

ETF Selections & Timing

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Why Buy?

Amongst other things this weekend, I looked at market corrections over the last 100 years. What I found was that the market behaves differently in secular bull markets than it does in secular bear markets. This is not a surprise. What was surprising was that

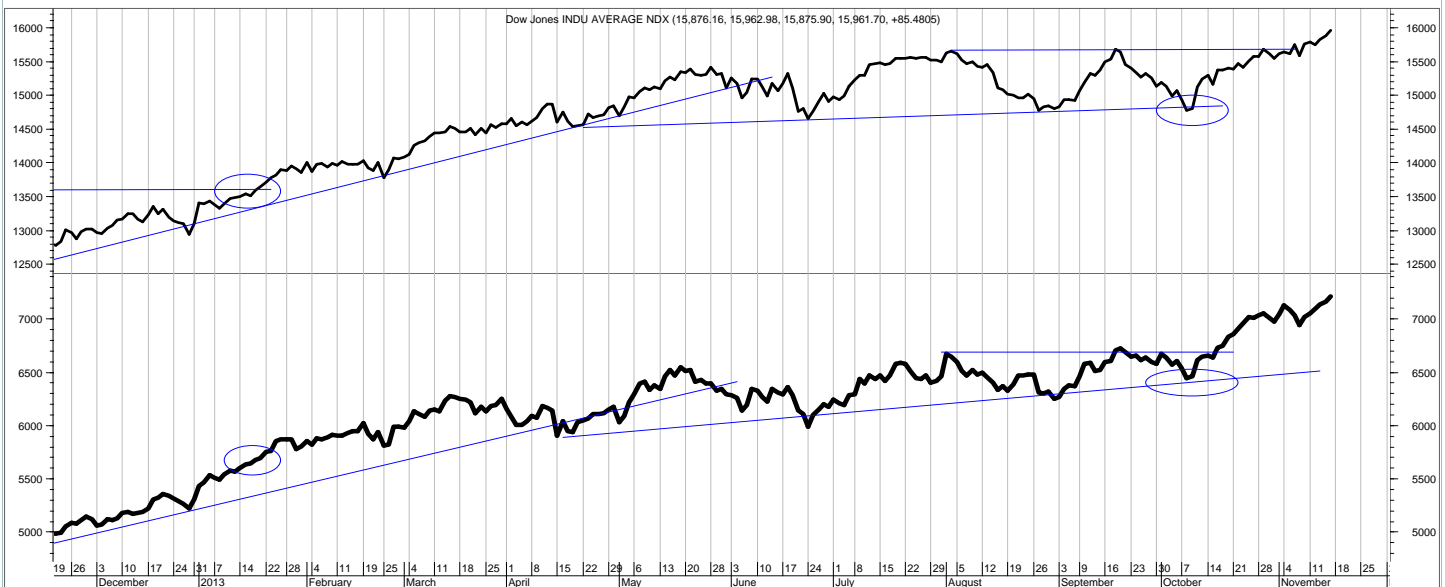
the frequency, duration, and depth of percentage declines are much different between the two types of markets.

Secular means long-term, extending anywhere from 5 to 30 years. The last secular bear stock market began in 2000 and may or may not still be taking

place. This is important for formulating buying strategies.

If the secular bear is over and the secular bull begun, for those waiting on a 20% or more decline to get into the market, it may be a long (measured in

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



This is the daily chart of the Dow Industrials (upper) and Dow Transports (lower)

SCOREBOARD (returns year to date and past weeks to date)

Model	YTD	52-week	26-week	13-week	4-week	1-week
ETF Income Portfolio	1.3%	0.8%	1.4	1.4	0.1	0.0%
ETF Growth Portfolio	25.5%	28.1%	9.5	10.1	0.1	1.2%
Index						
Aggrgt Bond (AGG)	-3.5%	-4.3%	-2.7	1.5	-0.4	0.5%
S&P 500 TR (SPY)	29.1%	33.5%	7.8	8.5	3.2	1.6%
World Growth Index	26.5%	33.5%	9.0	8.9	1.4	1.7%

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Income Portfolio

ACTION FOR			PORTFOLIO DETAILS			Value as of date: 11/15/2013							
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Stop Loss as of 10/21	Description	Start Price	End Price	# of Shares	Current Value	Percent of Total
26-Aug	buy	LQD	112.36	300	33,718								0.0%
26-Aug	buy	PCY	26.64	1,300	34,642								
26-Aug	buy	AGG	106.09	320	33,959								
28-Aug	sell	PCY	26.32	1,300	34,206								
5-Sep	sell	AGG	104.89	320	33,555								0.0%
5-Sep	sell	LQD	110.91	300	33,263								0.0%
9-Sep	buy	LQD	111.63	300	33,499								
9-Sep	buy	PCY	26.54	1,300	34,512								
28-Oct	sell	PCY	27.95	1,300	36,325								
28-Oct	sell	LQD	115.43	300	34,619								
						Money Market				1.00	115,321	115,321.00	100.0%
												Total Valuation=	115,321.00 100.0%

WEEKLY REVIEW

11/18 The bond market is bouncing off its oversold condition. Will wait for reentry signals.

11/11 No changes.

11/4 No changes. Will wait for signals to reenter.

10/28 Time to take short-term profits in both positions as they look to have 'rolled over'. Will watch for reentry points in the weeks ahead.

10/21 Raised the stop levels again to follow the market as it climbs.

10/14 Please note the raised stop levels.

	2010	2011	2012	ytd 2013	Incptn	SD
ETF Income Portfolio	4.8%	3.6	4.8	1.3	15.3	4.5
Aggregate Bond	2.5%	4.3	0.9	-3.5	4.1	2.5

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 8/30/13 (pending change)

<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 1-3yr Trsry	SHY	BS	0.03	0.03	-0.07	-0.03	-0.10	0.08	84.28	*****
Vngrd ShrtTrm Bond	BSV	BS	-0.19	-0.45	-0.60	-0.38	-0.27	0.23	79.96	*****
iShares 3-7yr Trsry	IEI	BI	-2.51	-2.67	-2.49	-1.82	-0.77	0.51	119.88	****
iShares Agg Bond	AGG	BI	-2.85	-3.32	-3.05	-2.12	-0.83	0.61	106.01	****
iShares Inter Bond	MBB	BI	-3.09	-2.81	-2.91	-1.77	-0.67	0.43	104.17	****
iShares Inter Gov	GVI	BI	-1.51	-2.04	-1.92	-1.35	-0.64	0.46	109.11	****
Wtree Dryfs Chns Yuan	CYB	BF	4.62	2.26	2.23	0.54	0.42	0.42	26.16	****
Currency Euro	FXE	BF	4.69	1.36	1.04	1.60	-0.68	1.85	130.84	***
iShares 10-20yr Trsry	TLH	BL	-8.69	-8.69	-6.33	-4.80	-0.97	1.55	123.42	**
iShares 7-10yr Trsry	IEF	BI	-6.40	-6.61	-5.56	-4.27	-1.42	1.08	100.26	**
iShares High Yld	HYG	BH	5.38	2.88	0.18	-0.17	-1.27	1.56	90.87	**
iShares Intrntl Tbond	IGOV	BW	-1.59	-3.73	-1.85	-0.50	-0.73	1.54	97.93	**
iShares Long Corp Bond	LQD	BL	-2.90	-4.84	-4.30	-3.17	-1.00	1.39	112.68	**
iShares Trsry Inflt	TIP	BI	-7.29	-8.84	-7.78	-4.71	-1.83	1.18	110.64	**
PS 1-30 Ldr Trsry	PLW	BI	-8.64	-8.31	-5.99	-4.31	-0.96	1.45	29.88	**
PS Bld America	BAB	BI	-5.98	-7.40	-8.54	-7.83	-1.41	1.59	27.14	**
PS DB Dollar Bearish	UDN	BF	-1.27	-2.51	0.04	1.65	-0.49	1.29	26.42	**
PS DB Dollar Bullish	UUP	BF	-0.49	1.23	-0.80	-1.86	0.41	1.28	22.19	**
PS DB G10 Currency	DBV	BF	-0.76	-4.00	-7.09	-6.64	-2.44	1.72	24.75	**
PS Fdmntl Hi Yield Corp	PHB	BH	3.25	1.31	-0.10	-0.99	-0.88	1.23	18.71	**
PS Insr CA Muni	PWZ	BI	-6.48	-9.21	-8.53	-7.65	-2.25	1.29	22.72	**
PS Insr NY Muni	PZT	BI	-9.02	-11.54	-10.28	-8.91	-2.61	1.51	21.68	**
PS Prfd	PGX	BF	-0.95	-2.38	-4.30	-4.81	-1.65	1.18	13.68	**
SPDR High Yield	JNK	BH	5.27	2.46	0.00	-0.75	-1.03	1.56	39.46	**
SPDR Intrntl TBond	BWX	BW	-4.13	-5.75	-2.63	-0.53	-1.15	1.48	56.79	**
Vngrd Intrmdt Bond	BND	BI	-2.94	-3.28	-2.96	-2.12	-0.86	0.62	79.99	**
Wtree Dryfs Comdty Cur	CCX	BF	-6.19	-7.08	-8.09	-3.79	-2.15	1.55	19.55	**
Wtree Dryfs Emrg Crrncy	CEW	BF	-3.44	-5.57	-6.78	-3.77	-2.82	1.44	19.65	**
iShares 20+ yr Trsry	TLT	BL	-14.79	-13.35	-9.34	-6.72	-1.34	2.46	105.71	**
PS Emrg Mrkt Svrgn Debt	PCY	BW	-8.80	-13.37	-11.06	-7.86	-3.36	2.67	26.24	**
PS Insr Natl Muni	PZA	BI	-8.56	-11.75	-10.49	-9.01	-1.56	1.56	22.52	**
Wtree Dryfs Brazil Real	BZF	BF	-10.67	-7.36	-15.28	-9.16	-3.29	2.37	16.75	**
Wtree Emrg Mrkt Lcl Debt	ELD	BF	-7.81	-11.12	-12.85	-8.94	-4.35	2.09	45.45	**
Wtree Dryfs Indn Rupee	ICN	BF	-11.22	-13.71	-15.13	-13.34	-5.23	2.58	18.12	*

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.

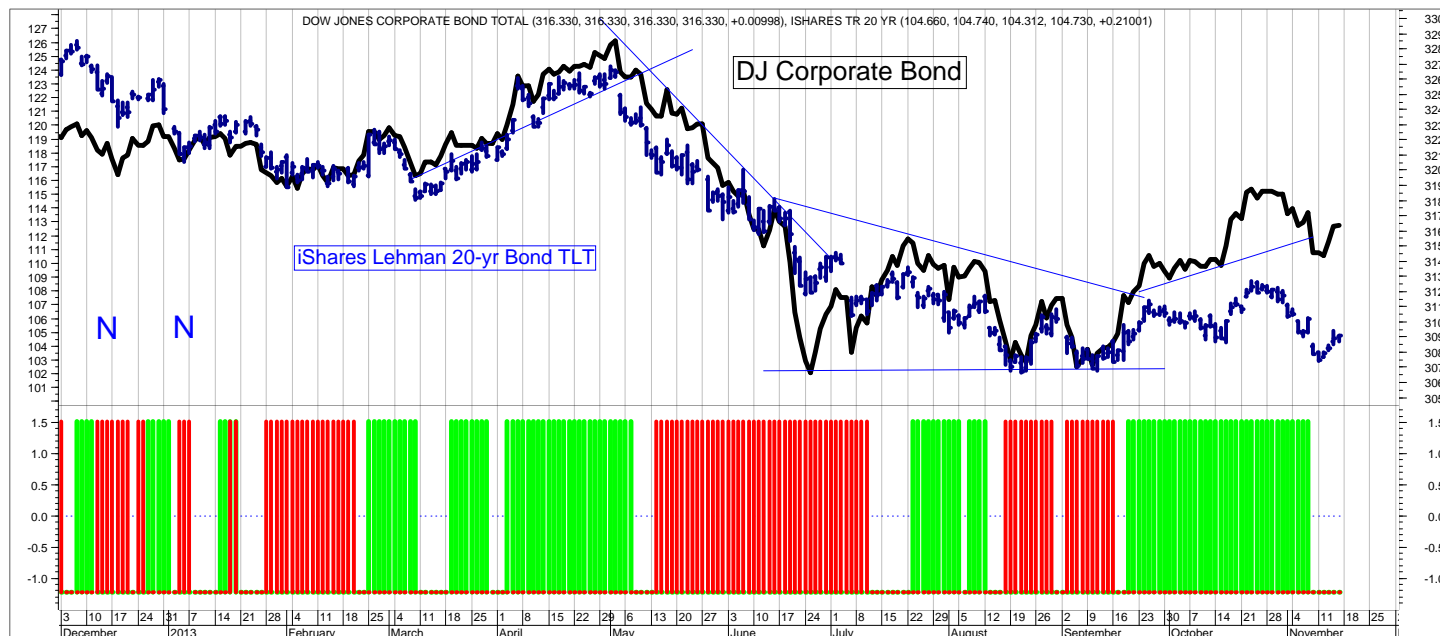
ETF LEGEND for pages 3 (Bond), and 7, 8, 9, and 10 (Equity):

Column headings: The first column shows the ETF name, the second column shows its symbol. The third column shows the ETF Style. The first letter is always either B (Bond) or E (Equity) or H (Hybrid). The next letter(s) is the style. So, BS-bond short, BI-bond intermediate, BL-bond long, BF-flexible, BW-world, BH-high yield. And for Equity, EA-equity aggressive, EC-equity contrary, EG-equity gold (precious metals), ESC-small cap, EMC-mid cap, ELC-large cap, EW-world, EGI-growth/income, ERE-real estate, EV-value.

Columns 4-8 show percentage returns for the periods shown (12 months, 9, 6, 3, and 1 month). Column 9 is V (volatility); a measure of risk; the lower the V, the less risk. Column 10 is the NAV. Column 11 is the C (comet) ranking. C is the risk-adjusted (V) relative performance (CS). The higher the C indicates the most return for the amount of risk taken.

Generally, our ETF strategy is to own the top ranked ETFs (shown in green) and avoid or short the lower ranked ETFs (shown in red).

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

11/18 Bonds are retracing some of their oversold condition. Yellen's speech reaffirmed the possibility that tapering will be pushed out into 2014. So, bonds are rallying, but the underlying fundamental news appears to be suggesting that the top is in place.

11/11 Bonds have sold off sharply the last few weeks on better economic news (leading economic indicators up and employment gains). Talk of Fed tapering has picked up.

11/4 Will watch for reentry points on pullbacks to recent trend line.

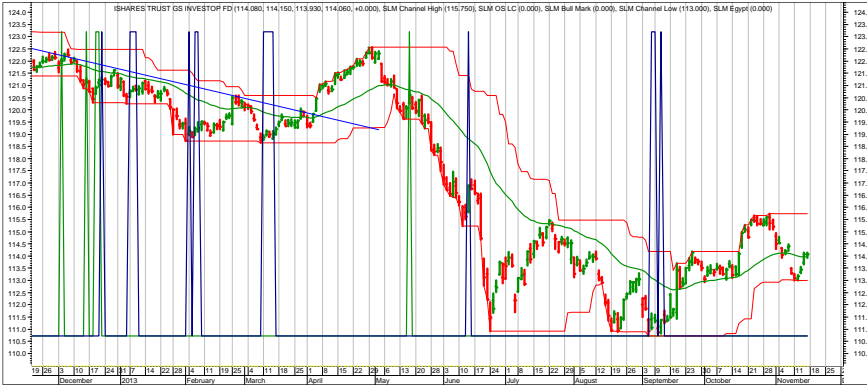
10/28 Taking some profits, as the market looks extended and topy, but will look to reenter on pullbacks.

10/21 Rally still on, as market starts to focus on new Chairman Yellen policies to maintain accommodative Fed.

10/14 Intermediate-term trend is still up.

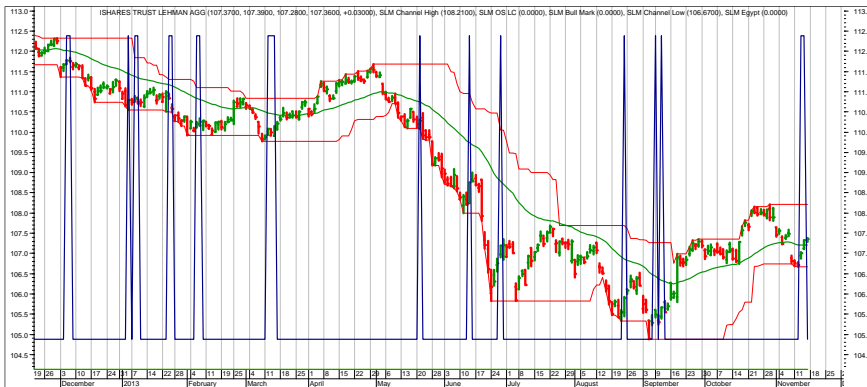
10/7 Consolidating the recent jump, as bonds move sideways. Economy is muddling along and taper talk is off, so may see some further gains.

Income Charts (DAILY)



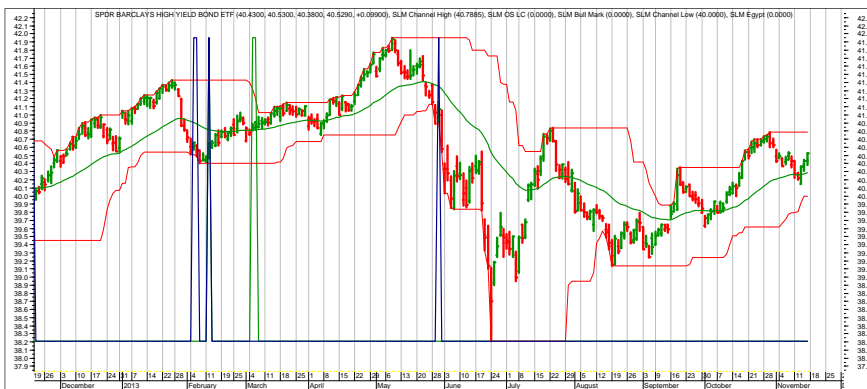
LQD—Investment Grade Corporate

11/18 Still on the sidelines.
 11/11 Watch for entry points.
 11/4 No changes.
 10/28 Short-term pause and pullback expected.
 10/21 No changes.
 10/14 No changes.



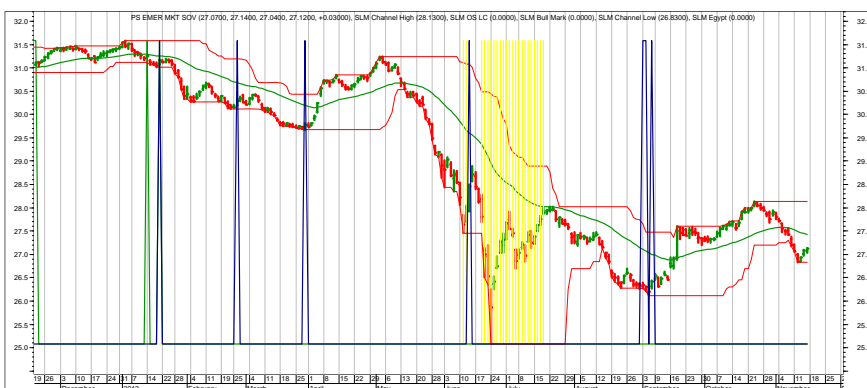
AGG—Aggregate Bond Market

11/18 Holding off.
 11/11 Watch for entry points.
 11/4 No changes.
 10/28 Short-term top expected.
 10/21 No changes.
 10/14 No changes.



JNK—hi-yield bonds

11/18 No changes.
 11/11 Pulling back.
 11/4 Watch for pullback on which to buy.
 10/28 Short-term pause expected.
 10/21 Pop on through its “triangle pattern”. Will watch for pullbacks for potential entry points.
 10/14 No changes.



PCY—International Bonds

11/18 No changes.
 11/11 Watch for entry points.
 11/4 No changes.
 10/28 Short-term top expected. Will watch for a pullback to reenter.
 10/21 No changes.
 10/14 Moving higher.

Each chart shows daily (or weekly if noted in page title at top) prices, a moving average (smoothed green line on price portion), and blue or green spikes. The spikes show potential buy signals. The red lines are price channels. The charts do not show sell signals.

Growth Portfolio (changed as of 12/10/12, 9/23/13)

ACTION FOR			PORTFOLIO DETAILS				Value as of date: 11/15/2013						
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Stop Loss	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total
21-Oct	sell	PBE	34.38	185	6,350	World Growth							
21-Oct	buy	DFE	53.54	132	7,092	EEM		Emrg Mrkt	43.03	42.33	162.440	6,876.09	4.8%
This is a lateral trade.						EFA		Euro Asia	55.55	66.32	105.060	6,967.58	4.9%
						IWM		Rusl 2000	82.54	110.87	64.960	7,202.12	5.1%
4-Nov	sell	PSCH	51.70	134	6,918	QQQ		Nsdq 100	65.12	83.88	88.280	7,404.93	5.2%
4-Nov	buy	EWP	37.66	190	7,165	SPY		S&P 500	142.47	179.91	40.820	7,343.93	5.2%
This is a lateral trade.						C-lect 5							
18-Nov	buy	EEM		33		DFE			53.54	53.72	132.300	7,107.16	5.0%
18-Nov	buy	EFA		21		EWP			37.66	36.87	190.000	7,005.30	4.9%
18-Nov	buy	IWM		13		PGJ			27.97	29.89	234.670	7,014.29	4.9%
18-Nov	buy	QQQ		17		PNQI			60.74	64.72	107.000	6,925.04	4.9%
18-Nov	buy	SPY		8		TAN			30.50	40.55	213.000	8,637.15	6.1%
18-Nov	buy	DFE		26		Two potential ways to sell:							
18-Nov	buy	EWP		38		Stop loss is roughly 6% below current level, or timing model may also signal sell.							
18-Nov	buy	PGJ		47		C-lect Short							
18-Nov	buy	PNQI		22									
18-Nov	buy	TAN		35									
This is an incremental buy of 10% of total portfolio. (1% in each WGM and C-lect 5 position) (about \$1,419 in each)													
						Cash from short			1.00	-	-	-	0.0%
						Money Market			1.00	69,411	69,411.00	48.9%	
						Total Valuation=					141,894.56	100.0%	

WEEKLY REVIEW

11/18 Given that things are in gear, I will redeploy some of the cash into the positions. I am buying 1% in each, which is about 10% of the total portfolio. As well, the difference between where the portfolios is and its sell stop has narrowed to 6% from 9% over the last couple weeks. No other changes.

11/11 No portfolio changes.

11/4 Time to make a lateral move in which we sell a fund (PSCH) and buy a different fund (EWP) for roughly the same dollar amount (which is the same percentage amount of the total portfolio, currently about 5%).

10/28 No changes to the portfolio.

	2010	2011	2012	ytd 2013	Incptn	SD
ETF Growth Portfolio	8.1%	6.9	-2.1	25.5	41.9	7.9
World Growth Index	17.2%	-4.2	14.3	26.5	62.3	15.1

The ETF Growth Portfolio changed as of 12/10/12. It is following the new World Growth Model (WGM), which uses the same 5 etfs (EEM, EFA, IWM, QQQ, SPY) as the World Growth Index (WGI). The difference between the two is WGM uses timing and WGI is always fully invested and WGI is rebalanced to 20% in each position daily (this accounts for the different returns when WGM is invested and held).

Based on the successful back testing strategy, C-lect 5 was added to the portfolio on 9/23/13.

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

ETF Rankings by C to previous week's end

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>C</i>
Guggnhm Solar	TAN	EA	16.50
PS Gldn Drgn USX China	PGJ	EW	16.17
PS NASDAQ Intrnt	PNQI	EA	12.99
W tree Eur SC Div	DFE	EW	11.52
iShares Spain	EW P	EW	11.09
iShares Italy Indx	EW I	EW	8.81
PS S&P SmICap Hlth Care	PSCH	EA	8.79
Guggnhm Shipping	SEA	EA	8.79
PS Gbl Clean Enrgy	PBD	EW	8.54
iShares Slct Div	IDV	ELC	7.74
iShares EMU Indx	EZU	EW	7.25
SPDR Euro Stoxx 50	FEZ	EW	7.06
PS S&P SmICap Energy	PSCE	EA	6.77
PS S&P SmICap Info Tech	PSCT	EA	6.55
W tree Intrntl SC Div	DLS	EW	6.55
Guggnhm China All	YAO	EW R	6.42
PS DWA Dvlpd Mrkt T Ldrs	PIZ	ELC	6.34
PS WilderHill Cln Enrgy	PBW	EA	6.32
iShares South Korea Indx	EW Y	EW	6.25
PS Dynmc Biotech	PBE	EA	6.18
PS Dynmc Networking	PXQ	EA	5.85
W tree DEFA Eqty Incm	DTH	EW	5.80
W tree Intrntl Div Ex Fincl	DOO	EW	5.59
PS Aerospace & Def	PPA	EA	5.54
SPDR S&P Oil & Gas Expl. & Prod.	XOP	EA	5.44
PS Cleantech	PZD	EA	5.36
Guggnhm China SmI	HAO	EW R	5.29
PS FTSE RAFI Dvlp Mrkt xUSA SmI	PDN	EW	5.16
Guggnhm BRIC	EEB	EW	4.88
PS FTSE RAFI Dvlp Mrkt xUSA	PXF	EW	4.84
iShares Germany Indx	EW G	EW	4.67
iShares Australia	EW A	EW	4.61
W tree DEFA	DW M	EW	4.60
Vngrd European Indx	VGK	EW	4.49
iShares Europe 350	IEV	EW	4.34
PS FTSE RAFI Asia Pac xJpn	PAF	EW	4.31
PS Dynmc Leisure & Enter	PEJ	EA	4.30
W tree Intrntl LC Div	DOL	EW	4.25
Guggnhm Spin Off	CSD	EMC	4.20
iShares China	FXI	EW	4.17
PS S&P SmICap Indstriils	PSCI	EA	4.16
PS QQQ	QQQ	ELC	3.91
W tree Intrntl MC Div	DIM	EW	3.91
Market Vectors Russia	RSX	EW	3.87
PS Gbl Water	PIO	EW	3.74
PS Dynmc Pharma	PJP	EA	3.65
PS BLDR Europe 100 ADR	ADRU	EW	3.46
iShares Pacific ex Jpn	EPP	EW	3.31
Market Vectors Oil Services	OIH	EA	3.30
PS Dynmc Media	PBS	EA	3.24

This page and the next three show the equity ETF database rankings from high to low based on C. C is Comet, which is the risk-adjusted relative performance; the higher the C ranking, the better. Comet, not stars, because comets come into and out of prominence over time.

The first column shows the name. The second column shows the symbol. The third column shows the style; it begins with E for Equity and then the style (A is aggressive, W is world, WR is world regional, SC is small cap, MC is mid cap, LC is large cap, GI is growth/income, V is value). The fourth column shows the C level.

ETF Rankings by C to previous week's end

PS S&P SmICap Cnsmr Stpl	PSCC	EA	3.23
PS Dynmc Software	PSJ	EA	3.15
PS Gbl Lstd Prvt Eqty	PSP	EW	2.96
Guggnhm Timber	CUT	EA	2.93
PS Dynmc Retail	PMR	EA	2.89
PS Buyback Achievers	PKW	EGI	2.88
Vngrd Europe Pacific	VEA	EW	2.86
PS BLDR Dvlpd Mrkt 100 ADR	ADRD	EW	2.74
Select SPDR Matrls	XLB	EA	2.57
Select SPDR Indl	XLI	EA	2.57
PS Dynmc Cnsmr Discr	PEZ	EA	2.49
iShares EAFE Indx	EFA	EW	2.48
SPDR S&P Regional Banking	KRE	EA	2.46
SPDR S&P Metals & Mining	XME	EA	2.35
Wtree Gbl Eqty Incm	DEW	EW	2.21
Wtree MidCap Earn	EZM	EMC	2.17
Vngrd Small Cap Grth	VBK	ESC	2.14
PS Dynmc Oil & Gas Srvcs	PXJ	EA	2.12
SPDR DJ Gbl Titans	DGT	EW	2.07
Vngrd TTL Intrntl Stk	VXUS	EW	2.03
Vngrd Materials	VAW	EA	1.99
PS S&P SmICap Mtrl	PSCM	EA	1.93
Guggnhm RJ All	RYJ	ELC	1.92
PS Dynmc Lrg Cap Grth	PWB	ELC	1.87
PS Dyn Mrkt	PWC	ELC	1.80
PS Dynmc Technology	PTF	EA	1.80
SPDR S&P Bank	KBE	EA	1.72
Guggnhm Intrntl A Incm	HGI	EW	1.67
PS Dynmc Energy Explor	PXE	EA	1.65
PS Dynmc Energy	PXI	EA	1.64
Vngrd Tech	VGT	EA	1.63
Wtree Intrntl Utilities	DBU	EW	1.61
PS BLDR Emrg Mkt 50 ADR	ADRE	EW	1.61
PS FTSE RAFI US 1500 SmI-Mid	PRFZ	EMC	1.55
PS FTSE RAFI Emrg Mrkt	PXH	EW	1.54
Vngrd Cnsmr Dis	VCR	EA	1.47
Wtree Emrg Mrkt Eincm	DEM	EW	1.47
iShares Hong Kong Indx	EW H	EW	1.44
PS S&P SmICap Cnsmr Dis	PSCD	EA	1.36
PS BLDR Asia 50 ADR	ADRA	EW	1.32
Vngrd Extnd 4500	VXF	ELC	1.32
Select SPDR Cnsmr Disc	XLY	EA	1.31
iShares Russell 2000	IWM	ESC	1.28
PS Dyn MagniQuant	PIQ	ELC	1.27
PS Dynmc Fncl	PFI	EA	1.19
Wtree SmI Cap Div	DES	ESC	1.16
PS Dynmc Healthcare	PTH	EA	1.06
PS Dynmc Basic Matrl	PYZ	EA	1.06
Vngrd Health	VHT	EA	1.01
Guggnhm Gbl Div	LVL	EW	0.94
iShares Emrg Mrkt Stk	EEM	EW	0.89
Guggnhm Gbl Wtr	CGW	EW	0.89
PS Water Resources	PHO	EA	0.87
PS Dynmc Semicndctr	PSI	EA	0.84
iShares Brazil Indx	EWZ	EW	0.83

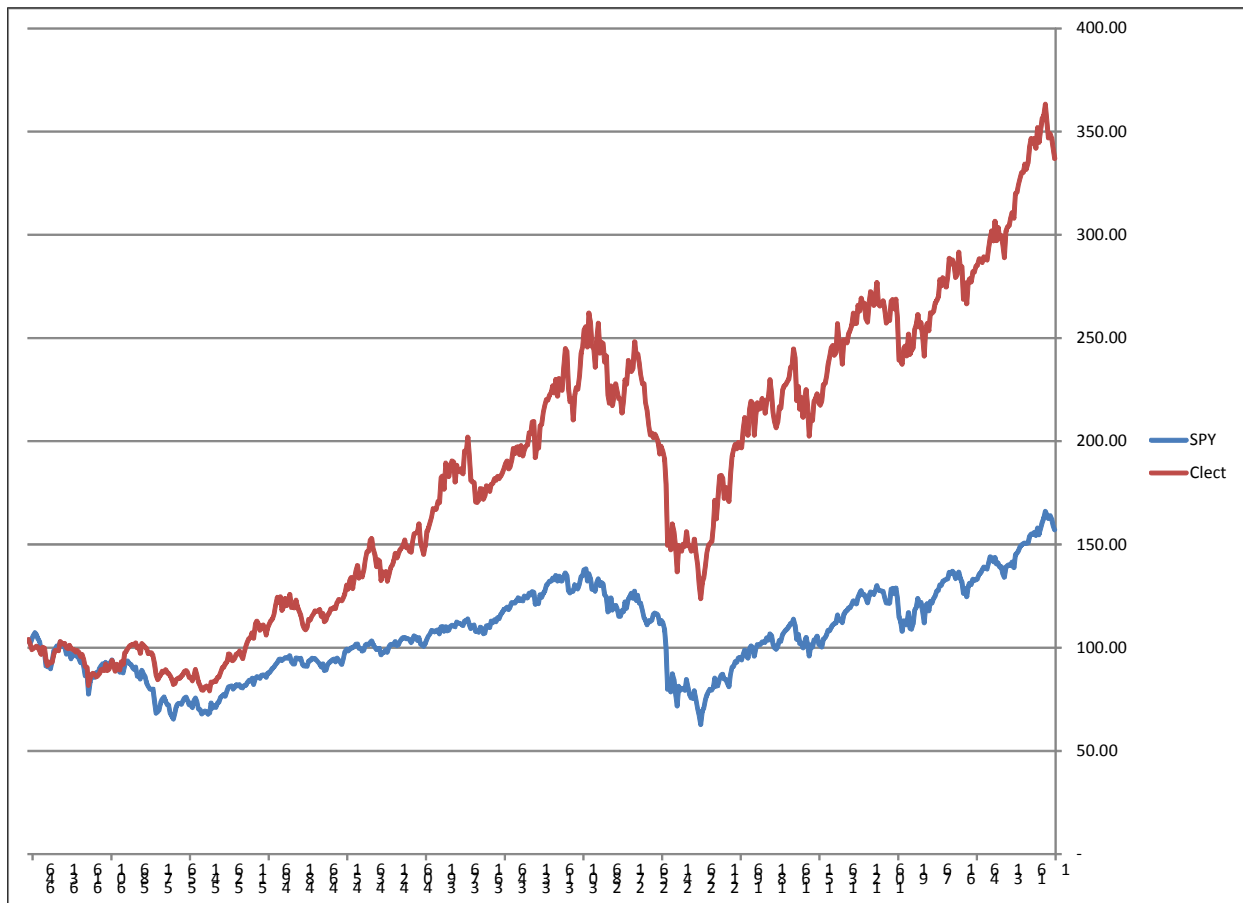
ETF Rankings by C to previous week's end

iShares Russell 1000 Grwth Indx	IW F	ELC	0.78
Vngrd Grth	VUG	ELC	0.74
PS Dyn OTC	PW O	ESC	0.73
Vngrd Small Cap	VB	ESC	0.71
Select SPDR Health	XLV	EA	0.70
SPDR S&P Retail	XRT	EA	0.56
Guggnhm MidCap Core	CZA	EMC	0.46
Wtree MidCap Div	DON	EMC	0.41
Vngrd Small Cap Value	VBR	ESC	0.34
iShares Taiwan Indx	EW T	EW	0.33
iShares Canada	EW C	EW	0.29
iShares DJ Slct Div	DVY	EGI	0.29
PS Zacks Micro Cap	PZI	ESC	0.17
Vngrd MidCap Val	VO	EMC	0.16
Select SPDR Technlgy	XLK	EA	0.16
PS DB Oil	DBO	EA	0.06
Market Vectors Semiconductor	SMH	EA	0.01
Vngrd TTL Stock	VTI	ELC	0.00
iShares Russell 2000 Value Indx	IW N	ESC	(0.00)
iShares Core S&P Mid Cap	IJH	EMC	(0.04)
Vngrd Large Cap	VV	ELC	(0.05)
PS Hi Yld Eqty Div	PEY	EGI	(0.06)
iShares Russel MidVal	IW S	EMC	(0.06)
iShares Core S&P 500	IVV	ELC	(0.07)
SPDR Mid Cap Trust	MDY	EMC	(0.08)
PS Dynmc Food & Bev	PBJ	EA	(0.09)
SPDR S&P 500	SPY	ELC	(0.09)
PS DWA Tech Ldr	PDP	ELC	(0.11)
Guggnhm Insdr Sent	NFO	EMC	(0.11)
Vngrd Div Apprctn	VIG	EGI	(0.11)
Wtree Ttl Earn	EXT	ELC	(0.12)
Select SPDR Enrgy	XLE	EA	(0.14)
PS WilderHill Prgsv Enrgy	PUW	EA	(0.14)
Wtree S&P 500	EPS	ELC	(0.16)
iShares S&P 100 Indx	OEF	ELC	(0.21)
Guggnhm Frntr	FRN	EW	(0.23)
Vngrd Emrg Mrkt	VW O	EW	(0.25)
Wtree Japan SC Div	DFJ	EW R	(0.35)
PS DB Commodity	DBC	EA	(0.43)
Wtree LrgCap Div	DLN	ELC	(0.44)
Select SPDR Div	SDY	EGI	(0.45)
PS Dynmc Consmr Staples	PSL	EA	(0.49)
iShares Russell 1000 Value Indx	IW D	ELC	(0.49)
Wtree Div Ex Fincl	DTN	ELC	(0.51)
PS Intrntl Dvdnd	PID	EW	(0.52)
iShares Latin Amr	ILF	EW	(0.64)
Guggnhm Candn Enrg Incm	ENY	EW R	(0.65)
PS S&P 500 BuyWrite	PBP	ELC	(0.72)
PS S&P SmICap Fincl	PSCF	EA	(0.74)
Vngrd Consmr Stpls	VDC	EA	(0.76)
PS Dividend Achievers	PFM	EGI	(0.77)
Guggnhm Multi Ast In	CVY	EV	(0.78)
Select SPDR Cnsmr Stpl	XLP	EA	(0.79)
Guggnhm China REIT	TAO	EW R	(0.80)
PS Dynmc Lrg Cap Value	PW V	ELC	(0.83)

ETF Rankings by C to previous week's end

Wtree Eqty Income	DHS	EGI	(0.87)
PS DB Energy	DBE	EA	(0.95)
PS Emrg Mrkt Infrastrctr	PXR	EW	(1.01)
PS Dynmc Bldg Cnstrctn	PKB	EA	(1.03)
US Oil Fund	USO	EA	(1.07)
Wtree World Ex US Grth	DNL	EW	(1.09)
Guggnhm Dfnsv Eqty	DEF	EV	(1.11)
Wtree Middle East Div	GULF	EW	(1.12)
iShares Silver	SLV	EG	(1.18)
SPDR DJ Industrials	DIA	ELC	(1.20)
PS MENA Frntr Countries	PMNA	EW	(1.24)
PS S&P 500 Low Volatility Portfolio	SPLV	ELC	(1.24)
Select SPDR Financs	XLF	EA	(1.24)
Alerian MLP	AMLP	EGI	(1.26)
Vngrd Fincl Srv	VFH	EA	(1.27)
PS Dynmc Utilities	PUI	EA	(1.27)
PS DB Agriculture	DBA	EA	(1.29)
PS DB Base Metals	DBB	EG	(1.44)
PS DB Silver	DBS	EG	(1.52)
iShares Prfrd	PFF	EGI	(1.62)
iShares Japan	EWJ	EW	(1.66)
Wtree Emrg Mrkt SC Div	DGS	EW	(1.66)
PS Fincl Pfd	PGF	EGI	(1.69)
Wtree Intrntl REIT	DRW	ERE	(1.73)
iShares Singapore	EW S	EW	(1.75)
Select SPDR Utilities	XLU	EA	(2.02)
iShares Malaysia Indx	EW M	EW	(2.05)
Vngrd Utilities	VPU	EA	(2.06)
PS DB Precious Metals	DBP	EG	(2.14)
PS Lux Nanotech	PXN	EA	(2.22)
PS S&P SmICap Utilities	PSCU	EA	(2.24)
SPDR Gold	GLD	EG	(2.38)
iShares Gold	IAU	EG	(2.40)
PS DB Gold	DGL	EG	(2.68)
PS Gbl Agriculture	PAGG	EA	(2.80)
Pro Shares Short S&P 500	SH	EC	(3.04)
Wtree Japan Hedge Eqty	DXJ	EC	(3.32)
SPDR S&P Homebuilders	XHB	EA	(3.41)
PS DWA Emrg Mrkt T Ldrs	PIE	EW	(3.67)
iShares Mexico	EW W	EW	(4.38)
Pro Shares Short Russell 2000	RW M	ESC	(4.82)
PS India	PIN	EW	(4.84)
Vngrd REIT	VNQ	ERE	(4.86)
iShares REIT	IYR	ERE	(4.95)
SPDR Wlsh REIT	RWR	ERE	(5.04)
Wtree India	EPI	EW R	(5.11)
iShares Cohen&Str REIT	ICF	ERE	(5.29)
PS US REIT	PSR	ERE	(5.30)
iShares DJ US Home Constr.	ITB	EA	(6.93)
PS Gbl Gold Precious Mtls	PSAU	EG	(8.29)
US Natural Gas	UNG	EA	(10.41)
Market Vectors Gold Minors	GDX	EG	(14.63)
Market Vectors Junior Gold Miners	GDXJ	EG	(24.66)
iPath S&P 500 VIX Shrt Trm	VXX	EC	(37.41)

C-lect 5 (reiteration)



The new selecting and timing model is completed under the name of C-lect 5.

The chart above shows only the C-lect 5 without any market timing. The point with this is to show that staying with the leading ETFs is a winning strategy over time, even without employing market timing.

With market timing, the huge bear market downdrafts should be avoided.

Overflow from Page 1, Definitions, and Newsletter Updates

(Continued from page 1) **REVIEW**

years) wait. This assumes we are now in a secular bull market.

If we are still in the secular bear market, then we will eventually decline substantially again. That “normal” cyclical bear market decline in a “normal” secular bear market would be in the neighborhood of at least a 40% drop from top to trough and up to 80%. It won't be pretty either way.

This is why stops, which we use, are necessary.

In other words, if the market is going to continue up (secular bull intact), then we want more exposure. So, we are buying more today. A large pullback

may not materialize. The advance may continue to an eventual doubling from here in the years ahead.

If the market turns and declines (secular bear still intact), however, we will sell. That decline may turn into a 50% loss.

At this point, I can argue either way for the secular trend. There are certain characteristics of both evident today. The main support is the turn from war to peace (spending cut) and domestic oil boom. The main problem is the market is too expensive (PE north of 20).

As I've been mentioning the market is technically in gear to the upside right now, so we will

increase exposure. I plan to continue this over the next few months back to the original 100% investment, unless the market turns down first. The timing model is designed, after all, to be either fully in or fully out.

The stop loss for the World Growth Model (WGM) is currently roughly 6% away (the Collect 5 stop loss is based on the WGM stop loss, but the ETFs therein are more volatile). I'd prefer it to be closer, but the opportunities to accumulate may only present themselves at even higher prices.

Please see the individual portfolio pages for any updates and changes.

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 1-5 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 only over different time periods. For example, we may be in a secular bear market, but there are cyclical bull and bear markets within that.

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.

Portfolio stops for the World Growth Model are internally maintained; they are based on the World Growth Index, not the individual ETFs. Stops will be emailed when close or if triggered.

11/18 No newsletter changes.

11/11 No changes.

11/4 No changes.

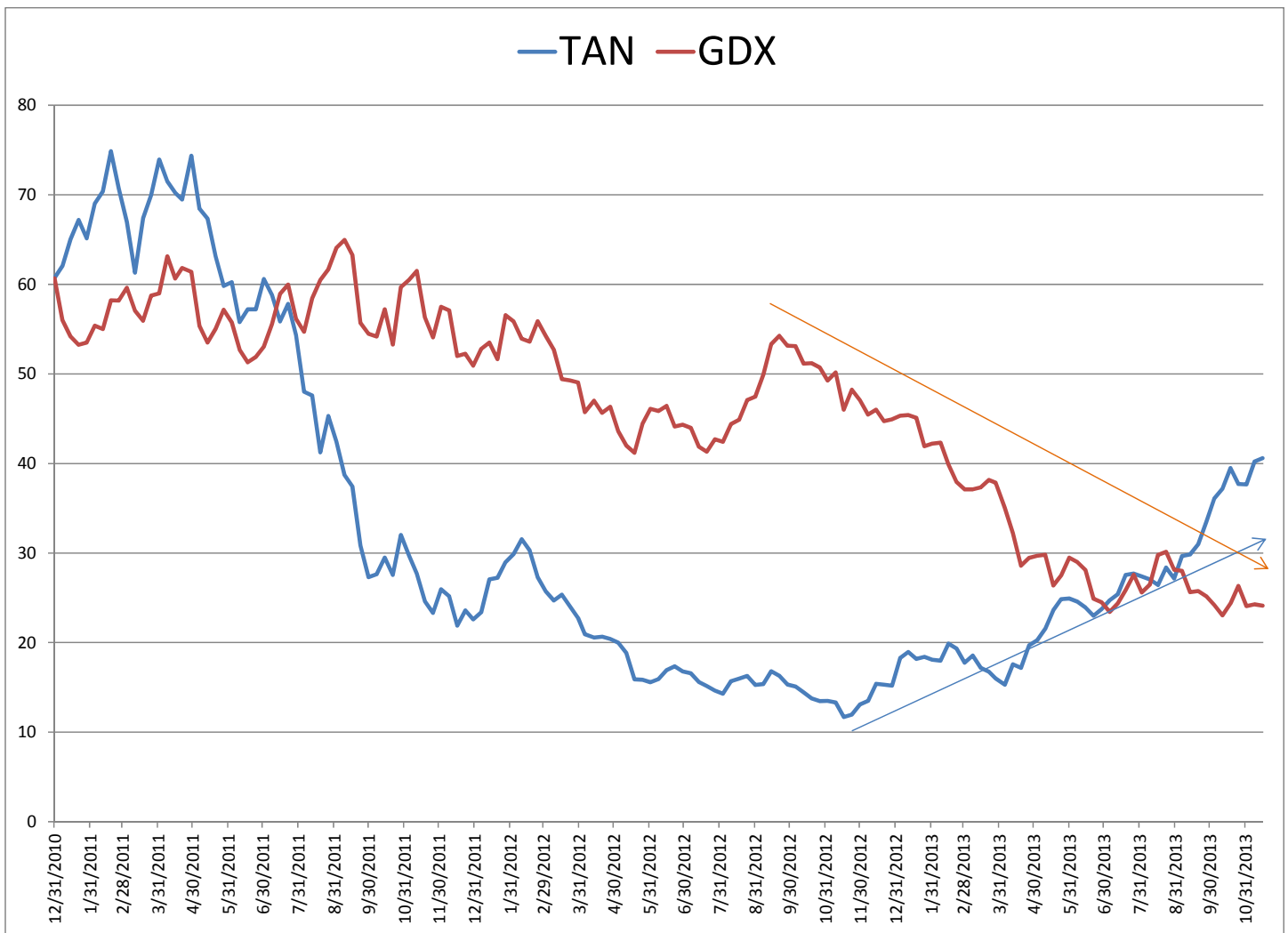
10/28 No changes.

10/21 Work continues on the “shorting/inverse” portfolio and will begin on the new World Income Index (WII).

10/15 Again to clarify, the equity ETF rankings shown on pages 7-10 are now based on weekly C data. The bond ETF rankings are still based on monthly C data.

Plans are underway to investigate a new bond model based on a similar approach as the World Growth Index.

Relative Performance



The chart shows two funds from the top (TAN) and bottom (GDX) rankings by C (risk-adjusted relative performance). This is for illustration purposes and is not a recommendation.

The strategy to pick the strongest ETFs is done; it is called C-lect 5. Work is ongoing on the strategy to short the weakest ETFs by C.

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, page 2: 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. From time to time, timing considerations may take precedence over selections; in other words, we may own lower ranked funds because of anticipated timing changes.

Growth Portfolio, page 6: As of 12/10/12, it is based on the World Growth Index (WGI), which is made up of a static fully invested 20% in each of five ETFs (EEM, EFA, IWM, QQQ, SPY). The Portfolio will buy and sell the WGI based on proprietary timing signals. On 9/23/13, the new C-lect 5 is also part of this portfolio. It too uses timing.

Both portfolios were started on 1/1/10 with \$100,000. As mentioned, the Growth Portfolio strategy was changed on 12/10/12 to the World Growth Model and again on 9/23/13 to incorporate the C-lect 5 model.

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 (Tuesday if Monday is a holiday, defined as market closed).

Portfolios are updated through the Friday close the week before.

Dividends are reinvested in additional shares.

Commissions of \$10 per trade are applied. Interest is currently 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 (or Tuesday) 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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