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September/October was another period of instability for the markets. But this time, they roared back from the late Summer China swoon and powered back up considerably. We posted a small gain of 0.44% but trailed the much larger S&P gain of 6.22% by a significant amount. The trailing 12 month gain of the VE View is -6.27% versus the S&P 500 gain of 5.73%. The return since inception of the View is 101.3% versus the S&P's gain of 81.24%.

We had nine positions this month with positive gains. However, significant losses from AMAG Pharma, Lannett Inc, and the Michael's Companies hampered our performance. Tee-Kay Tankers continues to impress with a return of 20% with Lear and Multi Fine Line also boosting our returns with double-digit gains.

We continue to see a recovering US economy which is growing stronger day-by-day. However, global events can always impact an interdependent global economy. The strong dollar may hamper export-oriented companies. Good news comes in the form of low inflation and a Fed which seems reticent to pull the rug out from under the recovery too soon. Some analysts see a bottom and recovery in the oil market. On the other hand, US seniors will be without a boost in their SSI checks due to that same low inflation. As always, we hope that elected officials in Washington can resist petty political ploys such as government shutdowns, debt defaults, additional austerity measures, etc.

Valuations have recovered a bit and now sit just within "normal" range. 42.19% of the stocks we can assign a valuation are calculated to be overvalued-- with 13.54% of them calculated to be overvalued by 20% or more. The see-saw nature of this month's markets led to many positions stopping out with our tight 5% levels. Those levels boosted performance a bit, and that portfolio returned 1.41%--a boost of just under 100bps. We are still trying to find optimum stop-loss levels and will run them at 10% this month.

In our October portfolio, we turnover just four positions. On a sector basis the model likes Tech, Oils and Energy, and Transportation. We retain eleven positions and add four selections from our Valuation model's aggressive-growth strategy.

SteveHach
Senior Editor, ValuEngine Inc.

SEPTEMBER/OCTOBER RESULTS

Ticker	Company Name	Entry Price 9/25/15	Current Price	Change	%Change
AEIS	ADVANCED ENERGY INDUSTRIES	25.37	26.82	1.45	5.72
AMAG	AMAG PHARMACEUTICALS	47.7	33.61	-14.09	-29.54
CALM	CAL-MAINE FOODS	57.14	61.71	4.57	8.00
DHT	DHT MARITIME HOLDINGS	7.7	8.02	0.32	4.16
HII	HUNTINGTON INGALLS	107.08	106.67	-0.41	-0.38
LCI	LANNETT INC	52.51	41.89	-10.62	-20.22
LEA	LEAR CORPORATION	105	118.75	13.75	13.10
MFLX	MULTI-FINELINE ELECTRONIX	16.47	18.36	1.89	11.48
MIK	MICHAELS COMPANIES	24.13	22.14	-1.99	-8.25
MTG	MGIC INVESTMENTS	9.49	9.43	-0.06	-0.63
ODP	OFFICE DEPOT	7.35	7.41	0.06	0.82
SPR	SPIRIT AEROSYSTEMS	49.81	50.99	1.18	2.37
STRZA	STARZ-LIBERTY CAPITAL	38.68	38.09	-0.59	-1.53
TNK	TEEKAY TANKERS	6.79	8.18	1.39	20.41
TSO	TESORO CORP	100.4	101.53	1.13	1.13
	LONG PORTFOLIO				0.44
GSPC	S&P500	1932.24	2052.51	120.27	6.22

SEPTEMBER/OCTOBER ALTERNATE RESULTS

Symbol	Company Name	Entry Price 9/25/15	Current Price	Change	%Change
BBW	BUILD-A-BEAR WK	19.42	17.77	-1.65	-8.50
CVG	CONVERGYS CORP	22.96	25.28	2.32	10.10
IIVI	II-VI INCORP	15.34	17.27	1.93	12.58
RYL	RYLAND GRP INC	42.88	40.83	-2.05	-4.78
TNP	TSAKOS EGY NAVG	8.43	8.97	0.54	6.41
	LONG PORTFOLIO				3.16
GSPC	S&P500	1932.24	2050.52	118.28	6.12

OCTOBER/NOVEMBER PORTFOLIO

Ticker	Company Name	Mkt Price	Number of Shares	Sector
CALM	CAL-MAINE FOODS	61.71	16	Consumer Staples
CBM	CAMBREX CORP	41.05	24	Medical
DHT	DHT HOLDINGS	8.02	125	Transportation
HII	HUNTINGTON INGL	106.67	9	Aerospace
LEA	LEAR CORPORATN	118.75	8	Auto-Tires-Trucks
MFLX	MULTI-FINELINE	18.36	54	Computer and Technology
MTG	MGIC INVSTMT CP	9.43	106	Finance
ODP	OFFICE DEPOT	7.41	135	Retail-Wholesale
SPR	SPIRIT AEROSYS	50.99	20	Aerospace
STNG	SCORPIO TANKERS	9.39	106	Transportation
STRZA	STARZ-LIB CAP-A	38.09	26	Consumer Discretionary
SWKS	SKYWORKS SOLUTN	81.69	12	Computer and Technology
TNK	TEEKAY TANKERS	8.18	122	Transportation
TSO	TESORO CORP	101.53	10	Oils-Energy
VLO	VALERO ENERGY	60.36	17	Oils-Energy

NOTE: Thursday's closing prices. Stocks in bold letters are new positions.

To summarize, we are selling: AEIS,AMAG,LCI, and MIK

And, we are purchasing: CBM,STNG,SWKS, and VLO

OCTOBER/NOVEMBER ALTERNATE SELECTIONS

Ticker	Company Name	Market Price	Valuation	Last 12-M Retrn	1-M Forecast Retn	1-Yr Forecast Retn	P/E Ratio	Sector Name
AAWW	ATLAS AIR WORLD	41.51	-23.33%	23.80%	1.73%	21.00%	8.34	Transportation
BBW	BUILD-A-BEAR WK	17.77	-17.69%	39.48%	1.47%	17.73%	12.78	Retail-Wholesale
KRA	KRATON PERFORM	23.14	-5.54%	40.24%	1.14%	13.70%	13.86	Basic Materials
UEPS	NET 1 UEPS TECH	17.48	18.38%	55.52%	1.08%	12.97%	7.95	Industrial Products
WU	WESTERN UNION	19.66	6.42%	21.21%	0.82%	9.80%	11.92	Business Services

NOTE: Stocks in bold letters are current positions. These stocks were included as a courtesy and are subject to the same rigorous research process as the primary selections. You should carefully research the stock picks provided in this newsletter for information on dividend payment schedules, mergers, stock splits, corporate actions, SEC activities, "acts of God," etc. ValuEngine's proprietary models cannot always calculate the impact of such events on portfolio picks and all investment targets should be subjected to an additional human "sanity check." If in doubt, use an alternate selection.

The ValuEngine View newsletter is the product of sophisticated stock valuation and forecast models first developed by Yale Professor of Finance Zhiwu Chen. The Valuation Model utilizes a three factor approach: fundamental variables such as a company's trailing 12-month Earnings-Per-Share (EPS); analyst consensus estimate of the company's future 12-month EPS; and the 30-year Treasury yield. The Forecast Model uses proprietary and well-established forecasting variables derived from financial research studies. Short and longterm historic factors in the VE valuation model's calculation include past-valuation levels of the stock and its recent price-momentum factor relative to other stocks. These considerations, applied with the firm-specific variables, allow the model to differentiate a stock across sectors and within the company's own business-growth stages.

The ValuEngine View portfolio is constructed by integrating both our Aggressive Growth—based on the Valuation Model—and Diversified Growth—based on the Forecast Model-- Portfolio Strategies. The portfolio has 15 stocks and is balanced once each month. Note that the newsletter is published near the middle of each calendar month. An equal amount of capital is allocated to each stock. The monthly returns are calculated from the closing prices on date of publication. The performance calculation does not include any transaction costs.

ValuEngine's Methodology

ValuEngine's research combines the most advanced academic concepts with real world Wall Street practice. The result is state-of-the-art fair market valuation and price forecasting technologies.

ValuEngine's stock valuation employs a sophisticated, three-factor approach Fundamental variables, such as a company's trailing 12-month Earnings-Per-Share (EPS), the analyst consensus estimate of the company's future 12-month EPS, and the 30-year Treasury yield, are all used to create a more accurate reflection of a company's fair value. Together with eleven additional variables, ValuEngine paints a detailed picture of a company's fair value, represented by the model price.

ValuEngine's stock forecasts examine, among other things, short- term price reversals, intermediate-term momentum continuation, and long-term price reversals over six time horizons for every industry to ensure forecasts are established relative to a stock's proper peer groups. Advanced statistical / econometric techniques are used to run thousands of simulations estimating the probability of a double in stock price, as well as the probability of meeting and exceeding any given portfolio or stock investment target.

The stock's engine rating is an assessment of its overall attractiveness. It combines valuation, risk-return trade-off, momentum, market capitalization and forecasted future returns. Only two percent of the stock universe receives the highest 5-engine rating. The lowest rating is a single engine.

For more information on ValuEngine models and research, go to www.ValuEngine.com

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