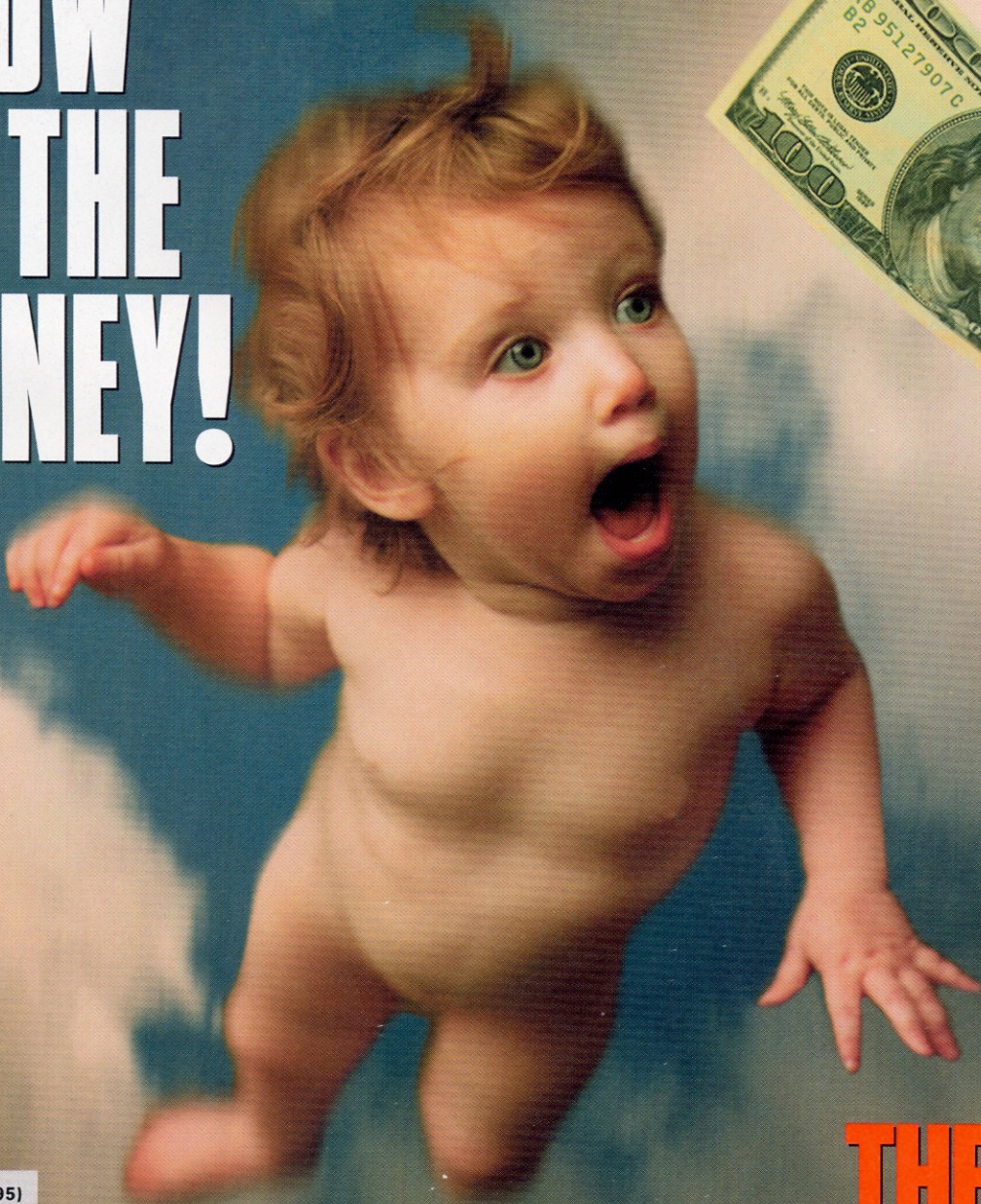


PAIN, NO GAIN: WHY GYMS DON'T WORK

JANUARY 20, 1997

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SILICON INVESTOR SURVEY RESULTS

Ten Stocks with Highest Expected Performance in 1997

TICKER	COMPANY	BULLS	BEARS	EXPECTED GAIN IN '97	EXPECTED LOSS IN '97
JMAR	JMAR Industries	15	0	150%	-
AXC	Ampex	54	0	128%	-
RTEC	Ross Technology	10	0	127%	-
ZITL	Zitel	20	65	121%	-54%
RACE	DataRace	38	11	114%	-47%
AMTX	Amati	69	2	102%	-60%
TOYH	T-HQ	16	0	100%	-
VIAS	Viasoft	6	10	98%	-51%
IDC	Interdigital	10	0	98%	-
ANCR	Ancor	35	0	97%	-

on one of the commercial online services.

The Dryers, who concede they "have absolutely no life," monitor all communications and keep a sharp eye out for "flame wars" (two people personally attacking each other) and spamming. Five hundred souls have voluntarily offered personal profiles, including information on college degrees and the past 40 messages each has posted on *SI*. "That way," says Brad, "people can see what else they've been doing, so their credibility can be checked."

■ **Tolls:** Free to browse; register at the site. If you have an anonymous e-mail address, you must send a postcard with name, address, and e-mail address; the Dryers like to know who's talking.

Biz Insider

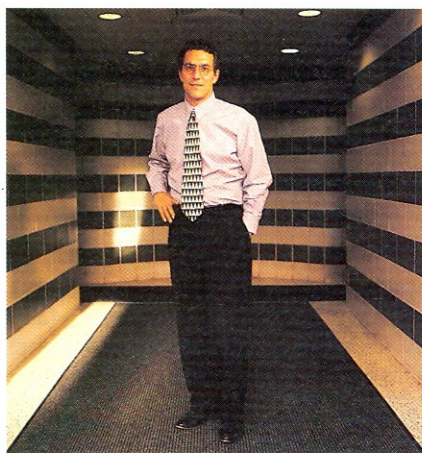
(Keyword *Biz Insider* on AOL)

"I'M NOT A STOCK PICKER," SAYS THE iconoclastic Herb Greenberg, around whose daily San Francisco *Chronicle* column this site is built. The fine distinction is that most of the people Greenberg talks to, and whose opinions he publishes, are stock pickers. "I don't give advice," he shrugs. "I am merely the messenger."

Greenberg tracks the *mishegoss* of the market. And while the column looks for opportunity, bad news warms his heart more than good. "If I can find a good fraud," he says, "I'm happier for it." Greenberg is celebrated for knowing when to tell people they should head for the lifeboats. He warned investors to beware of Stratosphere (a casino operator) when it was trading for \$8. Last week, it was going for just shy of a buck. Other prescient calls have included Imatron, Xylan, Discovery Zone, Manhattan Bagel, and Monterey Pasta. If you didn't invest in any of these during 1996, you should be very, very happy.

■ **The groupies:** Greenberg doesn't drop by his moribund chat room much, but he operates a series of message boards and occasionally responds to queries.

■ **Crystal-ball gazing:** Greenberg's "bearish bias" is borne out by his sources, who are predicting bad things for tech stocks like C-Qube, Apple, and, of course, Iomega. Greenberg recently



BAD-NEWS BEAR: HERB GREENBERG.

quoted technical analyst (and longtime bull) Rick Eakle as being very concerned that just ten stocks accounted for more than 40 percent of the gains in the S&P 500 for all of 1996, and just five accounted for more than half of the gains on all of NASDAQ. Eakle noted that two consecutive years of gains greater than 50 percent have, historically, almost always been followed by a year in which there is a steep correction.

CALL IT THE ANTI-FOOL: THE SHARK Attack, which shares America Online's Biz Insider site with Greenberg, caters to investors who trade aggressively and often, whose average

holding time for stocks is measured in days. Or hours. Investment decisions in these parts are driven by news, momentum, technical analysis—even the occasional rumor; if it looks credible enough to bump the market by a tick or two.

This confab is chaired by James DePorre, an attorney and CPA who gave up his practice when he lost his hearing. DePorre now trades full-time from his home in Anna Maria Island, Florida.

The Shark's best ride in the past twelve months has been Motley Fool darling Iomega. But he saw profit when the stock was on the way down, too. "The Fools made me a lot of money on that one," DePorre says, "first by creating euphoria, and then panic." DePorre took his worst drubbing on Orthologic, which was shortly trading at about one fourth the price it commanded when he climbed aboard.

■ **The groupies:** JungFool, Uncle Bux, Dr. Imbecile. The Shark Attack's chat room hosts as many as 300 pairs of wing tips during peak trading hours. Dialogue is rife with the arcane shorthand and frenzied expletives you'd expect to hear on the trading floor. Consider this advisory that appears on the screen as you enter Shark Attack: "Many of the participants are professional traders who earn their living by trading stocks. This is serious business for them. It is best if socializing and chit-chat can be kept to a minimum during peak-activity hours." (When is the last time you saw an online service discourage idle chatter?) There are 42 boards with 11,735 messages.

■ **Crystal-ball gazing:** Once you add all the Iomegas and Orthologics together, DePorre figures he was up by about 200 percent in 1996. But his is an aggressive trading strategy. Consider Osicom Technologies, a networking company, which received some poisonous publicity from *Business Week* recently (allegations that its share price has been rigged and manipulated by organized-crime figures). DePorre thinks the stock is undervalued. "Fair and present value are likely to be corrected shortly," he says, with the deadpan confidence of one who is a true connoisseur of risk. He's not too keen on the blue chips. "Large-cap stocks are overvalued, and I look for them to underperform small-caps in the coming year."

Ultimately, though, DePorre doesn't much care where stocks will be a year hence. Regardless of whether they are headed north or into the tank, he has a way to make money on them between now and lunchtime.

■ **Tolls:** *Biz Insider* is free with a \$19.95-per-month subscription to AOL.

MATTHEW FENTON