

ETF Selections & Timing

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May 21, 2012 (data through previous Friday close)

Volume 3

Issue 21

Break Through Support

Technicals and fundamentals usually work together and the current decline is no exception.

Technically, the stock market has broken down through support levels, as shown on the chart below. It is the same with other indexes. Fundamentally,

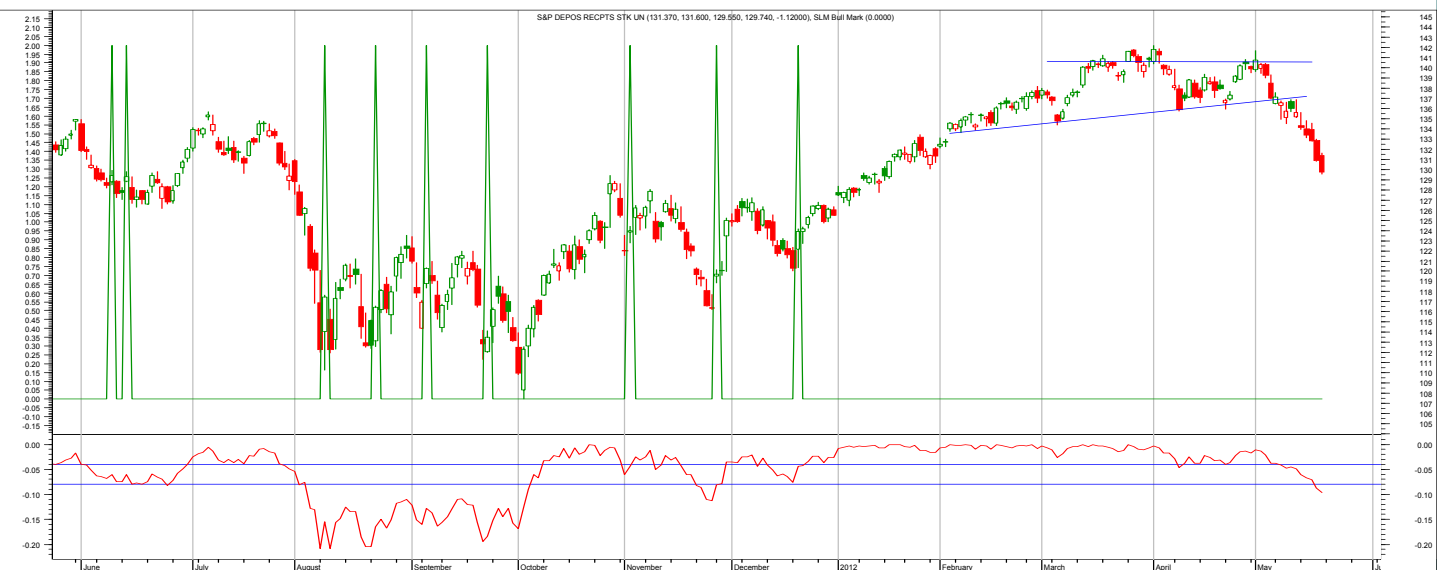
the reasoning behind the selloff is sovereign debt issues in Europe and the repercussions of bank runs. Get your cash now before it is too late goes the thinking.

As that happens, the market becomes oversold, which is where it appears to be now. In

addition, while they may stall and hem haw, the end result should still be to maintain the European Union. The question is the cost.

Investor sentiment has quickly turned from mildly opti-

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



This is the daily chart of SPY (S&P 500 index). The green spikes show potential buying areas.

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
ETF Income Portfolio	0.7%	3.0%	2.1	-1.0	-0.3	-0.6%
ETF Growth Portfolio	-0.9%	1.7%	0.2	-2.5	-1.2	-0.6%
Aggrgt Bond (AGG)	0.7%	3.7%	1.3	0.6	0.5	0.2%
Wilshire 5000	3.9%	-2.1%	7.3	-5.2	-6.2	-4.5%

CONTENTS

Pages 2-5	Income
Page 4	Bond Model
Pages 6-11	Growth
Page 12	Overflow
Page 13	Disclaimers

Income Portfolio

ACTION FOR						PORTFOLIO DETAILS					Value as of date: 5/18/2012		
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 4/23	Description	Start Price	End Price	# of Shares	Current Value	Percent of Total
13-Mar	sell	AGG	109.92	700.6	77,000	AGG	110.00						0.0%
14-Mar	sell	LQD	114.85	256.3	29,426	LQD	116.00						0.0%
26-Mar	buy	JNK	39.69	800.0	31,762	JNK	37.00	hi yield			900		0.0%
2-Apr	buy	PCY	28.10	1,200.0	33,730	PCY	27.00	emrg debt			1,200		0.0%
9-Apr	sell	JNK	38.83	804.9	31,244								
15-May	sell	PCY	27.91	1,200.0	33,482								
21-May	buy	PCY		1,200.0									
21-May	buy	JNK		900.0									
each buy is roughly 34% of total portfolio will be roughly 68% invested and 32% cash													
						Money Market				1.00	109,371	109,371.00	100.0%
												Total Valuation=	109,371.00 100.0%

WEEKLY REVIEW

5/21 Reenter the positions as noted above and with new stop levels. They should rally back. Treasuries have been relatively strong, while sovereign debt and junk (hi-yield) weakened. I expect this to reverse.

5/14 No changes.

5/4 No changes.

4/30 JNK reversed right after the stop out. Frustrating.

4/23 Bonds meander higher to sideways. No changes now.

4/16 Stopped out of JNK. But will look to reenter.

	2010	2011	ytd 2012	Incptn	SD
ETF Income Portfolio	4.8%	3.6	0.7	9.4	3.2
Aggregate Bond	2.5%	4.3	0.7	7.6	2.1

This shows the returns of previous years, year to date (ytd), and from inception (incptn). It also shows standard deviation (SD).

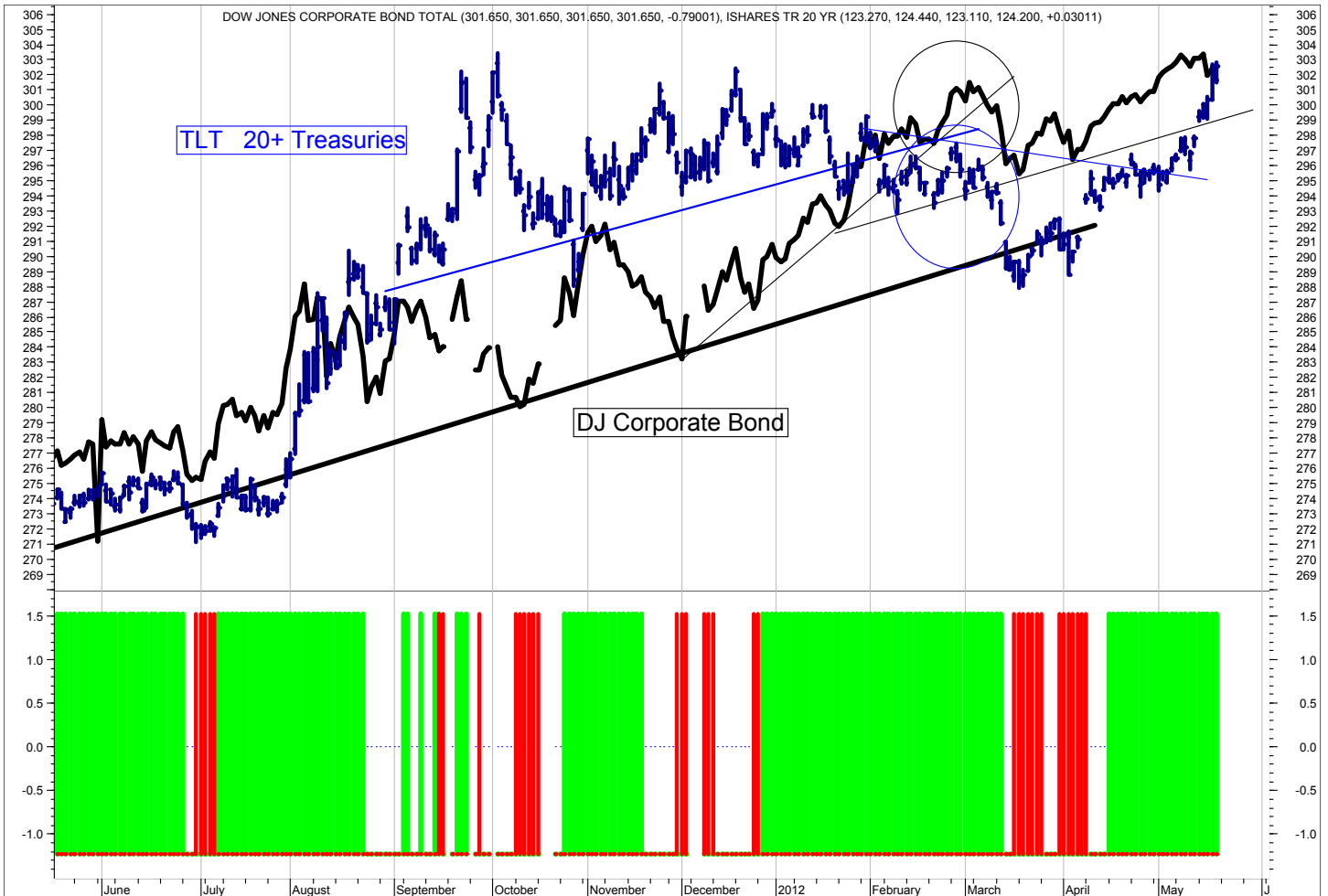
ETF Income Database and Ranking to 4/30/12

<i>Fund Name</i>	<i>D 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 Insrd CA Muni	PWZ	BI	10.48	7.99	4.40	0.20	0.81	1.25	24.87	*****
PS Insrd NY Muni	PZT	BI	9.44	7.22	3.66	-0.90	0.79	1.18	24.34	*****
iShares 10-20yr Trsry	TLH	BL	16.21	11.17	2.18	-1.24	3.34	2.33	132.03	*****
iShares 20+ yr Trsry	TLT	BL	24.95	19.81	1.24	-2.92	4.56	3.75	117.32	****
iShares 7-10yr Trsry	IEF	BI	11.88	7.13	2.11	-0.74	2.33	1.63	105.69	****
iShares Trsry Inflt	TIP	BI	7.43	4.60	2.52	0.05	1.50	0.97	119.42	****
PS Bld America	BAB	BI	13.94	9.20	4.03	0.17	1.31	1.93	29.44	****
PS Insrd Natl Muni	PZA	BI	10.24	7.68	4.59	-0.40	1.25	1.43	25.09	****
iShares 3-7yr Trsry	IEI	BI	5.73	2.63	0.92	-0.31	1.10	0.78	122.43	***
iShares Agg Bond	AGG	BI	3.89	2.26	0.52	-0.41	0.68	0.71	110.60	**
iShares High Yld	HYG	BH	-1.78	0.16	2.15	0.51	0.53	2.17	91.20	**
iShares Inter Bond	MBB	BI	1.88	0.89	0.31	-0.07	0.31	0.39	108.29	**
iShares Inter Gov	GVI	BI	3.00	1.52	0.60	-0.36	0.70	0.57	111.90	**
iShares Intrntl Tbond	IGOV	BW	-7.04	-6.67	-3.80	2.35	1.12	1.79	100.95	**
iShares Long Corp Bond	LQD	BL	5.44	3.66	1.55	0.24	0.74	1.48	116.48	**
PS 1-30 Ldr Trsry	PLW	BI	15.04	10.74	1.65	-1.63	2.99	2.27	32.04	**
PS DB Dollar Bearish	UDN	BF	-5.85	-5.14	-2.14	0.95	0.26	1.72	27.50	**
PS DB Dollar Bullish	UUP	BF	4.11	3.71	1.11	-1.40	-0.46	1.74	21.81	**
PS DB G10 Currency	DBV	BF	-1.23	1.35	1.68	0.98	-0.84	2.25	24.80	**
PS Emrg Mrkt Svrgn Debt	PCY	BW	6.66	3.52	3.86	3.94	1.68	1.71	28.49	**
PS Fdmntl Hi Yield Corp	PHB	BH	0.48	1.19	2.74	1.19	0.70	1.40	18.75	**
PS Prfd	PGX	BF	-0.48	2.20	2.64	0.98	0.00	1.38	14.37	**
SPDR High Yield	JNK	BH	-2.86	-1.29	1.95	0.66	0.91	2.22	39.73	**
SPDR Intrntl TBond	BWX	BW	-3.59	-3.45	-1.00	0.10	0.93	1.67	60.50	**
Vngrd Intrmtdt Bond	BND	BI	3.66	2.02	0.36	-0.18	0.77	0.62	83.92	**
Vngrd ShrtTrm Bond	BSV	BS	0.51	-0.26	-0.36	-0.14	0.31	0.38	81.19	**
Wtree Dryfs Chns Yuan	CYB	BF	-1.48	-0.59	-1.01	-0.16	0.04	0.74	25.36	**
Wtree Dryfs Emrg Crrncy	CEW	BF	-11.48	-10.61	-3.91	0.63	-0.19	2.96	20.90	**
Wtree Dryfs Euro	EU	BF	-9.17	-11.26	-5.05	5.51	0.38	2.85	20.89	**
Wtree Dryfs Jpn Yen	JYF	BF	0.22	-4.54	-4.37	-6.19	3.91	2.02	32.15	**
Wtree Dryfs N ZInd Dollar	BNZ	BF	0.34	-0.85	0.56	-8.00	-10.93	3.66	23.46	**
Wtree Emrg Mrkt Lcl Debt	ELD	BF	-4.11	-4.58	1.85	0.39	-0.12	2.73	51.83	**
Currency Euro	FXE	BF	-10.73	-7.99	-4.47	1.11	-0.76	2.19	131.71	**
PS Low Duration	PLK	BS	0.90	-0.41	-0.19	-0.09	-0.21	0.30	25.40	**
Wtree Dryfs Brazil Real	BZF	BF	-32.42	-33.80	-27.51	-7.00	-3.75	5.78	19.53	**
Wtree Dryfs Comdty Cur	CCX	BF	-24.15	-25.14	-19.57	0.10	-0.42	4.38	21.29	**
Wtree Dryfs Indn Rupee	ICN	BF	-23.23	-24.57	-17.29	-3.22	-1.82	3.93	21.05	**
Wtree Dryfs S Africa Rand	SZR	BF	-18.00	-17.53	-4.03	1.32	-1.29	3.98	24.56	**
iShares 1-3yr Trsry	SHY	BS	0.39	-0.02	-0.11	-0.13	0.17	0.17	84.46	*
PS VRDO Tax Free Wkly	PVI	BS	0.04	0.04	0.00	0.00	0.04	0.03	25.00	*

ETF data on pages 3, 7, 8, 9, and 10 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

5/21 Treasuries have had a huge rally based on Greece and EU worries.

5/14 No change.

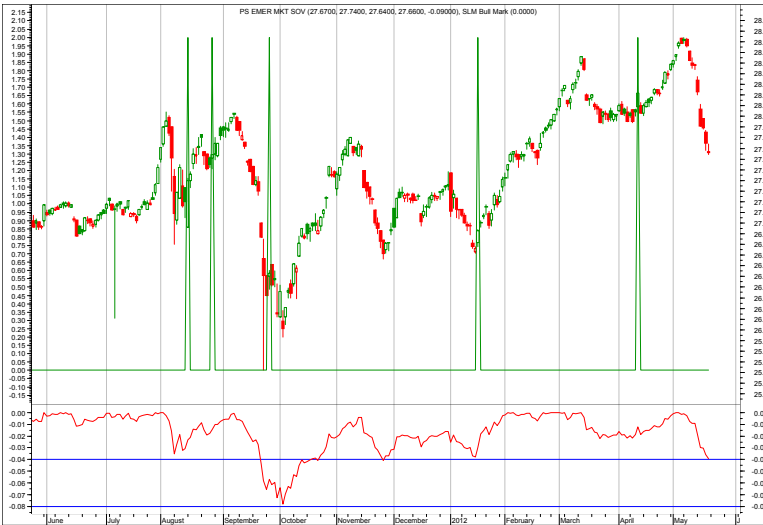
5/4 Still bullish, still waiting for a pullback.

4/30 Still bullish, but no pullbacks yet.

4/23 The Model is back to bullish. I prefer to buy on pullbacks, rather than chase it here.

4/16 The bond market has had a decent rebound rally after breaking major support lines. Still watching for some pullbacks in order to buy.

Income Charts



PCY—emerging market sovereign debt

5/21 Time to reenter because it is oversold.

5/14 No changes.

5/4 It closed the gap from March and then some.

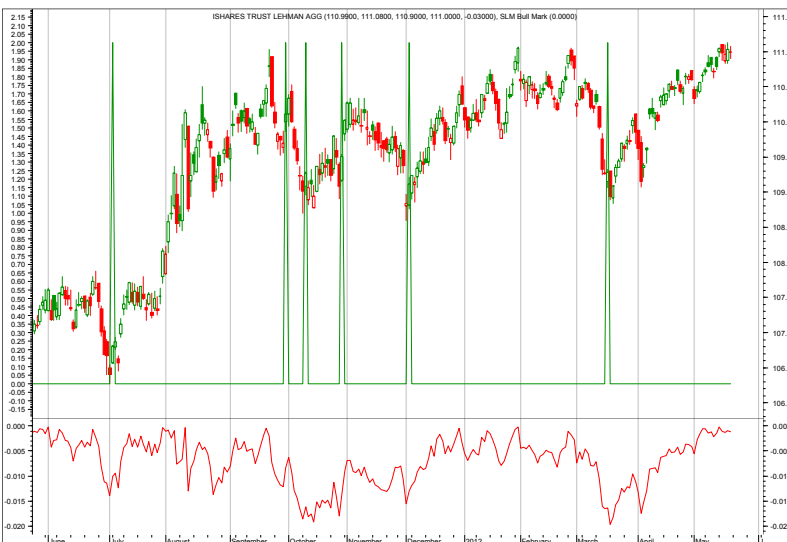
4/30 No change. It may close the gap.

4/23 No change.

4/16 Still attractive.

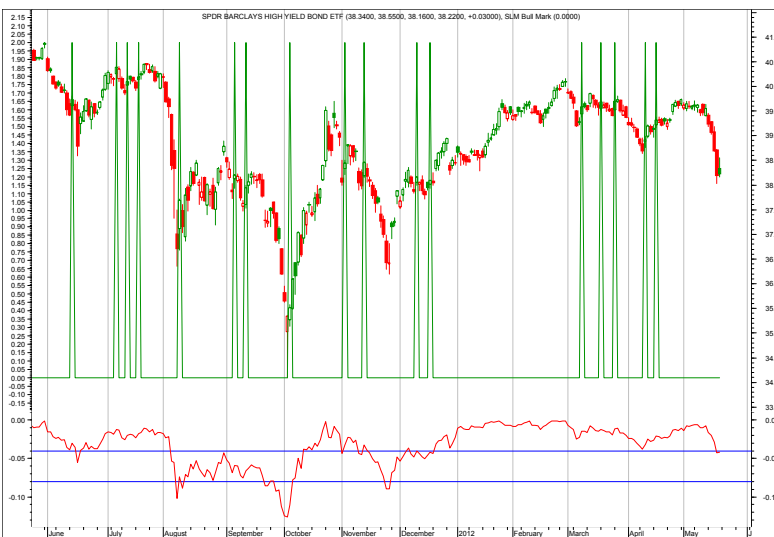
4/8 No changes.

4/2 If the crisis in Europe is reaching an end, then PCY may benefit.



AGG—Aggregate Bond Index

5/21 No changes.



JNK—Hi Yield

5/21 Time to reenter because it is oversold.

5/14 No change.

5/4 No change.

4/30 That's annoying to be stopped out near the bottom, only to watch it reverse and head back up. I still think Hi Yield is in the sweet spot of a recovering economy and low alternative yields.

4/23 Hi yield still looks relatively attractive, as long as no recession is in sight. Domestically this is true, but internationally, not really.

4/16 Was stopped out of the position, but will look to reenter.

Each chart shows daily prices, a moving average (smoothed red line on price portion), and 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, the spike shows a potential buy. The charts do not show selling or covering signals.

Growth Portfolio

ACTION FOR		PORTFOLIO DETAILS					Value as of date:		5/18/2012				
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 5/21	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total
4-Apr	sell	GLD	157.21	40	6,278	LONG ETFs-							0.0%
10-Apr	sell	EEM	41.29	300	12,377	EEM	37.00	Emrg Mrkt			800	-	0.0%
16-Apr	buy	PKW	28.92	400	11,578	QQQ	60.00	Nas 100			500	-	0.0%
7-May	buy	GLD	159.08	80	12,736	SPY	129.00	S&P 500			240	-	0.0%
9-May	sell	GLD	154.47	80	12,348	SHORT ETFs-							
17-May	sell	DVY	54.31	200	10,852								
17-May	sell	PKW	27.53	400	11,002								
21-May	buy	EEM		800									
21-May	buy	QQQ		500									
21-May	buy	SPY		240									
each purchase is roughly 13% of total portfolio value w ill leave roughly 40% invested, 60% cash													
						Cash from short Money Market			1.00		-	-	0.0%
							1.00		114,540		114,540.00	100.0%	
									Total Valuation=		114,540.00	100.0%	

WEEKLY REVIEW

5/21 Buy as noted above. Watch the stops. The market is oversold and should bounce back into previous support. This will probably be just a short-term trade.

5/14 Watch the stops, if the market rolls over.

5/4 Buy GLD (gold) again with another tight stop as noted above.

4/30 No changes.

4/23 I tightened the stop. The market is still more of a trending sideways than trending up or down.

4/16 Buy PKW as noted above.

4/8 Gold was stopped out. Will watch for a reentry point.

	2010	2011	ytd 2012	Incptn	SD
ETF Growth Portfolio	8.1%	6.9	-0.9	14.5	5.8
Wilshire 5000 TR	17.7%	0.5	3.9	22.9	10.9

This shows the returns of previous years, year to date (ytd), and from inception (incptn). It also shows standard deviation (SD).

Top ETF Growth Ranking to 4/30/12 (month end)

Fund Name	D Symbol	Style	12m	9m	6m	3m	1m	V	NAV	Rank
Guggnhm Dfnsv Eqty	DEF	EV	6.69	10.37	7.21	5.04	1.78	2.10	28.53	*****
PS Dynmc Leisure & Enter	PEJ	EA	14.82	15.66	20.42	13.30	1.55	4.16	22.23	*****
PS Dynmc Pharma	PJP	EA	22.15	20.72	20.23	10.54	1.75	3.54	31.98	*****
PS Dynmc Retail	PMR	EA	18.11	25.23	20.74	12.72	1.37	4.29	25.96	*****
PS QQQ	QQQ	ELC	13.00	15.10	15.20	10.29	-1.17	3.76	66.76	*****
Select SPDR Cnsmr Disc	XLY	EA	12.48	15.03	16.89	10.38	1.15	3.65	45.61	*****
Select SPDR Cnsmr Stpl	XLP	EA	8.44	10.87	10.12	6.71	0.29	2.50	34.18	*****
Select SPDR Technlgy	XLK	EA	11.52	15.54	14.65	10.32	-1.13	3.38	29.82	*****
Vngrd Cnsmr Stpls	VDC	EA	8.67	9.78	8.56	7.27	0.22	2.32	86.47	*****
Wtree Eqty Income	DHS	EGI	7.13	11.05	9.76	5.29	0.94	2.38	45.22	*****
Guggnhm Ocn Grth	OTR	ELC	8.30	4.62	9.72	11.97	4.10	3.38	31.71	****
Guggnhm Spin Off	CSD	EMC	7.76	12.43	18.04	11.51	1.43	3.68	26.95	****
iShares DJ Slct Div	DVY	EGI	5.65	10.42	8.79	5.41	1.30	2.39	56.69	****
PS Buyback Achievers	PKW	EGI	7.92	12.81	13.28	6.90	0.24	3.05	29.42	****
PS Dividend Achievers	PFM	EGI	3.27	8.52	8.45	4.36	-0.19	2.46	15.79	****
PS DWA Tech Ldr	PDP	ELC	5.05	8.40	15.64	11.35	2.09	3.69	27.87	****
PS Dynmc Banking	PJB	EA	3.42	13.21	20.34	7.31	-0.87	4.55	13.38	****
PS Dynmc Bldg Cnstrctn	PKB	EA	1.14	14.47	20.99	7.80	0.85	5.42	14.24	****
PS Dynmc Cnsmr Discr	PEZ	EA	8.20	11.73	15.58	11.60	0.78	4.34	29.82	****
PS Dynmc Lrg Cap Grth	PWB	ELC	6.18	10.37	15.90	11.62	0.64	3.71	18.73	****
PS Hi Yld Eqty Div	PEY	EGI	3.09	9.87	5.06	1.52	-0.74	2.03	9.35	****
PS Mega Cap	PMA	ELC	5.00	10.89	10.64	6.73	-0.79	3.16	29.27	****
PS S&P SmlCap Cnsmr Dis	PSCD	EA	7.53	9.12	16.54	8.02	-1.12	4.78	31.70	****
PS S&P SmlCap Cnsmr Stpl	PSCC	EA	6.50	7.68	10.12	6.50	-0.09	3.06	34.06	****
PS S&P SmlCap Fincl	PSCF	EA	3.60	10.03	13.01	5.73	0.04	3.90	29.96	****
Select SPDR Div	SDY	EGI	2.18	8.61	6.68	3.34	0.04	2.34	56.66	****
Select SPDR Health	XLV	EA	6.44	9.94	11.77	4.78	-0.27	2.91	37.51	****
Select SPDR Utilities	XLU	EA	7.54	7.51	2.32	2.83	1.75	1.77	35.66	****
SPDR DJ Industrials	DIA	ELC	2.94	8.81	10.44	4.55	0.00	2.88	131.80	****
SPDR S&P 500	SPY	ELC	2.52	8.15	11.45	6.51	-0.67	3.28	139.87	****
Vngrd Cnsmr Dis	VCR	EA	10.72	13.27	15.45	10.50	0.72	3.81	72.72	****
Vngrd Grth	VUG	ELC	6.74	10.18	13.34	7.80	-0.30	3.30	70.76	****
Vngrd Health	VHT	EA	5.34	9.16	11.98	5.55	-0.40	3.07	67.30	****
Vngrd Large Cap	VV	ELC	2.32	7.87	11.67	6.57	-0.61	3.32	64.04	****
Vngrd Tech	VGT	EA	9.84	14.92	14.07	9.77	-2.00	4.00	72.70	****
Vngrd Utilities	VPU	ELC	6.13	6.98	2.49	2.74	1.75	1.76	76.15	****
Wtree Div Ex Fincl	DTN	ELC	5.24	9.76	8.33	3.13	-0.31	2.41	54.65	****
Wtree LrgCap Div	DLN	ELC	5.52	10.68	11.33	5.37	-0.02	2.64	52.95	****
Wtree S&P 500	EPS	ELC	3.81	9.54	11.51	5.95	-1.25	3.36	48.81	****

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 to same month end

<i>Fund Name</i>	<i>D 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	-17.89	-3.89	3.43	-4.99	2.29	5.55	29.87	***
Guggnhm China All	YAO	EWR	-17.35	-12.74	3.70	1.81	2.64	6.75	24.25	***
Guggnhm China REIT	TAO	EWR	-9.15	-9.18	13.32	8.15	6.62	8.51	18.06	***
Guggnhm China Sml	HAO	EWR	-27.12	-19.15	3.15	4.62	1.81	8.22	21.96	***
Guggnhm Euro-Pac	EEN	EW	-15.35	-15.68	-3.35	12.31	4.08	6.10	17.18	***
Guggnhm Frntr	FRN	EW	-8.90	-4.35	6.09	5.03	-2.00	4.69	21.09	***
Guggnhm Gbl Wtr	CGW	EW	-4.85	0.51	7.81	7.32	0.58	3.54	21.23	***
Guggnhm Insdr Sent	NFO	EMC	-4.71	-1.49	7.11	6.48	-1.69	4.71	34.36	***
Guggnhm Intrntl SmlCap	XGC	EW	-20.76	-21.38	-7.87	12.80	7.46	7.10	18.86	***
Guggnhm MidCap Core	CZA	EMC	1.80	7.77	11.96	5.66	0.18	3.66	32.87	***
Guggnhm Multi Ast In	CVY	EV	-0.50	4.69	6.79	2.68	0.09	2.86	21.87	***
Guggnhm Ocn Tomo	OTP	ELC	-1.28	-2.20	11.75	10.74	4.24	4.17	27.02	***
Guggnhm RJ All	RYJ	ELC	-0.51	7.46	13.38	6.88	-0.97	4.70	23.47	***
Guggnhm Sctr Rotn	XRO	ELC	0.03	-4.23	10.77	11.98	6.74	4.68	25.89	***
Guggnhm Shipping	SEA	EA	-30.80	-12.22	11.44	8.29	-5.36	7.54	18.02	***
iShares Canada	EWC	EW	-15.85	-8.34	0.42	0.89	0.07	4.17	28.36	***
iShares China	FXI	EW	-16.11	-10.47	5.17	-2.33	3.44	6.09	37.92	***
iShares Cohen&Str REIT	ICF	ERE	5.98	6.62	11.70	5.78	2.74	5.00	78.74	***
iShares EAFE Indx	EFA	EW	-15.30	-8.45	2.62	3.09	-2.08	4.44	53.75	***
iShares Emrg Mrkt Stk	EEM	EW	-15.57	-10.39	3.43	0.25	-1.70	5.78	42.22	***
iShares Europe 350	IEV	EW	-19.63	-9.10	1.73	2.42	-2.44	5.17	36.44	***
iShares Gold	IAU	EG	6.29	2.27	-3.22	-4.42	-0.25	5.80	16.23	***
iShares Latin Amr	ILF	EW	-15.56	-7.65	0.55	-1.55	-3.97	5.32	45.74	***
iShares Mexico	EWV	EW	-3.84	0.05	11.87	6.31	-1.09	4.28	61.84	***
iShares Prfrd	PFF	EGI	-2.80	0.62	4.37	2.10	-0.26	2.24	38.94	***
iShares REIT	IYR	ERE	2.80	5.76	11.65	5.53	2.58	4.44	63.91	***
iShares Russel 2000	IWM	ESC	-5.70	2.17	10.08	3.10	-1.62	4.52	81.47	***
iShares Russel MidVal	IWS	EV	-3.00	4.19	10.06	4.94	-0.71	3.70	47.79	***
iShares Sltc Div	IDV	ELC	-16.58	-7.60	0.33	1.90	-2.38	4.58	31.82	***
PS Aerospace & Def	PPA	EA	-2.73	5.05	10.20	3.74	-0.84	3.35	19.98	***
PS BLDR Asia 50 ADR	ADRA	EW	-11.83	-8.61	4.82	1.77	-1.53	4.37	25.25	***
PS DB Commodity	DBC	EA	-10.94	-6.18	2.49	2.08	-1.35	4.23	28.41	***
PS DB Energy	DBE	EA	-10.61	-1.87	6.90	5.80	-0.50	4.91	29.90	***
PS DB Gold	DGL	EG	5.14	1.35	-4.03	-4.80	-0.16	5.75	57.69	***
PS DB Oil	DBO	EA	-11.77	4.76	14.58	5.23	0.94	6.15	30.19	***
PS DB Precious Metals	DBP	EG	-6.62	-4.54	-5.21	-5.16	-1.15	7.44	57.66	***
PS DWA Dvlpd Mrkt T Ldrs	PIZ	ELC	-18.75	-12.26	3.63	4.63	-0.89	5.07	19.35	***
PS DWA Emrg Mrkt T Ldrs	PIE	EW	-7.27	-7.61	10.44	5.27	0.22	5.14	17.98	***
PS Dyn MagniQuant	PIQ	ELC	-1.91	3.85	10.39	6.95	-0.38	4.55	26.45	***
PS Dyn Mrkt	PWC	ELC	-2.99	4.54	12.07	8.35	0.28	4.29	46.79	***
PS Dyn OTC	PWO	ESC	-4.26	2.91	9.84	6.90	-0.25	4.26	51.47	***
PS Dynmc Basic Matr	PYZ	EA	-6.29	-0.16	16.05	4.01	0.37	5.73	38.17	***
PS Dynmc Biotech	PBE	EA	-4.10	5.46	9.40	1.54	-1.98	4.44	22.23	***
PS Dynmc Consmr Staples	PSL	EA	4.17	5.52	5.82	5.26	0.09	2.78	32.71	***
PS Dynmc Energy	PXI	EA	-9.52	-7.35	4.52	1.76	-0.66	6.06	40.49	***
PS Dynmc Energy Explor	PXE	EA	-11.34	-6.51	5.96	2.21	-2.08	6.48	24.54	***
PS Dynmc Fncl	PFI	EA	-2.02	6.88	11.77	6.99	-1.39	4.27	20.02	***
PS Dynmc Food & Bev	PBJ	EA	0.00	0.15	3.83	2.86	-0.25	2.72	19.78	***
PS Dynmc Healthcare	PTH	EA	2.88	7.28	14.00	9.18	-0.16	4.06	32.38	***
PS Dynmc Indstrls	PRN	EA	-7.44	2.71	9.45	2.09	-0.35	4.69	30.04	***
PS Dynmc Lrg Cap Value	PWV	ELC	1.67	6.92	9.52	5.77	-0.53	2.95	20.70	***
PS Dynmc Media	PBS	EA	-4.87	2.48	11.73	6.29	-1.97	5.11	14.86	***
PS Dynmc Networking	PXQ	EA	-5.21	9.92	10.84	3.47	-3.12	6.22	27.69	***
PS Dynmc Semicndctr	PSI	EA	-13.59	3.36	7.97	2.28	-3.08	6.23	15.71	***
PS Dynmc Software	PSJ	EA	-2.14	8.30	8.08	9.18	-0.26	4.40	26.89	***
PS Dynmc Technology	PTF	EA	-1.37	10.12	12.48	7.95	-0.83	4.78	27.31	***
PS Dynmc Utilities	PUI	EA	-2.64	1.07	3.54	2.69	-0.56	2.21	16.65	***
PS Emrg Mrkt Infrastrctr	PXR	EW	-25.09	-17.17	3.37	0.39	-1.42	7.40	42.27	***
PS Fincl Pfd	PGF	EGI	-2.57	1.54	5.13	2.77	-0.45	2.46	17.82	***
PS FTSE RAFI Asia Pac xJpn	PAF	EW	-15.19	-9.41	1.76	1.52	-0.16	5.81	51.84	***
PS FTSE RAFI US 1500 Sml-Mid	PRFZ	EMC	-5.25	2.17	10.64	3.78	-1.66	4.61	66.94	***

This shows the ETF Growth 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. Rank shows the number of comets from 5 to 1. The larger the better.

Middle ETF Growth Ranking to same month end

<i>Fund Name</i>	<i>D 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 Gbl Agriculture	PAGG	EA	-11.61	-10.76	0.58	1.98	-1.72	4.65	29.68	***
PS Gbl Listd Prvt Eqty	PSP	EW	-24.53	-9.48	5.83	4.63	-2.32	6.56	9.26	***
PS Gbl Water	PIO	EW	-17.45	-9.44	4.31	3.64	-2.49	4.81	17.65	***
PS Ibtstn Altrntv	PTO	ELC	-5.86	-3.79	0.61	0.09	-0.22	3.13	11.56	***
PS Intrntl Dvnd	PID	EW	-9.01	-3.46	0.99	3.30	0.00	3.26	15.36	***
PS MENA Frntr Countries	PMNA	EW	-10.10	-2.80	0.81	5.37	0.53	2.93	11.39	***
PS Mrngstr Stk	PYH	ELC	-0.63	7.03	9.71	5.29	-0.99	3.21	21.91	***
PS NASDAQ Intrnt	PNQI	EA	-0.77	4.45	14.20	11.04	-1.30	5.33	41.09	***
PS RvrFrnt Tac Bal	PAO	EGI	-8.83	-3.26	6.53	4.21	-0.24	3.16	12.39	***
PS RvrFrnt Tac G&I	PCA	EGI	-5.07	-0.61	3.27	2.42	-0.54	2.36	12.93	***
PS S&P 500 BuyWrite	PBP	ELC	-3.68	-1.34	0.73	3.35	0.63	2.72	20.67	***
PS S&P 500 High Qlty	PIV	ELC	7.99	-0.30	4.66	5.27	3.99	2.95	14.59	***
PS S&P SmlCap Energy	PSCE	EA	-12.04	-10.11	8.61	0.66	-2.12	7.49	36.46	***
PS S&P SmlCap Hlth Care	PSCH	EA	1.61	8.37	14.11	5.90	-1.28	4.58	34.70	***
PS S&P SmlCap Indstrils	PSCI	EA	-4.07	3.09	8.78	1.37	-3.18	4.63	29.67	***
PS S&P SmlCap Info Tech	PSCT	EA	-5.54	7.64	10.57	1.27	-2.47	5.01	30.86	***
PS S&P SmlCap Mtrls	PSCM	EA	-5.71	0.45	9.37	-0.38	-1.34	4.34	28.72	***
PS S&P SmlCap Utilities	PSCU	EA	-0.52	0.03	-2.19	-3.87	-2.28	2.29	29.52	***
PS US REIT	PSR	ERE	7.93	8.29	10.46	5.22	3.20	4.43	56.07	***
PS Water Resources	PHO	EA	-7.27	1.63	9.64	2.74	-2.29	4.47	18.76	***
PS WilderHill Prgsv Enrgy	PUW	EA	-15.58	-6.34	8.57	3.76	-1.55	6.10	25.85	***
PS Zacks Micro Cap	PZI	ESC	-9.13	0.27	11.27	4.13	-1.99	4.80	11.35	***
Select SPDR Enrgy	XLE	EA	-11.48	-6.81	2.19	0.78	-0.71	5.27	71.24	***
Select SPDR Financls	XLF	EA	-5.80	4.29	14.34	9.78	-2.31	5.34	15.43	***
Select SPDR Indl	XLI	EA	-4.37	6.72	10.74	2.18	-1.08	4.11	37.01	***
Select SPDR Matrils	XLB	EA	-10.28	-3.53	6.44	-1.37	-0.81	4.68	36.67	***
SPDR DJ Gbl Titans	DGT	EW	-14.78	-7.26	2.87	1.14	-3.04	4.25	54.13	***
SPDR Gold	GLD	EG	6.24	2.27	-3.26	-4.39	-0.15	5.77	161.88	***
SPDR Wlsh REIT	RWR	ERE	6.62	7.74	12.79	6.56	3.04	4.97	72.98	***
Vngrd Div Aprpctn	VIG	EGI	1.57	7.96	9.19	4.07	-0.34	2.84	58.35	***
Vngrd Emrg Mrkt	VWO	EW	-15.90	-11.93	2.47	0.53	-2.10	5.74	42.56	***
Vngrd Extnd 4500	VXF	ELC	-3.03	4.00	11.57	5.49	-0.86	4.44	58.83	***
Vngrd Fincl Srv	VFH	EA	-4.94	4.44	14.35	9.15	-1.61	5.03	32.44	***
Vngrd Materials	VAW	ELC	-9.05	-2.92	7.19	-0.43	-0.86	5.02	81.50	***
Vngrd MidCap Val	VO	EMC	-2.01	4.39	10.11	5.64	-0.63	4.04	81.07	***
Vngrd Small Cap	VB	ESC	-4.17	3.59	10.13	4.58	-1.02	4.54	77.92	***
Vngrd Small Cap Grth	VBK	ESC	-3.44	4.26	10.74	5.15	-0.98	4.84	86.09	***
Vngrd Small Cap Value	VBR	ESC	-4.70	2.85	9.56	3.94	-0.99	4.24	69.68	***
Vngrd TTL Stock	VTI	ELC	1.56	7.40	11.70	6.28	-0.64	3.40	71.80	***
Wtree Emrg Mrkt Eincm	DEM	EW	-12.24	-5.29	7.73	2.24	-1.58	4.74	56.70	***
Wtree Emrg Mrkt SC Div	DGS	EW	-15.92	-10.25	9.59	4.30	-1.25	5.73	47.52	***
Wtree Eur SC Div	DFE	EW	-21.25	-7.52	5.04	5.63	-1.61	5.76	37.90	***
Wtree Gbl Eqty Incm	DEW	EW	-13.74	-5.55	1.79	2.36	-1.13	3.74	41.21	***
Wtree Intrntl REIT	DRW	ERE	-11.36	-5.20	8.71	5.44	2.08	4.99	26.96	***
Wtree Intrntl SC Div	DLS	EW	-12.63	-5.22	5.54	2.96	-1.86	3.79	48.63	***
Wtree Japan Hedge Eqty	DXJ	EC	-6.88	-3.20	5.72	5.36	-7.26	3.64	34.22	***
Wtree Japan SC Div	DFJ	EWR	2.88	-1.58	6.96	1.39	-2.85	3.02	44.28	***
Wtree LrgCap Grth	ROI	ELC	0.55	6.79	10.62	5.21	-1.41	3.87	40.42	***
Wtree MidCap Div	DON	EMC	0.29	6.08	9.31	4.48	-0.12	3.24	56.22	***
Wtree MidCap Earn	EZM	EMC	-1.19	6.12	11.06	3.39	-2.09	4.38	59.86	***
Wtree Middle East Div	GULF	EW	-10.48	0.46	2.14	3.67	-1.61	3.21	15.25	***
Wtree Sml Cap Div	DES	ESC	-2.09	4.75	9.03	1.61	-1.16	3.49	48.52	***
Wtree Ttl Earn	EXT	ELC	2.60	8.80	11.43	5.63	-1.42	3.49	49.93	***

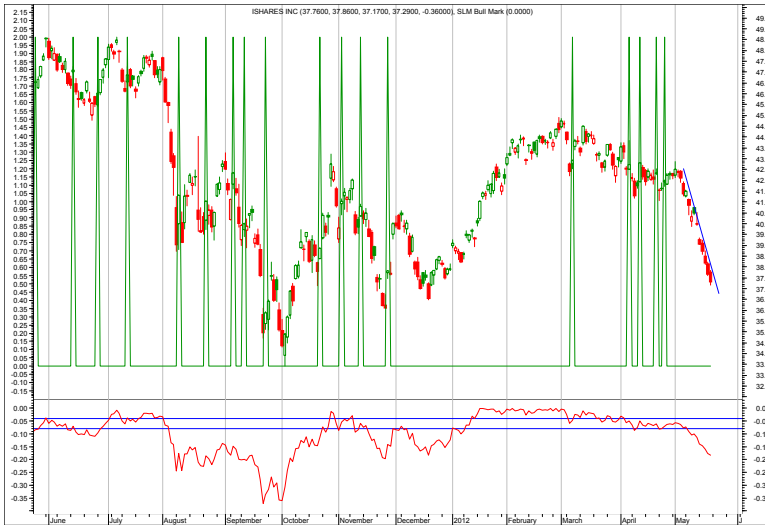
This shows the ETF Growth Database and Ranking. It shows performance over the last 12, 9, 6, 3, and 1 months through the previous month's end. V is Volatility. NAV is price. Rank shows the number of comets from 5 to 1. The larger the better.

Bottom ETF Growth Ranking to same month end

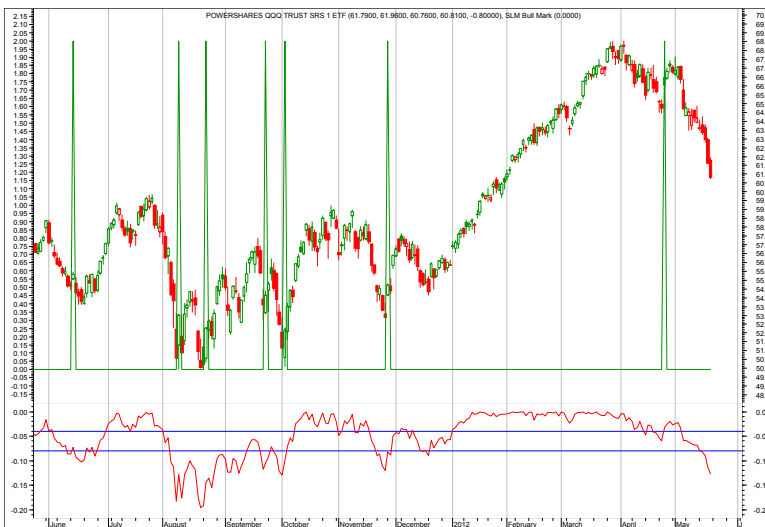
<i>Fund Name</i>	<i>D Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
Guggnhm BRIC	EEB	EW	-20.77	-15.02	-3.60	-3.74	-3.67	6.01	38.03	**
Guggnhm Candn Enrg Incm	ENY	EWR	-25.31	-15.48	1.71	-2.27	0.37	6.43	17.26	**
Guggnhm Glbl Div	LVL	EW	-19.17	-10.96	-3.09	-3.11	-3.60	4.15	13.41	**
Guggnhm Intrntl A Incm	HGI	EW	-16.01	-9.35	1.60	-0.41	-2.89	4.57	17.16	**
Guggnhm Timber	CUT	EA	-22.70	-8.05	3.97	0.84	-4.19	4.94	18.05	**
iShares Silver	SLV	EG	-35.77	-22.50	-9.96	-6.72	-4.05	13.78	30.11	**
PS BLDR Dvlpd Mrkt 100 ADR	ADRD	EW	-15.86	-8.95	0.36	1.28	-2.60	4.55	19.84	**
PS BLDR Emrg Mkt 50 ADR	ADRE	EW	-15.59	-9.74	0.61	-2.99	-2.56	4.96	41.14	**
PS BLDR Europe 100 ADR	ADRU	EW	-17.41	-8.89	-2.26	0.57	-1.71	4.70	19.45	**
PS Cleantech	PZD	EA	-23.62	-13.94	-0.12	-1.03	-3.87	5.17	22.95	**
PS DB Base Metals	DBB	EG	-16.31	-19.59	0.30	-3.59	0.35	5.05	20.16	**
PS DB Silver	DBS	EG	-36.11	-22.77	-9.95	-6.55	-4.13	13.99	53.92	**
PS Dyn Dvlp Intrnl Opp	PFA	EW	-15.24	-20.16	-16.76	-0.26	7.26	5.03	15.63	**
PS Dynmc Oil & Gas Srvc	PXJ	EA	-22.46	-20.01	-0.63	-0.78	-1.82	7.71	20.47	**
PS FTSE RAFI Dvlp Mrkt xUSA	PXF	EW	-21.41	-12.75	-0.52	0.26	-3.91	5.15	34.43	**
PS FTSE RAFI Dvlp Mrkt xUSA Sml	PDN	EW	-14.28	-9.76	1.73	1.32	-0.71	3.73	22.37	**
PS FTSE RAFI Emrg Mrkt	PXH	EW	-17.84	-12.09	2.07	-1.68	-2.97	5.72	22.24	**
PS Glbl Nuclr Enrgy	PKN	EW	-20.00	-14.85	-2.12	-3.20	-3.41	5.53	16.45	**
PS Glbl Steel	PSTL	EA	-31.68	-27.94	9.39	10.42	-7.64	6.91	16.43	**
PS Gldn Drgn USX China	PGJ	EW	-25.63	-18.62	-2.14	-1.24	-0.56	5.96	21.50	**
PS India	PIN	EW	-25.57	-22.13	-10.08	-7.80	-5.26	6.85	17.84	**
SPDR Euro Stoxx 50	FEZ	EW	-31.25	-19.22	-6.26	-3.23	-6.72	6.37	30.27	**
Wtree DEFA	DWM	EW	-16.95	-9.31	1.18	1.78	-2.20	4.26	43.91	**
Wtree DEFA Eqty Incm	DTH	EW	-20.28	-10.93	-3.88	-0.05	-3.11	4.55	37.74	**
Wtree India	EPI	EWR	-26.39	-21.47	-8.30	-4.63	-4.93	7.98	18.33	**
Wtree Intrntl Div Ex Fincl	DOO	EW	-19.34	-10.92	-2.97	0.02	-3.06	4.12	40.53	**
Wtree Intrntl LC Div	DOL	EW	-17.23	-8.92	-0.26	1.13	-2.11	4.54	42.19	**
Wtree Intrntl MC Div	DIM	EW	-17.34	-10.46	1.32	2.40	-2.50	4.39	46.89	**
Wtree Intrntl Utilities	DBU	EA	-18.14	-9.29	-0.28	0.76	-2.41	3.49	18.46	**
Guggnhm Solar	TAN	EA	-74.83	-65.55	-36.71	-26.90	-10.97	12.54	22.15	*
iShares Spain	EWP	EW	-43.14	-32.73	-26.11	-15.84	-11.13	5.77	26.04	*
PS DB Agriculture	DBA	EA	-19.88	-15.38	-10.26	-5.90	-2.88	3.17	27.29	*
PS Glbl Clean Enrgy	PBD	EW	-46.10	-34.12	-14.43	-7.83	-7.01	7.89	8.36	*
PS Glbl Coal	PKOL	EA	-34.94	-30.71	-14.29	-8.61	-1.79	7.22	24.38	*
PS Glbl Gold Precious Mtls	PSAU	EG	-27.61	-21.21	-18.34	-16.37	-7.18	7.09	36.85	*
PS Glbl Wind Energy	PWND	EW	-43.79	-31.53	-17.98	-11.08	-9.30	6.91	6.34	*
PS Lux Nanotech	PXN	EA	-34.25	-22.72	-0.62	-2.00	-2.84	5.49	6.36	*
PS WilderHill Cln Enrgy	PBW	EA	-50.63	-38.72	-15.75	-11.81	-8.63	7.93	5.08	*
Wtree World Ex US Grth	DNL	EW	-14.55	-10.61	4.55	1.89	-0.43	5.08	50.59	*

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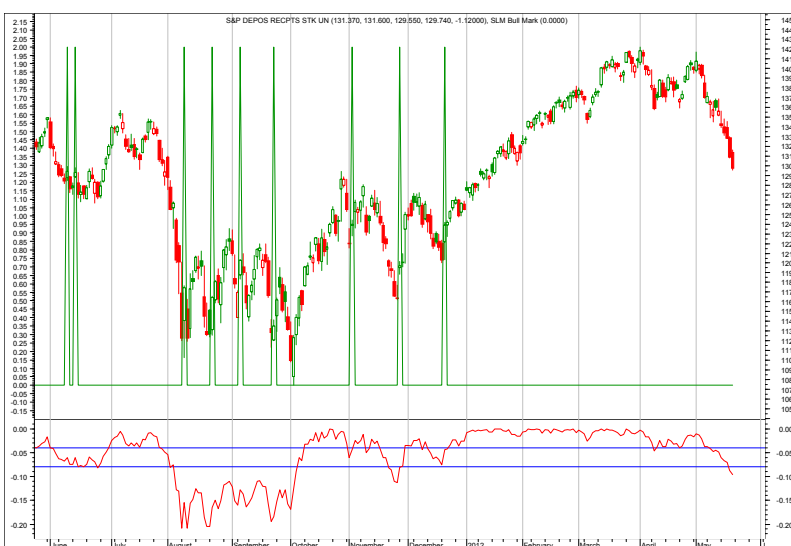
Growth Charts



EEM—Emerging Markets
5/21 Oversold, time to reenter.



QQQ—NASDAQ 100
5/21 Also oversold. Due for a bounce.



SPY—S&P 500
5/21 Also oversold and due for a bounce.

Each chart shows daily prices, a moving average (smoothed red line on price portion), and 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, the spike shows a potential buy. The charts do not show selling or covering signals.

Overflow from Page 1, Definitions, and Newsletter Updates

(Continued from page 1) **REVIEW**

mistic to mildly pessimistic. From a contrary point of view, this too provides some support.

So, basically, I will reenter some positions with an eye to a market bounce back to previous support levels. This will most likely be a short-term trade (days to weeks).

From that bounce, it should then sell off again. We will see

what happens after that whether the market is in gear to the downside or shows signs of positive divergences.

See the individual portfolio pages for specific actions to take and the new stop levels. The reason stops are important now is because we know, from 30 years of experience what the market should do, but we don't know what it will do. The market is

oversold. It should bounce. But if the fundamentals completely change, like Greece defaulting, the stops will help. If they work it out, the market should rally.

Just to clarify a couple of terms that I use regularly.

Short-term is days to weeks.

Intermediate-term is weeks to months.

Long-term is months to years.

Cyclical is 2-5 years.

Secular is 5 years to decades.

Bull market is a series of higher highs and higher lows.

Bear market is a series of lower lows and lower highs.

Neutral market is sideways without a discernible pattern.

Oddly, bull and bear markets may occur simultaneously, but over different time periods. For example, we may be in a secular bear market, but there are cyclical bull and bear markets.

Closing stops are "mental". I look at the position at quarter to the close. If it is trading below the stop (or above if short), then I act with the assumption the security will trigger that closing stop on that day. I sell (or cover) at the close that day.

5/21/12 No newsletter changes.

5/14/12 No changes.

5/7/12 ETF monthly rankings are updated through 4/30/12.

4/30/12 No changes.

4/23/12 Back testing continues on the new timing/selecting models.

4/16/12 No changes.

4/8/12 ETF rankings through 3/31/12 are posted.

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.

Both 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 1:35pm 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.

Wilshire 5000 TR (total return) includes dividend reinvestment. This is a broad based index of domestic stocks.

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Unless otherwise noted, the weekly eNewsletter is posted by 1:35 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. For stops, check the ETF at quarter to the close. If it is below (or above) a stop level, assume it will close there and act on that. 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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