



EFFICIENCY



ENVIRONMENTAL



ALTERNATIVE FUELS



SMART GRID



SOLAR ENERGY



WIND ENERGY

User Guide

RoenReport.com

Alternative Energy
Investing Website

2014年 1月 1日

WIND ENERGY



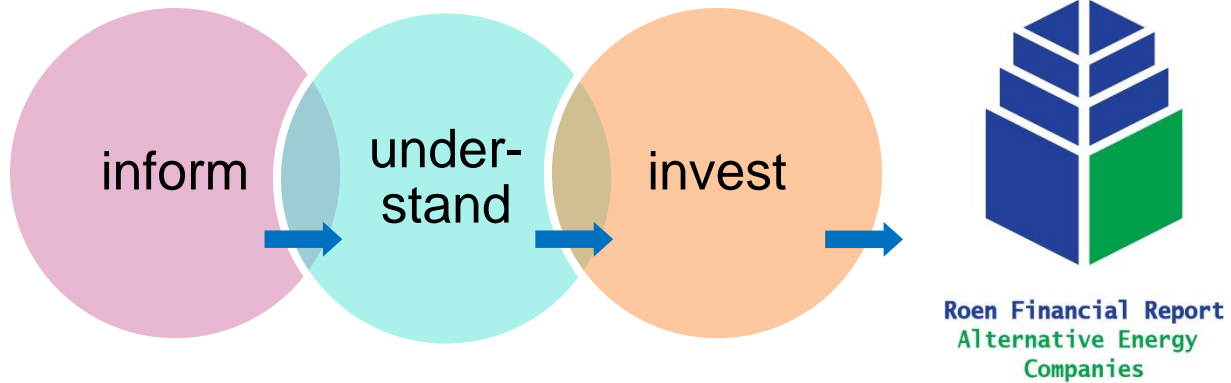
Roen Financial Report

Swiftwood Press LLC, 82 Church Street, Suite 303, Burlington, VT 05401

info@swiftwood.com (802) 658-2368 RoenReport.com

CONTENTS

HOME PAGE	2
STOCK RETURNS BY INDUSTRY	2
RECENT ARTICLES	2
ALTERNATIVE ENERGY INDUSTRIES	3
COMPANY PROFILES	3
GLOSSARY OF ALTERNATIVE ENERGY COMPANIES	3
EXPLORING COMPANY PROFILES	4
WHAT A COMPANY DOES.....	4
COMPANY RATINGS	4
TECHNICAL DATA.....	6
STOCK ALERT	6
BROWSING SIMILAR COMPANIES	7
CLASSIFYING ALTERNATIVE ENERGY COMPANIES	7
COMPANY GROUPS	7
LARGE CAP LEGACY.....	7
SMALL CAP APPRECIATION	7
GREEN INVESTMENT PURE PLAY	8
ALTERNATIVE ENERGY INDUSTRIES	8
ENERGY EFFICIENCY	8
ENVIRONMENTAL	8
FUEL ALTERNATIVES	8
SMART GRID.....	8
SOLAR.....	9
WIND.....	9
SUBSCRIBER ONLY AREAS	9
COMPANY PROFILES	9
MUTUAL FUND/ETF REPORT	9
TOP RENEWABLE ENERGY STOCKS.....	10
PARADIGM PORTFOLIO	10
TOP PURE PLAY STOCKS.....	10
ARTICLES	11
ROEN FINANCIAL REPORT BLOG.....	11
ALTERNATIVE ENERGY ARTICLES	11
HOW INVESTMENTS ARE PICKED	11
PARADIGM PORTFOLIO.....	11
RANKING COMPANIES.....	11
RETURNS	12
TOP PURE PLAY	12
MUTUAL FUNDS AND ETFs	12



A COMPLETE SOURCE FOR ALTERNATIVE ENERGY INVESTORS

The *Roen Financial Report* is an investment website that focuses on picking the best alternative energy companies. This service culls through the universe of 7,000+ publically traded stocks to create a list of +/- 250 companies involved in alternative energy. We then research, categorize, prioritize and rank each company, to determine which are the leaders in their respective industries.

Companies are placed into one or more of the following alternative energy sectors: energy efficiency, environmental, fuel alternatives, smart grid, solar and wind. Companies are also placed into one of three overarching classifications, Large Cap Legacy, Small Cap Appreciation and Green Investment Pure Play. Categorizing alternative energy companies in this way allows for better apples-to-apples comparison when ranking



Harris Roen

Roen Financial Report
82 Church Street, Suite 303
Burlington, VT 05401 info@swiftwood.com

HOME PAGE

The Roen Financial Report home page is a great place to monitor how alternative energy investments are performing on a daily basis. This page lists industry returns, recent articles, and has links for more information on the six alternative energy sectors.

STOCK RETURNS BY INDUSTRY

The *Combined Industry Return Chart* appears at the top of the home page. The chart shows daily, weekly, three-month and 12-month returns for each of the six different alternative energy industries. The numbers shown are the average percent gain of all companies within that industry. The text that appears to the left of the chart outlines important trends in alternative energy industry returns. This text is updated throughout the week as developments occur. This chart is updated each trading day.

Users can click on any of the six industries to find a list of all the individual companies that make up returns for that industry. This takes you to the resulting industry page, where you can find the *Industry Return Chart* showing all the individual companies within that industry in the right-hand column as you scroll down the page.



It should be noted that some companies operate in more than one alternative energy industry, so will appear on more than one industry return chart. For example, Johnson Controls, Inc. (JCI) is a large, diversified company that is involved in [energy efficiency](#), [fuel alternatives](#), [smart grid](#), and [solar](#). As a result, JCI appears on all four of these industry return charts.

RECENT ARTICLES

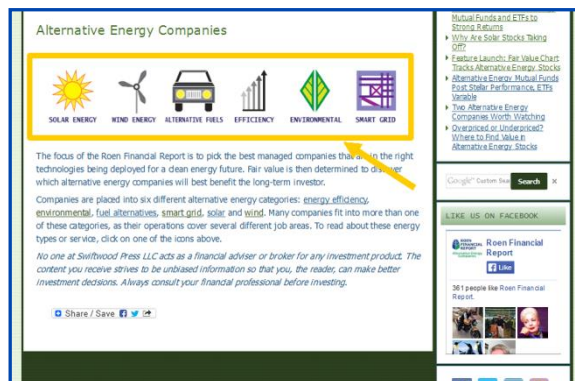
A list of the 15 most recent articles is listed on the home page in the right column. This is all original content on key topics relating to alternative energy investing.

Subjects that are covered include green mutual funds and Exchange Traded Funds (ETFs), in-depth insights on trending alternative energy companies, development in the *Roen Financial Report's* Paradigm Portfolio, and other important topics. Articles are generally added on a weekly basis.



ALTERNATIVE ENERGY INDUSTRIES

When you scroll further down the home page, you are introduced to the six alternative energy industries: [energy efficiency](#), [environmental](#), [fuel alternatives](#), [smart grid](#), [solar](#) and [wind](#). Click on any of the icons to bring you to a page that shows more detail on each individual industry.



COMPANY PROFILES

Company Profiles are at the heart of what we do at the *Roen Financial Report* website. We track +/- 250 alternative energy companies, which are categorized in several important ways. This section of the user guide will show how to browse through companies as a whole or by category, and describes how to interpret the different sections of individual company profiles.

GLOSSARY OF ALTERNATIVE ENERGY COMPANIES

The main page for Company Profiles shows a glossary that lists all the stocks that the *Roen Financial Report* tracks. By clicking on a letter in the glossary alphabet, users can find any of the alternative energy stocks that we cover. Companies are listed alphabetically by ticker.

In addition to the main glossary, there are many other ways a user can browse alternative energy companies. By clicking on an alternative energy industry icon below the alphabet, users can access glossaries for each of the six sub-industries within the alternative energy sector. These can also be accessed from the drop-down menu under Company Profiles.



Another way to browse companies is by one of [three major groups](#) in which stocks are classified: [Large Cap Legacy](#), [Small Cap Appreciation](#), and [Green Investment Pure Play](#). These glossaries can be accessed from the Company Profile drop-down menu. *To learn more about these investment groupings, please see the [Alternative Energy Types](#) section of this user guide.*

The *Roen Financial Report* offers a “try-before-you buy” service. Company Profiles for stocks that begin with the letter “A” are free and open to all users. All other company profiles require a subscriber login.

Other premium content that can be accessed from the Company Profiles menu includes a list of Paradigm Portfolio and Top Pure Play stocks. Please see the [Subscriber Only Areas](#) of this user guide to learn about premium content that the *Roen Financial Report* offers.

EXPLORING COMPANY PROFILES

There is a wealth of information on each of the roughly 250 Company Profile pages. The page for [Johnson Controls, Inc. \(JCI\)](#) is used below as an example to illustrate Company Profile features.

WHAT A COMPANY DOES

This section shows how exactly a company fits into the alternative energy universe of businesses. Information about what work the company does in the alternative energy sector can be found under the company name at the top of the page.

First, the icons show in what specific alternative energy industry the company operates. Each icon is hyperlinked to more information about each industry.

The next table gives an at-a-glance summary of the specific work the company does. It lists the company type, the product or services it offers, and the applications that are relevant to the alternative energy industry. The table also shows the location of the company's headquarters, and its web address.

The text that follows the table details company operations in plain English in order to help investors understand what business the company is in. For larger companies that are in many different types of business areas, such as JCI, this text focuses on how the company is involved in alternative energy.

Type	Industrial
Product or Service	Building Efficiency Design and Installation, Battery
Application	Lithium-ion Battery, Efficiency
Location	Milwaukee, WI
Web Address	www.johnsoncontrols.com

Two out of three of the core businesses of Johnson Controls JASO (JCI, 50.53 \downarrow -0.49%)—building efficiency and power solutions—directly address themes of the Paradigm Portfolio. JCI's building efficiency business comprehensively focuses on commercial structures. For example, JCI helps clients achieve green building certification (such as LEED®) through demand-response systems and other efficiency measures. JCI is also a leading supplier of lithium-ion batteries for hybrid and electric vehicles.

COMPANY RATINGS

Looking at the right hand column, users can find Company Ratings statistics. These proprietary measures are exclusive to the *Roen Financial Report* website, and can be extremely important in determining if a stock is a good candidate for investment.

Industry Bank	Rating
Energy Efficiency	4
Fuel Alternatives	3
Smart Grid	4
Solar	4

Speculative Level: Medium

FAIR VALUE

The first box shows the Fair Value Meter for the company. [Fair value](#) is a measure of where a stock's current trading price is in relation to what we believe a fair price is for that stock. If a stock looks cheap, the fair value meter for that company will display as undervalued or below fair value. Conversely, if a stock looks expensive, the fair value meter will warn readers with an above fair value or overvalued signal.

Fair value is calculated by looking at a company's earnings compared to its stock price. If there is not enough earnings data to calculate fair value for a company, the Fair Value Meter will indicate "Not Enough Data." Fair value is updated weekly.

To learn how fair value is calculated, go to:

[About>>How is Fair Value Determined?](#)

COMPANY RANKINGS

The table under company ratings shows how the stock ranks when compared to other companies in its alternative energy industry. Companies are ranked from 1 to 5, with 1 being the highest rank. So in other words, when Johnson Controls is measured up to all other companies that are involved in solar to see where it ranks. To learn more about what criteria are used to rank companies, please see the [How Investments Are Picked](#) section of this user guide. These values are updated monthly.

SPECULATIVE LEVEL

The next table shows the Speculative Level that each company is rated. This is a very important criterion, since many alternative energy companies are nascent businesses that are still in the development stage. This makes them very volatile with a potential of a huge payoff, but conversely may never make any money at all. It is important for an investor to consider how much volatility is appropriate for their portfolio.

Another thing investors need to be wary of is companies that are candidates for "pump-and-dump" operations. This is where early investors look to artificially increase a stock's price in the short-term, and then sell out of their shares before the stock price inevitably falls again. Awareness of a company's speculative level can be an important indicator of this type of activity.

Criteria used to determine speculative levels include what exchange the stock trades on, stock price (i.e., is it a penny stock), price fluctuations, earnings and sales. These criteria are measured using a proprietary formula that determines a company's speculative level as either very low, low, medium, high or very high. Speculative levels are updated monthly.

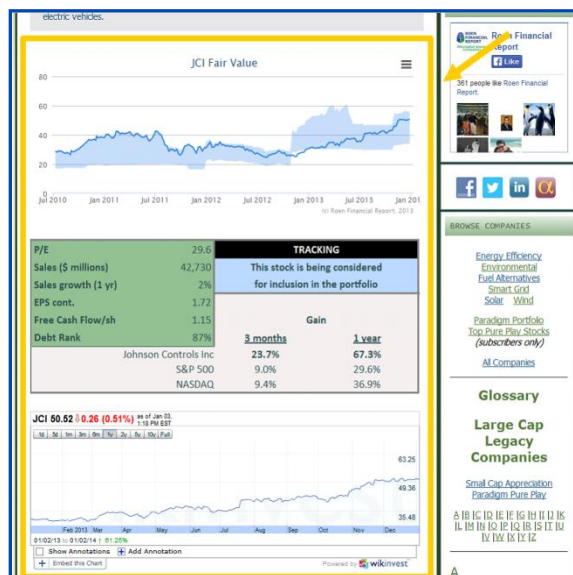
STOCK STATUS

If there is a change in a stocks status, it will appear in place of the Company Ratings box. This includes name changed, bankruptcy, merger and acquisition activity, or if a stock is delisted. Alerts about these types of activity also go out to *Roen Financial Report* subscribers.



TECHNICAL DATA

Scrolling down the company profile page, technical charts for each company are displayed. The first graph shows the history of fair value levels for the company. Taking data from the Fair Value Meter, this proprietary, interactive graph tracks how fair value has changed over time. The light blue shaded area shows the fair value range, and the solid blue line tracks the stock price. Users can download the graph in several different formats by clicking on the box in the upper right corner of the chart. This graph is updated weekly.



The next table shows company statistics that are worth watching. Because so much financial data are free to find on the internet, we limit this table to a few select statistics. Price/earnings (P/E), sales, sales growth, earnings per share (EPS) and free cash flow are all updated weekly.

Debt Rank is a measure of a company's debt levels. It is determined by combining long-term debt to total sales, total liabilities to total assets and long-term debt to total capital in a proprietary formula. A debt rank over 125% is considered a risk, and debt rank over 175% is considered high-risk. Since debt tends not to fluctuate greatly, this number is updated quarterly.

Six-month and one-year stock price gains (or losses) are compared to returns of the overall market as indicated by the S&P 500 and NASDAQ.

If the company is a Paradigm Portfolio stock then the statistics table changes slightly, as shown in the example for A. O. Smith Corp. (AOS) at right. The black box at the top right of the stock's status indicates that it is a constituent of the Paradigm Portfolio. The box will also show when the company was added to the portfolio, at what price, and what the hypothetical gain is to date.

P/E	29.5	PARADIGM PORTFOLIO STOCK	
Sales (\$ millions)	2,119	Price when added.....32.20	
Sales growth (1 yr)	12%	Date added.....1/2/2013	
EPS cont.	1.84	Hypothetical Gain* as of	
Free Cash Flow/sh	1.36	12/27/2013	
Debt Rank	62%	Annualized	Total
		A. O. Smith Corporation	69.2%
		S&P 500	29.8%
		NASDAQ	35.7%

STOCK ALERT

When a significant event happens that investors should be informed of, a stock alert is added to the company profile. A corresponding e-mail alert goes out to *Roen Financial Report* subscribers.

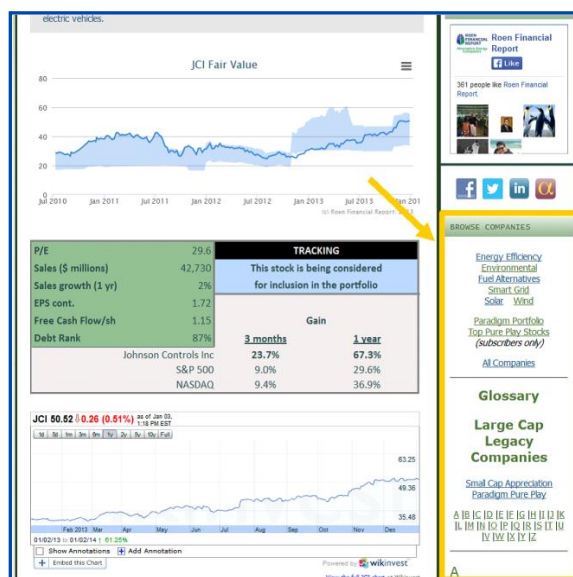
STOCK ALERT		
Date	Event	More Info
12/16/2013	SETS acquired by HIG Holdings, LLC.	Bloomberg Businessweek Article
7/6/2012	Sustainable Environmental Technologies Corp profits and net income jump dramatically. Stock jumps 22% in 2 days.	SET Corp. Increases Revenue 63%...

BROWSING SIMILAR COMPANIES

As you scroll down the right column of a company profile page, you will find a glossary for the company group in which it is categorized, either Large Cap Legacy, Small Cap Appreciation, or Green Investment Pure Play.

Since JCI is a Large Cap Legacy company, the glossary in the right column allows the user to explore all of the other Large Cap Legacy companies that the *Roen Financial Report* tracks. The other company groups are available to browse by clicking one of the choices just above the alphabet.

Above the glossary, you can click on any of the alternative energy industries to browse energy efficiency companies, environmental companies, etc. Subscribers can directly access premium content by clicking on the Paradigm Portfolio or Top Pure Play Stocks links.



CLASSIFYING ALTERNATIVE ENERGY COMPANIES

Each company that the *Roen Financial Report* tracks is classified in two ways. First, stocks are categorized into one of three groups that indicate the size of the company, and whether it is an alternative energy “pure play.” Second, companies are organized into one or more alternative energy industry.

COMPANY GROUPS

LARGE CAP LEGACY

Large Cap Legacy stocks are banner companies that are important leaders in their fields. Though many of these are diversified companies involved in more than one business, all have one or more businesses that address our energy future. These are well-established, international companies with sales over \$10 billion annually.

SMALL CAP APPRECIATION

Small Cap Appreciation companies are also key players in their field. Due to their smaller size, they are often more focused within their alternative energy sectors. As is often the case with mid- and small-size companies, these stocks have good potential for growth.

GREEN INVESTMENT PURE PLAY

Green Investment Pure Play companies are those whose sole product or service is directly focused on one area of alternative energy. These are small, more targeted investment plays in the alternative energy sector. Pure play companies are directly involved in the shift away from inefficient, outmoded, conventional energy systems and toward cleaner, safer renewable alternative energy sources.

ALTERNATIVE ENERGY INDUSTRIES

ENERGY EFFICIENCY

Increasing the efficiency of energy used for heating, transportation and electricity is some of the lowest hanging fruit in the effort to reduce fossil fuel consumption and curtail pollution. Companies in this category strive to improve the efficiency of energy users both large and small while saving money at the same time. Energy efficiency businesses focus on home energy upgrades, offices buildings, factories, government programs and facilities, and the automotive industry.

ENVIRONMENTAL

Environmental companies are involved in solving critical ecological issues affecting our planet. One of the most important is the growing concern around the procurement of potable water, as well as the treatment of wastewater. Another issue is waste reduction in its various forms—source reduction, recycling and waste-to-energy. Other areas environmental companies are involved in include pollution control and environmental remediation.

FUEL ALTERNATIVES

According to the US Department of Transportation, emissions from transportation account for 29% of total greenhouse gas emissions for the country. Alternative fuel companies are key players in increasing transportation efficiency, reducing pollution from coal-fired power plants, and lessening our dependence on foreign oil. Fuel Alternative companies are involved in electric and hybrid-electric vehicles, public transportation, biofuels, batteries, fuel cell and other power storage technologies. Alternative fuel companies also include those that provide natural gas, the least polluting of all fossil fuel choices.

SMART GRID

One of the most important ways alternative energy companies will increase the efficiency of electric production and consumption is the creation of a smart grid. The grid in use today is based on an outdated 100-year-old model that will require massive infrastructure upgrades that will take decades to complete. One example of a necessary improvement to the electric grid is to better integrate intermittent renewable generating sources such as wind and solar. In addition, a smart grid will allow utilities to better manage their peak load distribution, reducing the need to build more generating capacity. The implementation of the smart grid has started—it is not a question of “if” it will happen, but how long it will take to build.

SOLAR

Investments in solar cover a wide range of company types along different levels of the supply chain, using differing technologies. These range from companies producing raw materials for photovoltaics such as silicon ingots and wafers, to module manufacturers, to project developers and installers. This is a very volatile industry, so picking the right stocks at the right price in the current competitive environment is especially critical to long-term investment success.

WIND

Wind is the most financially viable renewable energy source in today's economic environment. Though it is far from a new technology, wind power is one of the fastest growing industries in the clean energy sector. Globally, the National Academy of Sciences estimates total wind energy potential at 2,470 exajoules, roughly 40 times current worldwide consumption of electricity. Alternative energy companies involved in wind range from turbine manufacturers to component suppliers to on- and off-shore wind project developers.

SUBSCRIBER ONLY AREAS

Subscribers get access to premium content throughout the *Roen Financial Report* website. This includes all the Company Profiles, Mutual Fund/ETF reports, the Paradigm Portfolio and Top Pure Play companies.

COMPANY PROFILES

Premium content in the [Company Profiles](#) includes proprietary company ratings, stock alerts, and technical data. Non-subscribers are limited to viewing only Company Profiles that start with the letter "A". Company profiles are found as a choice on the website's top menu.

MUTUAL FUND/ETF REPORT

Every month the *Roen Financial Report* analyzes the universe of green Mutual Funds and Exchange Traded Funds (ETFs). A [proprietary system](#) is used to rank funds based on multiple criteria, including return, risk, sales, tax costs, expenses and earnings ratios. A report is issued discussing alternative energy fund ranks, returns, and trends. Detailed supporting data are also available in Excel format.

Investing in alternative energy companies through Mutual Funds and Exchange Traded Funds is an excellent way to create a diversified portfolio. Mutual Funds/ETFs are found as a choice on the website's top menu.

HOME FREE REPORTS ARTICLES ALTERNATIVE ENERGY COMPANY PROFILES MF/ETF PREMIUM ABOUT

Share/Save

MF/ETF

Fill in the form to get your free **Mutual Fund/ETF** report today!

Investing in alternative energy companies through **Mutual Funds** and **Exchange Traded Funds** is an excellent way to create a diversified portfolio. The *Roen Financial Report* uses a proprietary system to rank open end Mutual Funds (MFs) and Exchange Traded Funds (ETFs) based on multiple criteria, including return, risk, sales and earnings ratios, tax costs and expenses. **Rank 1** funds have the best rating relative to the other funds, and **Rank 5** have the lowest.

Click for December 2013 Excel file (subscribers only)

Click for December 2013 report (subscribers only)

Subscribers get access regularly updated detailed reports on MFs and ETFs. These in depth reports include valuable information such as which funds have the highest rankings, and why. Subscribers can also download an Excel file with full numbers and statistics on each MF and ETF in order to fully understand the benefits and pitfalls of each fund.

Understanding Mutual Funds and ETFs

As seen in USA Today Green Living!

SUBSCRIBE

Subscribe to the *Roen Financial Report* and receive two free reports!

Get access to members-only areas of the website, including up-to-date stock reports in addition to alternative energy mutual fund & ETF rankings.

FREE MF/ETF REPORT

Email

First Name

Last Name

We promise never to sell or share your email address!

RECENT ARTICLES

- Mutual Fund and ETF Year End Update
- Impressive Returns Continue for Alternative Energy Portfolio
- Alternative Energy ETFs and Mutual Funds Among Top Gainers in Energy Fund Universe
- SolarCity - Possible or Overpriced?
- Smart Investments in the Smart Grid

TOP RENEWABLE ENERGY STOCKS

The *Roen Financial Report* analyzes roughly 250 alternative energy companies to see which are best positioned for long-term returns. The most promising stocks are entered into the well diversified Paradigm Portfolio. For investors looking for companies exclusively focused on alternative energy, a list of top pure play stocks is published.

PARADIGM PORTFOLIO

The [paradigm portfolio](#) is a diversified selection of top ranked companies in the business of alternative energy. These are the highest quality companies that are considered best positioned to benefit from the economic paradigm shift away from foreign oil and polluting coal and toward cleaner alternatives.

Some of these companies also operate in other sectors, but they are all important players in one or more alternative energy industry. The goal of the Paradigm Portfolio is to contain a balanced, diversified selection of the highest quality alternative energy companies.

A list of paradigm portfolio companies, and a table of how those stocks have performed, is available in two places. The list can be found by going to:

[Premium >> \(\\$\) Paradigm Portfolio](#)

It can also be found under:

[Company Profiles>>\(\\$\)/Top Renewable Energy Stocks>>\(\\$\)/Paradigm Portfolio](#)

TOP PURE PLAY STOCKS

The list of top pure play stocks shows the best-ranked companies that work solely in the alternative energy sector. This means that the primary mission of a business is either energy efficiency, environmental, fuel alternatives, smart grid, solar and/or wind.

The list of top pure play stocks and a performance table can be found in two places. Subscribers can go to:

[Premium >> \(\\$\) Top Pure Play Stocks](#)

It can also be found under:

[Company Profiles>>\(\\$\)/Top Renewable Energy Stocks>> \(\\$\)/Top Pure Play Stocks](#)

ARTICLES

There are two types of articles available at the *Roen Financial Report* website. Original content on our blog, and important alternative energy articles from the web.

ROEN FINANCIAL REPORT BLOG

Original content from the *Roen Financial Report* is posted to our blog on a regular basis, generally weekly. Articles cover investment trends such as [solar stock analysis](#) and [offshore wind](#) potential. Additionally, articles may offer in-depth company analysis for stocks like [SolarCity](#). The blog also includes updates on the Paradigm Portfolio, as well as green mutual funds and ETFs.

ALTERNATIVE ENERGY ARTICLES

These articles cover important [green investment trends](#) that are compiled from the best news sites throughout the internet. They are distributed by [paper.li](#), a high quality news aggregator.

HOW INVESTMENTS ARE PICKED

The *Roen Financial Report* uses proprietary methods to pick what we feel are the best-positioned alternative energy investments. These methods are used to construct the Paradigm Portfolio, pick Top Pure Play stocks and rank alternative energy mutual funds.

PARADIGM PORTFOLIO

RANKING COMPANIES

The *Roen Financial Report* sifts through multiple criteria for each of the +/-250 alternative energy companies that we track. This rigorous screening process creates a clear picture of which companies emerge as the best choice for investors. We use over 60 separate screens to see which stocks are posting the best numbers. These screens vary widely in their function, filtering out companies with good cash flow, improved earnings estimates, price momentum and the like.

The number of screens that a stock passes is then combined with other important ranking criteria. These include which companies are highly recommended by other analysts, debt levels, media touts, industry outlook and fair value. All these ratings are then coalesced to see which companies rise to the top with a balance of high ratings in all categories.

All information in the ranking system is updated and reviewed monthly. Stocks are only added or removed from the paradigm portfolio when enough has modified about a stock to necessitate a change in its status. As a result, changes to the portfolio may not occur every month.

RETURNS

Returns for the paradigm portfolio are calculated on a hypothetical basis, and do not track an actual invested portfolio. The principle assumption is that the hypothetical portfolio is fully invested at all times, with no cash position. All stocks in the portfolio were equally weighted when the portfolio was initiated on January 1, 2013. If the *Roen Financial Report* indicates that a stock should be removed from the portfolio, the hypothetical proceeds from that “sell” are equally redistributed to every stock that remains. At the same time, each stock is rebalanced so that all stocks are equally weighted again. This means that if a stock has appreciated in price, that hypothetical gain is removed and distributed to the other stocks. Similarly, if there was a loss on a stock, it gets a larger amount of the redistribution in order to make all holdings equally weighted.

When a stock is added to the portfolio, a comparable rebalancing process is calculated. Hypothetical gains are taken from stocks that have advanced and are redistributed so that the added stocks, and all other holdings, are at an equal dollar value.

This methodology of calculating returns is similar to the approach used by the widely followed and highly regarded *Hulbert Financial Digest*. It is the fairest method to simulate how money fully invested in the paradigm portfolio would return.

To simplify calculations, dividends, commissions and taxes are not accounted for in return numbers. Stock prices are back adjusted for splits when they occur.

TOP PURE PLAY

Top pure play stocks are picked using the same criteria as outlined above for the paradigm portfolio. These criteria are applied to only pure play companies in order to see which rank the highest on the balance of criteria. Top pure play ranks are updated monthly.

Top pure play companies are not maintained as a hypothetical portfolio, but are a list of what we feel are the best alternative energy companies for investors interested in stocks working purely in alternative energy.

MUTUAL FUNDS AND ETFS

Each month, alternative energy mutual funds and ETFs are reviewed. The objective is to update all fund ranks by using the most current data.

First, securities that each of the funds are invested in are updated and reviewed. Each underlying security in the fund is categorized into the six alternative energy industries (energy efficiency, environmental, fuel alternatives, smart grid, solar, wind), so that an assessment can be made as to what industry or industries the fund is focused on.

Each stock that the fund holds is also evaluated to determine its fair value level. These holdings are then averaged out to give an indication of whether the fund as a whole is overvalued, undervalued, or at fair value. Securities in the fund that the *Roen Financial Report* does not have a fair value calculated for are considered to be trading at fair value.

Data for each fund are then evaluated against all other alternative energy funds, producing an apples-to-apples comparison. This is done to determine which funds have the best statistics and features. These criteria include:

Morningstar® Rating	Trailing Price/ Earnings	Alpha
Returns	Tax Cost Ratio	Turnover Ratio
Risk	Potential Cap Gains Exposure	Fund Size
Price/ Sales	Expense Ratio	Fund Manager Tenure
Forward Price/ Earnings	Management Fees	

So for example, expense ratios for alternative energy mutual funds range widely, from about 1% to over 2%. When the expense ratios of all funds are compared, those in the lowest quintile get a rank 1 in that category, the next lowest quintile gets a rank 2, etc., down to a Rank 5.

The ranks for each criterion are weighted by importance, and then compiled to get an overall rank for each fund. Funds that rank best overall on all the criteria are given a Rank 1. Funds that end up on the bottom relative to other funds are given a Rank 5.

www.RoenReport.com

Keep up to date on smart grid investing and other alternative energy sectors at the [Roen Financial Report](http://www.RoenReport.com) website. Expert content adds value for investors by highlighting high-quality companies expected to deliver superior long-term returns while building a future less dependent on the use of fossil fuels. Subscribers to the website get 24/7 access to actionable investment information, including:

◇ *Company profiles covering about 250 alternative energy stocks. These reports contain proprietary indicators and company analysis generated exclusively by the Roen Financial Report which include:*

- Plain English company descriptions that describe what work the company does that relates to alternative energy*
- Fair Value Meter*
- Debt rank*
- Industry rank*
- Speculative level*

◇ *Monthly alternative energy Mutual Fund/ ETF reports. These reports contain:*

- Rankings of around 30 alternative energy Mutual Funds and ETFs*
- Narrative on mutual fund/ETF updates and developments*
- Downloadable Excel spreadsheet detailing background calculations*

