

>: Insider Buys and Sells: Weekly Wrap-up

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For all the analysts and pundits in the financial media, there is still no better judge of a company's health and future prospects than the owners and executives of those companies themselves, along with major institutional shareholders.

That's why insider buying and selling is a critical piece of data that is monitored by people who invest for a living.

As part of our continuing efforts here at *The Tycoon Report* to level the playing field between individual investors and the fat cats on Wall Street, we're keeping you informed -- on a daily basis and at no cost whatsoever -- of the most significant insider buying and selling.

Below is a weekly re-cap of the past week's activity of important insider buys and sells. We aim to publish this re-cap every Monday, and it can be accessed in your e-mail issues or on the *Tycoon Report* [Web site](#).

Very important note: While these re-caps are available on the *Tycoon Report* Web site, if you want the most timely information we provide on insider buying and selling, be sure to read the e-mail issues that we send each weekday morning.

BUYS

McMoRan Exploration Co. (MMR)

Co-Chairman of the Board James R. Moffett BOUGHT \$5.5 million in shares. [View details.](#)

SELLS

Activision (ATVI)

Pres & CEO, Activision Publishing, Michael J. Griffith SOLD \$1.4 million in shares and \$18.5 million in options. [View details.](#)

Digital River (DRIV)

Chief Financial Officer Thomas M. Donnelly SOLD nearly \$2 million in options. [View details.](#)

Dominion Resources (D)

President and CEO Thomas F. Farrell II SOLD \$2.5 million in options. [View details.](#)

Intuit Inc. (INTU)

Chairman of the Board William V. Campbell SOLD \$2.8 million in options. [View details.](#)

National Semiconductor (NSM)

Chairman & CEO Brian Halla SOLD \$6.7 million in options. [View details.](#)

Senior Vice President and CFO Lewis Chew SOLD \$1.2 million in options. [View details.](#)

Tycoon Staff

Chief Investment Officer

[>](#)

Economic Calendar for the Week of June 22-26

TUESDAY, JUNE 23

8:30 a.m., *Durable Goods Orders*

- * Importance (A-F): This release merits a B.
- * Source: The Census Bureau of the Department of Commerce.
- * Release Time: 8:30 a.m. Eastern around the 26th of the month (data for month prior).
- * Raw Data Available At: <http://www.census.gov/ftp/pub/indicator/www/m3/index.htm>

The durable orders release measures the dollar volume of orders, shipments, and unfilled orders of durable goods (defined as goods whose intended lifespan is three years or more). Orders are considered a leading indicator of manufacturing activity, and the market often moves on this report despite the volatility and large revisions that make it a less than perfect indicator. These problems can be minimized by looking at the breakdown of orders. The total number is often skewed by huge increases in aircraft and defense orders. An increase based solely on strength in one sector tends to be discounted, while the market is more impressed with broadbased increases in orders.

Highlights

* Durable goods new orders for April rose a surprisingly strong 1.9%. It is just one month of data in a very volatile series and March orders fell 2.1%, so not too much should be made of this report, but it is a positive for the economic outlook.

* The gain was due to strong jumps in transportation and defense orders which prove temporary.

* Transportation orders popped a surprising 5.4%. Defense orders were up 23.2%. Excluding both defense and transportation, orders were down 1.0%. Excluding just transportation, orders were up 0.8%.

Key Factors

* A reversal in defense and transportation orders next month could lead to a decline in overall orders, but the overall picture is still one of approaching stability rather than the free fall of the fourth and first quarters.

Big Picture

* Durable goods orders trends were very weak in late 2008 and early 2009. This reflects the collapse of confidence in the business sector and poor credit market conditions. The rate of decline should ease and orders

might stabilize in mid or late 2009, but the outlook has to be described as grim. Overseas demand is particularly weak and exports are plunging. The business sector is in a deep slump.

THURSDAY, JUNE 25

8:30 a.m., *Gross Domestic Product*

- * Importance (A-F): This release merits a B.
- * Source: Bureau of Economic Analysis, U.S. Department of Commerce.
- * Release Time: Third or fourth week of the month at 8:30 a.m. Eastern for the prior quarter, with subsequent revisions released in the second and third months of the quarter.
- * Raw Data Available At: <http://www.bea.doc.gov/bea/dn1.htm>

Gross Domestic Product (GDP) is the the broadest measure of economic activity. Annualized quarterly percent changes in GDP reflect the growth rate of total economic output. The figures can be quite volatile from quarter to quarter. Inventory and net export swings in particular can produce significant volatility in GDP.

The final sales figure, which excludes inventories, can sometimes be helpful in identifying underlying growth trends as inventories represent unsold goods, and a large inventory increase will boost GDP but might be indicative of weakness rather than strength. The broad components of GDP are: consumption, investment, net exports, government purchases, and inventories. Consumption is by far the largest component, totaling roughly 2/3 of GDP.

Highlights

* Q1 GDP for the U.S. was revised upward to a -5.7% annual rate of decline versus an originally reported -6.1% decline. Economists' median forecast for the preliminary Q1 GDP number was -5.5%.

* Personal consumption expenditures growth was revised lower to 1.5% from an originally reported 2.2%. That dropped the contribution to the change in real GDP to 1.08 percentage points from 1.5 percentage points in the advance report.

* Upward revisions to gross private domestic investment, government spending, and net exports were offsetting factors, in addition to the change in private inventories which subtracted 2.34 percentage points from the change in real GDP versus 2.79 percentage points at the time of the advance report. Core PCE held steady at 1.5%.

* Raw Data Available At: <http://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm>

Key Factors

* The preliminary Q1 GDP number is dated information, so the market's reaction to it was somewhat muted, if not slightly negative given the downward revision to PCE.

* Still, it stands as a reminder that the worst of the economic downturn seems to be behind the U.S. Even though growth remains elusive, the trend is at least headed in the right direction.

Big Picture

* The trends in the economy were moderately poor through the summer of 2008. Then, in September, the trends tanked along with the stock market. Some tech firms noted a significant dropoff in demand right after the mini-panic of mid-September. These worsening trends were readily apparent in the fourth quarter GDP numbers, and will remain so into 2009 as well.

Consumer spending is weakening and will only take a significant turn for the better once the declines in payroll moderate. Business investment is also in a sharp retrenchment. The stronger dollar clearly hurt export demand. A lot now depends on overall psychology and perceptions of how well the government responds to the financial market and other problems such as exist in the auto industry. The economic outlook is now as much a function of government action as it is of the traditional correlations and trends among macro-economic variables.

FRIDAY, JUNE 26

9:55 a.m., University of Michigan Consumer Sentiment Index

* Importance (A-F): This release merits a B-.

* Source: The University of Michigan.

* Release Time: Preliminary: 10 a.m. Eastern on the second Friday of the month (data for current month); Final: 10 a.m. on the fourth Friday of the month (data for current month)

The Michigan index is almost identical to the Conference Board Consumer Confidence index, though there are two monthly releases, a preliminary and final reading. Like the Conference Board index, it has two subindexes - expectations and current conditions. The expectations index is a component of the Conference Board's Leading Indicators index.

Big Picture

* Sentiment readings are a reflection of a variety of events rather than an accurate tool for forecasting consumer spending. Gas prices and political events can have an outsized impact on sentiment. In general, these data are of very little economic value.