

"PortfolioCow"™

Version SHAREWARE 1.2

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Welcome to Portfolio Cow

PortfolioCow calculates stock and portfolio rate of return, and posts the results to charts.

Portfolio Cow is a Microsoft Excel based spreadsheet program which works only with the "Stock Investor" database programs distributed quarterly by American Association of Individual Investors (AAII), 625 N. Michigan Avenue, Suite 1900, Chicago, IL 60611 tel. (312) 280-0170.

We will use the term, "SI", when referring to AAII's Stock Investor program.

This version of Portfolio Cow is distributed as a time-limited, fully functional demonstration version. It is Copyright protected. You may freely use this version and distribute it to others. If you find it to be useful in developing you screening and sorting skills, you are expected to purchase a licensed copy from us. The form is available from the main screen, which you will see later. Purchase will clear your conscience and compensate us for our efforts.

To use Portfolio Cow ("Cow"), you must have:

1. MS Excel 5.0c or higher (if you have version 5.0a, an upgrade to 5.0c is available from Microsoft at a nominal charge. Call 1(800) 360-7561
2. One or more Stock Investor ("SI") programs installed on you computer.
3. At least 2 megabytes of free hard disk space.

To install, from File Manager double click on setup.exe. If you downloaded this from AOL, you must uncompress it using PKZip.

Installation will create a new directory, "COW", and install this program in the new directory. It will then create a program group and icon. The program may be deleted through the file-delete command from File Manager.

Before using Portfolio Cow, you must make a decision and perform a preliminary process. And so, you should now print this 7 page User Guide, as it will give you step-by-step guidance.

Also, since we have space at this point: We d

The Decision

Portfolio Cow calculates stock and portfolio rate of return for portfolios you create in "SI". However, Cow will be able to do so when you install the next subsequent version of "SI" because this will be where Cow obtains the necessary information. For example, if you currently are using the July, 1995, version of "SI", Cow will be able to calculate results for your July portfolios only after you install the next "SI" release, Oct. 95. This is OK, but boring. Why wait?

Consider installing at least two complete consecutive copies of "SI". For example, April, 1995 and July, 1995. Now, you can create portfolios in the April version (Qtr0), and quickly see the results through one quarter, to July (Qtr1). You will have real-time testing of your screening and sorting skills! Cow is able also to create four reference groups with which to compare your results.

Actually, Cow will update individual portfolios for as many as four subsequent quarters, so you could also install complete additional copies of "SI" for Jan 95, Oct. 94 and June 94. Now June 94 becomes Qtr0 and portfolios created from it will be calculated for four subsequent quarters (Qtr1=Oct94, Qtr2=Jan95, Qtr3=April, 95 and Qtr4=July, 95). Also portfolios from any quarter will be processed for as many subsequent quarters available to Cow, up to four.

Two limitations:

Each "SI" installation requires at least 30 megabytes of hard disk space.

"SI", on installation, overwrites other installed versions of "SI" by installing to the same assigned directory.

Regarding Hard Drive Space:

From Windows Program Manager, double click the Main Icon, then double click File

From Windows Program Manager, double click the main icon, then double click File Manager and note at the bottom left of the screen the amount of free disk space available. This gives you some idea of how many additional "SI" applications can be installed. By the way

You should make a note of the names you use, since these are the new directory names for opening each "SI" application from DOS or Windows. From DOS, you must use this new name to change to the SI directory before you type "AAIISI".

If your hard disk space is limited, you could install, using the techniques described above, the first preceding "SI" program quarter, then open Cow and let it capture its required information, and then back in file manager, delete this first preceding "SI" program. You can then work your way backward through "SI" quarters, running Cow's data capture routine with

each, and end with only two fully installed versions of "SI", for example October, 1994 and July, 1995, and yet Cow will have all necessary information to process October, 1994 created portfolios for 3 subsequent quarters. However, do not use Cow with only two non-consecutive "SI" quarters. The stock split tests will fail and your results will be inaccurate. Also Cow will scold you.

And, finally, you may choose to work with only the current "SI" installed, and update your portfolios when you install the next quarter of "SI". You may certainly change your mind later.

The preliminary Step

Cow does not use any of "SI" 's procedures. However , Cow does need to establish a connection with "SI" 's database files. For each copy of "SI" installed, you must assign an ODBC (Open Database Connection) name and path. Though obscure, this procedure is easier than it sounds. All you will be doing is assigning a name you choose to the directory path to the "SI" data subdirectory.

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Here we go.

From Windows Program Manager, double click the Main Group, then double click the Control Panel icon, and finally double click the ODBC icon. This icon was added during your installation of Excel. If it is not present, you must run Excel Set

Select the "SI" directory and double click it. A subdirectory named "dbfs" will magically appear below as a subdirectory. Select by double clicking on this subdirectory. The little "DBFS" folder image will appear to open. After making sure the folder image is open, click "OK". At the next box, click "OK". At the final box, click "Close".

If this is the only "SI" application you will be working with, you are done. If you have more than one application, repeat these steps for each one, making sure the assigned name date correctly match the "SI" data date as shown in the initial "SI" screen or on the disks.

You will also need to repeat this process for each new subsequent "SI" application you install, so save these directions, unless you are a whiz at this.

Portfolio Cow is now ready to operate.

When you first open Cow, select the first button, "Add New SI Application to Portfolio Cow". You will then see the SQL Data Source Box with your newly created name, "AAIL July 1995" or whatever date you used. Select the oldest (or only) one you named. The next screen shows the ODBC path, and you only need to verify the cute little "dbfs" folder image is open. Click "OK". Cow will wander off on its own, ruminating for a minute or so. When Cow finishes its ruminations, repeat this button selection for each additional "SI" program, if you have more than one installed. You will also use this button whenever you install a subsequent "SI" release. Cow now has the data it needs to proceed.

If you introduced more than one "SI" to Cow in the above process, you might now select "Build Reference to Charts" and go off, bathe the dog and make a pot of coffee. Cow takes a while to process this request. Slow, but dependable. When its finished (we've included a timer), you may select "View Existing Portfolios and Charts". You now will see the four reference portfolio results posted to charts, ready for your "S

Brief Tutorial

First, open "SI". If you have more than one version installed, open the earliest version. From the initial screen, jot down on our form the data date. Select Edit, then User Definitions.

In the first available UDEF, enter as the name "Percent of 52 wk high price" and click Edit Formula. From the left drop down list, select "PRICEH_52W", from the operator box, select the multiply operator, *, and in the text box, type ".9", and click OK. Next click "Save" and then "Yes" to calculate the UDEF. When "SI" finishes, click "close".

Next, select Screen, then New from the drop down list.

Enter a screen name. We suggest you indicate in the Name field the "SI" data date. For example, enter "Contrarian" and the date of the "SI" program (such as "Contrarian, Jan95"). Click "Create". You will see these names again in Cow, so also write them on your form.

Select "Choose Field", then "Ratios". From ratios, select "price/book", and click OK. Next, from center list, select ">" operator. Finally, in the value box enter 5 and click "Add". You are selecting those companies having a price to book ratio greater than 5. Truly contrary!

Next, from "Choose Field" select "Growth Rates" and then "Sales Growth Rate". From the operator group, select the greater than operator, ">", and in the value box enter "-15" and click "Add". Now we are selecting those companies whose 5 year sales growth rate is greater than minus 15% per year. Again, truly contrary.

Finally, from "Choose Filed" select "Price and Share Data", and from the list select "Price Last" and click OK. From the operator group, select the greater than operator, ">", and from right side "Field Box" select "User Defined Fields", and choose the UDEF you created from above. Now looking for those companies whose last price was more than 95% of the 52 week high price. Again con

This is very important:

The FIRST entry must be "Company". So double click "Company" so that it is the first item in your report. You may now enter up to 14 additional items to the "CowBegin" report (remember, "Company" must still be the **first** item). Click "Save".

When "SI" finishes saving the report and you are summarily tossed out of the report area, return by selecting "Report", "User Defined", and "Run". Select "Contrarian" from the "User Defined Report" list, "Excel" from the "Destination" list (Cow is an Excel program) and for "File Name", enter first the date of the "SI" program you are currently using, such as "1_95". Then you may use 4 additional characters to name the file, so the entire entry could be "1_95cont".

Press "enter" and in "Directory" type "C:\Cow\A". This assumes you installed Cow to a new directory in your C drive named "Cow". Cow will be able to look to wherever you export "SI" portfolios, and remember your favorite location, so there is this now familiar Zen merit in consistency. Click "Print", then "Close" and from "File", select "Exit".

Return to Windows and open the Cow program group, and the Cow Icon. Cow will open to its initial screen. Select "Process New Portfolio" and use the directory search to locate the "SI" portfolio you just exported, hopefully "COW \ A" if you followed the instructions.

Double click the portfolio name, "1_95cont", or whatever name you used, and select the "SI" Data Source from which you created the portfolio (these are the names you assigned in the ODBC procedure above). Next, make the cute little "dbfs" file image is open, and click OK.

Next, you will see the names of all portfolios in the "SI" indicated data source. Select "Contrarian". This assigns the name and description to Cow's processed portfolio.

Next, you will see a list of all screening criteria names in the applicable "SI" period. Select "Contrarian" and click OK. Now you see the importance of this Zen order and keeping notes.

Next, you have an opportunity to change the Name and Description to be attached to the portfolio.

After clicking OK twice, Cow will process the portfolio for as many quarters as there is data available, up to four. When the first stage of processing is complete, click "yes" to delete from cow\A the "SI" exported portfolio, and select the "Charts and Portfolio" button. At this point Cow has saved this portfolio in a Cow directory under the applicable date, so you can always go back to it for reprocessing or updating from the main screen.

Cow will provide immediate market performance results for portfolios. It will help you develop your screening and sorting skills. When you see a stock return pattern within a portfolio, focus on the sort criteria. The small, medium and large capitalization sub-division will show comparative performance with the reference portfolios, DJI representing large cap, S&P 500 being large to medium, SI Universe sample being medium to small, and Shadow stocks being small. If you want further reference indices, cre

SI Portfolio Form

"SI" Data date of Portfolio you are creating:_____

Name given to Screen criteria:_____

Name given to resulting portfolio:_____

Sort used with portfolio:_____

File name used for exported portfolio:_____

Comments:_____

SI Portfolio Form

"SI" Data date of Portfolio you are creating: _____

Name given to Screen criteria: _____

Name given to resulting portfolio: _____

Sort used with portfolio: _____

File name used for exported portfolio: _____

Comments: _____
