

ETF Selections & Timing

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What's Changed?

Given the huge rally over the last month, the question is whether anything has changed that would impact the future. Like everyone else, we too want to be on the right side of the market; that is, when it's going up, we want to be in and when it's going down, we

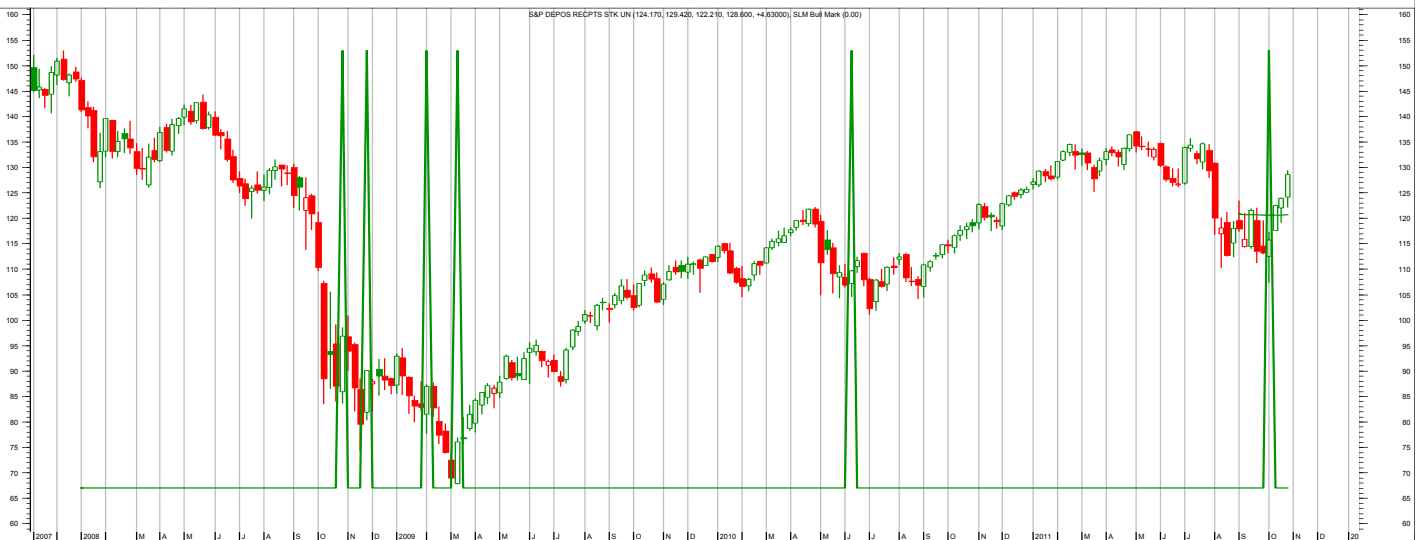
want to be out. So, what's changed?

Obviously the news of a settlement in Europe has helped the market. A 50% voluntary haircut to your Greece bond holdings is better than a forced 100% loss and apparently the agreement won't trigger any sort

of default event.

But the positive news doesn't end overseas. Domestically, things strengthened a bit also. Q3 GDP came in at 2.5%, stronger than in the summer. And the American consumer

(Continued on bottom right on page 12 see REVIEW)



The chart is the WEEKLY S&P 500 showing possible buy signals.

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
ETF Income Portfolio	1.9%	-0.5%	0.6	0.1	-0.5	0.1%
ETF Growth Portfolio	5.8%	6.6%	0.1	1.9	-0.6	0.0%
Aggrgt Bond (AGG)	3.6%	0.9%	2.9	1.2	-0.3	0.1%
Wilshire 5000	1.2%	8.4%	-6.8	-1.4	14.3	4.2%

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: 10/28/2011							
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 10/21	Description	Start Price	End Price	# of Shares	Current Value	Percent of Total	
11-Jul	sell	BWX	60.57	400.8	24,266	AGG	108.40	total bond	109.37	109.51	687.0	75,233.37	70.4%	
11-Jul	buy	AGG	107.41	500.0	53,715									
29-Aug	buy	PHB	17.88	1,400.0	25,042									
6-Sep	buy	BWX	62.00	190.0	11,790									
19-Sep	sell	BWX	61.20	190.0	11,618									
30-Sep	sell	PHB	17.55	1,400.0	24,560									
3-Oct	buy	AGG	110.34	250.0	27,595									
6-Oct	sell	AGG	109.45	752.5	82,351									
17-Oct	buy	AGG	109.37	687.0	75,147									
						Money Market					1.00	31,644	31,644.00	29.6%
												Total Valuation=	106,877.37	100.0%

WEEKLY REVIEW

10/31 Raised the stop slightly on AGG. No other changes.

10/24 70% invested in AGG. Watch the stop level.

10/3 Operation twist has begun whereby the Fed will sell some shorter-dated Treasuries in order to buy longer-dated ones. This is an attempt to lower long-term rates, which in turn, is supposed to help the economy. Please note the new buy.

9/26 No changes.

9/16 Selling BWX for a short-term loss. Lowered the stop on PHB; high yields are attractive.

Performance	2010	2011	Incptn
ETF Income Portfolio	4.8	1.9	6.9
Aggregate Bond	2.5	3.6	6.1

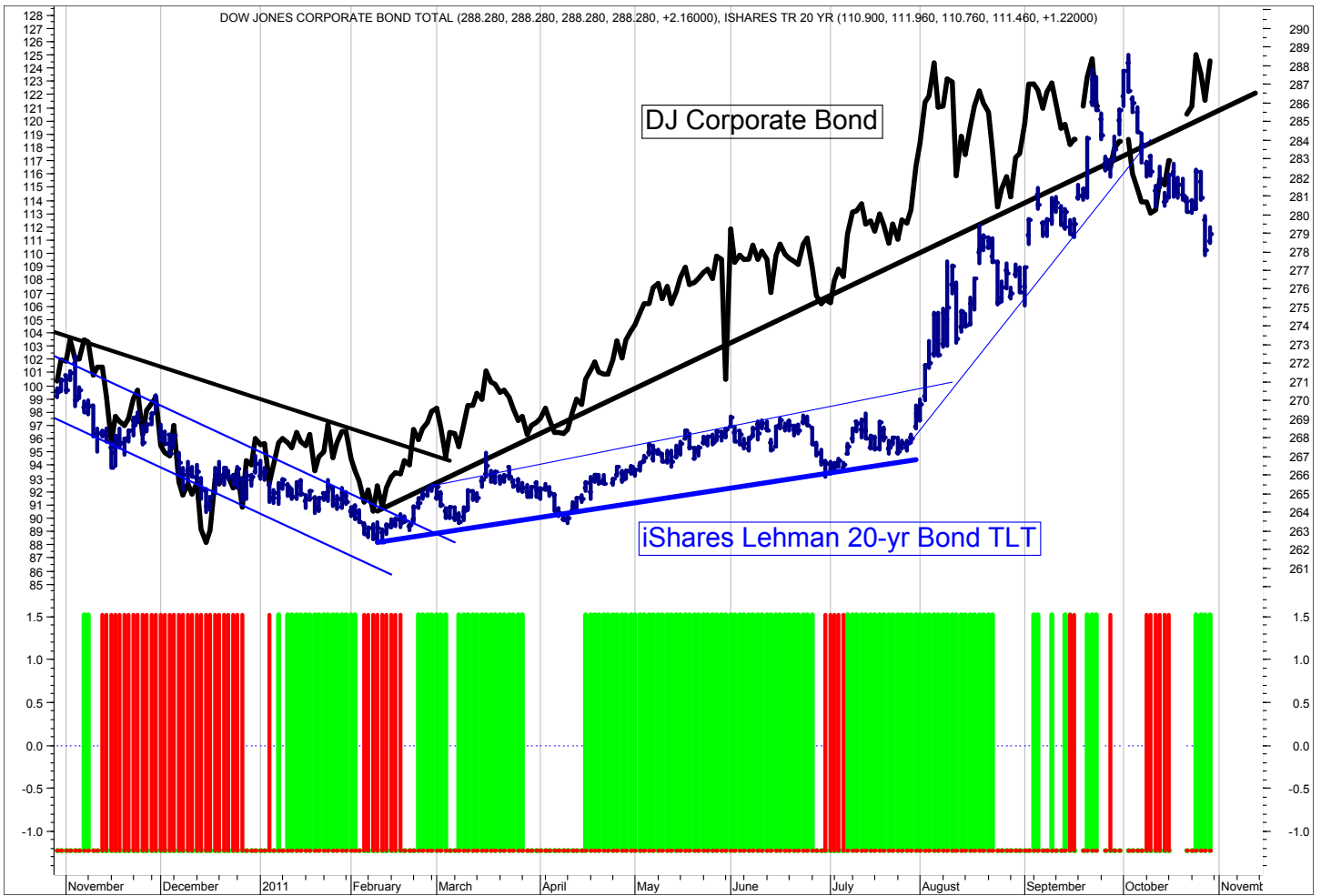
ETF Income Database and Ranking to 9/30/11

Fund Name	Symbol	Style	Hybrid Equity Bond	12m	9m	6m	3m	1m	V	NAV	Rank
iShares 20+ yr Trsry	TLT	B	B	14.49	28.35	31.12	28.37	12.87	4.12	120.80	*****
PS 1-30 Ldr Trsry	PLW	B	B	8.39	15.60	17.70	15.06	5.59	2.36	32.31	*****
iShares 10-20yr Trsry	TLH	B	B	8.19	17.29	18.24	15.37	4.79	2.46	132.19	****
iShares 3-7yr Trsry	IEI	B	B	2.74	5.96	6.39	3.74	0.16	0.99	121.48	****
iShares 7-10yr Trsry	IEF	B	B	6.12	11.99	12.97	9.61	2.01	1.60	105.07	****
PS Bld America	BAB	B	B	7.54	14.91	14.41	10.89	5.16	2.18	28.82	****
PS Insrđ Natl Muni	PZA	B	B	-1.38	7.59	9.09	4.57	1.63	1.67	24.25	****
Wtree Dryfs Jpn Yen	JYF	B	B	8.03	5.93	7.79	5.17	-1.12	1.99	33.72	****
Currency Euro	FXE	B	B	-1.72	0.29	-5.45	-7.62	-6.74	3.37	133.47	***
iShares Agg Bond	AGG	B	B	1.34	4.12	4.74	3.22	0.56	0.75	110.11	***
iShares Inter Bond	MBB	B	B	-0.86	2.47	2.72	1.39	-0.25	0.67	108.19	***
iShares Inter Gov	GMV	B	B	0.51	3.05	3.23	1.86	-0.12	0.61	111.17	***
iShares Intrntl Tbond	IGOV	B	B	-1.49	2.31	0.12	-1.79	-4.83	2.45	104.63	***
iShares Long Corp Bond	LQD	B	B	-0.69	3.57	3.80	1.98	-0.02	1.09	112.31	***
iShares Trsry Infltđ	TIP	B	B	4.80	6.31	4.71	3.31	-0.02	1.08	114.30	***
PS DB Dollar Bearish	UDN	B	B	0.37	0.22	-3.48	-5.56	-6.05	2.56	27.16	***
PS DB Dollar Bullish	UUP	B	B	-2.34	-1.78	2.36	5.11	5.86	2.66	22.31	***
PS DB G10 Currency	DBV	B	B	-1.25	-3.33	-5.79	-7.38	-5.44	2.52	22.95	***
PS Emrg Mkt Svrgđ Debt	PCY	B	B	-6.21	-1.95	-1.02	-3.47	-6.00	1.89	26.15	***
PS Fđmntl Hi Yield Corp	PHB	B	B	-3.99	-3.52	-5.24	-5.19	-2.34	1.44	17.55	***
PS Insrđ CA Muni	PWZ	B	B	-2.20	6.29	8.60	4.35	1.65	1.74	23.99	***
PS Insrđ NY Muni	PZT	B	B	-1.92	6.65	7.56	4.10	1.46	1.48	23.62	***
SPDR Intrntl TBond	BWX	B	B	0.25	2.82	0.47	-2.69	-4.78	2.56	60.11	***
Vngrđ Intrmđt Bond	BND	B	B	1.31	4.32	4.65	3.18	0.41	0.77	83.74	***
Wtree Dryfs Brazil Real	BZF	B	B	-15.53	-8.02	-11.49	-16.46	-15.76	3.09	24.42	***
Wtree Dryfs Chns Yuan	CYB	B	B	-0.47	-0.35	-0.32	-0.55	-2.09	0.85	25.28	***
Wtree Dryfs Emrg Crrncy	CEW	B	B	-9.77	-8.33	-9.62	-11.21	-9.65	2.29	20.68	***
Wtree Dryfs Euro	EU	B	B	0.00	2.09	-4.35	-6.55	-5.71	3.41	22.00	***
Wtree Dryfs Indđ Rupee	ICN	B	B	-6.08	-6.51	-8.12	-9.41	-7.35	2.35	24.85	***
Wtree Dryfs N Zlnd Dollar	BNZ	B	B	0.34	-0.85	0.56	-8.00	-10.93	3.66	23.46	***
Wtree Dryfs S Africa Rand	SZR	B	B	-20.47	-15.93	-14.32	-15.27	-13.46	3.89	24.75	***
iShares High Yld	HYG	B	B	-7.65	-8.26	-9.93	-9.29	-5.91	1.91	82.83	**
PS Low Duration	PLK	B	B	-0.14	1.03	1.43	0.75	0.63	0.30	25.59	**
PS Prfd	PGX	B	B	-6.09	-3.82	-5.37	-5.30	-3.69	1.21	13.58	**
Vngrđ ShrtTrm Bond	BSV	B	B	-0.40	1.19	1.57	0.48	-0.44	0.46	81.42	**
Wtree Dryfs Comđty Cur	CCX	B	B	-1.58	-5.30	-7.41	-10.58	-10.74	NA	24.86	**
Wtree Emrg Mkt Lcl Debt	ELD	B	B	-8.45	-7.51	-7.32	-10.11	-10.64	NA	48.11	**
iShares 1-3yr Trsry	SHY	B	B	0.24	0.70	0.98	0.32	-0.17	0.20	84.57	*
PS VRDO Tax Free Wkly	PMI	B	B	0.02	0.04	0.04	0.00	-0.04	0.02	25.00	*

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

10/31 Bonds have been very choppy over the last month with problems and solutions in Europe hit back and forth like a birdie over the Atlantic court. Long-term major trend still appears up for prices and down for yields.

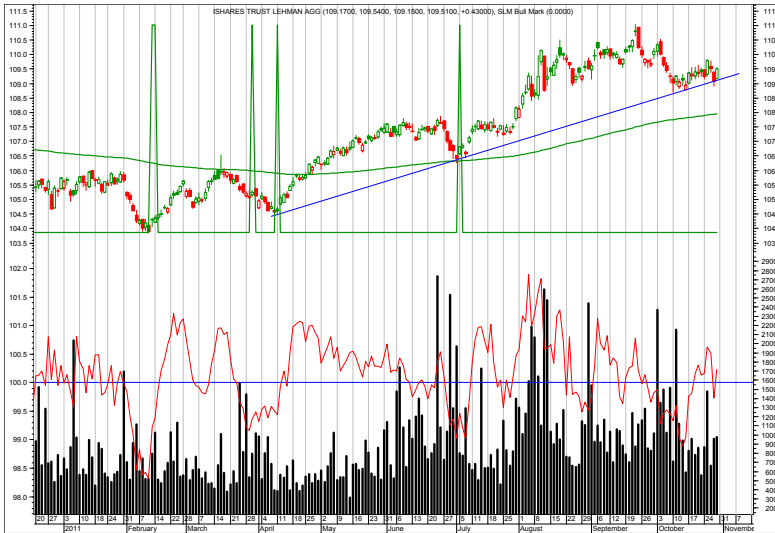
10/24 Bond market has corrected some and we bought in the Income Portfolio.

10/4 The corporate bond market has pulled back. Time to buy with a close stop. See page 2.

9/26 I tell you, the Standard & Poors downgrade from AAA to AA of America's Treasuries has got to rank among the top 5 worst calls of the past 40 years.

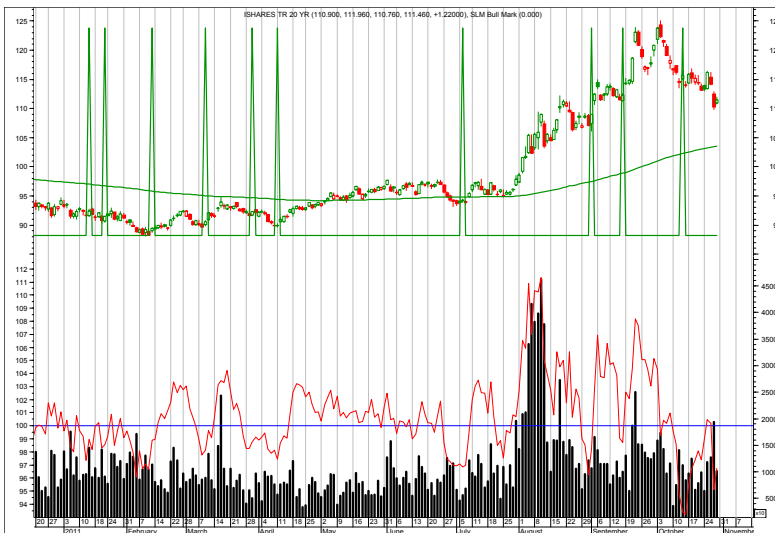
9/19 The corporate bond market looks to be rolling over. My corporate bond timing model turns bearish (shown above).

Income Charts



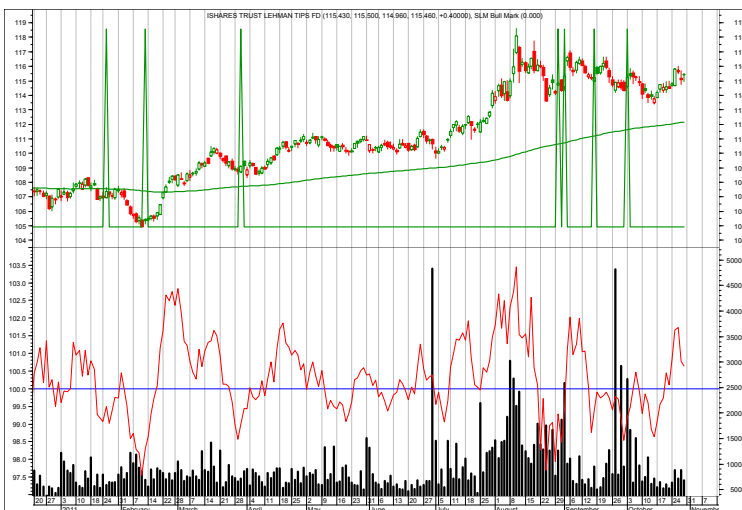
AGG—Aggregate Bond Market

10/31 Bouncing off support. (See also page 12 for more information.)
 10/24 Around good support.
 10/3 Time to nibble with close stops.
 9/26 Was the Treasury Bond market parabolic? It looks like it. Monitor the trends.
 9/16 At support.
 9/12 Fears of sovereign debt and economic slowdown problems have pushed prices higher and yields lower.



TLT

10/31 See page 12.
 10/24 On a weekly view, the Treasury market returned to where it was at the financial crisis levels a few years ago.



TIP—Inflation Bonds

10/31 See page 12.

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: 10/28/2011		
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Closing Stop as of 10/3 Symbol	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total
23-Aug	cover	EWP	34.89	100	3,479	LONG ETFs-						
19-Sep	sell	QQQ	56.61	220	12,444							
19-Sep	sell	IWM	70.24	170	11,931							
19-Sep	short	EWP	32.34	(100)	(3,244)							
22-Sep	sell	IWM	64.73	170	10,994							
26-Sep	cover	EWP	32.03	100	3,213							
3-Oct	sell all QQQ if it does not close above 54 by Tuesday's close or on day it closes below 52.					SHORT ETFs-						
3-Oct	short	EWP	30.94	(100)	(3,104)							
3-Oct	sell	QQQ	51.14	220	11,241							
10-Oct	cover	EWP	34.75	100	3,485							
Cash from short Money Market								1.00			-	0.0%
								1.00	114,352	114,352.00	100.0%	
Total Valuation=										114,352.00	100.0%	

WEEKLY REVIEW

10/31 No changes. Will wait for a pullback to enter.

10/24 After confirming a down market, the market turned and rallied the last couple weeks without us. It now closes in on its descending 200-day moving average (see chart page 1). No changes.

10/3 Cash looking good. Reshort Spain as noted above. For QQQ, sell if it closes below \$52 OR if it does not rally above \$54 by close on Tuesday (10/4), then also sell it. Basically, QQQ needs to rally soon or we're out and will reassess.

9/26 No changes.

9/16 Reenter short EWP (Spain). Sell 1/2 of the two long positions.

9/12 The market is either at a ledge or bottom here. Will stand aside with current positions for now. Watch the stops.

9/5 Please note the raised stop levels. They are tight, so expect the possibility of some whipsaws (in, out, in, out).

Performance	2010	2011	Incptn
ETF Growth Portfolio	8.1	5.8	14.4
Wilshire 5000	15.5	1.2	17.0

Top ETF Growth Ranking to 9/30/11 (month end)

Fund Name	Symbol	Style	Hybrid Equity Bond	12m	9m	6m	3m	1m	V	NAV	Rank
iShares Gold	IAU	EG	E	23.67	13.88	12.91	8.13	-11.17	5.52	15.83	*****
PS DB Gold	DGL	EG	E	22.53	13.30	12.60	8.17	-10.99	5.49	56.83	*****
PS DB Precious Metals	DBP	EG	E	24.93	8.99	3.92	2.78	-15.25	7.46	56.48	*****
PS Dynmc Pharma	PJP	EA	E	15.41	3.93	0.90	-8.36	-4.69	3.78	24.57	*****
Select SPDR Cnsmr Stpl	XLP	EA	E	6.38	1.19	-0.87	-5.03	-3.98	2.86	29.66	*****
Select SPDR Utilities	XLU	EA	E	7.14	7.28	5.49	0.42	-0.80	2.08	33.62	*****
SPDR Gold	GLD	EG	E	23.57	13.94	13.01	8.26	-11.06	5.51	158.06	*****
Vngrd Cnsmr Stpls	VDC	EA	E	7.85	3.87	0.85	-4.61	-3.45	2.75	76.23	*****
Vngrd Utilities	VPU	ELC	E	7.57	6.53	3.46	-0.72	-1.38	2.04	71.46	*****
Wtree Japan SC Div	DFJ	EWR	E	7.68	-1.38	1.18	-0.32	-0.14	3.10	43.59	*****
Guggnhm Dfnsv Eqty	DEF	EV	E	7.08	1.59	-4.19	-6.21	-3.04	2.22	24.92	****
Guggnhm Ocn Grth	OTR	ELC	E	6.52	-0.40	-6.11	-9.11	-5.02	3.41	27.45	****
iShares DJ Slct Div	DVY	EGI	E	2.99	-3.25	-7.46	-8.84	-5.34	2.92	48.24	****
iShares Silver	SLV	EG	E	35.66	-4.21	-21.38	-14.57	-28.53	13.77	28.91	****
PS Buyback Achievers	PKW	EGI	E	5.69	-3.10	-9.73	-12.35	-4.27	3.64	23.57	****
PS DB Agriculture	DBA	EA	E	7.95	-8.30	-13.34	-6.54	-13.03	4.89	29.67	****
PS DB Commodity	DBC	EA	E	6.80	-6.53	-15.60	-11.08	-14.62	5.10	25.75	****
PS DB Energy	DBE	EA	E	6.42	-4.35	-18.25	-13.52	-12.04	5.58	25.71	****
PS DB Silver	DBS	EG	E	34.05	-5.25	-21.92	-15.04	-29.05	13.90	51.65	****
PS Dividend Achievers	PFM	EGI	E	2.12	-3.99	-8.75	-9.97	-5.28	2.90	13.46	****
PS Dynmc Cnsmr Staples	PSL	EA	E	7.57	-0.60	-3.69	-9.12	-4.67	3.45	28.81	****
PS Dynmc Food & Bev	PBJ	EA	E	9.46	-1.65	-6.52	-10.93	-7.15	3.53	17.93	****
PS Dynmc Healthcare	PTH	EA	E	4.43	-3.43	-12.52	-18.30	-7.26	4.28	25.93	****
PS Dynmc Retail	PMR	EA	E	9.00	-2.26	-7.00	-10.41	-4.07	4.54	19.01	****
PS Dynmc Utilities	PUI	EA	E	0.77	-1.42	-6.29	-11.22	-4.90	2.79	15.37	****
PS Mega Cap	PMA	ELC	E	5.24	-3.17	-9.84	-10.77	-4.70	3.53	24.11	****
PS S&P SmlCap Cnsmr Stpl	PSCC	EA	E	8.77	-1.25	-6.48	-10.61	-5.70	4.03	29.14	****
PS S&P SmlCap Hlth Care	PSCH	EA	E	9.91	-2.37	-12.74	-17.38	-6.94	4.92	27.61	****
PS S&P SmlCap Utilities	PSCU	EA	E	4.88	-1.26	-2.34	-7.75	-6.52	2.69	27.96	****
PS US REIT	PSR	ERE	E	2.39	-2.88	-9.92	-13.17	-10.21	3.96	44.49	****
Select SPDR Cnsmr Disc	XLY	EA	E	4.34	-6.82	-10.73	-13.31	-7.21	4.01	34.86	****
Select SPDR Health	XLV	EA	E	4.07	0.73	-4.17	-10.70	-5.00	3.15	31.73	****
Select SPDR Technlgy	XLK	EA	E	2.52	-6.31	-9.45	-8.17	-3.44	3.99	23.60	****
SPDR DJ Industrials	DIA	ELC	E	0.95	-5.79	-11.45	-12.03	-6.05	3.63	108.93	****
SPDR NASDAQ 100	QQQ_O	ELC	E	6.97	-3.62	-8.60	-7.99	-4.67	4.05	52.49	****
Vngrd Cnsmr Dis	VCR	EA	E	3.80	-7.79	-11.69	-14.75	-7.53	4.26	55.76	****
Vngrd Health	VHT	EA	E	3.96	0.78	-5.58	-11.63	-4.87	3.28	56.69	****
Vngrd Tech	VGT	EA	E	2.09	-7.74	-11.63	-10.40	-4.12	4.37	56.76	****
Wtree Div Ex Fincl	DTN	ELC	E	6.20	-2.31	-6.42	-8.77	-4.58	3.14	46.91	****
Wtree Eqty Income	DHS	EGI	E	3.52	-0.93	-4.97	-7.09	-4.22	2.78	38.55	****
Wtree LrgCap Div	DLN	ELC	E	3.05	-4.62	-9.00	-10.38	-5.20	3.17	43.97	****

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

Guggnhm Airline	FAA	EA	E	-28.76	-32.68	-26.74	-25.45	-6.66	6.14	26.63	***
Guggnhm Candn Enrg Incm	ENY	EWR	E	-16.54	-29.63	-38.00	-31.30	-22.56	6.97	14.18	***
Guggnhm Euro-Pac	EEN	EW	E	-19.21	-22.55	-26.82	-25.10	-15.58	5.10	15.01	***
Guggnhm Frntr	FRN	EW	E	-20.04	-25.53	-17.50	-22.35	-15.74	4.92	18.20	***
Guggnhm Glbl Div	LVL	EW	E	-12.39	-14.46	-19.05	-18.85	-11.65	5.33	12.66	***
Guggnhm Glbl Wtr	CGW	EW	E	-1.40	-11.80	-13.54	-15.73	-8.35	4.46	18.32	***
Guggnhm Insdr Sent	NFO	EMC	E	-3.77	-15.62	-20.38	-23.68	-12.93	5.06	27.55	***
Guggnhm Intrntl A Incm	HGI	EW	E	-17.45	-21.57	-22.81	-22.07	-14.50	4.80	15.09	***
Guggnhm MidCap Core	CZA	EMC	E	-1.21	-9.36	-16.74	-18.08	-8.79	4.03	26.06	***
Guggnhm Multi Ast In	CVY	EV	E	-2.55	-6.88	-12.05	-13.07	-8.47	3.12	18.69	***
Guggnhm Ocn Tomo	OTP	ELC	E	-3.97	-10.88	-16.81	-16.92	-6.20	4.41	22.68	***
Guggnhm RJ All	RYJ	ELC	E	-0.52	-15.09	-22.16	-20.39	-10.36	5.42	17.86	***
Guggnhm Sctr Rotn	XRO	ELC	E	-7.44	-17.29	-21.79	-22.26	-11.08	4.66	20.78	***
Guggnhm Spin Off	CSD	EMC	E	-0.07	-8.57	-14.24	-14.72	-6.27	3.87	20.83	***
Guggnhm Timber	CUT	EA	E	-17.51	-22.83	-31.47	-24.55	-14.32	5.89	15.92	***
iShares Canada	EWC	EW	E	-9.06	-17.77	-24.16	-19.51	-14.72	4.17	25.49	***
iShares Cohen&Str REIT	ICF	ERE	E	-0.89	-6.63	-12.51	-15.38	-12.18	4.48	61.36	***
iShares EAFE Indx	EFA	EW	E	-13.00	-17.93	-20.47	-20.55	-10.81	5.48	47.78	***
iShares Emrg Mrkt Stk	EEM	EW	E	-21.61	-26.34	-27.89	-26.27	-17.91	5.61	35.10	***
iShares Europe 350	IEV	EW	E	-15.80	-18.86	-23.79	-24.26	-11.89	6.76	31.87	***
iShares Mexico	EWV	EW	E	-7.57	-20.90	-22.07	-21.71	-16.67	4.80	48.98	***
iShares REIT	IYR	ERE	E	-4.37	-9.63	-14.87	-16.14	-11.62	4.02	50.57	***
iShares Russel 2000	IWM	ESC	E	-4.74	-17.82	-23.61	-22.34	-11.49	5.35	64.30	***
iShares Russel MidVal	IWS	EV	E	-4.48	-14.33	-19.93	-19.25	-9.63	4.26	38.56	***
iShares Sict Div	IDV	ELC	E	-10.86	-15.78	-20.87	-20.44	-13.18	5.65	28.33	***
iShares Spain	EWP	EW	E	-20.47	-12.00	-23.79	-23.28	-10.02	8.62	32.33	***
PS Aerospace & Def	PPA	EA	E	-5.00	-12.61	-19.66	-19.77	-7.10	4.51	16.35	***
PS BLDR Asia 50 ADR	ADRA	EW	E	-13.02	-21.94	-20.33	-19.39	-10.63	4.28	22.37	***
PS BLDR Dvlpd Mrkt 100 ADR	ADRD	EW	E	-12.90	-16.96	-20.31	-20.09	-10.08	5.68	17.81	***
PS BLDR Europe 100 ADR	ADRU	EW	E	-13.98	-16.38	-21.68	-20.83	-9.83	5.84	17.41	***
PS Cleantech	PZD	EA	E	-13.12	-21.21	-29.43	-26.71	-15.41	6.26	20.80	***
PS DB Base Metals	DBB	EG	E	-15.30	-24.07	-24.04	-22.32	-20.15	5.81	18.55	***
PS DB Oil	DBO	EA	E	-8.93	-18.36	-28.58	-19.86	-12.23	5.72	23.04	***
PS DWA Dvlpd Mrkt T Ldrs	PIZ	ELC	E	-18.07	-25.69	-26.35	-26.91	-17.78	5.63	16.46	***
PS DWA Emrg Mrkt T Ldrs	PIE	EW	E	-18.39	-22.19	-22.51	-24.03	-21.05	5.98	14.29	***
PS DWA Tech Ldr	PDP	ELC	E	4.55	-6.59	-14.35	-15.80	-9.63	4.39	21.96	***
PS Dyn Dvlp Intrnl Opp	PFA	EW	E	-10.74	-16.76	-21.35	-23.86	-12.30	5.84	14.55	***
PS Dyn MagniQuant	PIQ	ELC	E	-5.39	-16.37	-21.68	-22.37	-12.68	4.90	20.52	***
PS Dyn Mrkt	PWC	ELC	E	-6.31	-16.27	-21.51	-22.02	-10.45	4.47	36.85	***
PS Dyn OTC	PWO	ESC	E	-3.89	-15.12	-17.91	-19.79	-6.77	4.69	42.27	***
PS Dynmc Basic Matrl	PYZ	EA	E	-10.41	-21.25	-28.56	-28.78	-18.46	6.01	27.91	***
PS Dynmc Biotech	PBE	EA	E	-5.72	-16.35	-15.93	-18.33	-7.34	4.69	18.31	***
PS Dynmc Bldg Cnstrctn	PKB	EA	E	-16.90	-23.40	-30.69	-24.38	-12.64	5.17	9.96	***
PS Dynmc Consmr Discr	PEZ	EA	E	1.74	-10.65	-13.34	-16.52	-8.71	4.81	22.71	***
PS Dynmc Energy	PXI	EA	E	3.37	-16.09	-28.58	-26.02	-18.06	6.83	31.39	***
PS Dynmc Energy Explor	PXE	EA	E	2.69	-17.56	-31.24	-25.44	-18.72	7.04	19.02	***
PS Dynmc Fncl	PFI	EA	E	-10.05	-17.73	-22.08	-20.25	-9.76	4.10	15.64	***
PS Dynmc Indstrls	PRN	EA	E	-6.43	-20.61	-27.75	-24.98	-12.37	5.84	23.30	***
PS Dynmc Leisure & Enter	PEJ	EA	E	-0.12	-12.45	-15.52	-18.00	-12.59	4.39	16.17	***
PS Dynmc Lrg Cap Grth	PWB	ELC	E	-1.30	-11.45	-15.60	-16.68	-8.58	4.18	14.39	***
PS Dynmc Lrg Cap Value	PWV	ELC	E	-1.10	-7.50	-12.77	-14.21	-5.72	3.55	17.14	***
PS Dynmc Media	PBS	EA	E	-4.39	-15.59	-22.60	-22.44	-11.05	5.56	11.75	***
PS Dynmc Networking	PXQ	EA	E	-9.57	-21.39	-25.91	-26.45	-8.37	6.12	20.80	***
PS Dynmc Oil & Gas Srvcs	PXJ	EA	E	-7.49	-25.93	-38.70	-34.16	-24.90	8.77	16.17	***
PS Dynmc Semicndctr	PSI	EA	E	-8.09	-25.92	-31.32	-28.47	-9.71	7.23	12.06	***
PS Dynmc Software	PSJ	EA	E	-2.93	-12.81	-20.17	-18.06	-4.22	4.39	21.76	***
PS Dynmc Technology	PTF	EA	E	-7.87	-18.38	-23.82	-21.69	-6.74	5.34	20.92	***
PS FTSE RAFI Asia Pac xJpn	PAF	EW	E	-13.84	-21.86	-25.17	-25.14	-17.41	5.57	43.50	***
PS FTSE RAFI Dvlp Mrkt xUSA	PXF	EW	E	-16.54	-20.25	-23.68	-23.95	-11.09	6.25	31.43	***

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

PS FTSE RAFI Dvlp Mrkt xUSA SmI	PDN	EW	E	-6.83	-15.39	-17.32	-17.65	-10.84	4.74	20.72	***
PS FTSE RAFI US 1500 SmI-Mid	PRFZ	EMC	E	-5.48	-18.69	-24.24	-22.65	-11.51	5.35	52.42	***
PS GblI Agriculture	PAGG	EA	E	-6.30	-20.11	-22.45	-22.01	-19.25	5.64	25.59	***
PS GblI Gold Precious Mtls	PSAU	EG	E	-7.92	-17.04	-15.43	-7.90	-17.14	6.27	41.49	***
PS GblI Listd Prvt Eqty	PSP	EW	E	-21.37	-28.47	-33.65	-27.86	-15.49	6.87	7.69	***
PS GblI Nuclr Enrgy	PKN	EW	E	-20.71	-28.32	-23.28	-21.04	-10.88	5.46	15.16	***
PS GblI Water	PIO	EW	E	-12.98	-21.94	-23.54	-22.90	-11.40	5.36	15.62	***
PS GblI Wind Energy	PWND	EW	E	-30.25	-28.26	-38.94	-27.89	-16.31	7.27	7.08	***
PS Hi Yld Eqty Div	PEY	EGI	E	-1.62	-7.34	-7.65	-6.81	-2.84	2.76	8.21	***
PS Ibtstn Altrntv	PTO	ELC	E	-5.65	-8.63	-11.20	-10.27	-10.39	2.50	10.69	***
PS India	PIN	EW	E	-27.87	-28.32	-24.02	-22.34	-10.82	5.81	18.22	***
PS Intrntl Dvdnd	PID	EW	E	-6.08	-10.71	-15.07	-14.81	-9.58	4.17	13.75	***
PS Mrngstr Stk	PYH	ELC	E	-3.13	-8.83	-13.91	-13.49	-6.21	3.49	18.27	***
PS NASDAQ Intrnt	PNQI	EA	E	-1.49	-8.30	-18.94	-18.04	-13.58	5.35	31.81	***
PS RvrFrnt Tac Bal	PAO	EGI	E	-8.23	-14.41	-18.16	-17.79	-8.78	3.49	10.81	***
PS RvrFrnt Tac G&I	PCA	EGI	E	-4.69	-7.96	-11.22	-10.95	-5.53	2.39	11.79	***
PS S&P 500 High Qlty	PIV	ELC	E	1.78	-6.47	-10.84	-12.85	-5.91	3.46	12.57	***
PS S&P SmIcap Cnsmr Dis	PSCD	EA	E	-2.01	-15.49	-16.60	-19.56	-9.79	5.66	23.67	***
PS S&P SmIcap Energy	PSCE	EA	E	9.56	-19.73	-35.79	-30.41	-18.44	8.99	26.93	***
PS S&P SmIcap Fincl	PSCF	EA	E	-4.83	-14.95	-17.92	-16.25	-9.42	3.86	23.09	***
PS S&P SmIcap Indstrls	PSCI	EA	E	-6.38	-20.95	-25.19	-22.14	-12.93	5.53	23.17	***
PS S&P SmIcap Info Tech	PSCT	EA	E	-5.10	-20.17	-26.76	-24.46	-9.87	6.08	23.47	***
PS S&P SmIcap Mtrls	PSCM	EA	E	-6.07	-19.05	-23.27	-21.35	-11.08	5.06	23.28	***
PS Water Resources	PHO	EA	E	-9.18	-20.85	-26.11	-22.37	-12.62	5.25	15.03	***
PS WilderHill Prgsv Enrgy	PUW	EA	E	-17.56	-28.90	-34.34	-29.16	-16.67	6.25	20.00	***
PS Zacks Micro Cap	PZI	ESC	E	-11.91	-26.81	-29.59	-25.63	-12.45	5.97	8.79	***
Select SPDR Enrgy	XLE	EA	E	4.37	-14.27	-26.63	-22.35	-14.76	6.20	58.51	***
Select SPDR Indl	XLI	EA	E	-6.59	-16.20	-22.42	-21.54	-9.81	5.14	29.22	***
Select SPDR MatrIs	XLB	EA	E	-10.45	-23.57	-26.65	-25.44	-16.94	5.02	29.35	***
SPDR DJ GblI Titans	DGT	EW	E	-11.61	-17.98	-21.45	-19.63	-10.21	4.81	47.95	***
SPDR Euro Stoxx 50	FEZ	EW	E	-22.96	-23.24	-30.53	-30.34	-13.41	8.26	28.28	***
SPDR S&P 500	SPY	ELC	E	-0.86	-10.02	-14.66	-14.26	-7.42	3.80	113.15	***
SPDR Wish REIT	RWR	ERE	E	-1.46	-7.41	-12.54	-15.17	-11.83	4.37	56.50	***
Vngrd Extnd 4500	VXF	ELC	E	-3.05	-15.27	-21.94	-21.14	-11.14	5.04	46.10	***
Vngrd Fincl Srv	VFH	EA	E	-15.88	-24.22	-26.49	-22.40	-11.80	4.77	24.92	***
Vngrd Grth	VUG	ELC	E	1.76	-8.92	-13.00	-13.53	-7.66	3.88	55.94	***
Vngrd Large Cap	VV	ELC	E	-0.83	-10.35	-15.01	-14.75	-7.75	3.89	51.65	***
Vngrd Materials	VAW	ELC	E	-9.07	-21.95	-26.20	-25.10	-16.88	5.20	64.47	***
Vngrd MidCap Val	VO	EMC	E	-1.82	-12.57	-19.18	-19.05	-9.90	4.52	65.10	***
Vngrd Small Cap	VB	ESC	E	-3.26	-15.50	-22.31	-21.37	-10.98	5.21	61.37	***
Vngrd Small Cap Grth	VBK	ESC	E	0.10	-14.33	-22.53	-22.17	-11.42	5.62	66.86	***
Vngrd Small Cap Value	VBR	ESC	E	-6.90	-16.87	-22.21	-20.69	-10.64	4.77	55.58	***
Vngrd TTL Stock	VTI	ELC	E	-1.11	-11.10	-15.99	-15.61	-8.06	3.99	57.72	***
Wtree DEFA	DWM	EW	E	-11.95	-15.98	-19.94	-20.67	-11.12	5.65	39.80	***
Wtree DEFA Eqty Incm	DTH	EW	E	-13.06	-14.28	-20.09	-20.37	-11.10	6.24	35.23	***
Wtree Emrg Mrkt Eincm	DEM	EW	E	-14.96	-20.67	-22.52	-22.35	-17.45	5.32	47.35	***
Wtree Emrg Mrkt SC Div	DGS	EW	E	-23.19	-29.06	-27.71	-26.40	-19.00	6.23	38.66	***
Wtree Eur SC Div	DFE	EW	E	-15.58	-23.20	-26.73	-24.26	-13.32	6.99	32.68	***
Wtree GblI Eqty Incm	DEW	EW	E	-10.33	-12.69	-18.41	-18.42	-11.11	4.93	36.80	***
Wtree India	EPI	EWR	E	-31.17	-31.22	-26.81	-24.19	-12.50	6.21	18.15	***
Wtree Intrntl Div Ex Fincl	DOO	EW	E	-11.45	-13.63	-18.85	-19.23	-10.32	5.81	38.14	***
Wtree Intrntl LC Div	DOL	EW	E	-13.90	-16.55	-20.40	-20.67	-11.18	5.88	37.96	***
Wtree Intrntl MC Div	DIM	EW	E	-12.90	-17.72	-20.68	-21.02	-12.01	5.60	42.66	***
Wtree Intrntl SC Div	DLS	EW	E	-8.14	-15.86	-17.89	-16.60	-10.32	4.89	43.56	***
Wtree Intrntl Utilities	DBU	EA	E	-11.53	-12.31	-17.24	-16.33	-9.94	5.49	17.66	***
Wtree Japan Hedge Eqty	DXJ	EC	E	-9.72	-14.80	-11.80	-10.02	-1.69	3.34	32.52	***
Wtree LrgCap Grth	ROI	ELC	E	-3.89	-11.49	-16.94	-15.34	-8.22	3.87	32.46	***
Wtree MidCap Div	DON	EMC	E	-1.47	-9.05	-14.67	-15.38	-9.11	3.77	46.11	***
Wtree MidCap Earn	EZM	EMC	E	-1.49	-13.04	-20.04	-20.06	-10.50	4.77	46.95	***
Wtree Middle East Div	GULF	EW	E	-10.08	-16.02	-14.22	-8.66	-5.23	3.76	14.31	***
Wtree S&P 500	EPS	ELC	E	-1.14	-8.86	-13.57	-13.34	-6.20	3.50	39.50	***
Wtree SmI Cap Div	DES	ESC	E	-7.04	-16.90	-19.05	-17.30	-9.58	4.13	39.40	***
Wtree Ttl Earn	EXT	ELC	E	-1.37	-9.65	-14.62	-14.31	-6.91	3.59	40.31	***
Wtree World Ex US Grth	DNL	EW	E	-16.74	-21.20	-22.92	-24.77	-18.00	5.26	42.70	***

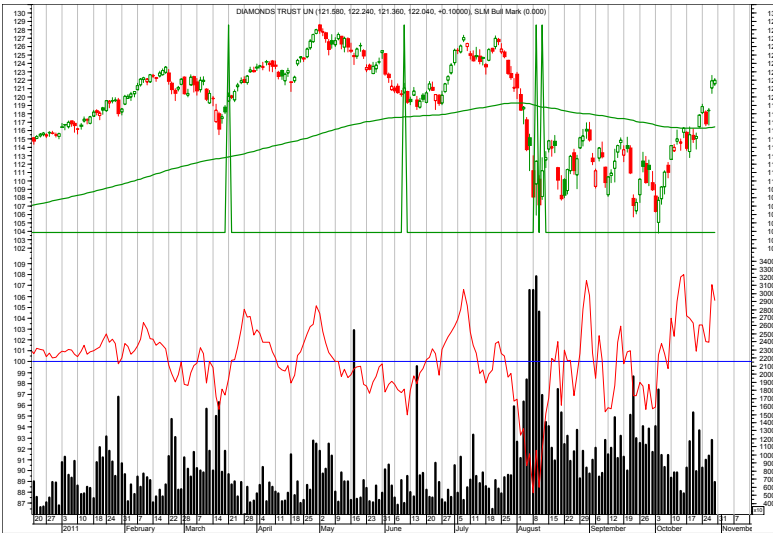
This shows the ETF Growth Database and Ranking. It shows performance over the last 12, 9, 6, 3, and 1 months through the previous month's end. V is Volatility. NAV is price. Rank shows the number of comets from 5 to 1. The larger the better.

Bottom ETF Growth Ranking to same month end

Guggnhm BRIC	EEB	EW	E	-23.17	-25.53	-27.54	-24.81	-16.54	4.96	34.36	**
Guggnhm China All	YAO	EVR	E	-27.67	-27.25	-30.91	-29.63	-21.18	5.33	19.76	**
Guggnhm China REIT	TAO	EVR	E	-32.64	-33.65	-32.91	-32.22	-26.01	5.88	13.23	**
Guggnhm China Sml	HAO	EVR	E	-40.09	-39.75	-37.96	-35.87	-24.42	6.50	18.11	**
Guggnhm Intrntl SmlCap	XGC	EW	E	-32.37	-34.85	-35.41	-32.77	-23.64	5.65	15.63	**
Guggnhm Shipping	SEA	EA	E	-46.10	-46.87	-44.84	-34.58	-16.20	6.18	14.85	**
Guggnhm Solar	TAN	EA	E	-62.49	-55.75	-63.30	-54.57	-40.84	11.52	3.23	**
iShares China	FXI	EW	E	-28.00	-28.45	-31.35	-28.22	-20.19	4.82	30.83	**
iShares Latin Amr	ILF	EW	E	-23.07	-27.81	-27.72	-24.68	-17.42	5.26	38.88	**
iShares Prfrd	PPF	EGI	E	-10.48	-8.22	-10.19	-10.21	-5.72	1.70	35.61	**
PS BLDR Emrg Mkt 50 ADR	ADRE	EW	E	-19.93	-25.09	-25.66	-22.58	-14.91	4.80	36.07	**
PS Dynmc Banking	PJB	EA	E	-18.58	-28.03	-26.54	-22.29	-8.70	4.32	9.55	**
PS Emrg Mkt Infrastrctr	PXR	EW	E	-28.65	-35.75	-36.09	-35.16	-23.12	6.93	34.45	**
PS Fincl Pfd	PGF	EGI	E	-11.24	-8.29	-10.97	-10.43	-6.86	2.12	16.15	**
PS FTSE RAFI Emrg Mkt	PXH	EW	E	-20.55	-26.22	-27.65	-26.02	-16.94	5.15	19.02	**
PS Glbl Clean Enrgy	PBD	EW	E	-36.54	-37.18	-44.21	-35.99	-22.59	7.50	8.77	**
PS Glbl Coal	PKOL	EA	E	-21.39	-37.25	-37.36	-31.24	-23.70	6.91	23.47	**
PS Glbl Steel	PSTL	EA	E	-29.71	-36.94	-37.55	-34.12	-19.81	6.14	15.02	**
PS Glbn Drgn USX China	PGJ	EW	E	-26.41	-27.46	-30.56	-26.44	-20.44	5.38	19.33	**
PS Lux Nanotech	PXN	EA	E	-35.78	-40.10	-38.88	-31.90	-19.46	6.57	5.87	**
PS MENA Fmtr Countries	FMNA	EW	E	-20.89	-21.81	-14.92	-11.33	-6.78	3.11	10.72	**
PS S&P 500 BuyWrite	PBP	ELC	E	-11.52	-10.29	-11.31	-11.23	-3.95	2.25	18.74	**
PS WilderHill Cln Enrgy	PBW	EA	E	-44.84	-47.55	-49.40	-39.44	-24.83	7.49	5.45	**
Select SPDR Financs	XLF	EA	E	-17.67	-25.96	-27.94	-23.06	-11.73	4.82	11.81	**
Vngrd Emrg Mkt	VWO	EW	E	-21.18	-25.58	-26.80	-26.31	-18.44	5.36	35.83	**
Wtree Intrntl RET	DRW	ERE	E	-22.88	-22.53	-23.49	-23.15	-17.55	4.80	22.18	**

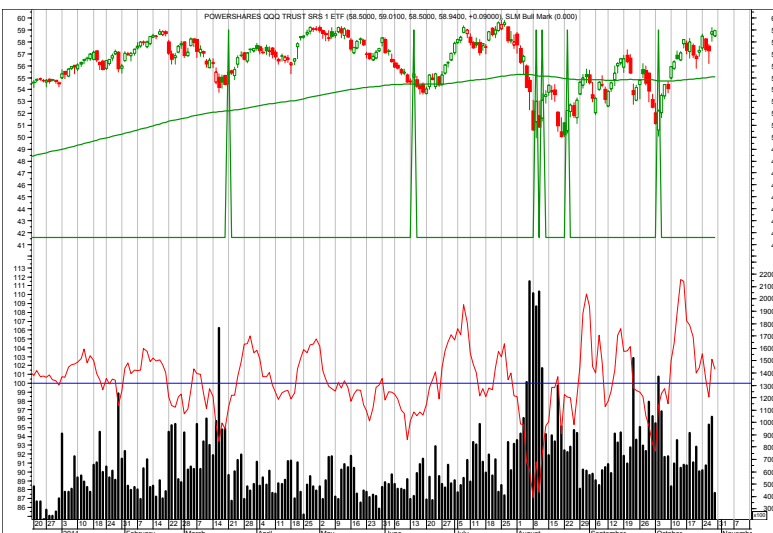
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Growth Charts



DIA--Dow Industrials

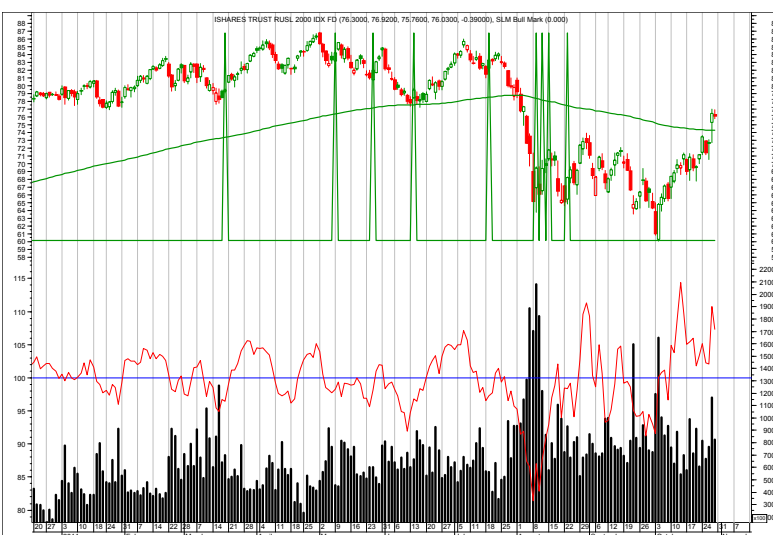
10/31 See page 12 for more details.



QQQ--NASDAQ 100

10/31 See page 12.

10/24 The market continues sideways.
 10/3 Relative strength, but still dropping.
 9/26 Can't decide on its longer-term trend.
 9/16 If the rally is over, then the new down trend line is drawn.
 9/12 Hit resistance and pulled back into another test of recent lows.
 9/5 Hit potential resistance.
 8/29 Beginning to bounce, but watch for what was support (buying) at March and June lows to potentially turn into resistance (selling).
 8/22 Due for a bounce of 5-15%.



IWM--Russell 2000

10/31 See page 12
 10/24 Still sideways.
 10/3 Yes, to last week's question.
 9/26 Close the gap bounce?
 9/16 Pulling back.
 9/12 Support/resistance box drawn.
 9/5 Not much of a bounce.
 8/29 Watch for a bounce.
 8/22 Test is successful so far. Rally back to downtrend.
 8/15 Rally back to downtrend.
 8/8 Previous support should now turn to resistance on any rallies.

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**

came back from summer trips, spending 0.6% in September, even though incomes rose only 0.1%.

The leading economic indicators also continue to trend higher the last few months, suggesting if not further strength, at least not contraction through year end.

These things all contributed to the recent rally. Rather than the end of the world, the economy continues to muddle along.

To be sure, jobs growth con-

tinues weak.

From my point of view, however, the market had confirmed itself to the downside back in early October. Additionally, no extreme bearish sentiment readings had shown up. Any rally, therefore, was suspect and I stood aside.

So, looking ahead, has the market reversed itself and will the rally continue?

If we step back from the short-term action, we still find the market is basically flat or neutral. The peaks and valleys are essen-

tially sideways. So, at best, we are simply still in a neutral longer-term market. Still it's painful to miss a nice rally.

As such, I've begun to take another look at certain indicators I use and to develop more market oriented signals. Preliminary buy signals are shown on the various charts on pages 1, 5, and 11.

In the meantime, I will wait for a pullback before entering the stock market.

Just to clarify a couple of terms that I use.

Short-term is days to weeks.

Intermediate-term is weeks to months.

Long-term is months to years.

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.

10/31/11 Working on a new timing model specifically for each bond and equity ETF. Preliminary indications of the BUYS are shown on the charts on pages 5 and 11. They are the green spikes on the charts.

10/24/11 My apologies for the missed weekly issues, but subscribers should have received emailed hotline updates. For this issue, the ETF rankings have been updated.

10/3 I expect the ETF rankings to be updated this week. So check back Thursday for a new posting of this same issue, but with the rankings updated through 9/30/11.

9/26 No ETF S&T 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 1:35pm 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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The recurring monthly subscription is \$24.00. An annual subscription is \$240.00. Subscribers receive this weekly eNewsletter. There is no mailed issue. Subscribers retrieve the current weekly issue at the web site InvestmentST.com by logging in using a log in name and password.

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.

GUARANTEE: Subscriptions may be cancelled at any time. Annual subscriptions are refundable for the weekly term remaining with a four-week minimum charge, using a 52-week count. Monthly subscriptions just expire.

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