

Perfect Timing

An Essential Guide To Maximising Your Profits

Dary McGovern

dary@sensatus.com

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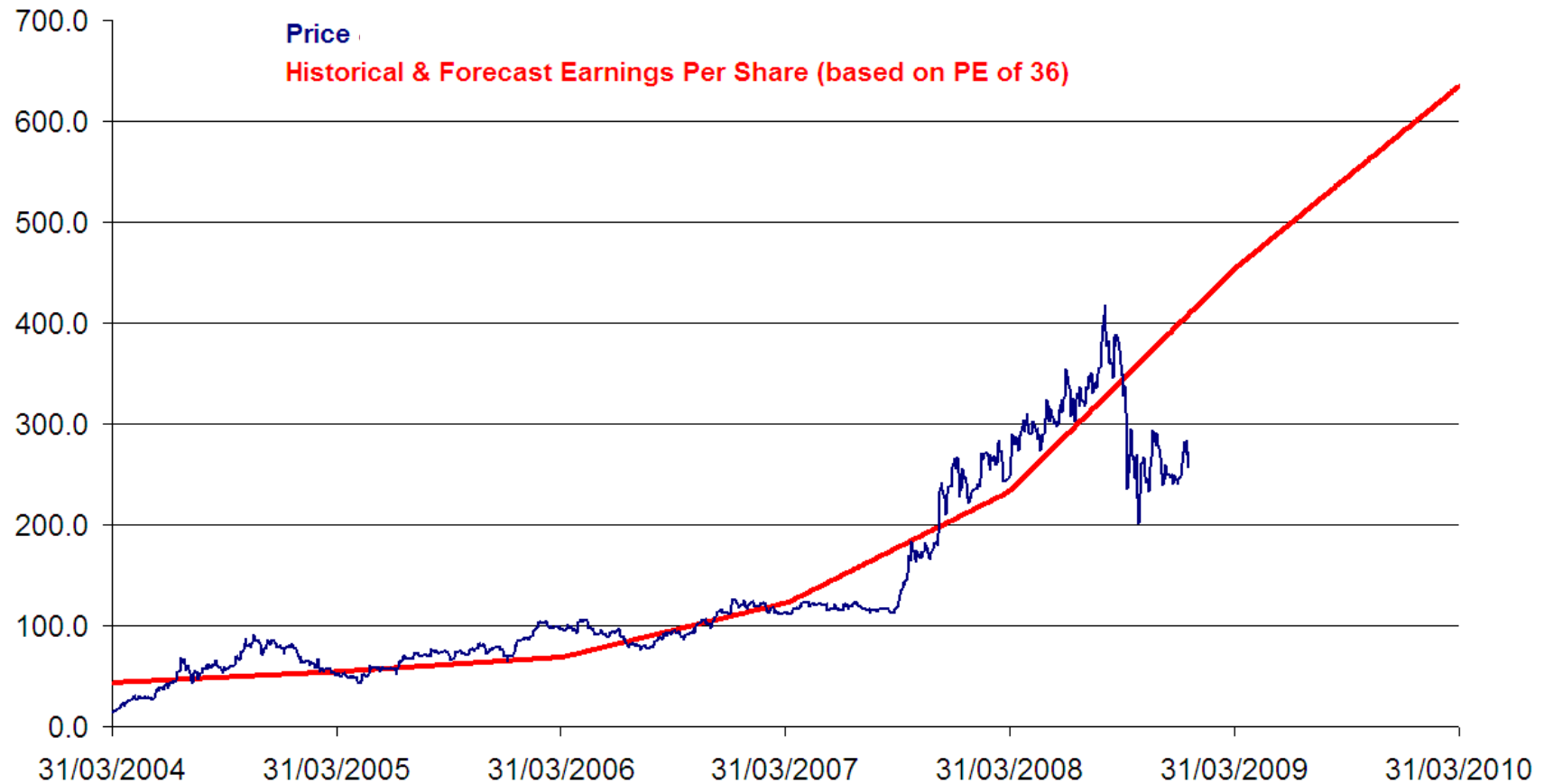
Introduction

- Get the Fundamentals Rights
- Back to the Future
- Don't Swim Against the Tide
- Real World Examples
- Lets Meet Murphy

Initial Investment Selection Criteria

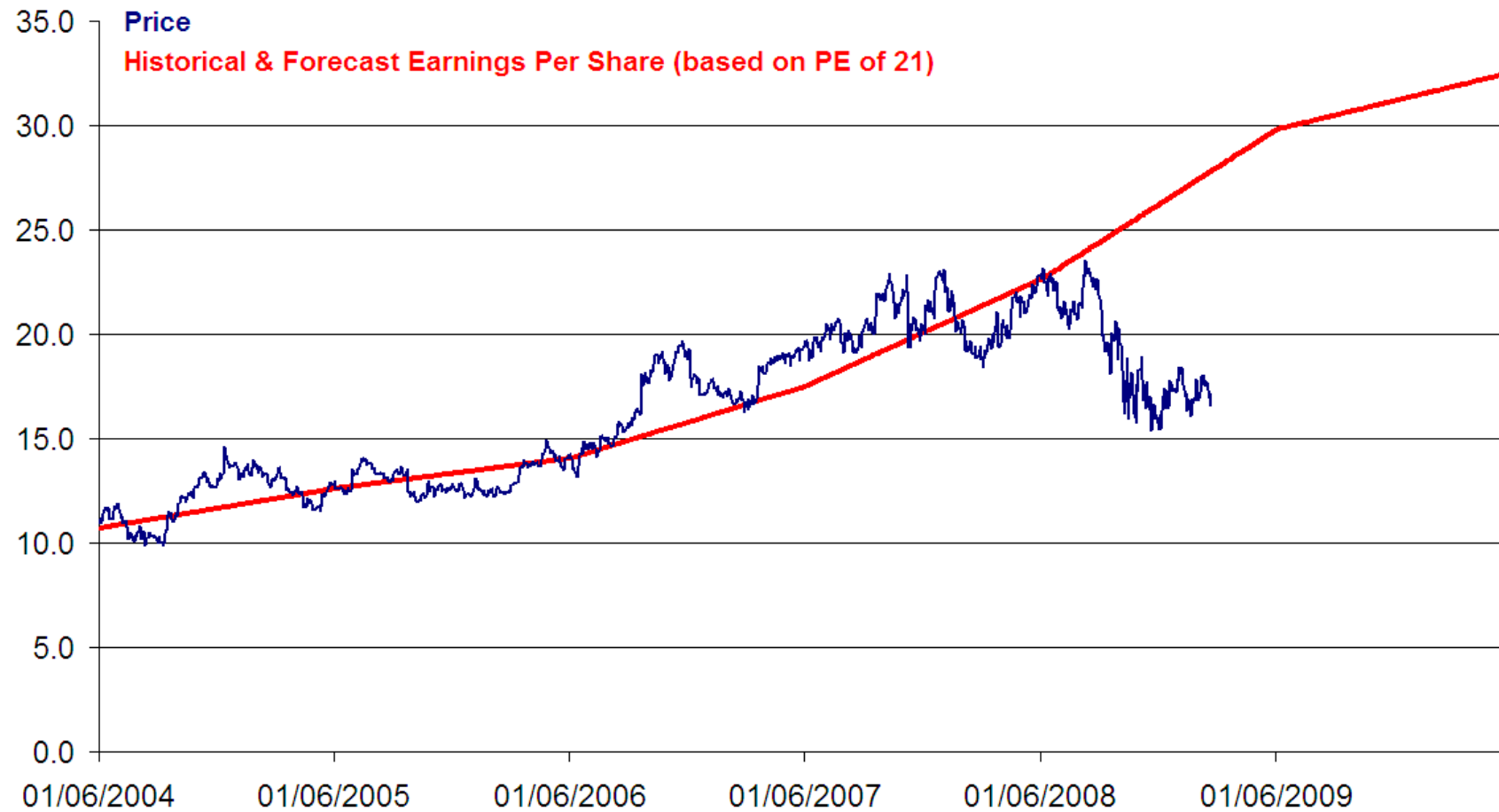
- **History of Earnings growth**
- **Return on Equity > 15%**
- Earnings growing faster than Revenue
- Low Debt e.g. debt / equity ratio < 25%
- Strong Cash position e.g. current ratio > 1
- PEG of under 1
- Low Forward PE, typically under 20
- Relative Strength
- Strong Brand
- Like Products

Strong Historical & Forecast Earnings e.g. ASOS



On a PE of 22, is the potential return worth the risk?

Strong Historical & Forecast Earnings e.g. Oracle



Is the current PE of 12 a fair valuation?

Don't Swim Against The Tide



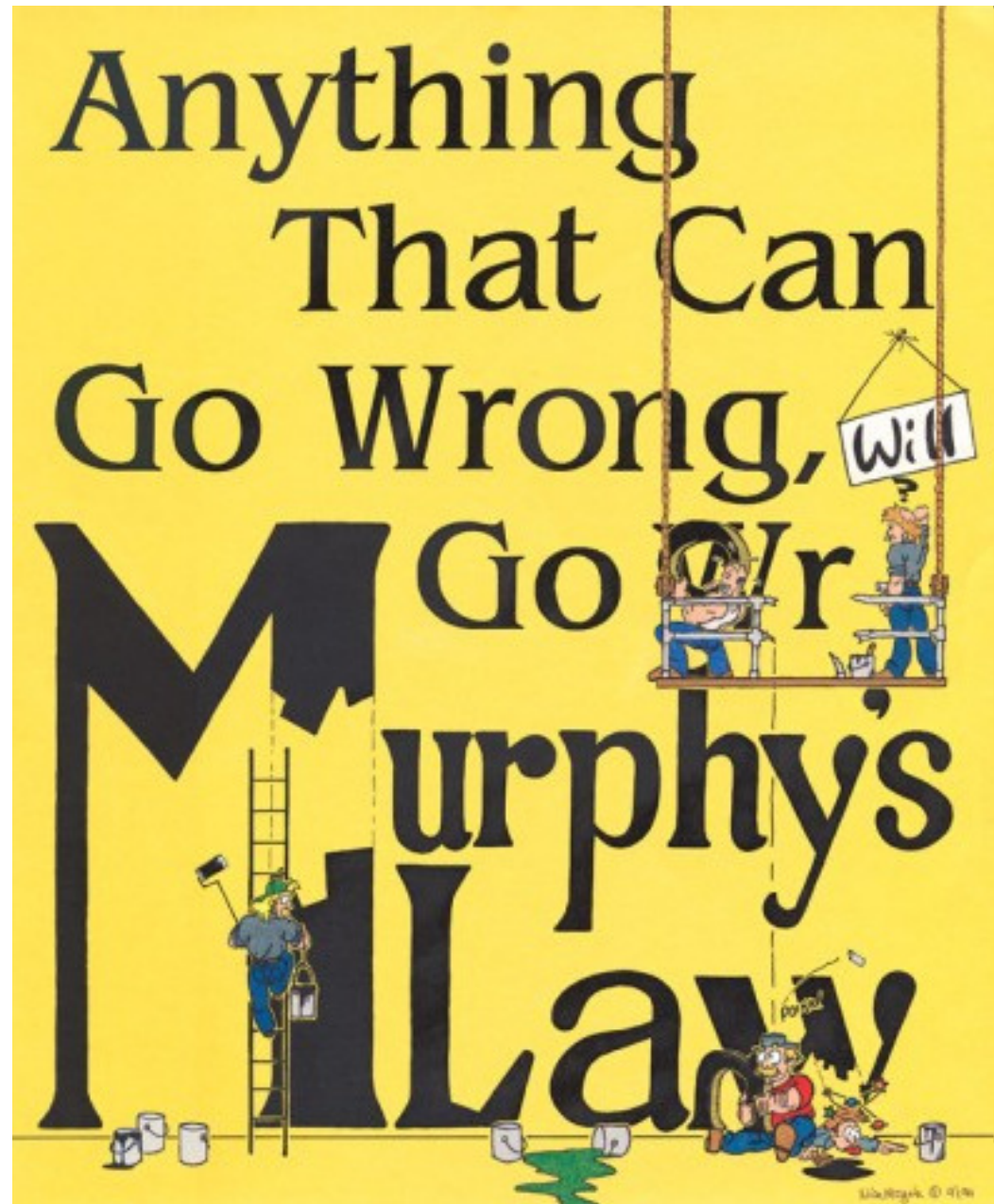
What do you think happened next to Chloride?

The Trend Is Your Friend; Respect Your Friends



...and now we wait

Real World



Why Befriend the Trend?

- Statistically odds are in your favour
- Your losses are only one tick away
- The Sensatus Investment Club started trading in April 2007
 - 17% in profit
 - FTSE is down 20%

