



Winans

Portfolio Monitor

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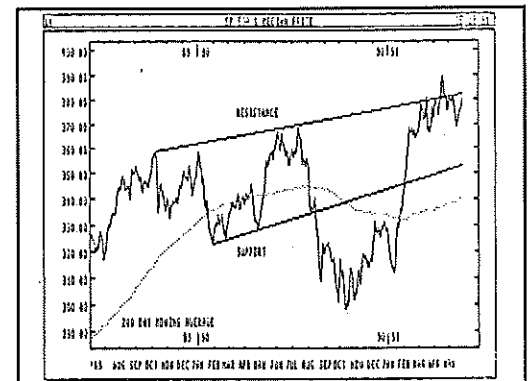
Investment Commentary and Review by Kenneth G. Winans, RIA

Markets as of 5/31/91		Interest Rates as of 5/31/91	
DJIA:	2970.0	30-year T-Bond:	8.21%
S&P 500:	382.8	3-Month T-Bill:	5.7%

Stock Market Commentary

Aggressive Stock Portfolios (HEDGE)

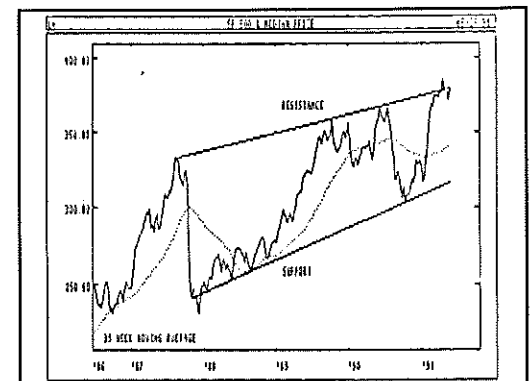
The index is at the top of a trading channel between 384 and 352. In addition, the hedge model is now neutral. Traders should continue to hedge the portfolio unless the S&P 500 advances passed 384 on heavy volume.



S&P 500 Two-Year Price Chart

Conservative Stock Portfolios (BUY)

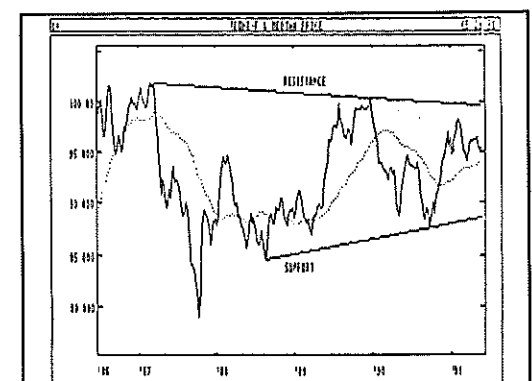
The S&P 500 broke through the top of a four-year trading channel at 378 and the investment model has moved from buy to neutral. Investors should buy technically strong companies as long as the market stays above 380. This is a BULL market while the S&P 500 stays above its 200-day moving average at 340.



S&P 500 Five-Year Price Chart

Debt Portfolios (BUY 12 years and under)

Over the past month, the overall level of interest rates has declined, and short-term rates are at their lowest level in ten years. It is recommended that investors shorten the average maturity in their portfolios by adding debt instruments with maturities under 12 years. In addition, investors should move excess cash out of money market accounts into investments with maturities over two years.



Treasury Bond Five-Year Price Chart



Equity Model Portfolio

The portfolio was left unchanged during the month.

<u>Industry</u>	<u>% of Portfolio</u>	<u>S&P Rank</u>	<u>Beta</u>
Drugs/Healthcare	27.4%	A	0.91
Food/Tobacco	26.4%	A+	0.93
Retail	15.5%	A+	1.10
Engineering/Construction	9.0%	B+	1.07
Computer Products	5.2%	B	1.30
Entertainment	3.6%	B	1.60
Cash	12.9%	risk free	0.00
Weighted Average:		A	0.96

Portfolio Performance (According to Shearson Lehman Hutton):

<u>Time</u>	<u>Calendar Year-To-Date</u>		
	<u>Portfolio %</u>	<u>S&P %</u>	<u>Portfolio vs. Market</u>
Month:			
May 1991	12.5%	12.6%	(0.1)%
April 1991	13.5%	13.7%	(0.2)%
March 1991	11.2%	11.5%	(0.3)%
February 1991	6.3%	9.6%	(3.3)%
Quarter:			
March 1991	11.2%	11.5%	(0.3)%
December 1990	1.4%	(3.2)%	4.6%
September 1990	(7.6)%	(13.4)%	5.8%
June 1990	4.0%	1.3%	2.7%
Year:			
December 1990	1.4%	(3.2)%	4.6%
December 1989	32.5%	31.6%	0.8%
December 1988	13.7%	12.4%	1.3%
December 1987*	11.2%	2.0%	9.2%
December 1986*	25.7%	14.9%	10.8%

The performance figures used in the model portfolio are based on year-to-year net returns. It is assumed that the management and administration cost of maintaining this particular portfolio are 1% annually; cost will vary due to the size and complexity of an investor's portfolio.

* The years marked indicate the price performance of Mr. Winans' stock recommendations prior to the existence of the model portfolio.

The **Winans Portfolio Monitor** is published monthly by Kenneth G. Winans, RIA
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