

*From The Desk Of John Colley...*

- **Apple's results were simply outstanding.** In short, Apple reported blowout earnings, as first quarter earnings more than doubled to \$13.06 billion and both profit and revenue hit record highs.



Expect shares to surge. ☺

**\*Earnings Watch\***

- Techie **EMC** beat the Street, 49¢ versus the 46¢ estimate.
- **Abbott Labs'** net rises 12% as margins improve.
- **Harley Davidson's** results were strong, 46¢ versus the 23¢ estimate.
- **Conoco Phillips'** profits rise on a revenue increase of 17%.
- **Quest Diagnostics** did better than expected, turning in \$1.23 versus the estimated \$1.06.
- **Boeing** (net up 20%) and **United Tech** (net rises 11%) add good news.
- **Railroad Norfolk Southern** beat estimates and raised its quarterly dividend from 43¢ to 47¢.

**\*Warning:** Not an alarm, but blue chip **Johnson & Johnson** and **McDonald's** both alert the Street that a stronger dollar could take a bite out of profits this year. **Both companies have still promoted record years, nonetheless, and both posted 4<sup>th</sup> quarter 2011 results which met or beat the Street.**

**\*Across the Pond\***

- **EU ministers** keep a full court press on Greece to put the final touches on the debt reduction deal and get the country back on firmer fiscal footing. IMF's Lagarde says that "Greek default is not an option." We all hope she is right.

*John Colley 1-25-12*