

Recommended by S&P Capital IQ analysts for superior total return potential over the next 12 months.

Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 mos., with shares rising in price on an absolute basis.

SYM	COMPANY NAME	5 STARS SINCE	PRICE WHEN RECOMMENDED	CURRENT PRICE	COMMENT
ABX	Barrick Gold Cor	04/28/11	50.72	37.73	Valuation
AFL	AFLAC Inc.	04/25/12	45.26	46.18	Valuation, strong business trends
AMAT	Applied Material	09/12/11	10.86	11.62	Valuation & cyclical trough approaching
AOS	AO Smith Corp.	09/20/10	38.30	54.12	Rising volumes, sales & wider margins
APA	Apache Corp.	06/16/09	80.41	87.02	Solid production growth outlook
AXP	American Express	08/09/11	46.10	57.55	Valuation
BIDU	Baidu, Inc.	04/25/12	134.8	120.62	Valuation
BKI	Buckeye Technolo	06/11/12	28.70	30.46	Valuation
BRCM	Broadcom Corp.	05/21/12	32.28	35.38	Valuation
CBL	CBL & Associates	08/27/09	8.73	21.33	Improving outlook & valuation
CBS	CBS Corporation	01/31/12	28.48	36.34	Valuation
CCI	Crown Castle Int	07/15/08	35.32	62.44	Valuation
CELG	Celgene Corporat	10/23/08	58.05	72.02	Continued robust sales growth
CERN	Cerner Corporati	10/28/11	65.10	71.66	Valuation
CME	CME Group Inc.	02/03/12	54.69	54.02	Exchanges benefit from better economy
CMI	Cummins Inc.	04/27/10	72.40	96.94	Strong International growth
COH	Coach, Inc.	10/23/07	36.60	56.43	Valuation
COV	Covidien plc	03/10/11	52.52	55.49	Valuation
CVS	CVS Caremark Cor	06/18/10	32.43	45.35	Valuation
CVX	Chevron Corporat	06/06/08	99.50	112.35	Valuation
DIS	Walt Disney Co.	05/11/11	43.91	49.62	Improving fundamentals & valuation
ELNK	EarthLink Inc.	07/28/11	7.97	6.71	Valuation
EMC	EMC Corporation	03/14/12	29.10	26.43	Rapid growth in Big Data technology
EPD	Enterprise Produ	01/19/11	42.99	53.20	Valuation
ESRX	Express Scripts	12/19/08	30.68	61.91	Valuation, favorable underlying trends
ESS	Essex Property T	01/13/12	141.1	153.00	Strong company guidance, valuation
FAST	Fastenal Company	07/12/07	23.21	44.17	Valuation, change in business model
FDX	FedEx Corporatio	02/23/10	81.49	87.46	Improving airfreight volumes & economy
FLS	Flowserve Corp.	10/28/11	97.02	127.58	Valuation
GILD	Gilead Sciences	07/27/12	55.50	57.62	See pos. catalysts for key franchises
HBAN	Huntington Bancs	03/27/12	6.35	6.54	Valuation
HME	Home Properties	09/22/11	54.90	64.16	Valuation, strong fundamentals
HUM	Humana Inc.	03/26/12	87.99	69.91	Favorable market data & business trends
ICLR	ICON Public Limi	05/11/12	22.40	23.35	Robust growth, margin expansion

**Adjusted for stock split*

Please see the Required Disclosures on the last page of the report

SYM	COMPANY NAME	5 STARS SINCE	PRICE WHEN RECOMMENDED	CURRENT PRICE	COMMENT
INT	World Fuel Servi	03/11/10	28.23	36.88	Well positiond to expand its mrkt share
ITC	ITC Holdings Cor	06/28/12	69.15	72.55	Expected 30% total return; div. growth
JCI	Johnson Controls	01/22/10	29.48	27.03	Rising automotive demand & global grwth
KELYA	Kelly Services,	11/01/10	14.84	12.30	Solid business recovery
KMP	Kinder Morgan En	08/23/07	50.83	82.62	Valuation
KO	The Coca-Cola Co	12/17/07	31.24	37.99	High Intl exposure & acceleration
LAZ	Lazard Ltd.	06/21/12	25.23	28.57	Attractive rev. mix relative to peers
MCD	McDonald's Corp.	09/22/11	85.99	89.14	Valuation
MCK	McKesson Corpora	09/04/09	55.49	87.62	Improving prospects
MGA	Magna Internatio	05/04/11	51.39	44.60	Valuation
MSFT	Microsoft Corpor	06/19/12	30.70	30.62	Valuation & near term catalysts
MTW	The Manitowoc Co	10/14/09	10.80	12.80	Valuation
NICE	NICE Systems Ltd	12/21/09	30.97	30.94	Improving enterprise spending patterns
NP	Neenah Paper, In	04/07/11	23.35	27.52	Valuation
NPSP	NPS Pharmaceutic	01/30/12	7.57	8.00	Near-term regulatory catalyst seen
OKE	ONEOK Inc.	04/24/12	41.34	44.46	Valuation
PM	Philip Morris In	05/19/11	70.68	90.88	Valuation
PTR	PetroChina Co. L	08/24/12	124.2	121.64	Valuation
PXD	Pioneer Natural	04/02/12	112.1	98.37	Oil Volume growth, margins
QCOM	QUALCOMM Incorpo	04/26/12	63.91	62.00	Valuation
RCL	Royal Caribbean	03/20/12	30.32	26.94	Reduced P/E discount to CCL
RIO	Rio Tinto plc	03/26/10	231.1	45.12	Valuation
RJF	Raymond James Fi	07/09/12	33.91	34.84	Valuation
RS	Reliance Steel &	03/24/11	56.06	52.30	Valuation
SJM	The J. M. Smucke	06/21/12	75.84	84.58	Defensive appeal; domestic emphasis
SLB	Schlumberger Lim	08/09/11	77.63	74.38	Valuation
TESO	Tesco Corporatio	03/27/12	14.51	9.95	Improving Gulf of Mexico, valuation
TGT	Target Corp.	04/02/12	58.29	63.80	Improving trends, visibility on Canada
TIF	Tiffany & Co.	03/28/11	58.60	62.49	Improving finl profile of consumers
TRN	Trinity Industri	05/07/12	27.73	28.34	Strong shipments, higher earnings
TROW	T. Rowe Price Gr	03/06/12	60.18	62.05	Fund flows seen positive for equities
TRV	The Travelers Co	07/23/08	45.60	64.84	Valuation
TRW	TRW Automotive H	05/11/10	34.29	42.62	Valuation
TXT	Textron Inc.	06/19/12	25.49	26.49	Improved business jet market demand
UGI	UGI Corp.	02/11/11	31.65	30.56	Valuation
URI	United Rentals,	11/04/10	19.94	31.37	Imprvmnts in utilization, rental revs
USG	USG Corporation	04/30/12	18.05	20.37	More confident of business recovery
VLO	Valero Energy Co	04/24/12	23.93	31.12	Higher North American oil production
WIN	Windstream Corpo	08/05/11	11.60	9.72	Valuation

**Adjusted for stock split*

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SYM	COMPANY NAME	5 STARS SINCE	PRICE WHEN RECOMMENDED	CURRENT PRICE	COMMENT
XOM	Exxon Mobil Corp	07/31/08	80.43	88.10	Valuation
YHOO	Yahoo! Inc.	10/19/11	15.94	14.71	Stabilized fundamentals

**Adjusted for stock split*

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CHANGES LAST 5 DAYS

DATE CHANGED	SYM	STOCK	NEW RANKING	OLD RANKING	REASON WHY
8/24	PTR		☆☆☆☆☆	☆☆☆☆	Valuation

SAMPLE

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Globally: As of June 29, 2012, research analysts at Standard & Poor's Equity Research Services globally recommended 36.5% of issuers with buy recommendations, 56.4% with hold recommendations and 7.1% with sell recommendations.

★★★★★ **5-STARS (Strong Buy):** Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

★★★★☆ **4-STARS (Buy):** Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

★★★☆☆ **3-STARS (Hold):** Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

★★☆☆☆ **2-STARS (Sell):** Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain.

★☆☆☆☆ **1-STARS (Strong Sell):** Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

Relevant benchmarks: In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

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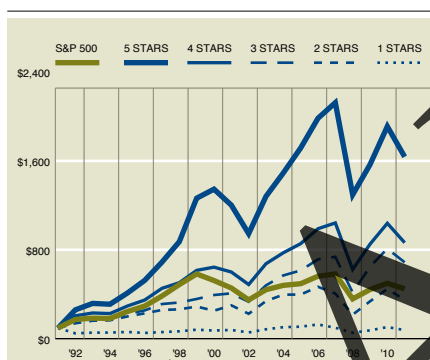
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S&P U.S. STARS Performance



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For model performance calculation purposes, the equities within each STARS category at December 31, 1986 were equally weighted. Thereafter, additions to the composition of the equities in each STARS category are made at the average value of the STARS category at the preceding month end with no rebalancing. Deletions are made at the closing price of the day that the deletion is made. Performance was calculated from inception through March 31, 2003 on a monthly basis. Thereafter, performance is calculated daily. Equities in each STARS category will change over time, and some or all of the equities that received STARS rankings during the time period shown may not have maintained their STARS ranking during the entire period.

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