be profitable by the end of its first quarter, 2013***. In its prior guidance, profitability wasn't expected until late 2013 at the earliest. This is huge and appears to be completely ignored by the mainstream press.

Part of the reason is a less than flattering review of the Model S by *The New York Times* reporter, John Broder. He claimed the Model S he drove didn't perform as advertised.

Tesla stock took a hit as a result of Broder's article. A number of other Model S test drives (including one by CNBC) replicating Broder's route proved him wrong.

The negative press hasn't hurt Model S sales. Tesla revealed that it received a record 6,000 reservations during fourth quarter 2012. That brings the total number of Model S reservations received to over 15,000. If you want one this year, you'd better hurry. Tesla expects to manufacture and deliver 20,000 Model S sedans in 2013.

Investors who want a pure play in the EV space might do well to consider investing in a few shares of Tesla Motors. Given the enthusiasm for the company's cars and its rapid growth rate, you might be able to afford one yourself in a few years just by selling the shares you purchase now. OC

Please Note: The stocks listed in ***Hot Stacked*** will not be added to the Oxford Trading Portfolio. Nor will they be tracked. They are intended as potential investment ideas only.

If you're interested in more research and trading recommendations from Dave on the energy sector, call our VIP Services Group about his ***Peak Energy Strategist*** at 888.570.9830.

Stocks Are Cyclical

Here's a Winner for the Toughest Part of the Trading Year

by Matthew Carr, Emerging Trends Editor, *The Oxford Club*


Matthew Carr

Winter isn't going away quietly…

As I write this, one last snowstorm lashes the East Coast, burying us in several inches of snow. And just to throw salt on the wound (and on the roads!), the day before the storm hit, we enjoyed our most beautiful day in weeks.

And, to add to the irony, my wife is out taking advantage of the "winter clearance" sales at the mall, coming home with a new cold-weather jacket for 75% off…

As spring approaches – as the seasons change from cold and miserable, to mild and sunny – so should our investing focus.

Taking it One Month At a Time

Look at the stock market carefully and you'll see patterns…

Times of prosperity and profit. Times where it languishes.

Since 2000, there are really only five months in any calendar year that investors have been rewarded for participating in the stock market:

- October through December, where stocks rise an average of nearly 1%.
- March and April, where the markets rise by an average of nearly 2%.

During these months, the whole market is moving higher and almost anything we invest in *should make money*.

The toughest months of the last 12 years? The May through September period. Statistically, it's just plain hard to churn out profits during that stretch of time.

So, to put the odds on our side, to beat the markets in those difficult months, we need to find something that offers real promise during that stretch. And I've found one particular sector that's quite rewarding… medical device makers.

A Play to Keep the Heart Pumping

Let's take a look at one excellent opportunity: **Vascular Solutions** (Nasdaq: VASC).

This is a relatively small company with a market cap of $248 million. As you can probably guess, it manufactures devices for cardiologists, vascular surgeons and radiologists. And it operates in three segments: catheters, hemostats and vein products. It has a catalog of 70 products, with 11 of those introduced in 2012 and another 10 projected to be unveiled this year.

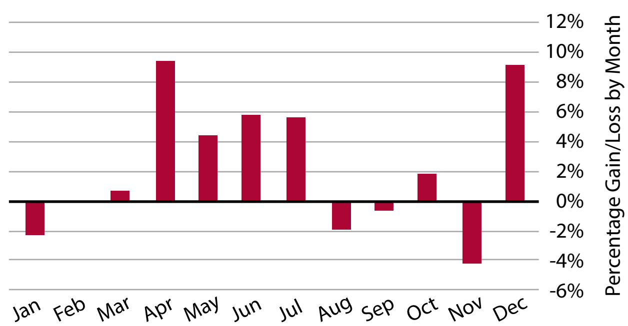
Since 2006, Vascular Solutions' annual revenue has more than doubled, so it has a lot of underlying positives. But the stock is volatile. That may not matter so much to long-term shareholders. But for anyone like me, interested in either short-term trading opportunities, or a better entry price for a long-term hold – we can put the stock's volatility to our advantage.

When you look at the monthly returns of Vascular Solutions stock over the past five years… January and February are almost always particularly tough. This year was no different as the company reported fourth quarter and full-year earnings on February 5.

And shares responded by dropping more than 7%, which makes *right now* a great entry point for Vascular Solutions stock. Why?

Because statistically speaking, the prime months – *the best months for owning the stock* – are from March through September. Take a look at the data yourself:

Vascular Solutions: Outperforms in the Summer Months (2007-2012)



Why? There could be any number of possible reasons… But our focus here is only on the opportunity it presents.

And the company totally blows past the S&P's performance during that lazy, summer stretch.

Take a look at how this kind of seasonality translates into Vascular Solutions' stock price on the accompanying chart. Follow the highlighted portions, and you'll see why I'm so excited about this trade:

Since 2008, shares of Vascular Solutions have averaged a gain of 27.35% from the beginning of March until the end of August.

It goes to show, there are always opportunities to make money – even during the stretches where the broader market seems to do nothing.

So, with winter winding to a close and our gains from the late-year rally booked and firmly in the profit side of the ledger, it's time to shift gears…

Gone are the days of targeting transports, retail and oil. Now we enter the months of health care, biotechs, technology stocks *and volatility*.

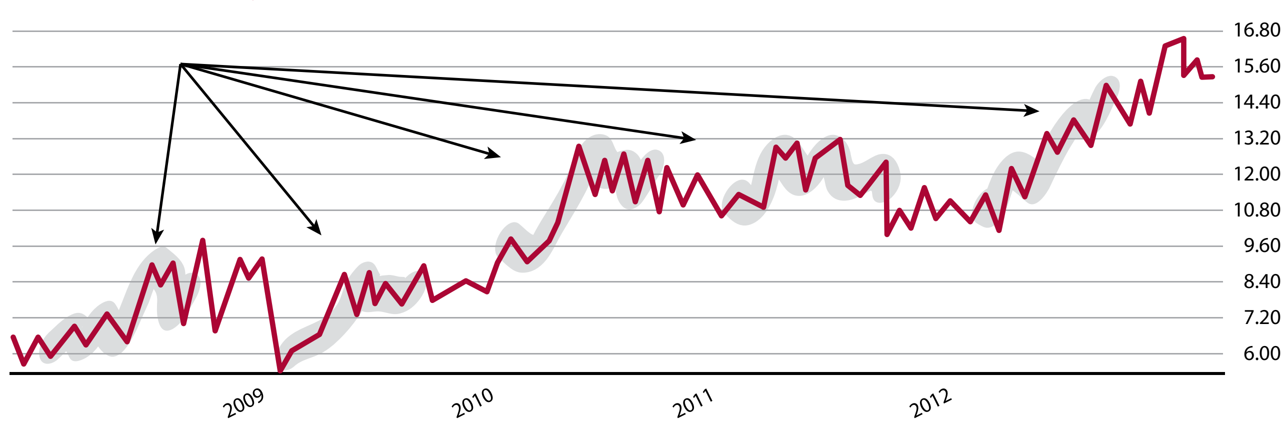
Make that volatility work for you! Remember… To beat the market, you *actually have to beat the market.*

You can't be complacent. Shift your investing dollars to plays that are going to get you the most bang for your buck – and right now, Vascular Solutions stock is a great place to start.

Editor's Note: If you like the recommendations Matthew Carr makes in this column every month, we have a new publication just for you!

Emerging Trends Trader is Matthew's VIP trading service. In it you'll find his observations and insights on the short- and longer-term opportunities he digs up in the markets each week. Call our VIP Services Group at 888.570.9830 to begin receiving *Emerging Trends Trader.* OC

Vascular Solutions' "Cycle Sweetspot:" March-September



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If you're interested in more research and trading recommendations from Matthew on seasonal trends, call our VIP Services Group about his ***Emerging Trends Trader*** at 888.570.9830.

How to Make Money With China's Smartphone Revolution

by Carl Delfeld, Global Equities Analyst, *The Oxford Club*

I'm one of America's dwindling holdouts in not getting a smartphone.

Why?

I love the small size of my sleek, black retro-flip that slips so easily into my pocket. Plus I've probably dropped it a dozen times, and it still works. Try doing that with an iPhone. And also, do I really have to be connected to the internet 24/7?

But my daughter Jackie implores me to get with it. She's clearly embarrassed whenever I pull my phone out, as un-cool as it is, in front of her friends. Maybe I do need to bite the bullet – or risk falling behind the rest of the world. That's especially the case in Asia...

Mobile penetration rates across Southeast Asia already average well over 100%, which means many people have more than one mobile phone.

But until recently, most of these devices were like the one I personally own – a "dumb" mobile phone that dials numbers and sends texts, but with no (or limited) internet capability.

"Dumbphones" vs. Smartphones

Based on data from iMedia, a China-based market research firm, 250 million Chinese were smartphone users in 2012, growing to 330 million this year.

This has *huge* implications. And the conservative way to play the trend (despite my strong personal distaste for state-sponsored capitalism) is with **China Mobile** (NYSE: CHL)...

The government's 70% ownership stake and China Mobile's 43% market share are two strong reasons investors should pay attention here.

Mobile data usage in China is still very low. The typical Android user in Beijing uses less than 300 megabytes of data per month (according to a survey by the China Internet Network Information Center). China accounts for less than 5% of global mobile data traffic. I think data usage will ramp a lot higher, and sooner.

The reason: ultra-fast 4G (for "Fourth Generation") wireless services.

4G: Catnip for China's Mobile Data Users

Late last year, China Mobile announced plans to roll out 4G service in Beijing, as well as four other huge Chinese cities: Tianjin, Guangzhou, Shenzhen and Shenyang.

As almost any teenager (and certainly the parents) in this country can tell you, smartphones burn through a lot of data. That means bigger revenue for providers of wireless services like China Mobile. In India, where 4G services are already offered, the Frost and Sullivan market research firm pegs industry revenue from 4G service rising by 220%, to $11.88 billion. Imagine what impact 4G will have on China's mobile users...

But the news that's broken in recent weeks is even bigger for China Mobile, because its 4G ambitions have clearly ramped up much higher than anyone anticipated...

In late February, the company's chairman Xi Guohua laid out the huge details of the 4G rollout in 2013:

- The system's use of a Chinese-developed TD-LTE transmission standard
- Deployment to more than 100 prefecture-

level cities (urban centers with a population of 250,000 people or more)

- Shipment of more than one million 4G terminals (think "tower transmitters")

China Mobile says the network ultimately will reach a population of more than 500 million people. It will be the largest single 4G network on earth.

It's Different This Time

Clearly the company is hoping 4G will be a big game-changer in its race for subscribers and revenue with its two other state-owned brethren: China Unicom and China Telecom...

The rollout of the last new mobile transmission standard, 3G, put China Mobile in a disadvantaged position. While its two competitors were able to build out their 3G networks with transmission systems already tested and used extensively in the United States and Europe, China's bureaucrats made China Mobile's 3G license contingent on one particular demand: that the company build its network with the country's homegrown TD-SCDMA standard. And the associated equipment was plagued by delays and interference issues.

But the government's insistence on using TD-SCDMA resulted in another challenge for China Mobile: its "iPhone problem."

Apple never attempted to make an iPhone model using China Mobile's TD-SCDMA system, so the telecom found itself locked out of offering the product to its customers. That was a huge boon to China Unicom and China Telecom, with their U.S./European-developed 3G networks. As a result, China Mobile's number of 3G subscribers, at 95 million, is only slightly better than its two in-country competitors with 80 million (China Unicom) and 72 million (China Telecom).

But all that may finally change with the rollout of 4G in China...

In January, Apple CEO Tim Cook met with China Mobile senior executives in Beijing and discussed the possibility of a 4G-enabled iPhone the company could sell. If such a deal were to come through, it would be a win-win for both firms. China Mobile would get a product desperately wanted by a big chunk of its 700 million customers. And Apple would have a crack at upping its 7% market share of China's small but burgeoning smartphone sales growth. Its archrival, Samsung, is numero uno in China, controlling more than 16% of smartphone sales.

So when might a China Mobile-Apple deal finally commence? Likely, it will be sometime in the coming months. The telecom firm has said it will not begin taking iPhone subscriptions until it has its 4G platform up and running. While no specific rollout date has been announced, China Mobile says it's aiming for the second half of this year.

China Mobile's Future

The company's woes in the 3G arena appear to have turned the corner. New data in February shows China Mobile is no longer losing millions of subscribers per quarter to Unicom and Telecom. And China Mobile – with or without an Apple deal – is already ordering smartphone handsets from vendors, so it'll have an adequate supply when its 4G system is ready to go. And the telecom is also developing revenue-sharing deals with Chinese partners, like Tencent and others, in order to get the most engaging apps for its smartphone users.

As this edition went to press, China Mobile's 2012 earnings hadn't been reported yet. But I expect the company to report $5.20 a share, with revenue of $84 billion. At the current mid-$50s stock price, the shares are trading at a paltry 11 times earnings.

And don't forget its attractive 3.5% dividend yield. This alone could pay for my monthly smartphone fees. (Once I finally do ditch my old, un-cool flip phone, that is...) OC

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The Oxford Portfolio REVIEW

by Alexander Green, Investment Director and Jeff Yastine, Editorial Director

You couldn't have asked for a better performance in our portfolio stocks as we went to press with this issue…

The gains in our newest recommendations have been particularly rewarding to watch. Our March edition pick of **Monsanto** (NYSE: MON) already shows a gain of 6%. And shares of **Parexel International** (Nasdaq: PRXL) and **Luxottica Group** (NYSE: LUX) – recommended in December and November last year – are up 16% and 29% respectively.

The weakness of the Japanese yen is also propelling two of our portfolio positions higher. **Toyota Motor** (NYSE: TM) shares, recommended a little over a year ago, are up 53%. Our oldest Japan-related position is **WisdomTree Japan SmallCap** (NYSE: DFJ), in the portfolio for three years. After moving sideways, at rock-bottom prices for much of that time, the fund is now up more than 20%.

The only disappointment thus far is **Randgold Resources** (Nasdaq: GOLD). With the "fear trade" abating, gold bullion prices are down, as are the shares of gold miners like Randgold. While the stock may yet get stopped out of the portfolio, we continue to believe it represents a compelling value, with a CEO who's invested a substantial portion of his personal wealth in the stock. Stay tuned for better performance there.

From the standpoint of share gains, **DigitalGlobe** (NYSE: DGI) was at break-even levels at publication time. But from a profit perspective, the company is just beginning to take off – in 2012, it earned more than $0.75 a share. And those earnings should double this year.

The company recently smashed consensus estimates when it reported net income in the December quarter jumped 33% on a 28% increase in revenue. Profit margins are expanding. The balance sheet is strong. And management just upped its guidance for the rest of this year.

DigitalGlobe has little serious competition. And existing aerospace firms are also at a huge disadvantage. DigitalGlobe owns the only commercial high-resolution satellites with eight-band multispectral capability. No other commercial satellites approach its agility and accuracy. Consider adding to your shares of DigitalGlobe. It should be an outstanding performer this year.

Range Resources (NYSE: RRC) shares are up 25% in the portfolio. 2012 was a banner year for the natural gas exploration and production company:

- Annual production increased 36% over 2011 to 753 million cubic feet equivalent (Mmcfe) per day.
- Total proven reserves increased 29% to 6.5 trillion cubic feet equivalent (Tcfe).
- The company raised its reserves natural gas liquids (NGLs) and crude oil by 64% from year-ago levels.
- Fourth quarter adjusted earnings of $0.46 per share crushed analysts' expectations by 59%, or $0.17 per share.

With natural gas prices remaining below $3.50 per million British thermal units (MMBtu) and West Texas Intermediate (WTI) crude oil hovering in the $90 to $95 per barrel area, Range is focusing its drilling efforts in the liquid part of its acreage. NGLs make up anywhere from 49% to 57% from wells drilled in Range's wet gas acreage in the Marcellus. Right now, the company has six drilling rigs operating around the clock in its wet gas area. In addition, 58 completed wells are waiting to be connected to gathering pipelines. Investors would be hard-pressed to find a better oil and gas exploration and production company right now than Range Resources.

ITC Holdings (NYSE: ITC) will soon become the largest independent electrical transmission company in America, once its acquisition of **Entergy's** (NYSE: ETR) transmission assets is approved by regulators. The deal is currently wending its way through the various utility regulating agencies.

One part of that deal will be a one-time $700 million recapitalization undertaken by ITC. While most analysts appear to presume it will take the form of a special dividend, of as much as $13.50 per share, ITC's investor representatives say it could also take the form of a stock buyback – or some combination of the two. Quarterly earnings are still growing at a steady 16%. Operating and profit margins are at 51% and 22% respectively. Return on equity is also comfortably in the double digits.

Having more than doubled in price since being recommended in the April 2009 edition, ITC shares are a big winner in the Oxford Trading Portfolio. And with over 60% of the United States' electrical transmission grid more than three decades old, ITC will have plenty of opportunities to profit. OC

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An active and diversified portfolio of the market's most compelling opportunities.

COMPANY	SYMBOL	REC. DATE	REC. PRICE	CURR. PRICE	RATING	TRAILING STOP
BB&T	NYSE: BBT	Sep-11	$19.79	$31.37	Buy	$24.98
Cerner Corp.	Nasdaq: CERN	Jan-12	$57.73	$93.07	Buy	$69.80
Covidien	NYSE: COV	Nov-11	$45.16	$65.60	Buy	$49.20
Diageo plc	NYSE: DEO	Mar-09	$49.80	$119.31	Buy	$90.60
DigitalGlobe	NYSE: DGI	Feb-13	$28.90	$29.00	Buy	$22.18
DirecTV	Nasdaq: DTV	Jun-10	$37.54	$51.28	Buy	$40.64
Discovery Communications	Nasdaq: DISCA	Jun-09	$21.83	$77.91	Buy	$58.43
Hibbett Sports	Nasdaq: HIBB	Mar-11	$30.57	$51.36	Buy	$47.18
ITC Holdings Corp.	NYSE: ITC	May-09	$42.27	$85.75	Buy	$65.12
Luxottica	NYSE: LUX	Nov-12	$37.88	$48.57	Buy	$36.86
McKesson Corp.	NYSE: MCK	Jan-10	$62.82	$109.85	Buy	$82.39
Monsanto	NYSE: MON	Mar-13	$98.16	$103.38	Buy	$78.16
Owens & Minor Inc.	NYSE: OMI	Nov-09	$28.65	$31.59	Hold	$25.45
Parexel International	Nasdaq: PRXL	Dec-12	$31.70	$37.50	Buy	$28.12
Philip Morris Int'l	NYSE: PM	Mar-09	$35.63	$90.89	Buy	$70.06
Plains All American Pipeline	NYSE: PAA	Oct-11	$31.85	$54.35	Buy	$41.11
Randgold Resources	Nasdaq: GOLD	Dec-12	$99.68	$82.67	Buy	$75.55
Range Resources	NYSE: RRC	Jun-12	$63.12	$79.30	Buy	$59.49
Seaspan	NYSE: SSW	Mar-12	$15.95	$20.09	Buy	$15.11
SodaStream Int'l	**Nasdaq: SODA**	**Apr-13**	**New**	**New**	**Buy**	**Use 25% TS**
Stericycle, Inc.	Nasdaq: SRCL	Jun-11	$91.56	$98.65	Buy	$74.35
TJX Companies	NYSE: TJX	May-12	$41.09	$44.59	Buy	$34.80
Toyota Motor Corp.	NYSE: TM	Feb-12	$67.85	$102.76	Buy	$79.45
Union Pacific Corp.	NYSE: UNP	Sep-10	$71.94	$139.00	Buy	$104.77
WisdomTree Japan SmallCap	NYSE: DFJ	Feb-10	$39.90	$45.77	Buy	$35.10
Yandex N.V.	Nasdaq: YNDX	Oct-12	$24.83	$23.03	Buy	$19.24

THE OXFORD ALL-STAR PORTFOLIO

A diversified basket of funds and holding companies managed by some of the world's top-performing money managers.

COMPANY	SYMBOL	REC. DATE	REC. PRICE	CURR. PRICE	RATING	TRAILING STOP
Berkshire Hathaway B Shares	NYSE: BRK-B	Jan-01	$45.38	$103.01	Buy	None
Biglari Holdings	NYSE: BH	Jan-13	$364.50	$384.15	Buy	None
Dreman Contrarian Small Cap	Nasdaq: DRSVX	Jul-09	$12.80	$20.28	Buy	None
Equity Residential	NYSE: EQR	Jul-01	$28.05	$54.99	Buy	None
Loews Corporation	NYSE: L	Aug-12	$41.02	$43.96	Buy	None
Templeton Dragon Fund	NYSE: TDF	May-02	$9.20	$28.13	Buy	None
Templeton Emerg. Mkts. Fd.	NYSE: EMF	Jan-02	$8.80	$20.55	Buy	None

* The All-Star managers make buy and sell decisions within these securities themselves. We do not use trailing stops here.

THE GONE FISHIN' PORTFOLIO

A simple but sophisticated long-term investment system based on a Nobel Prize-winning strategy.

COMPANY	SYMBOL	REC. DATE	REC. PRICE	CURR. PRICE	RATING	ALLOCATION
Vanguard Small Cap Index	NAESX	Apr-03	$15.12	$43.01	Buy	15%
Vanguard Total Stock Mkt. Index	VTSMX	Apr-03	$19.69	$39.08	Buy	15%
Vanguard Emerg. Mkt. Index	VEIEX	Apr-03	$7.34	$27.88	Buy	10%
Vanguard Europ. Stock Index	VEURX	Apr-03	$15.01	$26.98	Buy	10%
Vanguard High-Yield Corp. Fund	VWEHX	Apr-03	$6.01	$6.13	Buy	10%
Vanguard Inflation-Protected Securities Fund	VIPSX	Apr-03	$12.02	$14.36	Buy	10%
Vanguard Pacific Stock Index	VPACX	Apr-03	$5.66	$10.89	Buy	10%
Vanguard Short-Term Investment	VFSTX	Apr-03	$10.80	$10.82	Buy	10%
Vanguard Prec. Metals & Mining	VGPMX	Apr-03	$9.98	$14.17	Buy	5%
Vanguard REIT Index	VGSIX	Apr-03	$11.92	$23.17	Buy	5%

* This strategy requires annual rebalancing and does not require the use of trailing stops. These prices do not reflect dividends. To see total returns, visit the Portfolio page of our website at www.oxfordclub.com.

Prices as of 3/12/13 | Note: For the absolute latest updates on all of the *Club's* portfolios – including the Trading, Perpetual Income, All-Star and Gone Fishin' – visit our website at www.oxfordclub.com.

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