

Stock pick of the week #28, March 4/2010 AD.

This week's Pick is First Majestic Silver.

First Majestic Silver operates 3 silver mines in Mexico. The stock trades on the TSX under the symbol FR.TO and as a pink sheet stock the symbol is FRMSF.

In 2009 the company sold 5 million ounces of silver at a profit.

The company expects to be able to produce 6 million ounces in 2010.

The CEO is Keith Neumeyer who is well-known in the mining industry.

There are 92,713,744 shares outstanding and the market cap is \$315,226,730.00

For more information please visit www.firstmajestic.com



The technical picture is positive.

Price is in uptrend, having found support at the rising 200DMA. The 50DMA is in positive alignment to the 200D (green oval).

The supporting indicators are positive (green lines). Volume has been declining during the recent sell-off (blue arrow), indicating that sellers are becoming fewer in number and with the current rally in silver they may well 'fade away'.

Here is a review of Picks #1 to #27.

- #1 CPQ.V (CPQRF) at 2.01; Bought 08/13/09 sold 11/19/09 at 3.45, profit = 110%
 - #2 CGC.TO (CGLD.BB), Bought 08/20/09 at 0.60; sold 11/4/09 at 0.94, profit = 36%
 - #3 SVM.TO (SVM) Bought 08/27/09 at 3.74, sold 10/20/09 at 5.98, profit = 60%.
 - #4 SCP.TO (SCPZF) at 3.10; Bought 09/03/09, sold 02/02/10 at 4.48, profit 1.38 = 44%.
 - #5 FCG, bought 09/10/09 at 14.88; sold 10/20/09 at 18.69, profit = 25%.
 - #6 MAG.TO (MVG) bought 09/17/09 at 5.55, sold 12/02/09 at 7.48, profit = 35%
 - #7 ARZ.TO (AZK) at 4.60, last traded at 4.42.
 - #8 IPT.V (ISVLF), at 0.88, last traded at 1.15.
 - #9 RUN.V (RFXRF) at 0.22, last traded at 0.15.
 - #10 KCL.TO (KCLOF) at 2.74, last traded at 3.07.
 - #11 GPD.TO (GPRXF) at 0.59, last traded at 0.50.
 - #12 GBG.TO (GBG) at 1.71, last traded at 1.76.
 - #13 PGF/UN.TO (PGH) at 10.26, last traded at 11.20.
 - #14 CHE/UN.TO (CGIFF) bought 11/12/09 at 9.12, sold 01/11/10 at 12.48; Pr = 36%
 - #15 GAS.TO (CYMF) at 4.97, last traded at 4.40.
 - #16 GOZ.V (GREXF) at 0.50c, last traded at 0.53.
 - #17 AOG/UN.TO (BAOGF) at 4.60, last traded at 4.81.
 - #18 GDXJ at 26.14; last traded at 25.37.
 - #19 SBT/UN.TO (SVRZF) at 12.92; last traded at 11.50.
 - #20 MAG.TO (MVG), at 6.58, last traded at 6.99.
 - #21 SVM.TO (SVM), at 7.09; last traded at 6.86.
(SVM paid a quarterly dividend Jan 21 of 2c/share).
- I wrote an article about SVM. It is available in our archives.
- #22 R.V (RTRAF) at 1.51; last traded at 2.06.
 - #23 CGC.TO (CGC) at 3.20, last traded at 3.64.
 - #24 SGR.V (SGRCF) at 3.27, last traded at 3.57.
 - #25 RES.V at 3.45, (RRLMF), last traded at 3.63.
 - #26 VGQ.TO at 5.45 (VGMNF) last traded at 5.75
 - #27 BGM.V at 0.92c (BGMZF), last traded at 1.00

7 Picks have been sold at profits ranging between 25% and 110%, all within 5 months of purchase. 13 picks are trading above the introductory price and 7 are available at or below the starting price. There are some truly great bargains among these 7, due to the fact that gold and silver have corrected substantially since they were picked. The success ratio is 20 to 7, (despite the recent correction in gold and silver).

Subscribers are notified as soon as we take a profit.

We encourage investors not to 'chase' these picks, but to try to buy them at or below the price at which they were introduced. The goal is to buy low and sell high! **As long as a 'pick' remains part of this list, it is an indication that we still like it, even if it slips below the price at which the stock was first listed.**

Whenever you buy a stock at its pink listing (the five letter symbols), always be 'price-specific' with your order to avoid ending up with a 'bad fill'. The recommended procedure for buying or selling 'pink sheet stocks' is explained at the bottom of an article on the website titled: "The making of a successful investor."

To be notified when we take profits, all you need to do is become a subscriber. (The cost is less than \$1 per week). For details click on 'how to subscribe.'

DISCLAIMER:

Please do your own due diligence. Investing involves taking risks. I am NOT responsible for your trading decisions.

Happy trading!

Peter Degraaf

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