

ETF Selections & Timing

Watercourse Way Holdings, LLC

P.O. Box 830396
Richardson, TX 75083-0396
972-680-2366

InvestmentST.com

May 2, 2011 (data through previous Friday close)

Volume 2
Issue 18

Divergences Disappearing

Last week I talked about all of the divergences showing up across the various market indexes, even as the Dow Industrials first hit its recovery high. The other indexes were lagging the rally. This week, after the rally continued and broadened, the divergences have all but dis-

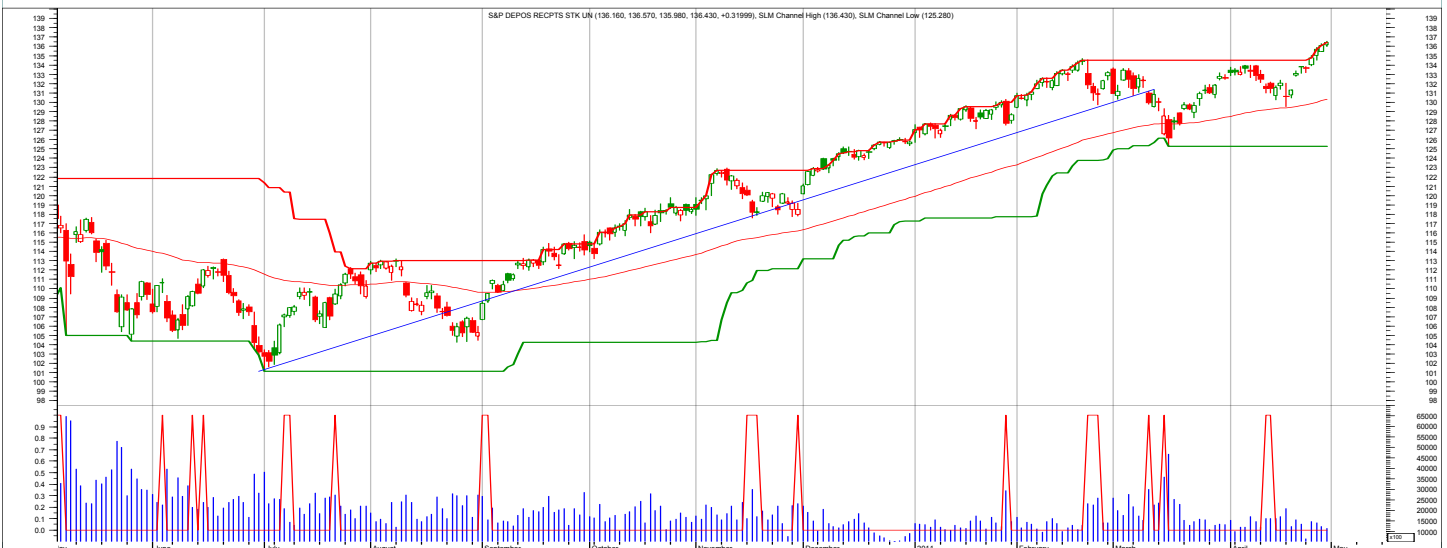
appeared. The only laggard, but it is a big one, is the NYSE advance decline line. It has yet to pierce its previous peak. Aside from that, things are back “in gear” to the upside.

The trigger for the sell off

*(Continued on bottom right on page 12
see REVIEW)*

Short notice I know, but your editor will be speaking at The MoneyShow in Las Vegas May 9-12 at Caesars Palace. You may attend without paying conference registration fees (5/6 deadline). Call them, 800-970-4355 with priority code 022732.

Or use <http://bit.ly/m1mfVn>
See you there!



The chart shows the daily S&P 500 with red smoothed line an 80-day moving average. The lower part shows blue volume and red spikes as possible trading signals.

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
ETF Income Portfolio	1.3%	4.4%	-1.1	1.2	0.5	0.5%
ETF Growth Portfolio	5.7%	10.6%	6.5	5.4	1.6	0.4%
Aggrgt Bond (AGG)	0.7%	1.5%	-1.9	0.6	1.4	0.7%
Wilshire 5000	8.6%	16.3%	16.3	7.3	2.3	2.0%

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Income Portfolio

ACTION FOR			PORTFOLIO DETAILS				Value as of date: 4/29/2011						
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total
3-Feb	sell	TLT	89.72	202	18,113								
4-Feb	sell	TIP	105.83	125	13,219								
14-Feb	buy	TIP	105.53	200	21,096	TIP	109.50	inftn adjst	105.53	111.16	200.9	22,337.49	21.0%
14-Feb	buy	AGG	104.35	200	20,860	AGG	105.00		105.63	106.46	500.0	53,230.00	50.1%
14-Feb	buy	TLT	89.52	230	20,580								
10-Mar	buy	TLH	112.37	200	22,464								
6-Apr	sell	AGG	104.60	374	39,079								
6-Apr	sell	TLT	90.54	232	20,995								
6-Apr	sell	TLH	110.51	201	22,169								
18-Apr	buy	AGG	105.63	500	52,825								
						Money Market				1.00	30,634	30,634.00	28.8%
											Total Valuation=	106,201.49	100.0%

WEEKLY REVIEW

5/2/11 No changes.

4/25/11 No changes.

4/18/11 After getting stopped out, the bond market appears to have turned again. Buy as noted above.

4/11/11 Three of the four bond positions were stopped out last week as the Treasury market began to slide again. The counter rally should have held at support, but it didn't.

4/4/11 No changes.

3/28/11 No changes. Sitting tight through the current pullback. It should turn and rally.

3/21/11 No changes.

Annual Performance	2010	2011
ETF Income Portfolio	4.8	
Aggregate Bond	2.5	

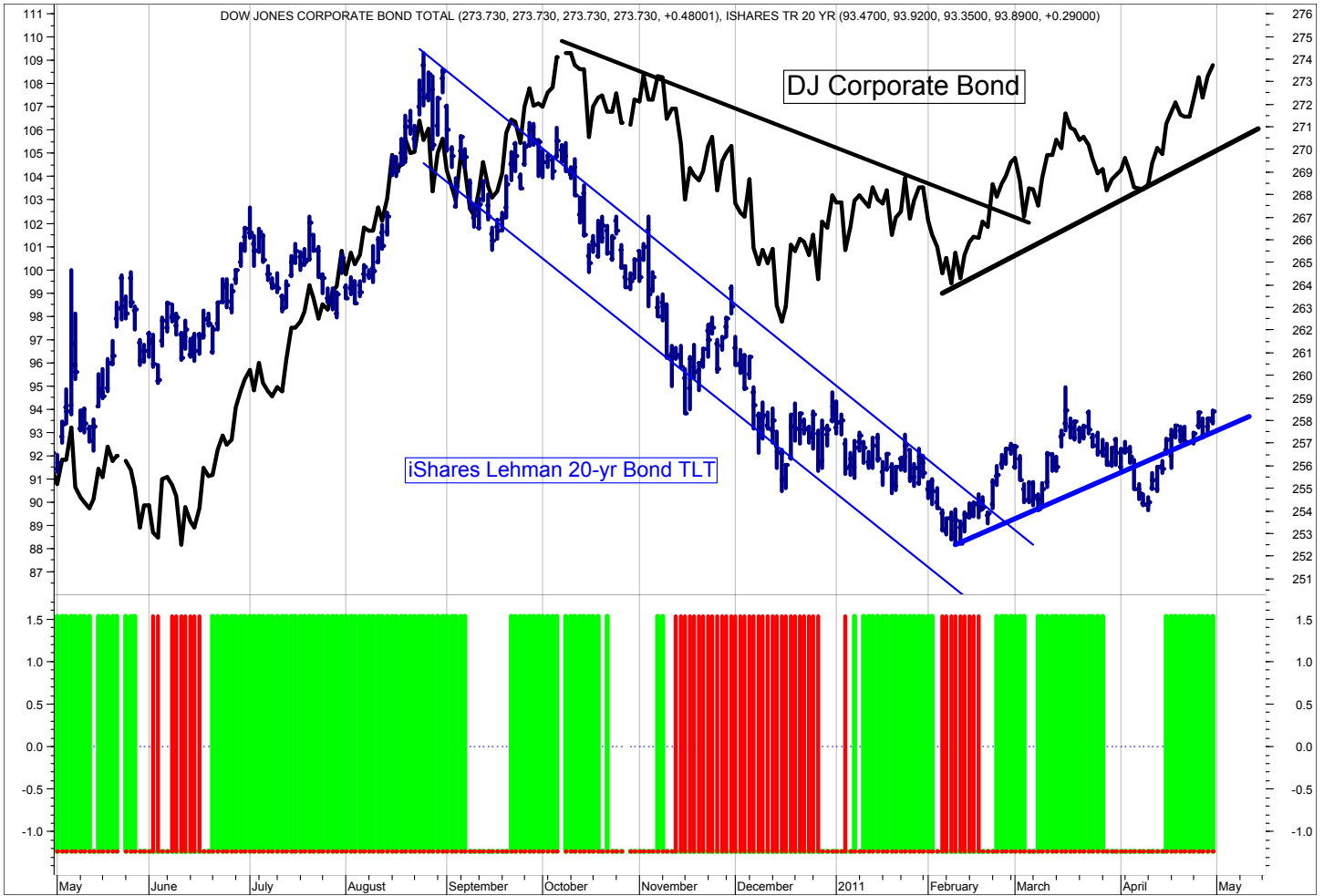
ETF Income Database and Ranking to 3/31/11

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
PS DB Dollar Bearish	UDN	B	6.07	13.29	3.99	3.84	1.26	2.46	28.14	*****
PS VRDO Tax Free Wkly	PVI	B	0.00	0.00	-0.02	0.00	0.00	0.01	24.99	*****
Currency Euro	FXE	B	4.77	15.83	3.94	6.06	2.71	3.35	141.16	****
iShares High Yld	HYG	B	4.06	8.32	2.53	1.85	-0.58	1.85	91.96	****
iShares Trsry Inflt	TIP	B	5.06	2.10	0.09	1.53	0.93	1.10	109.16	****
SPDR Intrntl TBond	BWX	B	6.92	11.31	-0.22	2.34	0.84	2.18	59.83	****
Wtree Dryfs Euro	EU	B	5.22	16.46	4.55	6.73	2.86	3.29	23.00	****
Wtree Dryfs Indn Rupee	ICN	B	3.42	7.97	2.21	1.75	1.76	1.93	27.05	****
iShares 10-20yr Trsry	TLH	B	3.81	-4.43	-8.50	-0.80	-0.46	1.95	111.80	***
iShares 1-3yr Trsry	SHY	B	0.46	-0.44	-0.73	-0.27	-0.20	0.25	83.75	***
iShares 20+ yr Trsry	TLT	B	2.94	-9.45	-12.68	-2.11	-0.29	3.12	92.13	***
iShares 3-7yr Trsry	IEI	B	2.70	-1.00	-3.43	-0.41	-0.42	0.97	114.18	***
iShares 7-10yr Trsry	IEF	B	3.92	-2.78	-6.06	-0.86	-0.39	1.37	93.01	***
iShares Agg Bond	AGG	B	0.89	-1.98	-3.24	-0.59	-0.49	0.66	105.13	***
iShares Inter Gov	GVI	B	1.47	-0.83	-2.64	-0.17	-0.30	0.64	107.69	***
iShares Intrntl Tbond	IGOV	B	4.18	8.97	-1.61	2.18	0.59	2.07	104.50	***
iShares Long Corp Bond	LQD	B	2.30	-0.24	-4.32	-0.22	-0.93	1.17	108.20	***
PS 1-30 Ldr Trsry	PLW	B	2.81	-5.02	-7.92	-1.79	-0.40	1.80	27.45	***
PS Bld America	BAB	B	0.96	-3.49	-6.01	0.44	-0.34	1.44	25.19	***
PS DB G10 Currency	DBV	B	3.26	11.79	4.82	2.61	2.10	2.85	24.36	***
PS Emrg Mrkt Svrgn Debt	PCY	B	0.84	1.19	-5.24	-0.94	0.84	1.69	26.42	***
PS Fdmntl Hi Yield Corp	PHB	B	3.06	6.74	1.31	1.81	-0.22	1.62	18.52	***
PS Prfd	PGX	B	2.87	5.75	-0.76	1.63	1.20	1.31	14.35	***
Vngrd Intrmdt Bond	BND	B	1.04	-1.67	-3.19	-0.31	-0.41	0.68	80.02	***
Vngrd ShrtTrm Bond	BSV	B	0.20	-1.06	-1.94	-0.37	-0.34	0.47	80.16	***
Wtree Dryfs Brazil Real	BZF	B	4.62	4.11	-4.57	3.92	2.64	2.91	27.59	***
Wtree Dryfs Chns Yuan	CYB	B	0.83	1.72	-0.16	-0.04	-0.04	0.66	25.36	***
Wtree Dryfs Emrg Crncy	CEW	B	2.92	7.62	-0.17	1.42	2.19	1.69	22.88	***
Wtree Dryfs Jpn Yen	JYF	B	11.79	5.96	0.22	-1.73	-1.51	2.24	31.28	***
Wtree Dryfs N ZInd Dollar	BNZ	B	4.29	7.21	-0.21	-1.39	1.70	2.87	23.33	***
Wtree Dryfs S Africa Rand	SZR	B	0.03	3.17	-7.17	-1.87	3.14	2.98	28.89	***
iShares Inter Bond	MBB	B	-1.61	-3.75	-3.48	-0.24	-0.04	0.68	105.33	**
PS DB Dollar Bullish	UUP	B	-8.45	-13.05	-4.60	-4.05	-1.36	2.49	21.79	**
PS Insrđ CA Muni	PWZ	B	-6.56	-7.18	-9.95	-2.13	-1.19	1.30	22.09	**
PS Insrđ Natl Muni	PZA	B	-6.20	-7.07	-9.60	-1.38	-1.59	1.20	22.23	**
PS Insrđ NY Muni	PZT	B	-5.39	-6.39	-8.82	-0.84	-0.96	1.15	21.96	**
PS Low Duration	PLK	B	-0.36	-1.06	-1.54	-0.39	-0.32	0.25	25.23	**
Wtree Dryfs Comdty Cur	CCX	B	NA	NA	6.29	2.29	1.55	0.00	26.85	*
Wtree Emrg Mrkt Lcl Debt	ELD	B	NA	NA	-1.22	-0.20	1.80	0.00	51.91	*

ETF data on pages 3, 7, 8, and 9 are for the periods shown (12months, 9, 6, 3, and 1) through the previous month's close. Generally, we want to own the top ranked ETFs (shown in green) and avoid or short the lower ranked ETFs (shown in red).

This is the ETF Income Database and Ranking. It shows performance over the last 12, 9, 6, 3, and 1 months through the previous month's end. V is Volatility. NAV is price. CS is Comet Strength (not shown). C is Comet (not shown), which is an ETF's risk-adjusted performance; the higher the better. V, CS, and C are proprietary tools. Rank column shows the number of comets.

SLM Bond Timing Model



The SLM Bond Timing Model is based on the expected direction of the Corporate Bond market. The green bars are bullish (expect higher prices and lower yields) and the red bars are bearish (expect lower prices and higher yields). White spaces indicate that the previous signal is still in effect.

WEEKLY REVIEW

5/2/11 Continuing the track higher in prices, lower in yields.

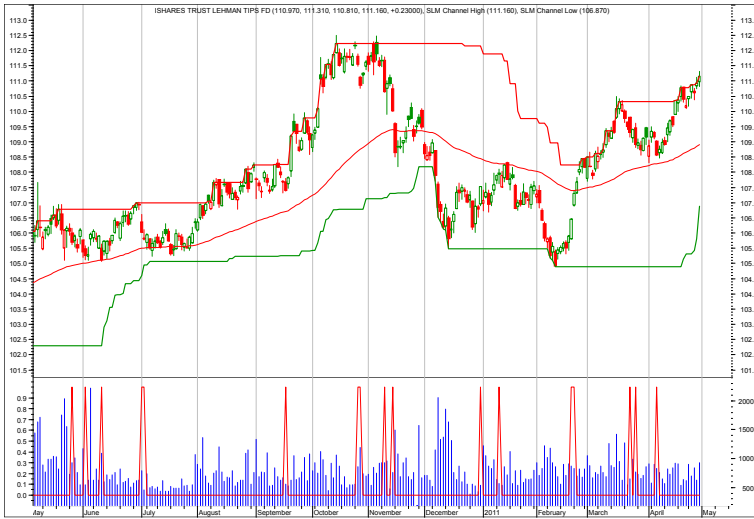
4/25/11 Bonds remain bullish for now.

4/18/11 After falling below its support, the bond market has turned and rallied.

4/11/11 Support didn't hold as expected. Three of the four Income Portfolio positions were stopped out. At this time, it is best to stand aside and see what the market does. If inflation is returning, then bonds will continue to fall in price. Yields will have to rise to compensate investors for the decline in purchasing power.

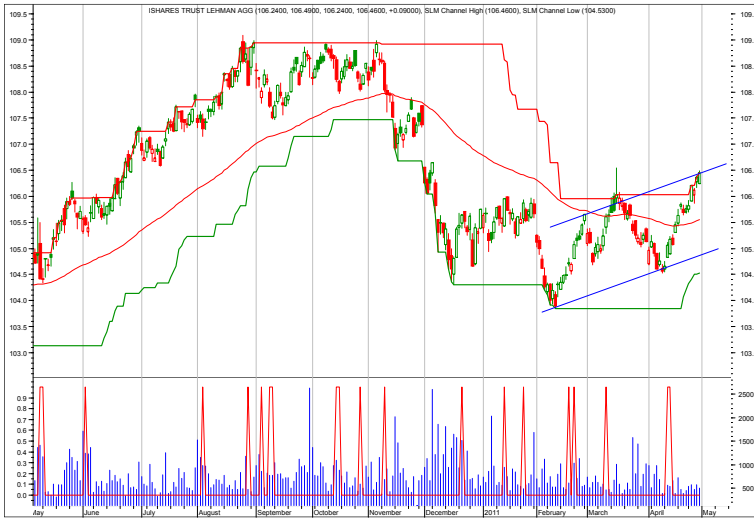
4/4/11 We've pulled back to major support, which sets up a series of higher highs and higher lows. This is bullish and suggests still higher prices (and lower yields) ahead.

Income Charts



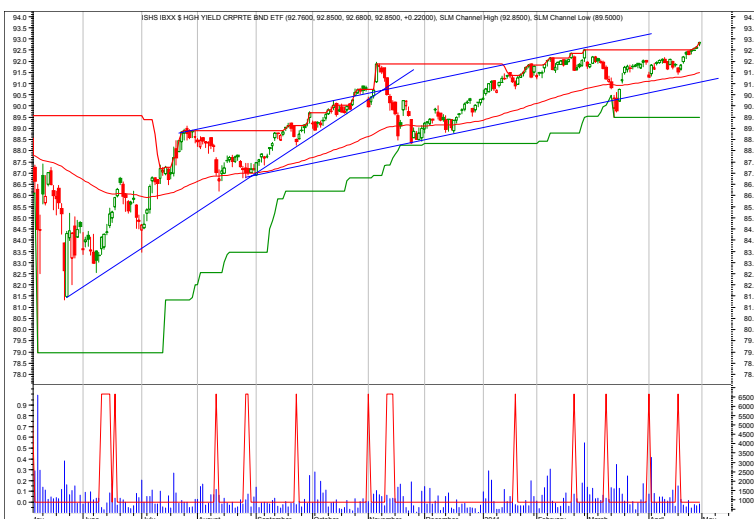
TIP—Inflation Protected

5/2/11 Higher highs.
 4/25/11 Bull market continues.
 4/18/11 Continue to hold for projected target.
 4/11/11 Mild pullback.
 4/4/11 Continue to hold.
 3/28/11 In the expected pullback.
 3/21/11 Hold
 3/11/11 Rally on inflation fears.



AGG—Aggregate Bond Market

5/2/11 Established channel up.
 4/25/11 Volume dried up on the recent sell off last week, suggesting a bottom.
 4/18/11 Buy.



HYG—High Yield

5/2/11 New recovery high.
 4/25/11 No change.
 4/18/11 Standing aside.
 4/11/11 Potential entry points are now identified along the most recent uptrend line.
 4/4/11 Continue to avoid.
 3/28/11 No change.
 3/21/11 Still avoid.

Each chart shows daily prices (top portion), volume (bottom portion), a moving average (smoothed red line on price portion, a relative strength indicator between the ETF and AGG (Aggregated bond ETF) (orange line), and red spikes. The spikes show potential places to buy and sell short. If the moving average is trending down, the spike shows a potential sell shorts. If the moving average is trending up, the spike shows potential buys. The charts do not show selling or covering signals.

Growth Portfolio

ACTION FOR			PORTFOLIO DETAILS			Value as of date: 4/29/2011									
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 5/2	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total		
						LONG ETFs-									
21-Mar	buy	DBA	33.90	400	13,570										
21-Mar	buy	XLE	77.68	140	10,885										
21-Mar	buy	ICF	69.23	200	13,856										
21-Mar	buy	IWM	81.30	400	32,530	ICF	73.50	reit	69.23	74.30	200	14,860.00	13.0%		
21-Mar	short	FXI	42.75	(100)	(4,265)	IWM	85.00	small cap	81.30	86.39	300	25,917.00	22.7%		
24-Mar	cover	EWP	43.01	100	4,311										
30-Mar	cover	FXI	44.40	100	4,450										
12-Apr	sell	XLE	75.73	140	10,592										
						SHORT ETFs-									
25-Apr	sell	IWM	84.34	100	8,424										
26-Apr	sell	SLV	44.03	200	8,796										
28-Apr	sell	DBA	33.70	400	13,470										
						Cash from short									
												1.00	-	0.0%	
												1.00	73,488	73,488.00	64.3%
												Total Valuation=		114,265.00	100.0%

WEEKLY REVIEW

5/2/11 A couple positions were stopped out. I'll let things settle down and then look to take further action.

4/25/11 Given the negative divergences in the various market indexes and given that the Russell 2000 (IWM) was the leader, I'll take profits now.

4/18/11 We were stopped out of XLE last week. Sold back to cash.

4/11/11 Please note that I've raised the stop prices as of 4/8 (last Friday)

4/4/11 The two shorts were stopped out at small losses. The long positions continue to climb.

3/28/11 No changes.

Annual Performance	2010	2011
ETF Growth Portfolio	8.1	
Wilshire 5000	15.5	

Top ETF Growth Ranking to 3/31/11

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
Guggnhm Dfnsv Eqty	DEF	EV	19.02	24.63	11.77	6.03	1.84	2.61	26.01	*****
iShares Silver	SLV	EG	114.53	101.92	72.55	21.84	11.05	8.15	36.77	*****
PS DB Agriculture	DBA	EA	41.33	42.68	24.56	5.81	-2.12	4.31	34.23	*****
PS DB Silver	DBS	EG	113.11	100.45	71.68	21.35	11.44	8.23	66.15	*****
PS Dynmc Energy	PXI	EA	54.05	67.40	44.73	17.48	3.83	5.78	43.95	*****
PS Dynmc Energy Explor	PXE	EA	59.15	68.97	49.34	19.90	3.25	6.34	27.66	*****
PS Dynmc Oil & Gas Srvcs	PXJ	EA	58.34	82.69	50.92	20.84	5.44	7.76	26.38	*****
PS Dynmc Sml Cap Grth	PWT	ESC	34.75	49.55	34.85	13.95	7.05	5.89	18.38	*****
PS NASDAQ Intrnt	PNQI	EA	42.16	56.29	21.54	13.13	6.99	5.49	39.24	*****
Select SPDR Enrgy	XLE	EA	38.65	60.53	42.26	16.85	1.54	6.07	79.75	*****
Guggnhm Candn Enrg Incm	ENY	EWR	27.62	48.80	34.61	13.50	-2.85	6.73	22.87	****
Guggnhm MidCap Core	CZA	EMC	23.91	32.63	18.65	8.87	2.43	4.27	31.30	****
Guggnhm RJ All	RYJ	ELC	28.99	41.88	27.80	9.08	1.64	5.64	22.94	****
iShares Canada	EWC	EW	20.42	35.14	19.91	8.42	-0.18	4.67	33.61	****
PS Buyback Achievers	PKW	EGI	18.13	31.34	17.08	7.34	0.77	4.06	26.11	****
PS DB Commodity	DBC	EA	29.72	41.45	26.54	10.74	2.66	4.74	30.51	****
PS DB Energy	DBE	EA	21.99	35.85	30.17	17.00	4.97	5.66	31.45	****
PS DB Precious Metals	DBP	EG	42.09	28.64	20.22	4.88	3.74	4.46	54.35	****
PS DWA Tech Ldr	PDP	ELC	26.00	39.50	22.07	9.06	2.56	5.51	25.64	****
PS Dyn Mrkt	PWC	ELC	18.35	34.14	19.37	6.68	0.47	4.40	46.95	****
PS Dynmc Basic Matrl	PYZ	EA	30.98	49.92	25.42	10.24	4.27	6.24	39.07	****
PS Dynmc Food & Bev	PBJ	EA	23.26	26.93	17.09	5.21	3.68	3.70	19.18	****
PS Dynmc Healthcare	PTH	EA	17.29	27.05	19.37	10.39	4.44	3.77	29.64	****
PS Dynmc Indstrls	PRN	EA	36.54	49.86	29.52	9.88	4.23	6.19	32.25	****
PS Dynmc Mid Cap Grth	PWJ	EMC	25.72	39.95	24.64	6.74	3.40	5.72	23.12	****
PS Dynmc Networking	PXQ	EA	36.41	53.41	22.06	6.10	-2.22	6.46	28.07	****
PS Dynmc Pharma	PJP	EA	21.69	33.20	14.37	3.00	4.69	3.50	24.35	****
PS Dynmc Software	PSJ	EA	24.25	35.96	21.59	9.21	2.37	4.65	27.26	****
PS Glbl Coal	PKOL	EA	28.60	53.21	25.49	0.18	2.07	6.04	37.47	****
PS Mega Cap	PMA	ELC	18.19	21.97	26.00	11.51	2.54	4.00	26.65	****
PS QQQ	QQQQ	ELC	29.06	26.69	32.92	10.91	3.16	5.47	57.77	****
PS WilderHill Prgsv Enrgy	PUW	EA	25.50	41.96	25.55	8.28	2.62	5.78	30.46	****
SPDR NASDAQ 100	QQQQ	ELC	29.06	26.69	32.92	10.91	3.16	5.47	57.77	****
Vngrd Extnd 4500	VXF	ELC	25.87	39.48	24.21	8.55	2.07	5.45	59.06	****
Vngrd Materials	VAW	ELC	23.42	45.50	23.22	5.76	2.55	5.58	87.36	****
Vngrd MidCap Val	VO	EMC	23.69	37.27	21.47	8.18	1.69	4.99	80.55	****
Vngrd Small Cap	VB	ESC	25.40	39.56	24.51	8.76	2.35	5.73	78.99	****
Vngrd Small Cap Grth	VBK	ESC	32.16	46.59	29.21	10.58	3.18	5.97	86.30	****
Wtree Div Ex Fincl	DTN	ELC	17.13	27.75	13.49	4.39	0.66	3.56	50.13	****
Wtree Intrntl Energy	DKA	EA	22.01	51.62	24.81	12.32	3.39	6.49	29.93	****
Wtree MidCap Earn	EZM	EMC	24.28	36.49	23.21	8.76	2.19	4.97	58.72	****

This page shows the top ranked ETF Growth Database. It shows performance over the last 12, 9, 6, 3, and 1 months through the previous month's end. V is Volatility. NAV is price. CS is Comet Strength (not shown). C is Comet, which is an ETF's risk-adjusted performance; the higher the better (not shown). This gives us the Rank column (shown).

Generally speaking, we want to own the top-ranked ETFs with 5 and 4 comets. (Comets, not stars, because unlike stars that are fixed, comets come into and out of prominence. We want our thinking, our metaphor aligning with reality.

Middle ETF Growth Ranking

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
Guggnhm BRIC	EEB	EW	11.05	25.62	6.04	2.77	4.31	5.12	47.42	***
Guggnhm China All	YAO	EWR	13.09	21.75	4.69	5.30	6.44	4.53	28.60	***
Guggnhm Euro-Pac	EEN	EW	17.89	24.69	19.55	9.93	1.05	4.68	20.30	***
Guggnhm Gbl Div	LVL	EW	5.81	25.02	8.24	5.68	0.51	4.87	15.64	***
Guggnhm Gbl Wtr	CGW	EW	14.98	28.58	14.05	2.02	1.78	4.22	21.19	***
Guggnhm Insdr Sent	NFO	EMC	22.61	36.27	20.85	5.97	1.76	5.05	34.60	***
Guggnhm Intrntl A Incm	HGI	EW	9.16	24.13	6.95	1.61	-1.19	4.15	19.55	***
Guggnhm Intrntl SmlCap	XGC	EW	15.13	29.29	4.72	0.88	1.68	4.58	24.20	***
Guggnhm Multi Ast In	CVY	EV	13.39	23.19	10.79	5.88	-0.05	3.18	21.25	***
Guggnhm Ocn Grth	OTR	ELC	15.56	29.08	13.45	6.08	-0.15	3.83	29.24	***
Guggnhm Ocn Tomo	OTP	ELC	14.21	32.51	15.42	7.12	-0.39	4.61	27.26	***
Guggnhm Sctr Rotn	XRO	ELC	19.95	33.12	18.35	5.75	2.67	5.23	26.57	***
Guggnhm Spin Off	CSD	EMC	16.64	28.60	16.52	6.61	2.72	4.36	24.28	***
Guggnhm Timber	CUT	EA	24.69	37.13	20.36	12.60	4.22	5.87	23.23	***
iShares Cohen&Str REIT	ICF	ERE	22.43	27.72	13.28	6.71	-2.15	5.04	70.13	***
iShares DJ Slct Div	DVY	EGI	13.28	22.86	11.29	4.55	1.45	3.55	52.13	***
iShares EAFE Indx	EFA	EW	7.32	29.18	9.40	3.19	-2.39	5.25	60.08	***
iShares Emrg Mrkt Stk	EEM	EW	15.54	30.41	8.71	2.16	6.29	5.18	48.67	***
iShares Europe 350	IEV	EW	9.08	33.40	10.49	6.47	-1.06	6.17	41.82	***
iShares Gold	IAU	EG	28.59	15.20	9.53	0.86	1.67	3.60	14.02	***
iShares Latin Amr	ILF	EW	11.44	29.86	6.43	-0.13	3.01	5.69	53.79	***
iShares Mexico	EWX	EW	17.76	31.24	18.61	1.50	2.83	5.03	62.85	***
iShares REIT	IYR	ERE	19.33	25.82	12.33	6.15	-1.95	4.71	59.40	***
iShares Russel 2000	IWM	ESC	24.14	37.72	24.70	7.58	2.31	5.77	84.17	***
iShares Russel MidVal	IWS	EV	19.41	32.16	19.30	7.00	1.09	4.73	48.16	***
iShares Slct Div	IDV	ELC	13.36	36.59	12.65	6.42	0.22	5.26	35.80	***
PS Actv Alph MultiCap	PQZ	ELC	14.12	30.38	21.22	10.07	-0.24	4.58	20.77	***
PS Aerospace & Def	PPA	EA	9.06	26.01	18.25	8.77	1.75	4.96	20.35	***
PS AlphQ	PQY	ELC	19.38	34.33	14.93	5.58	0.09	4.71	29.61	***
PS BLDR Emrg Mkt 50 ADR	ADRE	EW	10.27	24.25	7.70	0.77	3.61	5.00	48.52	***
PS BLDR Europe 100 ADR	ADRU	EW	6.21	30.00	9.83	6.77	-1.09	5.71	22.23	***
PS Cleantech	PZD	EA	20.65	40.15	23.12	11.64	5.79	6.02	29.47	***
PS DB Gold	DGL	EG	27.10	13.90	8.82	0.62	1.57	3.60	50.47	***
PS DB Oil	DBO	EA	14.72	35.49	27.51	14.32	7.50	5.80	32.26	***
PS Dividend Achievers	PFM	EGI	13.46	24.05	11.91	5.21	0.82	3.17	14.75	***
PS DWA Dvlpd Mrkt T Ldrs	PIZ	ELC	17.32	38.30	11.25	0.90	-0.04	5.28	22.35	***
PS DWA Emrg Mrkt T Ldrs	PIE	EW	19.81	32.00	5.31	0.41	6.77	5.55	18.44	***
PS Dyn Dvlp Intrnl Opp	PFA	EW	13.01	35.33	13.50	5.84	-2.07	5.40	18.50	***
PS Dyn MagniQuant	PIQ	ELC	26.19	22.35	33.25	10.10	4.21	5.89	25.73	***
PS Dyn OTC	PWO	ESC	17.29	28.47	17.08	3.39	0.14	5.35	51.49	***
PS Dynmc Biotech	PBE	EA	12.21	26.19	12.15	-0.50	3.52	4.70	21.78	***
PS Dynmc Bldg Cnstrctn	PKB	EA	14.41	29.34	19.91	10.52	4.36	5.85	14.37	***
PS Dynmc Consmr Discr	PEZ	EA	17.50	32.37	17.40	3.11	1.75	5.86	26.21	***
PS Dynmc Consmr Staples	PSL	EA	13.99	22.13	11.69	3.21	2.54	3.63	29.91	***
PS Dynmc Fncl	PFI	EA	10.19	22.46	15.44	5.59	-0.04	4.00	20.07	***
PS Dynmc Leisure & Enter	PEJ	EA	21.92	37.90	18.22	3.63	1.75	5.61	19.14	***
PS Dynmc Lrg Cap	PJF	ELC	11.37	26.04	14.43	4.90	0.51	4.18	25.46	***
PS Dynmc Lrg Cap Grth	PWB	ELC	16.07	33.20	16.94	4.92	0.89	4.56	17.05	***
PS Dynmc Lrg Cap Value	PWV	ELC	10.89	24.92	13.39	6.04	0.12	3.94	19.65	***
PS Dynmc Media	PBS	EA	16.77	34.69	23.52	9.05	-0.59	6.13	15.18	***
PS Dynmc Mid Cap	PJG	EMC	18.84	27.73	17.15	6.20	2.02	4.65	26.30	***
PS Dynmc Mid Cap Value	PWP	EMC	12.83	22.47	13.44	5.83	1.25	4.08	16.71	***
PS Dynmc Retail	PMR	EA	16.14	31.79	17.20	5.09	1.89	5.87	20.44	***
PS Dynmc Semicndctr	PSI	EA	26.79	43.93	33.83	7.86	-1.51	7.62	17.56	***
PS Dynmc Sml Cap	PJM	ESC	20.12	35.55	25.96	8.51	3.62	5.64	24.36	***
PS Dynmc Sml Cap Value	PWY	ESC	18.31	32.20	22.37	8.82	1.99	5.57	16.41	***
PS Dynmc Technology	PTF	EA	18.62	36.68	20.93	7.14	-0.49	5.74	27.46	***
PS Dynmc Utilities	PUI	EA	11.72	19.18	7.54	5.20	1.05	2.72	16.40	***
PS Emrg Mrkt Infrastrctr	PXR	EW	20.45	41.21	11.64	0.52	5.48	5.88	53.90	***

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Middle ETF Growth Ranking

PS Fincl Pfd	PGF	EGI	4.67	12.25	-0.30	3.01	1.00	2.13	18.14	***
PS FTSE RAFI Asia Pac xJpn	PAF	EW	21.00	42.09	15.14	4.42	5.61	5.14	58.13	***
PS FTSE RAFI Dvlp Mrkt xUSA	PXF	EW	9.49	30.85	9.35	4.49	-2.23	5.60	41.18	***
PS FTSE RAFI Dvlp Mrkt xUSA Sml	PDN	EW	14.06	30.18	12.68	2.33	-0.79	4.55	25.06	***
PS FTSE RAFI Emrg Mrkt	PXH	EW	14.50	27.99	9.82	1.98	2.50	4.53	26.29	***
PS FTSE RAFI US 1000	PRF	ELC	14.48	29.97	17.52	5.72	-0.09	4.60	59.15	***
PS FTSE RAFI US 1500 Sml-Mid	PRFZ	EMC	24.10	38.86	24.77	7.33	1.27	6.03	69.20	***
PS Gbl Agriculture	PAGG	EA	20.62	54.93	20.83	3.03	-0.57	6.13	33.00	***
PS Gbl Clean Enrgy	PBD	EW	6.07	31.77	13.75	12.61	8.56	6.51	15.72	***
PS Gbl Gold Precious Mtls	PSAU	EG	30.68	20.63	8.88	-1.90	1.15	5.78	49.06	***
PS Gbl Listd Prvt Eqty	PSP	EW	17.07	40.66	18.51	7.81	1.67	5.62	11.59	***
PS Gbl Water	PIO	EW	13.44	27.45	13.82	2.10	2.25	4.65	20.43	***
PS Gldn Drgn USX China	PGJ	EW	12.31	23.39	5.98	4.47	2.20	4.63	27.83	***
PS Hi Yld Eqty Div	PEY	EGI	8.68	15.83	6.53	0.34	0.23	3.49	8.89	***
PS Ibtstn Altrntv	PTO	ELC	5.32	19.04	6.25	2.89	2.27	3.04	12.04	***
PS Intrntl Dvld	PID	EW	13.22	26.68	10.59	5.13	1.31	3.88	16.19	***
PS Mrngstr Stk	PYH	ELC	6.81	22.61	12.53	5.90	-0.92	4.31	21.22	***
PS RvrFrnt Tac Bal	PAO	EGI	12.49	22.02	12.12	4.58	1.21	3.25	13.21	***
PS RvrFrnt Tac G&I	PCA	EGI	8.06	15.48	7.36	3.67	1.14	2.31	13.28	***
PS S&P 500 High Qlty	PIV	ELC	19.18	27.86	14.16	4.90	0.71	4.17	14.10	***
PS US REIT	PSR	ERE	21.83	27.85	13.67	7.81	-0.92	4.87	49.39	***
PS Water Resources	PHO	EA	16.70	35.06	22.90	7.11	3.30	5.76	20.34	***
PS Zacks Micro Cap	PZI	ESC	16.24	37.03	25.11	3.94	1.25	7.24	12.48	***
Select SPDR Cnsmr Disc	XLY	EA	18.91	34.05	16.88	4.38	-0.91	5.39	39.05	***
Select SPDR Cnsmr Stpl	XLP	EA	7.12	17.33	7.32	2.08	0.67	2.85	29.92	***
Select SPDR Health	XLV	EA	3.05	17.41	8.59	5.11	1.35	2.79	33.11	***
Select SPDR Indl	XLI	EA	20.57	37.31	20.41	8.02	1.77	5.54	37.67	***
Select SPDR Matrls	XLB	EA	17.98	41.06	22.09	4.19	1.42	5.36	40.02	***
Select SPDR Technlgy	XLK	EA	12.82	27.76	13.22	3.46	-1.87	5.15	26.06	***
Select SPDR Utilities	XLU	EA	7.45	12.77	1.56	1.69	-0.75	2.52	31.87	***
SPDR DJ Gbl Titans	DGT	EW	7.17	26.25	12.53	4.42	-1.28	4.54	61.04	***
SPDR DJ Industrials	DIA	ELC	13.27	25.88	14.00	6.39	0.71	3.91	123.02	***
SPDR Gold	GLD	EG	28.37	14.94	9.34	0.82	1.60	3.60	139.86	***
SPDR S&P 500	SPY	ELC	13.32	28.45	16.17	5.44	-0.42	4.23	132.59	***
SPDR Wish REIT	RWR	ERE	20.16	26.64	12.66	5.87	-2.22	4.99	64.60	***
Vngrd Cnsmr Dis	VCR	EA	20.61	35.95	17.54	4.42	-0.13	5.63	63.14	***
Vngrd Cnsmr Stpls	VDC	EA	8.31	18.28	6.95	3.00	1.79	2.85	75.59	***
Vngrd Emrg Mrkt	VWO	EW	16.13	28.85	7.68	1.67	5.47	4.78	48.95	***
Vngrd Grth	VUG	ELC	15.76	32.20	16.96	4.69	0.00	4.56	64.30	***
Vngrd Health	VHT	EA	5.91	19.51	10.10	6.74	2.34	2.90	60.04	***
Vngrd Large Cap	VV	ELC	14.02	29.60	16.69	5.49	-0.33	4.30	60.77	***
Vngrd Small Cap Value	VBR	ESC	19.04	32.56	19.68	6.87	1.46	5.43	71.45	***
Vngrd Tech	VGX	EA	14.33	29.86	15.52	4.41	-1.94	5.56	64.23	***
Vngrd TTL Stock	VTI	ELC	15.30	30.73	17.71	5.82	0.00	4.44	68.71	***
Vngrd Utilities	VPU	ELC	9.77	15.31	3.97	2.97	-0.13	2.52	69.07	***
Wtree DEFA	DWM	EW	7.27	30.20	9.98	4.94	-0.96	5.36	49.71	***
Wtree Emrg Mrkt Eincm	DEM	EW	16.60	34.07	9.75	2.38	5.24	4.69	61.11	***
Wtree Emrg Mrkt SC Div	DGS	EW	19.62	32.61	6.26	-1.87	6.35	5.12	53.48	***
Wtree Eqty Income	DHS	EGI	15.58	24.44	8.93	4.26	0.71	3.09	40.57	***
Wtree Eur SC Div	DFE	EW	18.90	39.11	15.22	4.82	0.84	5.72	44.60	***
Wtree Gbl Eqty Incm	DEW	EW	9.67	29.31	9.91	7.01	0.80	4.84	45.11	***
Wtree Intrntl Basic Mtrl	DBN	EA	16.08	42.63	20.26	3.78	0.42	6.72	33.36	***
Wtree Intrntl Div Ex Fincl	DOO	EW	10.17	31.47	9.12	6.43	0.62	5.58	47.00	***
Wtree Intrntl MC Div	DIM	EW	10.91	31.13	9.80	3.74	-0.97	5.26	53.79	***
Wtree Intrntl SC Div	DLS	EW	12.58	30.09	11.87	2.47	-0.45	4.63	53.05	***
Wtree LrgCap Div	DLN	ELC	13.38	26.39	13.24	4.82	0.06	3.58	48.32	***
Wtree LrgCap Grth	ROI	ELC	12.88	27.08	15.72	6.57	0.61	3.75	39.08	***
Wtree MidCap Div	DON	EMC	16.81	28.38	15.46	6.58	0.61	4.31	54.03	***
Wtree Pcf Ex Jpn Eq In	DNH	EW	7.91	32.36	8.99	2.31	-0.08	5.44	61.81	***
Wtree Pcf Ex Jpn Ttl Div	DND	EW	10.97	27.86	8.13	2.68	1.91	4.51	68.20	***
Wtree S&P 500	EPS	ELC	11.79	26.77	14.38	5.45	-0.13	3.71	45.70	***
Wtree Sml Cap Div	DES	ESC	14.17	24.32	14.84	2.66	0.54	4.80	48.67	***
Wtree Ttl Div	DTD	ELC	14.24	27.03	13.84	5.22	0.54	3.67	49.02	***
Wtree Ttl Earn	EXT	ELC	13.29	27.56	15.51	5.82	0.09	3.90	47.21	***
Wtree World Ex US Grth	DNL	EW	10.65	29.50	8.02	2.23	2.05	4.67	55.40	***

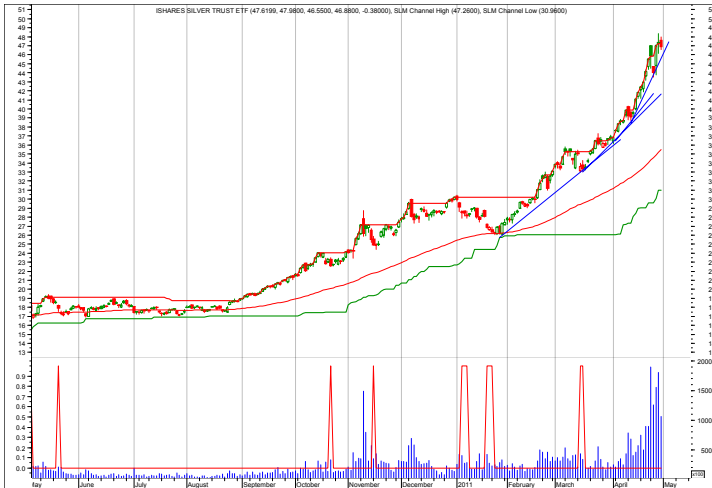
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Bottom ETF Growth Ranking

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
Guggnhm Airline	FAA	EA	2.62	13.63	-2.76	-8.10	-1.52	6.05	36.35	**
Guggnhm China REIT	TAO	EWR	8.69	21.58	0.41	-1.10	6.14	5.85	19.72	**
Guggnhm China Sml	HAO	EWR	5.57	22.08	-3.44	-2.89	4.40	5.54	29.19	**
Guggnhm Frntr	FRN	EW	17.16	19.96	-3.08	-9.74	0.27	4.01	22.06	**
Guggnhm Solar	TAN	EA	2.80	36.43	2.21	20.55	7.19	9.95	8.80	**
iShares China	FXI	EW	6.67	14.77	4.88	4.22	5.80	4.11	44.91	**
iShares Prfrd	PFF	EGI	2.40	6.99	-0.33	2.19	0.38	1.65	39.65	**
iShares Spain	EWP	EW	0.43	33.27	4.35	15.46	0.88	9.01	42.42	**
PS BLDR Asia 50 ADR	ADRA	EW	5.29	23.05	9.18	-2.02	-3.87	4.45	28.08	**
PS BLDR Dvlpd Mrkt 100 ADR	ADRD	EW	5.03	29.19	9.29	4.20	-3.29	5.63	22.35	**
PS DB Base Metals	DBB	EG	8.49	35.67	11.51	-0.04	-3.67	6.61	24.42	**
PS Dynmc Banking	PJB	EA	-2.33	7.53	10.83	-2.03	-1.22	4.44	13.00	**
PS Glbl Nuclr Enrgy	PKN	EW	2.49	17.41	3.35	-6.57	-10.02	4.85	19.76	**
PS Glbl Steel	PSTL	EA	0.50	34.51	12.54	0.97	0.27	6.53	24.05	**
PS Glbl Wind Energy	PWND	EW	-12.08	17.73	14.25	17.50	13.80	7.24	11.60	**
PS India	PIN	EW	5.36	7.10	-5.07	-5.66	9.10	5.79	23.98	**
PS Lux Nanotech	PXN	EA	-5.00	14.47	5.08	-2.00	-6.21	5.89	9.60	**
PS MENA Frntr Countries	PMNA	EW	-8.10	6.33	-7.01	-8.10	0.70	4.07	12.60	**
PS S&P 500 BuyWrite	PBP	ELC	-2.36	9.48	-0.24	1.15	-0.52	2.53	21.13	**
PS WilderHill Cln Enrgy	PBW	EA	8.13	30.39	9.01	3.66	0.09	6.10	10.77	**
Select SPDR Financls	XLF	EA	2.76	18.68	14.26	2.76	-2.73	4.74	16.39	**
SPDR Euro Stoxx 50	FEZ	EW	4.65	33.17	10.90	10.50	-0.61	7.68	40.71	**
Vngrd Fincl Srv	VFH	EA	4.51	20.11	14.43	3.08	-2.13	4.80	33.89	**
Wtree DEFA Eqty Incm	DTH	EW	5.62	31.29	8.80	7.27	-0.57	6.13	44.09	**
Wtree India	EPI	EWR	6.30	9.01	-5.95	-6.03	9.93	6.00	24.80	**
Wtree Intrntl LC Div	DOL	EW	4.84	27.96	8.17	4.84	-1.69	5.56	47.69	**
Wtree Intrntl REIT	DRW	ERE	8.21	24.74	0.80	1.26	-0.89	4.20	28.99	**
Wtree Intrntl Utilities	DBU	EA	-1.07	23.42	6.90	5.96	-1.83	5.73	21.34	**
Wtree Japan Hedge Eqty	DXJ	EC	-12.71	3.45	2.36	-3.41	-8.78	4.03	36.87	**
Wtree Japan SC Div	DFJ	EWR	3.48	9.87	6.42	-2.53	-7.00	3.49	43.08	**
Wtree Middle East Div	GULF	EW	3.68	20.71	4.82	-2.10	6.26	4.77	16.68	**
Guggnhm Shipping	SEA	EA	NA	7.34	-2.28	-3.68	-1.53	0.00	26.92	*
PS S&P SmlCap Cnsmr Dis	XLYS	EA	NA	9.65	32.07	3.38	3.82	0.00	27.84	*
PS S&P SmlCap Cnsmr Stpl	XLPS	EA	NA	15.26	17.58	5.95	4.97	0.00	29.76	*
PS S&P SmlCap Energy	XLES	EA	NA	71.54	79.40	28.97	10.09	0.00	39.18	*
PS S&P SmlCap Fincl	XLFS	EA	NA	15.31	23.88	12.15	3.15	0.00	28.01	*
PS S&P SmlCap Hlth Care	XLVS	EA	NA	22.76	32.94	15.25	5.59	0.00	29.66	*
PS S&P SmlCap Indstrils	XLIS	EA	NA	22.51	36.15	11.18	2.30	0.00	29.83	*
PS S&P SmlCap Info Tech	XLKS	EA	NA	30.36	46.66	16.06	4.80	0.00	31.43	*
PS S&P SmlCap Mtrls	XLBS	EA	NA	16.88	30.29	7.62	1.83	0.00	28.95	*
PS S&P SmlCap Utilties	XLUS	EA	NA	17.83	13.08	3.22	1.35	0.00	28.53	*

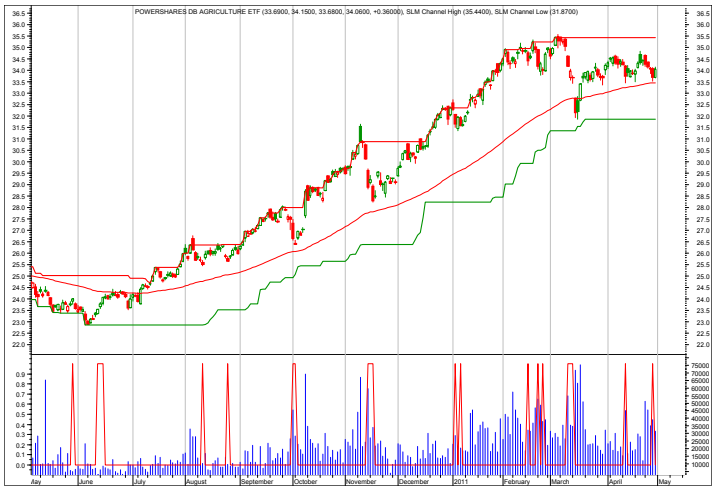
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Growth Charts



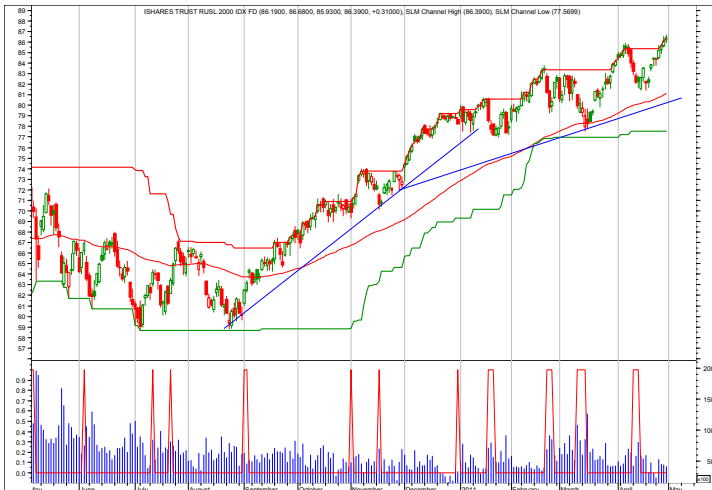
SLV—Silver

5/2/11 Stopped out. But parabolic move may continue. Just have to see.
 4/25/11 SLV is going parabolic (rate of change is accelerating), which is a terminal move. A pullback to \$30 would not be unreasonable. Raise the stop very close.
 4/18/11 Raised the stop level again.
 4/11/11 Stepping back to look at SLV, we see it is in a parabolic type rise. This will end.



DBA—Agriculture

5/2/11 Consolidation.
 4/25/11 No change.
 4/18/11 No change.
 4/11/11 Well defined up trend.



IWM—Russell 2000

5/2/11 Still moving up.
 4/25/11 Possible intermediate-term topping area circled on the chart.
 4/18/11 No change.

Each chart shows daily prices (top portion), volume (bottom portion), a moving average (smoothed red line on price portion), a relative performance indicator between the ETF and S&P 500 (orange line), and red spikes. The spikes show potential buy and sell short signals. Generally speaking, if the moving average is trending down, the spike shows a potential sell short. If the moving average is trending up, but the ETF declines, the spike shows a potential buy. The charts do not show selling or covering signals.

Overflow and Newsletter Updates

(Continued from page 1) **REVIEW**

last week was the possibility that the US government debt would be downgraded in the next two years, if Congress and the President did not solve the budget crisis and debt expansion. These things are projected to enter the danger zone as percentages of GDP. Interest payments become too burdensome, let alone ever paying back the principle and reducing the outstanding debt. It

becomes a self-reinforcing cycle of more debt to pay for higher prices and payments. This problem is on the horizon and hopefully, they will seriously address the problem.

In the meantime, the expansion of our economy continues. Corporate earnings have recovered to pre financial crisis levels and interest rates remain low. This combination makes those corporate earnings “cheap”; it

makes the stock market attractive. The rally will be supported by this.

As well, leading economic indicators are still up, hitting recovery highs. This suggests that the lull in GDP in q1 of 1.8% compared to q4 at 3.1% is temporary.

So, with the markets back in gear, any weakness should be used to accumulate as higher stock prices are still expected.

5/2/11 No changes.

4/25/11 I plan to add additional ETFs to the database for ranking and sorting and performance. It is currently about 250.

I have completed a model structuring that combines ETF-specific timing with selecting. Back testing is now required. If long-term (10 years) results come in better, then I will let subscribers know of a potential change.

4/18/11 I updated the symbols for the Powershares Small Cap sector ETFs. These will show up next month.

No other changes.

Descriptions & Disclosures

PORTFOLIO DESCRIPTIONS (pages 2 and 6)

Our guiding goal is to provide the most return with the least risk consistently over time through bull and bear markets.

Income Portfolio, page2: Uses a proprietary selection methodology on all of the monitored bond-oriented ETFs to pick the top ETFs. I then use a proprietary timing model to decide whether to buy, sell, hold, or avoid.

Growth Portfolio, page 6: Uses the same methodologies as in the Income Portfolio, except as it is applied to stock-oriented ETFs.

All portfolios were started on 1/1/10 with \$100,000.

Portfolio changes will usually be made at the close on Monday, unless otherwise noted in any emailed hotline update or triggered stop orders. Issues are normally posted on Mondays by 1:30pm cst.

Portfolios are updated through the Friday close the week before.

Dividends are reinvested in additional shares. Commissions of \$10/trade and short-term redemption charges, if any, are applied.

Interest is zero for the money market (cash) position.

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Unless otherwise noted, the weekly eNewsletter is posted by 1:30 PM central time each Monday, except for holidays and then on Tuesday. It may contain actionable, specific buy or sell advice to take that day at the Monday close in each portfolio. We may also use stop orders. Portfolio data will be updated through the previous Friday's close. Fund symbols, rather than names, are the official identification used for activity.

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