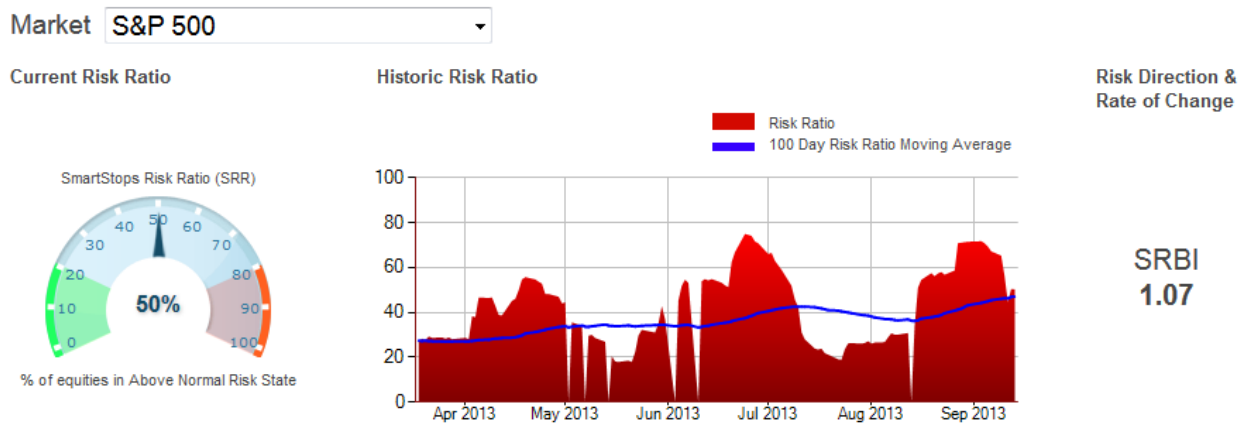


## Market Risk Report September 17, 2012

As the market continues to climb, risk has been slowly trending up along with it.

As of September 16<sup>th</sup>, The SmartStops Market Risk Barometer had 50% of the S&P 500 components in the elevated risk state. While this is down from 60% a week ago, it is up from only 20% back in April. As you can see from the blue line which represents the 100 day risk ratio average, the percent of S&P 500 in the elevated risk state has been steadily rising. This may be a good time to purchase protection through options or maintain tight stops to lock in your gains.



Source: [SmartStops Market Risk Barometer](#)

The VIX on the other hand has remained volatile but relatively flat over the last 6 months.























In this report, we are going to look at the current risk profile of 10 stocks that a recent article identified as being widely held by members of the US Congress. What do they know that we don't? We will also review the current and historic risk ratios of some common industry sectors.

## What is Congress Buying?

In a recent article titled [The 10 Most Popular Stocks Owned By Congress](#), Elliott Gue explores the history of members of Congress benefiting from making insider trades and their choice in stocks.

He has identified the following 10 stocks as ones widely held by members of Congress. Today, we will review the current and historical risk states of these equities.

Equity	Symbol	2 Year Price Performance	Trailing Annual Dividend Yield	Current Risk State (click to view risk history)
General Electric	(GE)	52.4%	3.00%	 AGGRESSIVE RISK STATE <b>NORMAL</b>  SmartStop Smart Reentry <b>\$23.78</b> --
Proctor & Gamble	(PG)	24.6%	3.30%	 AGGRESSIVE RISK STATE <b>ELEVATED</b>  SmartStop Smart Reentry <b>\$76.81</b> <b>\$80.25</b>
Microsoft	(MSFT)	22.1%	2.80%	 AGGRESSIVE RISK STATE <b>ELEVATED</b>  SmartStop Smart Reentry <b>\$32.10</b> <b>\$35.20</b>
Bank of America	(BAC)	110.9%	0.30%	 AGGRESSIVE RISK STATE <b>NORMAL</b>  SmartStop Smart Reentry <b>\$14.18</b> --
Exxon Mobil	(XOM)	<b>20.2%</b>	2.70%	 AGGRESSIVE RISK STATE <b>NORMAL</b>  SmartStop Smart Reentry <b>\$87.61</b> --
JP Morgan Chase	(JPM)	<b>64.6%</b>	2.40%	 AGGRESSIVE RISK STATE <b>ELEVATED</b>  SmartStop Smart Reentry <b>\$51.98</b> <b>\$53.93</b>
Cisco Systems	(CSCO)	47.4%	2.50%	 AGGRESSIVE RISK STATE <b>ELEVATED</b>  SmartStop Smart Reentry <b>\$23.97</b> <b>\$24.66</b>
AT&T	(T)	20.5%	5.20%	 AGGRESSIVE RISK STATE <b>ELEVATED</b>  SmartStop Smart Reentry <b>\$33.20</b> <b>\$35.85</b>
Intel Corp	(INTC)	6.9%	3.80%	 AGGRESSIVE RISK STATE <b>NORMAL</b>  SmartStop Smart Reentry <b>\$22.59</b> --
Pfizer	(PFE)	18.5%	3.30%	 AGGRESSIVE RISK STATE <b>NORMAL</b>  SmartStop Smart Reentry <b>\$28.19</b> --

## Current Sector Risk Ratios

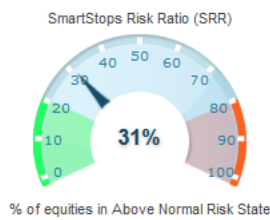
Basic Materials  
 Consumer Services  
 Consumer Goods  
 Financials  
 Healthcare

Industrials  
 Energy  
 Technology  
 Telecommunications  
 Utilities

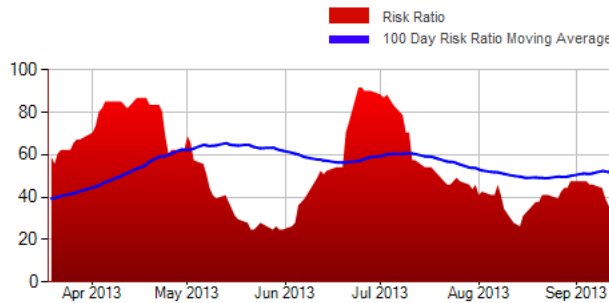
[Click here to go to the SmartStops Market Risk Barometer](#)

Sector **Basic Materials**

Current Risk Ratio



Historic Risk Ratio

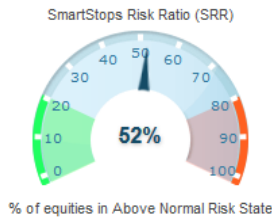


Risk Direction &  
Rate of Change

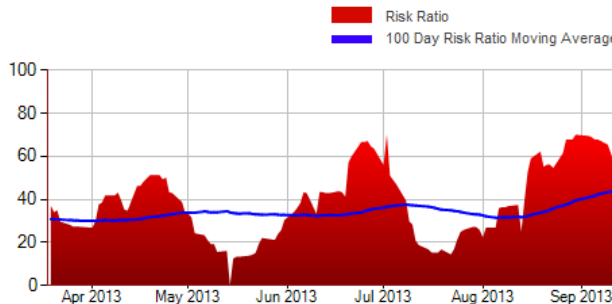
SRBI  
0.60

Sector **Consumer Services**

Current Risk Ratio



Historic Risk Ratio

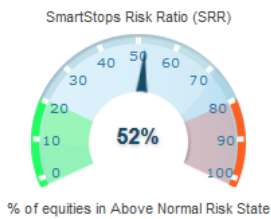


Risk Direction &  
Rate of Change

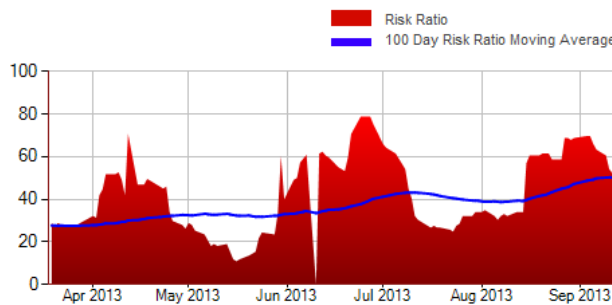
SRBI  
1.17

Sector **Consumer Goods**

Current Risk Ratio



Historic Risk Ratio



Risk Direction &  
Rate of Change

SRBI  
1.03

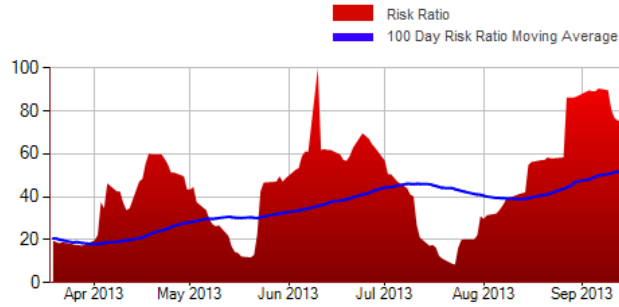
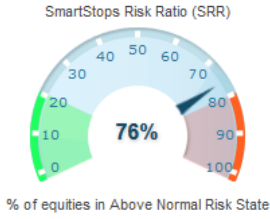
Sector **Financials**

Export

Current Risk Ratio

Historic Risk Ratio

Risk Direction &  
Rate of Change



SRBI  
1.46

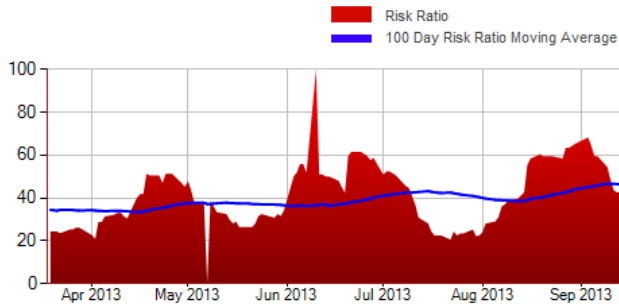
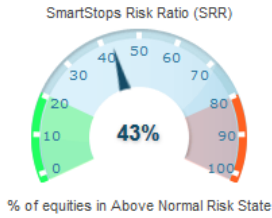
Sector **Healthcare**

Export

Current Risk Ratio

Historic Risk Ratio

Risk Direction &  
Rate of Change



SRBI  
0.93

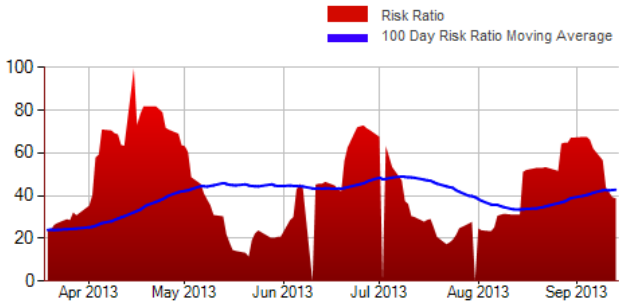
Sector **Industrials**

Export

Current Risk Ratio

Historic Risk Ratio

Risk Direction &  
Rate of Change



SRBI  
0.91

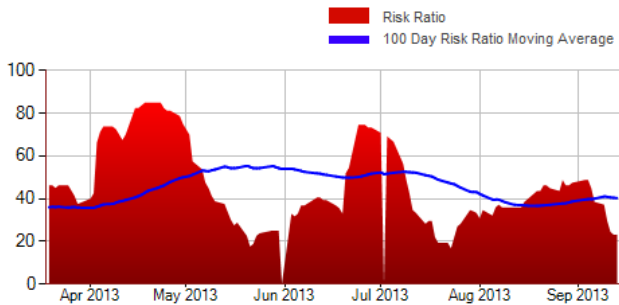
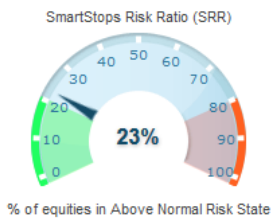
Sector **Energy**

Export

Current Risk Ratio

Historic Risk Ratio

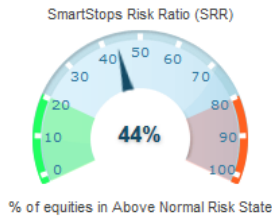
Risk Direction &  
Rate of Change



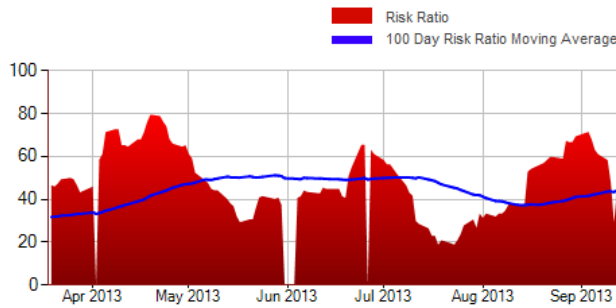
SRBI  
0.57

Sector **Technology**

Current Risk Ratio



Historic Risk Ratio

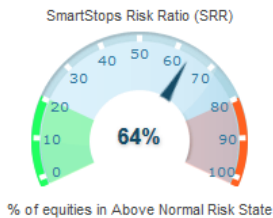


Risk Direction & Rate of Change

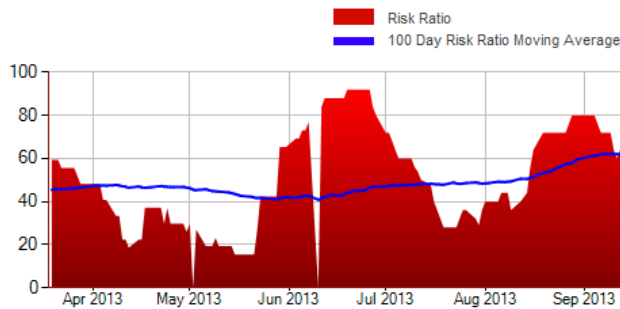
SRBI  
1.00

Sector **Telecommunications**

Current Risk Ratio



Historic Risk Ratio

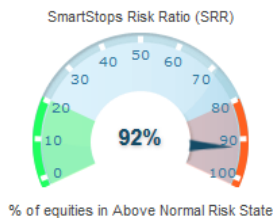


Risk Direction & Rate of Change

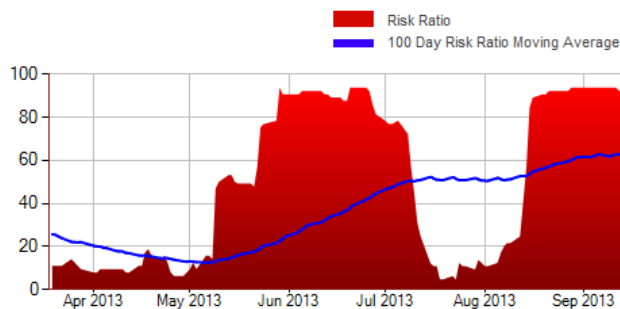
SRBI  
1.04

Sector **Utilities**

Current Risk Ratio



Historic Risk Ratio



Risk Direction & Rate of Change

SRBI  
1.46

[Click here to go to the SmartStops Market Risk Barometer](#)

**Be Paid For The Risk You Take!**

Risk does not remain constant, but instead fluctuates over time. Why expose yourself to periods of elevated risk if you don't have to? Take action to sidestep periods of elevated risk to protect assets and improve returns.

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