



Shadow Stock Rookies: Firms That Are New to the 1996 Listing

By John Bajkowski

Our annual screen for Shadow Stocks turned up 125 companies not included in last year's listing. Once a year we screen for companies to meet our initial Shadow Stock requirements—the complete list of Shadow Stocks and a description of the criteria for inclusion can be found in the article starting on page 13.

The initial screen for Shadow Stocks is meant only to be a starting point for further screening and analysis. The listings on the following three pages present a financial profile of the stocks new to the Shadow Stock list, along with their phone numbers if you wish to contact them to receive further information, such as an annual report, 10-K and 10-Q filings, and a proxy statement.

The companies are ranked in ascending order by the current price-earnings ratio. The price-earnings ratio is computed by dividing the stock price by the firm's earnings per share over the 12 most recent months. This ratio provides a quick look at the market's valuation of a firm. Firms with high price to earnings multiples are generally trading with high expectations of future earnings growth. Value investors seek out firms with low price-earnings ratios with the belief that the market may have overreacted to company events and is not correctly valuing their future earnings potential.

Some insight as to fair value of the company's price-earnings ratio can be gained from comparing it against a benchmark such as the company's own historical average or trend. The company's price-earnings ratio one year ago provides a quick indication of the change in the market's valuation of the firm since last year.

The ratio of the price-earnings ratio to the growth rate for

earnings equates the valuation of the price-earnings ratio to the growth rate. When a firm's price-earnings ratio is high relative to historical earnings growth, its price reflects high expectations relative to what the firm has been able to produce in earnings historically. However, when this ratio is low, an investor is able to purchase proven growth at a reasonable price. As a general rule of thumb, firms with ratios near 1.0 may be considered fairly valued, those with ratios less than 0.5 may be undervalued, and those with ratios above 1.5 may be overvalued.

We use market capitalization to measure company size when identifying Shadow Stocks. The total level of sales provides an alternative measure that does not rely on market valuation to judge a firm's size. But keep in mind that sales levels vary by industry—retailing versus manufacturing, for example.

Sales growth rate is often used to confirm the strength of growth in earnings per share. Sales are less susceptible to management manipulation than reported earnings and often point to a change in overall company trends before it becomes apparent in earnings.

The 52-week relative strength figure measures how a company's stock price has performed relative to the S&P 500. A figure of 0 indicates that the stock's performance was equal to the overall market; positive numbers indicate performance above the market's strong 34.1% price increase last year, while negative numbers indicate performance below that of the S&P 500.

The last data column provides an indication of price momentum. High relative strength, coupled with a figure near 100% for price as a percentage of 52-week high, indicates that the company is still maintaining its price strength, while a low percentage indicates that the stock price has come down from its high.

The list of new Shadow Stocks is a diverse group of companies. The profiles presented here should illustrate some useful preliminary screens in the stock selection process.

A complete explanation of the Shadow Stock series, along with a list of all Shadow Stocks, appears on page 13 of this issue; new members receive explanations in the new member packet.

John Bajkowski is AAIL's senior financial analyst and editor of Computerized Investing.

The New Shadow Stocks

Phone	Company (Exchange)	P/E Ratio		EPS Last 12 Mos. (\$)	EPS Growth Rate (%)	P/E to EPS Growth (X)	Sales		52-Week Relative Strength (%)	Price as % of 52-Wk. High (%)	Description
		Current (X)	Yr. Ago (X)				Last 12 Mos. (\$ Mill)	Growth Rate (%)			
(203) 257-2000	Ames Department Stores (M)	1.7	2.1	0.79	16.3	0.1	2156.3	(14.9)	(59)	36.2	Discount department stores
(800) 337-2463	China Industrial Group (M)	2.7	5.4	0.51	19.2	0.1	308.6	181.1	(58)	44.7	Import/export to China
(416) 630-0200	ARC International Corp.	3.4	7.7	0.62	19.6	0.2	83.2	(2.2)	(55)	53.2	Distrib broadband commun equip
(602) 952-8836	New Mexico & Arizona Land (A)	4.7	9.6	2.56	21.9	0.2	28.2	15.9	26	88.0	Mineral activities in real estate
(213) 780-8250	Tarrant Apparel Group (M)	5.4	na	1.35	na	na	209.5	na	na	76.3	Designs women's apparel
(516) 484-3700	Happiness Express (M)	5.7	20.4	0.77	138.0	na	62.7	165.8	(78)	28.0	Child room decor & toy-related prods
(803) 637-7000	Martin Color-Fi (M)	5.8	na	0.60	(55.7)	na	123.0	17.4	(47)	38.9	Polyester fiber & pellets from recyc plastic
(205) 767-0330	Martin Industries (M)	6.0	na	1.46	na	na	105.5	na	na	68.6	Home heating prods; metal office furn
(818) 442-6680	Sirena Apparel Group (M)	6.2	6.6	1.01	18.1	0.3	49.6	22.4	(12)	67.6	Women's swimwear and resortwear
(914) 747-7474	Zing Technologies (M)	6.3	30.7	1.56	61.4	0.1	28.5	(25.0)	73	36.8	Semiconductor modules & compon
(305) 581-0922	National Beverage Corp. (M)	6.5	4.2	0.83	72.6	na	334.0	3.0	(38)	71.7	Holding co. for soft drink mfrs
(216) 328-5100	D.I.Y. Home Warehouse (M)	7.0	10.3	0.50	23.2	0.3	170.8	36.3	(58)	41.2	Home improvement centers
(818) 752-0131	Dolco Packaging Corp. (M)	7.0	5.6	2.99	na	na	78.1	na	2	77.8	Mfrs polystyrene foam pkg prod
(312) 264-1800	Bliss & Laughlin Indus. (M)	7.2	5.5	1.31	67.3	0.1	169.4	7.7	34	97.4	Mfrs cold finished steel bars
(703) 389-8671	Rowe Furniture Corp. (N)	7.7	10.4	0.58	26.8	0.3	119.3	6.1	(45)	73.4	Medium-priced upholstered furniture
(616) 649-0545	Triple S Plastics (M)	7.8	9.4	0.83	(7.1)	na	60.2	23.9	(54)	51.0	Mold design and engineering serv
(212) 751-3100	Starrett Corp. (A)	8.0	14.2	1.04	6.0	1.3	139.6	4.0	(16)	78.2	Devlp & manage real estate prop
(314) 727-0500	Intrav Inc. (M)	8.3	na	0.82	na	na	83.8	na	na	61.4	International travel programs
(303) 420-1366	Ultimate Electronics (M)	8.3	22.4	0.90	65.8	0.1	233.3	37.6	(62)	50.8	Home entertain & consumer electronics
(301) 772-8900	Washington Homes (N)	8.5	7.1	0.65	15.0	0.6	182.9	14.2	28	88.0	Single-fam homes, townhouses, condos
(412) 776-4857	American Eagle Outfitters (M)	8.7	14.3	0.68	na	na	296.6	na	(60)	24.8	Men's & women's casual apparel
(606) 282-7111	Pomeroy Computer Res'nce (M)	8.7	10.1	1.55	19.8	0.4	215.6	35.9	8	65.1	Advanced microcomputer prods
(214) 991-8400	U.S. Lime & Minerals (M)	8.9	12.9	0.99	20.1	0.4	40.6	18.7	13	100.0	Extracts & processes raw limestone
(310) 538-4932	Rotonics Manufacturing (A)	9.1	8.4	0.21	32.1	0.3	35.8	31.6	(8)	62.7	Mfrs & markets plastic containers
(503) 684-8600	Williams Controls (M)	9.4	16.3	0.26	48.9	0.2	60.6	31.5	(41)	63.2	Heavy vehicle compon; auto accessor
(908) 665-9400	NMR of America (M)	9.5	10.3	0.37	10.7	0.9	19.3	2.8	(35)	63.6	Diagnostic imaging sys using MRI
(212) 705-4700	AMREP Corporation (N)	10.0	13.8	0.59	28.8	0.3	164.2	12.5	(37)	71.3	Devlp housing; distrib magazines
(612) 443-2500	HEI, Inc. (M)	10.3	13.8	0.52	23.8	0.4	23.4	22.3	(9)	75.5	Ultraminiature microelectronic devices
(203) 226-1144	Tridex Corp. (M)	10.7	11.0	0.66	(29.7)	na	61.1	26.7	(17)	68.3	Computer peripheral equip
(513) 576-6666	Intrinet Inc. (M)	10.8	9.0	0.16	15.6	0.7	216.7	0.5	(58)	29.2	Holding company for carrier serv
(708) 590-7000	Market Facts (M)	11.0	13.7	1.14	4.9	2.2	63.0	7.3	26	83.3	Market research serv
(918) 583-2266	AAON, Incorporated (M)	11.2	17.0	0.52	83.4	0.1	74.0	20.5	(65)	42.2	Air-condit'ng & heating equip
(201) 767-1400	Baltek Corp. (M)	11.2	21.4	0.76	(15.0)	na	45.1	2.1	(5)	82.9	Balsa & balsa wood prod for boating
(516) 694-7773	Foilmark (M)	11.3	16.0	0.53	5.8	1.9	35.0	10.7	(31)	66.7	Foil & stamping equip
(407) 363-9211	Holiday RV Superstores (M)	11.4	15.3	0.20	(6.7)	na	70.8	5.4	37	47.4	Sale and serv of recreational vehicles
(310) 450-3193	All Amer Communica'n (M)	11.5	12.6	0.87	29.6	0.4	209.4	42.4	15	71.4	Prod & distrib music & TV programs
(516) 273-5500	Jaco Electronics (M)	11.7	11.9	0.99	50.1	0.2	147.7	11.6	86	62.2	Distrib electronic components
(609) 596-8877	MedQuist (A)	11.8	12.5	0.69	na	na	60.3	na	1	80.3	Healthcare information mgmt serv
(814) 835-4000	Spectrum Control (M)	12.1	4.2	0.25	34.4	0.4	47.3	6.4	12	66.7	Electromagnetic compatibility prods
(904) 732-5157	Nobility Homes (M)	12.3	4.8	1.86	18.6	0.7	26.9	14.3	108	87.6	Manufactured homes in FL
(612) 784-1250	Northern Tech Int'l (A)	12.4	15.5	0.42	17.1	0.7	6.2	14.8	(4)	59.1	Corrosion inhibiting prods
(703) 983-3800	Roanoke Gas Co. (M)	12.4	13.2	1.27	2.5	5.0	48.6	1.6	(28)	91.0	Sells & distrib natural gas in VA & WV
(612) 638-0500	Rottlund Company (M)	12.5	8.4	0.56	92.5	0.1	112.9	30.6	(11)	82.3	Single-family homes, townhouses, villas
(818) 843-7220	Align-Rite Int'l (M)	12.5	na	0.92	na	na	28.5	na	na	63.0	Mfrs photomasks for circuits
(508) 480-0800	Sequoia Systems (M)	13.2	6.2	0.40	(11.1)	na	109.9	16.4	4	52.5	Designs, mfrs, mkts computer systems
(915) 573-1104	Patterson Energy (M)	13.2	7.7	1.07	na	na	45.4	na	48	96.6	Oil & gas drilling, explor'n, devlp
(602) 902-1001	Insight Enterprises (M)	13.6	na	0.92	71.5	0.2	262.0	47.7	na	49.0	Direct market of microcomputers
(508) 588-1220	First Years (M)	13.9	16.7	0.78	15.9	0.9	68.1	10.8	(24)	90.7	Infant & toddler prods
(718) 625-7750	Innodata Corp. (M)	14.1	270.8	0.31	na	na	19.3	na	24	76.2	Data entry conversion, scan, index

LIST CONTINUES ON FOLLOWING PAGES

Exchange Key: N = New York Stock Exchange
A = American Stock Exchange
M = Nasdaq

na = not available

Statistics are based on figures as of December 31, 1995.
Data Source: AAI's Stock Investor/Market Guide, Inc.

The New Shadow Stocks

Phone	Company (Exchange)	P/E Ratio		EPS Last 12 Mos. (\$)	EPS Growth Rate (%)	P/E to EPS Growth (X)	Sales		52-Week Relative Strength (%)	Price as % of 52-Wk. High (%)	Description
		Current (X)	Yr. Ago (X)				Last 12 Mos. (\$ Mill)	Growth Rate (%)			
(404) 424-3684	UniComp (M)	14.2	8.2	0.45	16.7	0.9	19.5	32.8	46	88.0	Devlp's, installs computer software
(404) 394-7070	Automobile Protection (M)	14.4	14.6	0.20	0.0	na	47.0	(7.3)	(1)	81.7	Admins extended vehicle serv contracts
(813) 854-2351	Reptron Electronics (M)	14.4	7.9	1.06	67.4	0.2	198.9	19.3	10	84.1	Contract mfr and distrib of electro compon
(703) 960-4600	VSE Corp. (M)	14.6	7.9	1.85	71.3	0.2	70.5	(6.3)	38	90.0	Engineering, devlp, testing services
(800) 747-6978	Autocam Corp. (M)	14.7	12.3	0.95	30.7	0.5	54.3	24.7	(13)	96.5	Metal alloy compon for mechan'l sys
(717) 443-9575	EMCEE Broadcast Prod (M)	15.2	17.2	0.48	50.9	0.3	12.8	10.1	(25)	86.5	Microwave transmit for wireless cable
(301) 948-2450	Data Measurement Corp. (M)	15.5	1.4	1.19	32.7	0.5	30.7	5.0	162	97.1	Computerized instruments
(513) 489-8849	Zaring Homes (M)	15.6	7.3	0.61	na	na	113.2	na	13	88.4	Builds single-family homes
(508) 653-0844	Sage Labs (M)	15.9	10.1	1.26	11.7	1.4	9.9	2.1	49	87.0	Specialized compon for microwave energy
(408) 453-3700	Impact Systems (M)	16.0	17.1	0.15	22.9	0.7	15.4	(12.7)	34	68.0	Control measur'g sys for paper produc'n
(619) 560-8525	Interactive Group (M)	16.1	na	0.44	na	na	32.9	na	na	81.1	Business information sys
(314) 727-3485	D & K Wholesale Drug (M)	16.5	30.2	0.44	22.0	0.8	370.2	25.5	(13)	78.4	Distribs pharmaceut'l & related prods
(412) 788-4353	Industrial Scientific (M)	16.5	13.7	1.16	29.3	0.6	32.7	24.9	(21)	80.0	Instruments for detecting gases
(919) 775-2201	Trion (M)	16.6	14.9	0.31	5.1	3.3	37.6	(5.6)	(25)	77.4	Equip to improve indoor air quality
(516) 932-2000	Uniflex (A)	16.6	14.7	0.53	6.7	2.5	32.3	5.9	13	83.3	Mfrs & sells plastic bags
(619) 471-1700	Amistar Corp. (M)	16.7	8.4	0.56	20.4	0.8	24.3	(0.6)	227	83.1	Equip to attach compon to circuit boards
(508) 562-1200	ACT Manufacturing (M)	16.7	na	0.67	na	na	111.9	na	na	56.3	Turnkey contract mfg serv
(810) 649-0800	Sandy Corp.* (A)	16.7	11.0	0.73	21.5	0.8	49.8	5.7	30	89.8	Media-based training & commun programs
(215) 646-6600	Selas Corp. of America (A)	16.8	9.8	0.58	(10.1)	na	71.9	7.4	(26)	95.1	Heat processing prods
(210) 344-3071	Lancer Corp. (A)	16.8	15.2	0.84	31.8	0.5	75.8	17.0	(11)	87.5	Fountain drink dispensing sys
(310) 887-4300	Equity Marketing (M)	17.2	13.8	0.73	na	na	77.4	na	108	88.5	Toys licensed by TV & movie studios
(609) 488-3838	Int'l Thoroughbred (A)	17.7	12.5	0.23	16.5	1.1	64.8	(8.7)	(12)	56.0	Owens & opers racetrack in NJ
(214) 458-0028	Keystone Consol Indus (N)	17.9	9.1	0.64	(9.1)	na	355.9	4.1	(36)	76.0	Mfrs carbon steel rod & wire
(310) 458-1574	Scope Industries (A)	18.0	14.6	1.79	21.0	0.9	24.0	6.5	2	98.5	Converts food waste into animal feed
(203) 629-3333	Lynch Corp. (A)	18.3	21.5	3.20	5.9	3.1	296.5	16.4	38	69.0	Holding co. for multimedia, serv, mfg
(703) 556-6518	BTG, Inc. (M)	18.7	14.9	0.61	34.9	0.5	175.3	42.8	12	76.7	Information technology for gov't
(509) 529-2161	Key Technology (M)	18.9	36.6	0.74	na	na	41.3	na	45	74.5	Process automation systems
(612) 832-3200	Vaughn Communication (M)	19.0	11.3	0.47	39.9	0.5	48.0	9.2	(2)	94.7	High volume videotape duplication
(801) 261-5666	Mining Services Int'l (M)	19.7	7.0	0.34	43.5	0.5	17.8	2.7	99	89.8	Bulk mining explosives
(310) 860-6666	AirSensors (M)	19.7	22.3	0.41	21.4	0.9	47.5	9.7	(33)	58.2	Combust'n engine conversion equip
(516) 547-5700	American Technical Ceram (A)	19.7	11.3	0.51	100.4	0.2	30.0	5.9	114	59.1	Multilayer ceramic & porcelain capacitors
(610) 691-0437	Piercing Pagoda (M)	19.9	14.5	0.91	(3.6)	na	99.2	11.2	28	97.3	Jewelry kiosks
(504) 893-9300	Akorn (M)	20.0	15.5	0.13	52.2	0.4	32.2	15.4	(34)	70.5	Ophthalmic goods & pharmaceut'ls
(713) 688-6600	Medical Innovations (M)	20.5	36.0	0.07	25.6	0.8	67.9	57.6	(20)	55.8	Nursing & healthcare serv at home
(813) 248-3878	TransCor Waste Serv (M)	20.5	12.7	0.29	na	na	38.3	na	114	46.6	Solid waste mgmt serv
(401) 433-5500	Bugaboo Creek Steak House (M)	20.6	29.1	0.40	na	na	34.8	na	(44)	58.9	East coast restaurants
(914) 355-2861	Balchem Corp. (A)	21.2	34.5	0.42	20.8	1.0	23.0	14.4	24	81.8	Mfrs specialty chemicals
(818) 915-1551	Southwest Water Co. (M)	21.4	na	0.45	(18.5)	na	54.1	6.1	(9)	96.3	Water supply & wastewater treatment
(612) 490-1535	Koala Corp. (M)	21.6	13.2	0.57	165.0	0.1	6.0	37.0	45	91.7	Infant protection prods
(770) 446-8880	IQ Software Corp. (M)	21.7	23.4	0.52	na	na	21.0	na	(20)	63.4	Data access software prods
(708) 741-3300	The Middleby Corp. (M)	22.7	32.9	0.42	38.5	0.6	136.8	12.5	54	97.4	Commercial food prep & storage equip
(510) 441-9300	Armanino Foods of Distrib (M)	24.1	13.3	0.09	24.2	1.0	13.0	30.1	29	83.2	Gourmet food products
(601) 327-1863	Microtek Medical (M)	25.7	59.3	0.33	na	na	28.2	na	20	91.9	Mfrs, sells surgical and med supplies
(941) 758-0389	Elcotel (M)	26.7	13.3	0.33	34.8	0.8	24.2	20.7	58	85.4	Microprocessor-based commun prod
(719) 593-0093	Analytical Surveys (M)	27.5	20.5	0.35	33.4	0.8	12.9	6.7	36	95.1	Computerized maps & info files
(602) 808-8800	Medicis Pharmaci (M)	27.6	30.3	0.50	17.1	1.6	20.0	na	143	84.1	Prods and technology in dermatology
(908) 561-1200	Digital Solutions (M)	29.5	58.1	0.05	16.8	1.8	64.1	61.1	(58)	48.9	Human resource dept serv
(514) 939-3477	Sand Technology Sys (M)	29.6	7.7	0.15	20.8	1.4	15.8	(9.6)	126	50.0	Mainframe peripheral prods
(703) 442-4503	SSE Telecom (M)	30.4	14.7	0.34	na	na	33.8	na	19	100.0	Satellite telecomm equip
(714) 513-7100	GT Bicycles (M)	31.1	na	0.30	na	na	163.7	na	na	62.7	Mountain and BMX bikes
(602) 967-7885	Cerprobe Corp. (M)	31.6	15.9	0.55	38.6	0.8	22.1	24.2	122	95.9	Probing & interface prods for circuit test'g
(503) 284-7581	Rentrak Corp. (M)	33.8	14.8	0.15	18.4	1.8	138.2	44.4	(54)	56.5	Distribs videocassettes

*Announced merger with ADP subsequent to this analysis

The New Shadow Stocks

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		Current (X)	Yr. Ago (X)				Last 12 Mos. (\$ Mill)	Growth Rate (%)			
(303) 649-1000	Laser Technology (A)	34.9	na	0.13	17.5	2.0	8.0	49.0	4	69.9	Laser speed and distance measuring
(404) 952-1660	Cryolife, Incorporated (M)	35.6	31.9	0.44	31.8	1.1	28.2	22.4	66	84.9	Technology for tissue transplant
(614) 895-1313	AmeriLink Corp. (M)	36.9	22.9	0.20	(9.2)	na	51.2	11.5	(45)	60.6	Cable sys & telecomm serv
(912) 888-9390	Gray Communica'ns Sys (N)	36.9	20.8	0.49	3.6	10.3	56.4	5.1	19	73.2	Publish newspaper; broadcast TV
(918) 622-4522	Educational Development (M)	38.3	48.0	0.57	24.9	1.5	15.4	26.5	18	91.6	Software for educators
(419) 636-3141	The Ohio Art Co. (A)	39.7	20.1	1.34	20.0	2.0	42.8	(4.9)	5	94.6	Toys; lithographed & molded plastic prods
(209) 832-5200	Orthopedic Technology (M)	42.6	16.0	0.17	na	na	18.4	na	27	76.3	Orthotic prods for sports medicine
(517) 321-3130	Maxco (M)	47.8	3.3	0.16	36.0	1.3	171.5	14.6	(31)	72.1	Refinishing prods; construction supplies
(612) 829-3500	Health Risk Management (M)	48.8	12.3	0.21	8.8	5.5	49.3	23.6	21	89.1	Health plan mgmt to self-insured employers
(314) 291-5110	Zoltek Companies (M)	49.4	45.0	0.34	84.9	0.6	17.4	7.5	61	64.8	Devlps, mfrs, mkts carbon fibers
(203) 245-8380	Magellan Petroleum (M)	49.5	16.4	0.04	40.1	1.2	15.9	6.0	105	46.3	Oil & gas explor'n devlp, sale
(215) 822-2929	AEL Industries (M)	52.1	24.0	0.54	17.1	3.0	127.1	0.9	92	98.7	Countermeasure sys for defense indus
(303) 443-6136	Pro-Dex (M)	54.7	20.8	0.06	22.3	2.5	11.7	17.4	25	93.3	Parent of Pro-Dex, Biotrol Int'l, Challenge
(914) 738-8400	Micro Bio-Medics (M)	55.2	29.6	0.23	2.1	26.3	118.6	24.7	(4)	91.1	Mfrs & distribs medical supplies
(214) 890-8000	Box Energy Corp. (M)	56.6	30.7	0.19	41.0	1.4	54.8	16.5	(44)	72.5	Oil & natural gas explor'n, devlp, produc'n
(941) 277-6200	Chico's FAS (M)	58.3	7.2	0.08	25.6	2.3	59.5	38.3	(31)	51.5	Private label casual clothing
(404) 266-8333	Bull Run Corp. (M)	67.2	65.0	0.04	16.3	4.1	23.9	91.7	23	68.0	Engages in projects to acquire
(312) 913-2800	PC Quote (A)	70.6	na	0.23	21.9	3.2	12.9	7.1	600	57.7	Real-time database of security prices
(901) 683-7868	Omega Health Systems (M)	82.0	29.2	0.06	na	na	32.3	na	(13)	87.5	Nationwide sys of eye care serv
(214) 361-9870	NRP Incorporated (M)	82.2	11.2	0.07	17.8	4.6	66.9	17.7	296	91.5	Telecomm-based marketing serv
(415) 893-8000	Sonic Solutions (M)	136.1	41.8	0.05	na	na	18.1	na	(66)	38.9	Digital random access edit & process sys
(408) 727-9169	Sigma Circuits (M)	191.0	5.9	0.11	na	na	48.2	na	266	96.4	Mfrs custom electronic interconnects
(414) 798-8282	Criticare Systems (M)	464.3	22.5	0.01	(21.9)	na	29.1	9.5	44	74.2	Monitoring instruments for healthcare
(601) 287-3771	CMC Industries (M)	708.3	8.3	0.01	(53.1)	na	144.3	6.4	(33)	77.3	Mfg serv for telecomm & computer electro
Median of New Shadow Stocks		16.6	13.8	—	21.0	0.8	49.8	13.4	4.0	76.2	
Median of All Shadow Stocks		16.8	14.2	—	17.3	1.0	60.9	11.5	(10.0)	80.2	
Median of All Companies		16.6	15.2	—	7.7	1.0	97.5	7.7	(11.0)	84.4	

Exchange Key: N = New York Stock Exchange
A = American Stock Exchange
M = Nasdaq

na = not available

Statistics are based on figures as of December 31, 1995.
Data Source: AAI's Stock Investor/Market Guide, Inc.

Definitions of Screens and Terms

The following is a short description of the screens and terms used for this month's Shadow Stock listing.

Price-Earnings Ratio—Current: Market price per share divided by the most recent 12 months' earnings per share. A measure of the market's expectations regarding the firm's earnings growth and risk. Firms with very high price-earnings ratios are being valued by the market on the basis of high expected growth potential.

Price-Earnings Ratio—Yr. Ago: Firm's price-earnings ratio one year ago. Provides a measure of comparison for judging current price-earnings ratio.

Earnings per Share Last 12 Months: Net income after all expenses and preferred stock dividends divided by the average shares outstanding during the year.

EPS Growth Rate: Annual growth in earnings per share over the last five fiscal years.

P/E to EPS Growth: The price-earnings ratio of a stock divided by its annual earnings per share growth rate over the last five years. Market

valuation relative to historical earnings growth. A ratio below 1.0 is reason for further analysis.

Sales—Last 12 Months: Net sales in millions of dollars for the last 12 months.

Sales—Growth Rate: Annual growth in sales over the last five fiscal years.

52-Week Relative Strength: The price performance of a stock during the last year relative to the performance of the overall stock market. The market is defined as the S&P 500 index. A figure of 100 indicates the stock had the same percentage price performance as the market. A figure of 105 indicates that the stock outperformed the market by 5%.

Price as % of 52-Week High: Current price divided by the highest price over the past 52 weeks. An indication of current price strength.