

ETF Selections & Timing

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Keynes Has Left The Building

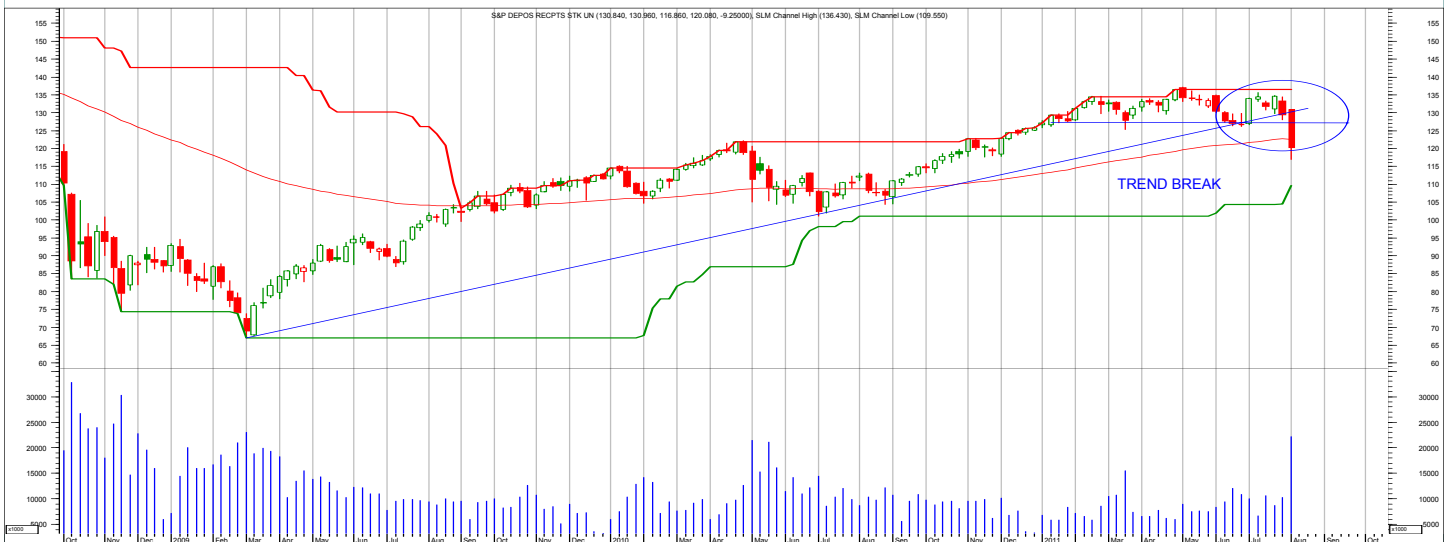
Buy on the rumor and sell on the news? When the debt ceiling was raised, we collectively breathed a sigh of relief that we retain our AAA rating and can pay already agreed upon obligations. This breath has quickly turned into a gasp of what the heck? What is

going on with stocks and bonds? Standard & Poors rating service, while otherwise perennially late decided to throw caution to the winds and be early this time; they downgraded the US to AA+. Ridiculous is my estimation.

There is something else in

all this. Coinciding with the debt and deficit discussion, we saw, but mainly ignored, a few economic reports that suggest the recovery, the expansion, is stalling. Already reported GDP was adjusted downward, while

(Continued on bottom right on page 12 see REVIEW)



The chart is the WEEKLY S&P 500 with a 40-week (200-day) moving average.

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
ETF Income Portfolio	2.0%	2.0%	2.9	0.7	0.2	0.2%
ETF Growth Portfolio	3.8%	8.2%	3.1	-1.1	-1.5	-0.1%
Aggrgt Bond (AGG)	2.6%	0.8%	4.1	1.8	1.3	0.3%
Wilshire 5000	-5.5%	7.6%	-9.1	-11.2	-11.8	-7.9%

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Income Portfolio

ACTION FOR			PORTFOLIO DETAILS			Value as of date: 8/5/2011							
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 8/7	Description	Start Price	End Price	# of Shares	Current Value	Percent of Total
6-Apr	sell	AGG	104.60	373.7	39,079	AGG		total bond	107.41	108.50	500.0	54,250.00	50.7%
6-Apr	sell	TLT	90.54	232.0	20,995								
6-Apr	sell	TLH	110.51	200.7	22,169								
18-Apr	buy	AGG	105.63	500.0	52,825								
16-May	buy	BWX	61.10	400.0	24,450								
29-Jun	stop	AGG	106.67	505.0	53,858								
1-Jul	stop	TIP	109.87	201.2	22,096								
11-Jul	sell	BWX	60.57	400.8	24,266								
11-Jul	buy	AGG	107.41	500.0	53,715								
						Money Market			1.00		52,689	52,689.00	49.3%
									Total Valuation=			106,939.00	100.0%

WEEKLY REVIEW

8/8 On pullbacks in bonds, I'll look to reenter. The economy is weaker than expected.

8/1 The weak economy is taking center stage. GDP for the first half of 2011 was corrected down and now the second half projection is getting lowered. Bonds are rallying.

7/25 Not much change in bond prices as investors await the US debt solution.

7/18 No changes.

7/11 Bond market reversal; see the chart on page 4.

7/5 Two of the three positions were stopped out last week.

Annual Performance	2010	2011
ETF Income Portfolio	4.8	2.0
Aggregate Bond	2.5	2.6

ETF Income Database and Ranking to 7/31/11

<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>
iShares Trsry Inftn	TIP	B	7.33	2.28	6.17	2.71	3.19	1.13	114.17	*****
Wtree Dryfs N Zind Dollar	BNZ	B	17.92	11.00	15.25	9.46	6.08	3.35	27.05	*****
PS Bid America	BAB	B	3.53	3.02	8.45	4.35	3.73	1.84	26.96	****
PS DB Dollar Bearish	UDN	B	11.12	5.30	5.42	-0.75	0.80	2.60	28.99	****
SPDR Intrntl TBond	BWX	B	9.87	2.32	6.31	-0.14	1.44	2.51	62.66	****
Wtree Dryfs Brazil Real	BZF	B	7.39	2.50	11.07	2.08	0.92	2.25	29.50	****
Wtree Dryfs Indn Rupee	ICN	B	10.21	4.28	7.17	1.78	1.73	1.95	27.91	****
Wtree Dryfs Jpn Yen	JYF	B	11.30	4.14	6.35	4.99	5.05	2.25	33.68	****
Currency Euro	FXE	B	10.21	3.21	4.96	-2.98	-0.93	3.47	143.14	***
iShares 10-20yr Trsry	TLH	B	1.02	-0.93	6.21	4.54	3.65	2.16	118.76	***
iShares 20+ yr Trsry	TLT	B	-2.55	-2.49	7.34	4.29	4.06	3.32	97.92	***
iShares 3-7yr Trsry	IEI	B	2.50	0.46	3.42	3.02	1.87	1.07	119.29	***
iShares 7-10yr Trsry	IEF	B	2.46	-0.11	5.18	4.44	2.92	1.53	98.66	***
iShares Agg Bond	AGG	B	0.29	-0.36	2.37	1.60	1.40	0.78	108.16	***
iShares High Yld	HYG	B	2.74	0.34	-0.80	-1.94	-0.28	1.68	91.05	***
iShares Inter Gov	GVI	B	0.66	-0.33	1.87	1.45	0.99	0.65	110.22	***
iShares Intrntl Tbond	IGOV	B	6.98	0.82	4.71	-0.40	1.52	2.29	108.16	***
iShares Long Corp Bond	LQD	B	1.88	0.01	3.59	1.72	2.03	1.39	112.37	***
PS 1-30 Ldr Trsry	PLW	B	0.21	-1.14	5.36	3.88	3.03	2.02	28.93	***
PS DB G10 Currency	DBV	B	5.88	4.39	2.90	-2.55	-1.25	2.77	24.47	***
PS Emrg Mrkt Svrgn Debt	PCY	B	1.81	-2.72	4.68	3.03	1.59	1.68	27.52	***
PS Fdmntl Hi Yield Corp	PHB	B	2.55	0.16	0.49	-0.70	0.11	1.48	18.53	***
PS Insrdr CA Muni	PWZ	B	-3.88	-4.91	4.82	2.31	0.17	1.50	23.03	***
PS Insrdr Natl Muni	PZA	B	-3.04	-4.08	4.30	2.37	0.47	1.46	23.30	***
PS Insrdr NY Muni	PZT	B	-3.79	-4.81	3.94	2.07	0.04	1.27	22.70	***
PS Prfd	PGX	B	-0.07	-1.75	-0.21	-2.63	-1.95	1.23	14.06	***
Vngrd Intrmdt Bond	BND	B	0.50	-0.53	2.39	1.61	1.36	0.78	82.26	***
Wtree Dryfs Chns Yuan	CYB	B	2.24	-0.12	0.99	-0.89	0.35	0.77	25.51	***
Wtree Dryfs Emrg Crrncy	CEW	B	6.35	1.21	5.22	-0.97	0.39	1.83	23.38	***
Wtree Dryfs Euro	EU	B	11.18	4.87	6.01	-3.42	-0.35	3.53	23.46	***
Wtree Dryfs S Africa Rand	SZR	B	1.50	-4.21	9.89	-0.57	1.95	2.88	29.78	***
iShares 1-3yr Trsry	SHY	B	0.32	-0.01	0.46	0.42	0.21	0.22	84.48	**
iShares Inter Bond	MBB	B	-2.46	-2.19	1.55	0.98	0.58	0.71	107.33	**
PS DB Dollar Bullish	UUP	B	-11.42	-5.99	-5.95	0.38	-0.90	2.72	21.03	**
PS Low Duration	PLK	B	0.00	-0.12	0.79	1.31	0.39	0.29	25.50	**
Vngrd ShrtTrm Bond	BSV	B	-0.04	-0.71	0.80	0.77	0.46	0.47	81.40	**
Wtree Dryfs Comdty Cur	CCX	B	NA	11.79	9.76	1.32	2.30	0.00	28.44	**
Wtree Emrg Mrkt Lcl Debt	ELD	B	NA	2.36	7.54	0.50	1.49	NA	54.32	**
PS VRDO Tax Free Wkly	PVI	B	0.00	0.00	0.00	0.00	-0.04	0.01	24.99	*

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

8/8 Fears of not just a slowdown, but a recession, have pushed yields down and prices up. The bond market is overbought at this juncture. I'll look to buy on any pullback.

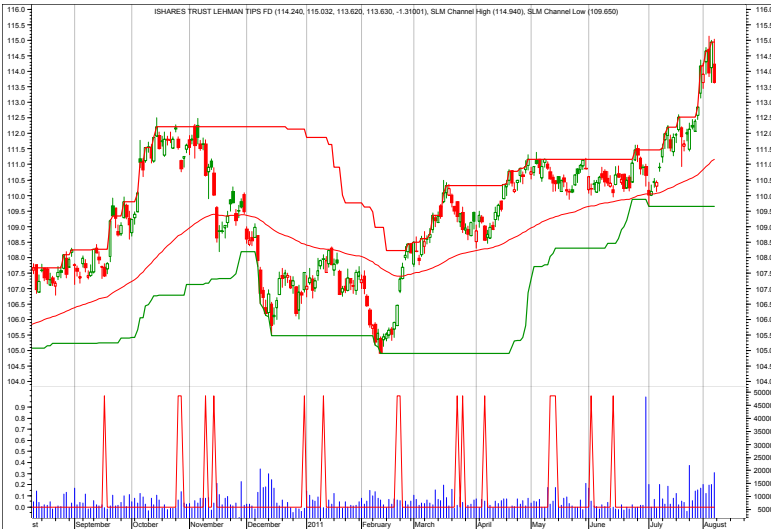
8/1 The weak economy is taking the headlines over the debt impasse.

7/25 Between the US and European debt issues, bonds are holding up relatively well. There's no panic selling.

7/18 Bonds rallied on weak economic news.

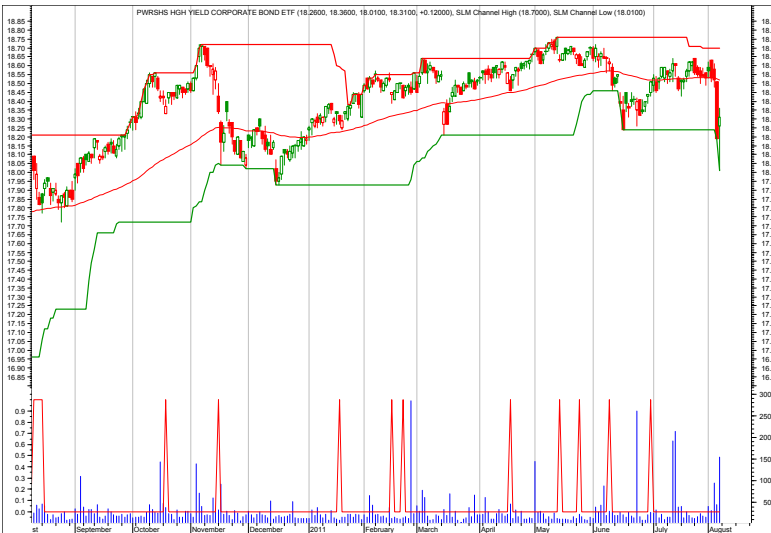
7/11 Reversal on news of worsening European Union sovereign debt issues. Greece may not be contained, but spill over into the larger Italy and Spain countries.

Income Charts



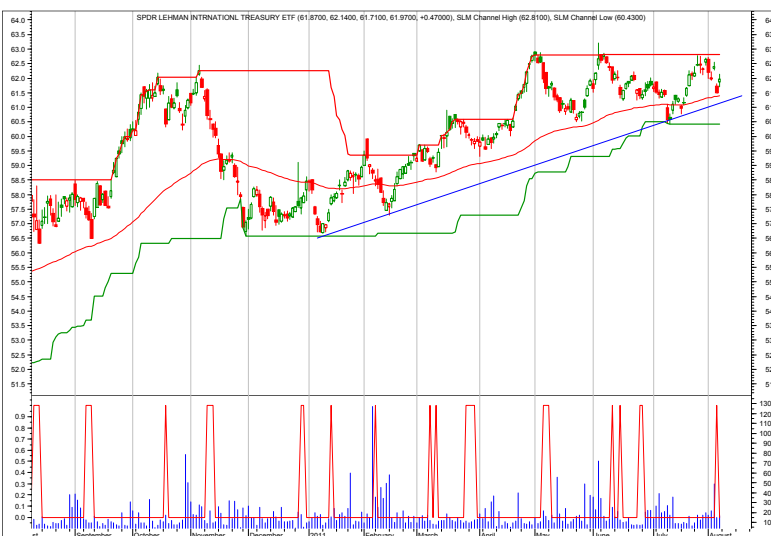
TIP—Inflation Protected

8/8 Overbought, but trend bullish.
 8/1 Soaring.
 7/25 Higher highs and higher lows is a bull market (yields down, prices up).
 7/18 After a 'fake break', TIP has moved higher.
 7/11 Reversal
 7/5 Stopped out on pullback.
 6/27 Recovery high.
 6/20 Needs to bounce.
 6/10/11 At support still.
 6/3/11 At support, good entry point.



PHB—High Yield

8/8 Falling apart in recession fears.



BWX—International TBond

8/8 Range bound. Watch for breakout or breakdown.
 8/1 Still in range.
 7/25 Avoid.
 7/18 Short-term trend down.
 7/11 Selling.
 7/5 Still about support.
 6/27 Needs to rally for the story to remain intact.
 6/20 Watch for recovery high.
 6/10/11 Trend up.
 6/3/11 Main trend confirmed up.

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.

Top ETF Growth Ranking to 7/31/11 (month end)

<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>
iShares Gold	IAU	EG	37.28	19.50	21.98	3.93	8.40	4.32	15.87	*****
iShares Silver	SLV	EG	120.99	60.74	41.83	-17.13	14.80	11.74	38.85	*****
PS DB Gold	DGL	EG	35.75	18.39	21.47	3.74	8.34	4.30	56.92	*****
PS DB Precious Metals	DBP	EG	50.59	26.49	25.73	-2.19	9.92	6.04	60.40	*****
PS DB Silver	DBS	EG	119.63	59.84	42.08	-17.27	14.85	11.81	69.82	*****
PS Dynmc Pharma	PJP	EA	37.90	17.73	14.72	1.18	-1.19	3.73	26.49	*****
PS Dynmc Sml Cap Grth	PWT	ESC	40.31	53.98	24.64	10.48	-0.21	5.63	18.97	*****
PS S&P SmlCap Energy	PSCE	EA	71.18	53.58	13.96	-2.15	4.81	7.63	40.56	*****
SPDR Gold	GLD	EG	37.06	19.36	21.88	3.89	8.42	4.32	158.29	*****
SPDR NASDAQ 100	QQQQ	ELC	29.06	26.69	32.92	10.91	3.16	5.47	57.77	*****
Guggnhm Dfnsv Eqty	DEF	EV	17.82	7.95	4.52	-3.33	-2.71	2.41	25.85	****
Guggnhm Ocn Grth	OTR	ELC	27.80	12.14	8.32	-0.46	0.93	3.49	30.48	****
iShares Cohen&Str REIT	ICF	ERE	21.95	14.46	7.81	-0.61	1.85	4.03	73.85	****
PS DB Commodity	DBC	EA	32.28	20.25	6.13	-5.08	4.56	4.89	30.28	****
PS DWA Emrg Mrkt T Ldrs	PIE	EW	25.47	8.05	12.68	0.36	3.46	4.77	19.46	****
PS DWA Tech Ldr	PDP	ELC	29.72	16.39	6.24	-3.09	-1.42	4.31	25.71	****
PS Dynmc Consmr Staples	PSL	EA	18.41	11.91	10.83	-1.27	-2.20	3.57	31.00	****
PS Dynmc Energy	PXI	EA	51.79	37.38	10.69	-2.35	2.99	5.63	43.70	****
PS Dynmc Energy Explor	PXE	EA	48.56	36.45	6.15	-5.17	2.90	5.85	26.25	****
PS Dynmc Food & Bev	PBJ	EA	25.96	14.49	12.41	-0.15	-1.89	3.30	19.75	****
PS Dynmc Healthcare	PTH	EA	30.42	19.61	11.08	-4.10	-4.91	3.92	30.18	****
PS Dynmc Lrg Cap	PJF	ELC	20.63	27.59	11.68	2.96	-1.25	4.07	26.08	****
PS Dynmc Mid Cap	PJG	EMC	24.04	33.63	14.27	4.92	-0.41	4.26	27.05	****
PS Dynmc Mid Cap Grth	PWJ	EMC	30.73	44.60	12.93	5.41	-2.36	5.52	23.57	****
PS Dynmc Mid Cap Value	PWP	EMC	19.07	27.88	13.50	4.40	0.97	3.73	17.23	****
PS Dynmc Oil & Gas Srvcs	PXJ	EA	55.56	39.76	10.16	-3.07	4.19	7.42	25.59	****
PS Dynmc Sml Cap	PJM	ESC	24.57	42.08	16.77	4.55	-3.11	5.69	24.58	****
PS Dynmc Sml Cap Value	PWY	ESC	23.47	38.61	15.78	3.98	-2.12	5.49	16.73	****
PS NASDAQ Intrnt	PNQI	EA	46.14	13.75	9.43	-5.00	1.37	4.74	39.34	****
PS S&P SmlCap Cnsmr Stpl	PSCC	EA	19.27	15.06	11.57	-1.09	-2.98	4.02	31.63	****
PS S&P SmlCap Hlth Care	PSCH	EA	36.97	25.82	13.99	-6.24	-4.19	4.56	32.02	****
PS US REIT	PSR	ERE	22.64	13.70	8.67	-0.33	1.05	3.68	51.78	****
Select SPDR Ergy	XLE	EA	41.99	29.05	4.51	-5.01	1.46	5.72	76.45	****
SPDR Wish REIT	RWR	ERE	20.81	13.16	7.40	-1.04	1.71	3.99	67.74	****
Vngrd Consmr Stpls	VDC	EA	15.96	8.11	9.08	-1.01	-1.44	3.01	78.77	****
Vngrd Health	VHT	EA	21.53	10.92	8.73	-3.51	-3.90	3.33	61.65	****
Wtree Intrntl Basic Mtrl	DBN	EA	42.29	43.15	19.60	3.76	-4.30	6.84	34.47	****
Wtree Intrntl Energy	DKA	EA	38.07	38.52	23.66	2.35	-5.49	6.54	29.63	****
Wtree Japan SC Div	DFJ	EWR	12.53	13.15	1.37	4.53	2.88	3.48	44.99	****
Wtree Pfc Ex Jpn Eq In	DNH	EW	26.64	23.12	12.71	1.67	-4.52	5.48	62.89	****
Wtree Pfc Ex Jpn Ttl Div	DND	EW	28.36	21.64	11.15	3.81	-2.87	4.29	69.47	****

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

Fund Name	Symbol	Style	12m	9m	6m	3m	1m	V	NAV	Rank
Guggnhm BRIC	EEB	EW	8.46	-1.99	-0.31	-6.77	-2.08	4.05	44.75	***
Guggnhm Candn Enrg Incm	ENY	EWR	23.61	14.59	-4.27	-11.64	-1.07	6.04	20.42	***
Guggnhm China All	YAO	EWR	9.54	-3.17	2.06	-5.28	-1.03	3.61	27.79	***
Guggnhm China REIT	TAO	EWR	8.96	-1.55	-0.27	0.03	1.87	3.96	19.89	***
Guggnhm Gbl Div	LVL	EW	9.21	-0.46	-0.70	-9.22	-3.46	5.16	15.06	***
Guggnhm Gbl Wtr	CGW	EW	16.88	8.34	3.38	-5.33	-2.85	4.26	21.12	***
Guggnhm Insdr Sent	NFO	EMC	27.67	16.85	5.89	-3.27	-3.38	4.51	34.88	***
Guggnhm Intrntl A Incm	HGI	EW	9.90	-1.30	-2.72	-7.34	-2.24	4.21	18.93	***
Guggnhm MidCap Core	CZA	EMC	22.00	11.68	3.25	-5.54	-4.12	3.65	30.50	***
Guggnhm Multi Ast In	CVY	EV	12.25	5.40	1.80	-4.96	-2.84	3.05	20.89	***
Guggnhm Ocn Tomo	OTP	ELC	18.85	8.12	-0.08	-6.99	-3.48	4.47	26.35	***
Guggnhm RJ All	RYJ	ELC	26.78	16.67	1.30	-7.42	-2.63	5.05	21.84	***
Guggnhm Sctr Rotn	XRO	ELC	21.91	10.23	3.51	-6.46	-4.04	4.24	25.65	***
Guggnhm Spin Off	CSD	EMC	21.30	10.98	6.68	-4.16	-1.84	3.79	23.97	***
iShares Canada	EWC	EW	16.05	6.98	-1.12	-8.19	-2.31	3.78	30.94	***
iShares DJ Sict Div	DVY	EGI	12.79	6.78	2.72	-4.32	-2.99	3.24	51.34	***
iShares EAFE Indx	EFA	EW	13.10	2.98	-1.23	-7.49	-2.38	5.17	58.71	***
iShares Emrg Mrkt Stk	EEM	EW	13.79	2.15	2.84	-5.78	-1.03	4.57	47.11	***
iShares Europe 350	IEV	EW	12.36	1.19	-2.24	-11.58	-4.73	6.34	40.09	***
iShares Mexico	EWV	EW	21.29	7.46	1.73	-3.89	-1.20	4.02	61.81	***
iShares REIT	IYR	ERE	17.00	9.95	4.26	-2.80	0.22	3.63	60.43	***
iShares Russel 2000	IWM	ESC	22.64	13.43	2.30	-7.70	-3.70	5.01	79.74	***
iShares Russel MidVal	IWS	EV	17.62	9.42	-0.33	-6.90	-3.94	4.08	45.87	***
iShares Sict Div	IDV	ELC	15.80	3.96	-0.63	-9.72	-3.29	5.49	34.44	***
PS Aerospace & Def	PPA	EA	10.39	5.55	-4.21	-7.40	-6.67	4.60	19.02	***
PS AlphQ	PQY	ELC	24.40	7.66	1.17	-4.58	-3.23	3.95	29.37	***
PS BLDR Asia 50 ADR	ADRA	EW	12.17	4.45	-2.34	-3.53	-0.44	3.82	27.63	***
PS BLDR Dvlpd Mrkt 100 ADR	ADRD	EW	11.46	2.80	-1.98	-7.59	-2.24	5.48	21.79	***
PS BLDR Europe 100 ADR	ADRU	EW	10.96	1.66	-1.89	-9.35	-2.91	5.57	21.35	***
PS Buyback Achievers	PKW	EGI	25.36	12.97	3.97	-4.33	-3.01	3.77	26.08	***
PS Cleantech	PZD	EA	14.17	7.71	-1.95	-11.25	-6.03	5.76	26.67	***
PS DB Agriculture	DBA	EA	24.13	8.59	-5.95	-5.31	1.61	4.11	32.25	***
PS DB Base Metals	DBB	EG	24.66	10.20	2.33	4.07	4.98	5.08	25.07	***
PS DB Energy	DBE	EA	26.12	25.86	7.74	-8.91	2.49	5.52	30.47	***
PS DB Oil	DBO	EA	15.23	13.80	-0.86	-15.78	0.24	5.64	28.82	***
PS Dividend Achievers	PFM	EGI	15.11	7.50	2.54	-4.84	-2.68	3.08	14.55	***
PS DWA Dvlpd Mrkt T Ldrs	PIZ	ELC	22.50	5.15	1.19	-7.39	-2.09	4.89	22.05	***
PS Dyn Dvlp Intrnl Opp	PFA	EW	22.48	10.33	1.83	-4.08	-1.73	5.38	18.78	***
PS Dyn MagniQuant	PIQ	ELC	23.52	13.27	3.16	-5.54	-3.64	4.66	25.47	***
PS Dyn Mrkt	PWC	ELC	19.97	8.59	-0.36	-7.19	-5.28	4.15	44.76	***
PS Dyn OTC	PWO	ESC	19.62	8.12	1.66	-6.97	-5.10	4.57	50.01	***
PS Dynmc Basic Matrl	PYZ	EA	30.57	15.19	5.37	-6.14	-2.45	5.26	38.23	***
PS Dynmc Biotech	PBE	EA	15.13	5.45	-0.61	-9.06	-5.98	4.63	21.08	***
PS Dynmc Consmr Discr	PEZ	EA	25.72	13.53	7.02	-3.16	-1.91	4.92	26.69	***
PS Dynmc Fncl	PFI	EA	7.96	6.05	-2.45	-8.32	-4.49	3.72	18.73	***
PS Dynmc Industrls	PRN	EA	22.49	11.43	-2.24	-9.89	-5.83	5.45	29.25	***
PS Dynmc Leisure & Enter	PEJ	EA	30.09	10.46	4.46	-0.72	-2.54	4.42	19.22	***
PS Dynmc Lrg Cap Grth	PWB	ELC	23.41	10.84	3.67	-3.80	-1.74	4.11	16.97	***
PS Dynmc Lrg Cap Value	PWV	ELC	15.31	8.22	1.84	-4.91	-3.10	3.65	19.36	***
PS Dynmc Media	PBS	EA	19.64	11.28	4.62	-7.17	-4.29	5.47	14.50	***
PS Dynmc Networking	PXQ	EA	23.78	5.53	-4.37	-13.76	-10.93	5.82	25.19	***
PS Dynmc Retail	PMR	EA	25.33	16.06	9.74	-5.69	-2.31	5.17	20.73	***
PS Dynmc Software	PSJ	EA	16.19	4.29	-1.59	-9.64	-6.51	4.31	24.83	***
PS Dynmc Utilities	PUI	EA	11.21	6.15	3.91	-3.67	-4.85	2.87	16.47	***
PS Emrg Mrkt Infrastrctr	PXR	EW	18.65	1.96	-1.64	-9.57	-3.95	5.55	51.03	***
PS FTSE RAFI Asia Pac xJpn	PAF	EW	26.01	10.04	1.98	-6.38	-1.53	4.89	57.22	***
PS FTSE RAFI Dvlp Mrkt xUSA Sml	PDN	EW	18.67	6.39	0.20	-5.01	-1.47	4.46	24.79	***
PS FTSE RAFI Emrg Mrkt	PXH	EW	11.70	1.08	-0.08	-6.54	-1.59	4.04	25.30	***
PS FTSE RAFI US 1000	PRF	ELC	15.74	8.56	-1.34	-6.93	-3.35	4.14	56.55	***
PS FTSE RAFI US 1500 Sml-Mid	PRFZ	EMC	22.38	13.73	1.53	-7.26	-3.32	5.10	65.52	***
PS Gbl Agriculture	PAGG	EA	36.65	8.16	1.84	-0.95	1.37	5.16	33.26	***
PS Gbl Coal	PKOL	EA	29.33	8.82	-4.38	-6.11	3.06	5.63	35.18	***
PS Gbl Gold Precious Mtls	PSAU	EG	18.44	0.39	6.26	-8.12	3.82	5.05	46.77	***
PS Gbl Steel	PSTL	EA	10.29	4.13	-6.33	-7.54	-3.68	5.23	21.96	***

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

Fund Name	D Symbol	Style	12m	9m	6m	3m	1m	V	NAV	Rank
PS Gbl Water	PIO	EW	11.31	4.22	-1.57	-8.84	-3.80	4.83	19.49	***
PS Ibtstn Altrntv	PTO	ELC	11.88	3.94	2.79	-2.15	0.86	2.63	12.02	***
PS Intrntl Dvdnd	PID	EW	13.89	4.60	1.66	-5.76	-1.43	3.95	15.91	***
PS Mega Cap	PMA	ELC	19.24	12.15	1.58	-5.31	-2.29	3.81	26.40	***
PS Mrngstr Stk	PYH	ELC	14.74	7.85	-2.15	-7.17	-3.08	3.79	20.47	***
PS RvrFrnt Tac Bal	PAO	EGI	12.94	5.50	1.25	-5.76	-2.60	3.03	12.81	***
PS RvrFrnt Tac G&I	PCA	EGI	8.42	3.11	1.09	-4.48	-1.74	2.27	13.01	***
PS S&P 500 High Qlty	PIV	ELC	18.54	9.25	3.18	-4.74	-3.35	3.45	13.94	***
PS S&P SmlCap Cnsmr Dis	PSCD	EA	22.88	16.20	8.34	-1.46	-1.27	5.65	29.05	***
PS S&P SmlCap Fincl	PSCF	EA	13.46	8.66	0.27	-5.84	-1.23	3.75	27.23	***
PS S&P SmlCap Indstrils	PSCI	EA	16.75	11.21	-1.30	-6.95	-3.29	5.08	28.78	***
PS S&P SmlCap Info Tech	PSCT	EA	20.61	8.63	-4.40	-12.24	-7.72	5.73	28.67	***
PS S&P SmlCap Mtrls	PSCM	EA	21.92	9.04	0.56	-6.14	-3.41	5.16	28.59	***
PS S&P SmlCap Utilities	PSCU	EA	15.77	7.35	4.83	-0.55	-2.64	2.75	29.51	***
PS Water Resources	PHO	EA	14.52	6.28	-3.80	-8.75	-4.65	5.11	18.46	***
PS WilderHill Prgsv Enrgy	PUW	EA	15.51	8.85	-3.53	-9.86	-2.24	5.31	27.60	***
PS Zacks Micro Cap	PZI	ESC	15.75	7.91	-4.23	-9.37	-4.23	5.96	11.32	***
Select SPDR Cnsmr Disc	XLY	EA	26.11	12.45	6.64	-2.22	-1.39	4.32	39.65	***
Select SPDR Cnsmr Stpl	XLP	EA	14.27	7.16	6.75	-2.19	-1.28	3.11	30.83	***
Select SPDR Health	XLV	EA	19.43	9.46	7.70	-3.18	-3.97	3.27	34.12	***
Select SPDR Indl	XLI	EA	14.49	7.77	-4.30	-10.39	-6.87	5.14	34.68	***
Select SPDR Matrils	XLB	EA	18.74	9.22	-1.12	-7.00	-3.45	4.57	38.01	***
Select SPDR Technlgy	XLK	EA	17.75	6.00	-0.69	-3.48	0.43	4.29	25.81	***
Select SPDR Utilities	XLU	EA	9.22	4.57	4.57	0.03	-0.93	2.36	33.17	***
SPDR DJ Gbl Titans	DGT	EW	11.54	3.70	-2.86	-8.11	-2.16	4.53	58.37	***
SPDR DJ Industrials	DIA	ELC	15.69	8.82	2.13	-5.40	-2.18	3.71	121.13	***
SPDR S&P 500	SPY	ELC	17.28	9.15	0.51	-5.20	-2.00	3.84	129.33	***
Vngrd Cnsmr Dis	VCR	EA	27.94	13.37	7.20	-2.25	-1.85	4.50	64.20	***
Vngrd Emrg Mrkt	VWO	EW	15.40	3.09	3.94	-4.51	-0.62	4.17	48.32	***
Vngrd Extnd 4500	VXF	ELC	24.69	14.08	2.37	-6.76	-3.23	4.72	56.57	***
Vngrd Grth	VUG	ELC	22.84	11.07	2.64	-3.12	-0.73	3.94	64.22	***
Vngrd Large Cap	VV	ELC	18.24	9.66	0.73	-5.14	-2.01	3.92	59.37	***
Vngrd Materials	VAW	ELC	24.91	10.97	1.44	-6.32	-2.46	4.69	83.95	***
Vngrd MidCap Val	VO	EMC	23.79	12.52	2.09	-6.13	-3.43	4.29	77.66	***
Vngrd Small Cap	VB	ESC	23.98	13.92	2.84	-7.49	-3.63	4.96	75.22	***
Vngrd Small Cap Grth	VBK	ESC	31.21	18.11	4.86	-7.39	-3.88	5.27	82.57	***
Vngrd Small Cap Value	VBR	ESC	16.97	9.54	0.73	-7.34	-3.32	4.59	67.75	***
Vngrd Tech	VGT	EA	19.31	6.93	-1.06	-4.43	-0.14	4.62	63.26	***
Vngrd TTL Stock	VTI	ELC	18.84	10.10	0.89	-5.45	-2.27	3.99	66.85	***
Vngrd Utilities	VPU	ELC	10.72	5.73	4.60	-0.79	-1.11	2.34	71.18	***
Wtree DEFA	DWM	EW	12.79	2.11	-1.49	-8.42	-3.49	5.45	48.42	***
Wtree DEFA Eqty Incm	DTH	EW	10.80	-0.28	-1.81	-10.50	-4.23	6.28	42.37	***
Wtree Div Ex Fincl	DTN	ELC	17.82	8.43	2.85	-4.12	-3.17	3.43	49.79	***
Wtree Emrg Mrkt Eincm	DEM	EW	16.25	4.28	4.19	-7.34	-1.82	4.77	59.87	***
Wtree Emrg Mrkt SC Div	DGS	EW	17.82	0.93	2.00	-6.32	0.80	5.04	52.95	***
Wtree Eqty Income	DHS	EGI	15.98	6.74	4.87	-3.53	-1.86	3.02	40.72	***
Wtree Gbl Eqty Incm	DEW	EW	13.21	2.18	0.34	-8.67	-3.28	4.79	43.63	***
Wtree Intrntl Div Ex Fincl	DOO	EW	12.15	0.24	-0.63	-9.45	-3.64	5.68	45.50	***
Wtree Intrntl LC Div	DOL	EW	10.68	0.22	-1.76	-9.12	-3.20	5.65	46.32	***
Wtree Intrntl MC Div	DIM	EW	14.00	2.13	-1.04	-7.69	-3.05	5.30	52.37	***
Wtree Intrntl SC Div	DLS	EW	15.64	3.72	-1.61	-7.82	-1.76	4.83	51.31	***
Wtree LrgCap Div	DLN	ELC	16.68	8.60	2.62	-4.66	-2.49	3.40	47.84	***
Wtree LrgCap Grth	ROI	ELC	17.80	8.14	1.01	-5.85	-1.28	3.66	37.85	***
Wtree MidCap Div	DON	EMC	17.00	9.75	2.40	-5.46	-2.73	3.73	53.00	***
Wtree MidCap Earn	EZM	EMC	23.84	14.01	2.51	-6.89	-3.95	4.44	56.41	***
Wtree S&P 500	EPS	ELC	16.62	7.94	0.60	-5.23	-2.24	3.55	44.56	***
Wtree Sml Cap Div	DES	ESC	10.55	5.08	-1.13	-6.53	-2.77	4.02	46.32	***
Wtree Ttl Div	DTD	ELC	16.58	8.66	2.46	-4.56	-2.33	3.38	48.30	***
Wtree Ttl Earn	EXT	ELC	17.47	8.21	0.66	-5.70	-2.44	3.65	45.89	***
Wtree World Ex US Grth	DNL	EW	19.92	5.46	6.25	-4.41	-0.28	4.46	56.60	***

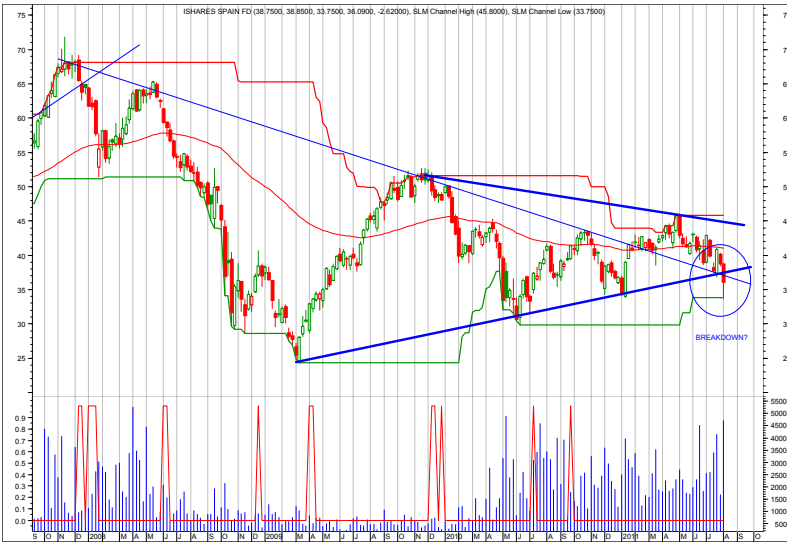
This shows the ETF Growth Database and Ranking. It shows performance over the last 12, 9, 6, 3, and 1 months through the previous month's end. V is Volatility. NAV is price. Rank shows the number of comets from 5 to 1. The larger the better.

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 China Sml	HAO	EWR	1.88	-13.64	-7.21	-9.86	-3.82	4.80	27.16	**
Guggnhm Euro-Pac	EEN	EW	11.07	-2.07	-5.62	-11.91	-5.39	4.70	18.96	**
Guggnhm Frntr	FRN	EW	8.19	-7.70	-0.23	-4.75	-5.93	4.27	22.05	**
Guggnhm Intrntl SmlCap	XGC	EW	12.50	-5.01	-5.48	-10.42	-2.06	4.22	22.77	**
Guggnhm Timber	CUT	EA	5.42	-3.77	-11.18	-15.93	-6.97	5.50	19.63	**
iShares China	FXI	EW	2.72	-5.81	-0.45	-6.30	-1.37	3.17	42.36	**
iShares Latin Amr	ILF	EW	6.26	-4.97	-3.58	-8.57	-4.05	4.69	49.53	**
iShares Prfrd	PFF	EGI	-1.65	-2.30	-0.97	-3.39	-2.42	1.57	38.70	**
iShares Spain	EWP	EW	-1.93	-9.85	-7.55	-15.48	-8.14	8.84	38.71	**
PS Actv Alph MultiCap	PQZ	ELC	9.11	-1.77	-10.47	-14.16	-6.34	4.55	17.73	**
PS BLDR Emrg Mkt 50 ADR	ADRE	EW	7.05	-1.02	-1.70	-6.48	-2.17	4.10	45.58	**
PS Dynmc Bldg Cnstrctn	PKB	EA	4.15	3.06	-8.06	-11.65	-5.54	5.22	12.44	**
PS Dynmc Semicndctr	PSI	EA	17.56	4.90	-10.48	-16.39	-9.85	6.78	15.20	**
PS Dynmc Technology	PTF	EA	14.35	3.38	-5.60	-10.44	-7.17	5.32	24.80	**
PS Fincl Pfd	PGF	EGI	1.56	-2.99	-0.96	-4.05	-2.66	1.92	17.55	**
PS FTSE RAFI Dvlp Mrkt xUSA	PXF	EW	10.35	0.00	-3.90	-9.93	-4.52	5.83	39.46	**
PS Gbl Listd Prvt Eqty	PSP	EW	11.68	-3.13	-6.66	-16.63	-4.03	6.37	10.23	**
PS Gbl Nuclr Enrgy	PKN	EW	5.23	-2.47	-10.89	-6.04	0.62	4.88	19.32	**
PS Gldn Drgn USX China	PGJ	EW	8.81	-4.79	-3.33	-8.61	0.57	4.15	26.42	**
PS Hi Yld Eqty Div	PEY	EGI	4.55	0.28	-1.50	-6.17	-3.41	3.15	8.51	**
PS India	PIN	EW	1.82	-9.91	2.64	-4.42	-2.34	5.30	22.91	**
PS S&P 500 BuyWrite	PBP	ELC	1.89	-2.06	-0.33	-2.38	-0.76	2.24	20.95	**
Select SPDR Financls	XLF	EA	0.58	1.62	-9.79	-9.68	-3.62	4.41	14.80	**
SPDR Euro Stoxx 50	FEZ	EW	6.45	-3.87	-6.21	-14.90	-7.70	7.66	37.47	**
Vngrd Fincl Srv	VFH	EA	2.92	2.88	-7.75	-8.99	-3.27	4.42	31.06	**
Wtree Eur SC Div	DFE	EW	14.53	-1.51	-5.77	-14.85	-5.03	6.60	40.98	**
Wtree India	EPI	EWR	-0.04	-14.16	0.73	-6.27	-2.51	5.54	23.34	**
Wtree Intrntl REIT	DRW	ERE	9.43	-4.53	-1.35	-6.49	-1.46	4.08	28.44	**
Wtree Intrntl Utilities	DBU	EA	4.64	-4.05	-4.05	-9.76	-3.58	5.67	20.35	**
Wtree Japan Hedge Eqty	DXJ	EC	-2.48	1.49	-8.37	-3.81	-2.19	3.81	35.35	**
Wtree Middle East Div	GULF	EW	3.90	-7.27	-9.75	-10.89	-3.10	4.41	15.18	**
Guggnhm Airline	FAA	EA	-12.94	-26.10	-18.94	-14.57	-12.99	5.68	31.08	*
Guggnhm Shipping	SEA	EA	-27.00	-26.26	-24.47	-21.16	-9.56	NA	20.53	*
Guggnhm Solar	TAN	EA	-15.62	-23.54	-19.22	-26.93	-9.56	9.41	6.43	*
PS Dynmc Banking	PJB	EA	-5.14	0.20	-9.98	-8.66	-3.82	3.96	11.82	*
PS Gbl Clean Enrgy	PBD	EW	-4.78	-8.97	-10.76	-18.18	-7.37	6.54	12.69	*
PS Gbl Wind Energy	PWND	EW	-16.50	-9.04	-8.12	-17.91	-5.69	7.14	9.26	*
PS Lux Nanotech	PXN	EA	-7.51	-11.88	-16.95	-14.91	-4.52	5.84	8.23	*
PS MENA Frntr Countries	PMNA	EW	-6.33	-14.65	-10.14	-7.52	-3.08	3.44	11.72	*
PS WilderHill Cln Enrgy	PBW	EA	-9.50	-17.10	-20.52	-19.44	-7.89	6.27	8.29	*

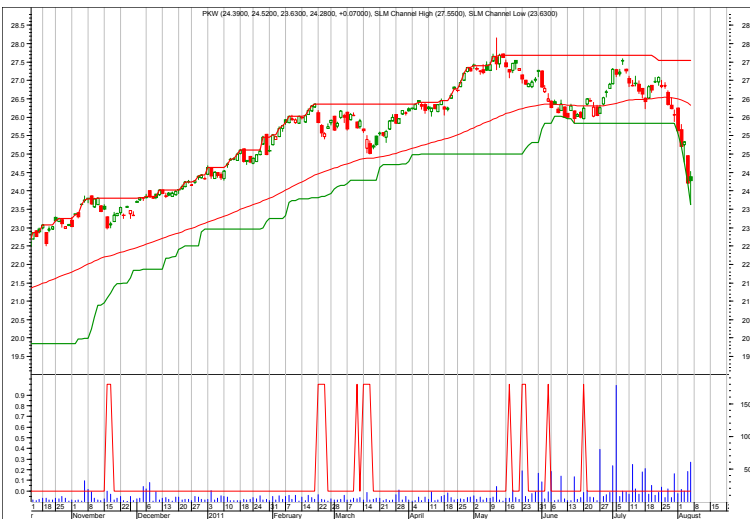
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Growth Charts



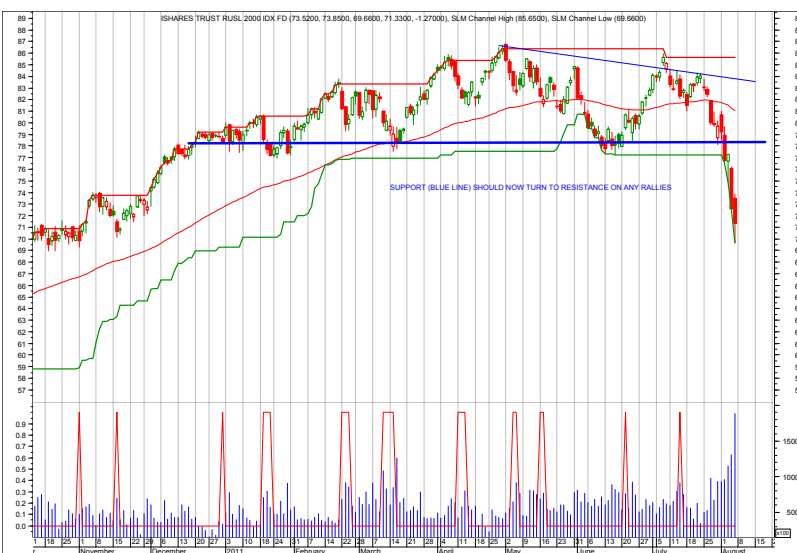
EWP—Spain

8/8 Weekly chart. Long term view. May be breaking down.
 8/1 Well defined down channel. This European country is still dealing with its sovereign debt issue.
 7/25 It's near the top of its down channel. Time to reshort.



PKW—Buyback achievers

8/8 Oversold. May bounce.
 8/1 Without more buybacks, this ETF is about to get stopped out.



IWM—Russell 2000

8/8 Previous support should now turn to resistance on any rallies.
 8/1 New more severe down channel forming?
 7/25 At top of channel.
 7/18 No change.
 7/11 Back into the down channel.
 7/5 Possible trend change.
 6/27 Watch for possible top!?
 6/20 At support. Needs to bounce to confirm.

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 from Page 1 and Newsletter Updates

(Continued from page 1) **REVIEW**

future GDP expectations were cut. The ISM manufacturing index is at a 2-year low. Global PMI (purchasing managers) is also at a 2-year low. Consumer spending fell in June. Housing remains weak. The Fed's Beige book showed all districts were weak. All in all it looks as though not only has the domestic economy stalled, but also the international economy. And stall may be putting it nicely. Some believe we are already in a recession.

And as a taste of things budget battles to come, the FAA funding block had idled construction across the country. Additionally, upcoming cuts in defense and health will impact corporate profits and also jobs.

Investors seemed slow to realize that government spending

and belt tightening is no different from anyone else. And just like consumers or businesses, reducing debt means curtailing spending. Cut up the credit cards.

John Maynard Keynes once argued that for a country to get out of a recession, to increase aggregate demand, it required increased fiscal spending. It must borrow if need be and spend to build and rebuild. Right or wrong that has been the perception since coming out of the Great Depression and other recessions. This choice is now off the table. Government won't be spending, it will be cutting. Keynes has left the building.

Having said all that, we also know that at some point, the future gets discounted today. The bad news is factored in. Those who want to sell have sold. Bargains begin to appear. And in-

vestors again start to look beyond the valley. Are we there yet? It doesn't look like it. No positive divergences have formed. The VIX index is leaping, but incredibly to me other sentiment measures remain in the complacent zone. The back ground news is poor.

About the only positive is the number of new lows. It is surging above 800, which is normally associated at least with oversold conditions.

So, investors are digesting, selling that is, news that is shaking some too rosy forecasts. I'll look to be buying when the news improves, sentiment worsens (contrary), and technicals improve.

8/8 Monthly updates for ETF rankings are posted to their pages this month.

8/1 Backtesting some strategies in the newish model. It will be a slower process than first anticipated, though initial results suggest one thing; an allocation into strong ETFs is very important. In other words, buying the strong ETF with even poor timing may be more profitable than buying a weak ETF with near perfect timing. This may be obvious, but hard numbers help see it.

7/25 Some progress in the newish ETF timing and selecting model begin made.

7/18 No changes.

7/11 No changes.

7/5 ETF performance tables on pages 3 (income), and 7, 8, 9, and 10 (growth), have been updated through 6/30/11.

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 1:35pm 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.

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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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