

ETF Selections & Timing

Watercourse Way Holdings, LLC

P.O. Box 830396

Richardson, TX 75083-0396

972-680-2366

InvestmentST.com

November 28, 2011 (data through previous Friday close)

Volume 2

Issue 47

Relief Rally

The stock market is rallying today (Monday) as the American consumer returned over the last few days and other economic news was positive, specifically housing, supporting the idea of continued slow growth. See the Growth Portfolio for a way to try to play

this rebound with well-defined stops. The stops help assess the downside risk of loss potential.

Please note that this trade is expected to be a trade, short-term. As you can see on the chart below, the S&P 500 is clearly tracing out a longer-term pattern of lower highs and lower

lows. This is a bear market by definition. At best, the current relief rally should only take it back to the 126 area. It should not take it to recovery highs. Further, after it runs its course, the August/October lows should

(Continued on bottom right on page 12 see REVIEW)



The chart is the DAILY S&P 500 with 200-day simple moving average and showing possible buy signals.

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
ETF Income Portfolio	1.9%	1.0%	-0.5	-0.7	-0.1	-0.3%
ETF Growth Portfolio	5.8%	6.3%	2.0	-0.5	0.0	0.0%
Aggrgt Bond (AGG)	3.7%	2.1%	2.0	0.2	0.1	0.0%
Wilshire 5000	-7.5%	-2.0%	-13.4	-1.3	-10.0	-4.9%

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: 11/25/2011							
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 11/18	Description	Start Price	End Price	# of Shares	Current Value	Percent of Total	
29-Aug	buy	PHB	17.88	1,400.0	25,042	AGG	108.40	total bond	109.37	109.63	688.7	75,500.98	70.7%	
6-Sep	buy	BWX	62.00	190.0	11,790	LQD	110.00	corp bond	111.69	110.39	250.0	27,597.50	25.8%	
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									
21-Nov	buy	LQD	111.69	250.0	27,933									
						Money Market					1.00	3,711	3,711.00	3.5%
												Total Valuation=	106,809.48	100.0%

WEEKLY REVIEW

11/28 No changes.

11/21 Buy LQD (Investment Grade Corporate Bonds) as noted above. This will bring the Income Portfolio to near fully invested. Please also note the sell stops.

11/14 No changes. Still 70% in and 30% cash.

11/7/11 No changes.

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

Performance	2010	2011	Incptn
ETF Income Portfolio	4.8	2.2	7.1
Aggregate Bond	2.5	3.7	6.2

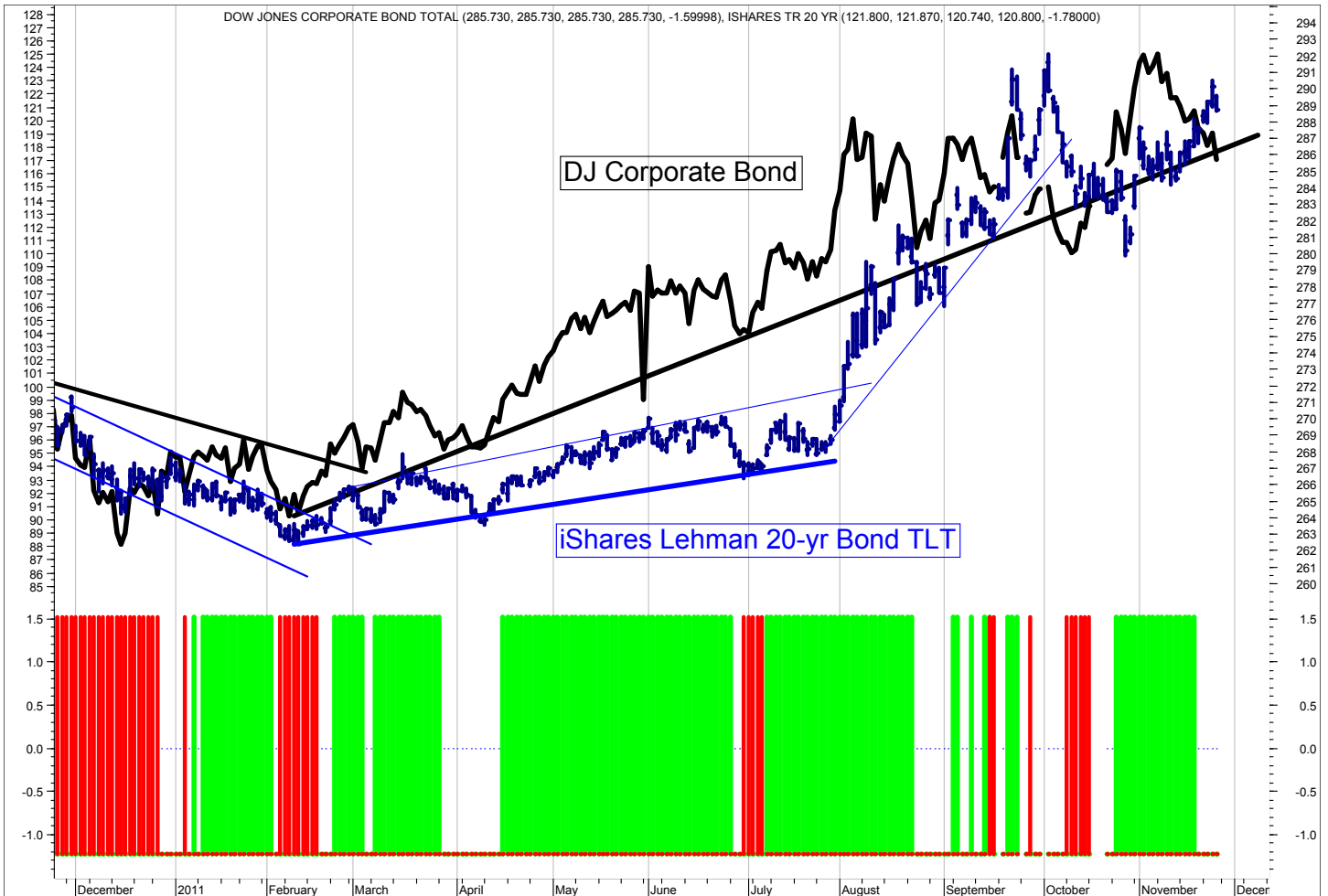
ETF Income Database and Ranking to 10/31/11

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
iShares 10-20yr Trsry	TLH	B	7.78	15.55	13.73	8.80	-2.25	2.58	129.21	*****
iShares 20+ yr Trsry	TLT	B	15.40	27.03	23.42	18.34	-4.07	4.31	115.88	*****
iShares 7-10yr Trsry	IEF	B	4.80	10.35	9.57	4.92	-1.48	1.66	103.51	****
iShares Long Corp Bond	LQD	B	2.08	5.73	3.83	2.07	2.13	1.11	114.70	****
iShares Trsry Inflt	TIP	B	4.36	8.32	4.79	2.03	1.92	1.18	116.49	****
PS 1-30 Ldr Trsry	PLW	B	7.70	14.79	13.18	8.95	-2.45	2.51	31.52	****
PS Bld America	BAB	B	8.14	13.84	9.53	4.97	-1.80	2.28	28.30	****
PS Insrdr CA Muni	PWZ	B	-1.64	8.43	5.83	3.44	-0.70	1.74	23.82	****
Currency Euro	FXE	B	-0.59	1.09	-6.55	-3.68	3.30	3.15	137.87	***
iShares 3-7yr Trsry	IEI	B	2.16	5.18	4.77	1.69	-0.14	0.94	121.31	***
iShares Agg Bond	AGG	B	1.36	4.14	3.35	1.73	-0.07	0.72	110.03	***
iShares High Yld	HYG	B	-1.61	-2.72	-3.84	-1.94	7.79	2.14	89.28	***
iShares Inter Gov	GVI	B	0.59	2.80	2.38	0.92	0.05	0.56	111.23	***
iShares Intrntl Tbond	IGOV	B	-2.18	1.59	-3.37	-2.98	0.30	2.11	104.94	***
PS DB Dollar Bearish	UDN	B	2.07	2.18	-3.80	-3.07	3.46	2.45	28.10	***
PS DB Dollar Bullish	UUP	B	-3.58	-3.53	2.96	2.57	-3.30	2.53	21.57	***
PS DB G10 Currency	DBV	B	4.05	2.57	-2.87	-0.33	6.27	2.54	24.39	***
PS Emrg Mrkt Svrgn Debt	PCY	B	-3.04	4.34	2.70	-0.33	4.89	1.98	27.43	***
PS Fdmntl Hi Yield Corp	PHB	B	-1.35	-1.03	-2.20	-1.51	3.99	1.43	18.25	***
PS Insrdr Natl Muni	PZA	B	-1.24	7.39	5.40	2.96	-1.07	1.71	23.99	***
PS Insrdr NY Muni	PZT	B	-1.54	7.51	5.58	3.44	-0.59	1.48	23.48	***
PS Prfd	PGX	B	-2.17	-0.64	-3.05	-0.43	3.09	1.17	14.00	***
SPDR Intrntl TBond	BWX	B	-0.21	3.68	-2.61	-2.47	1.66	2.26	61.11	***
Vngrd Intrmdt Bond	BND	B	1.11	4.08	3.29	1.65	-0.14	0.74	83.62	***
Wtree Dryfs Brazil Real	BZF	B	-6.39	1.43	-6.78	-8.68	10.32	3.53	26.94	***
Wtree Dryfs Chns Yuan	CYB	B	0.31	1.43	-0.47	0.43	1.34	0.93	25.62	***
Wtree Dryfs Emrg Crrncy	CEW	B	-5.84	-2.12	-7.88	-6.97	5.17	2.41	21.75	***
Wtree Dryfs Euro	EU	B	0.20	1.28	-7.72	-4.46	1.88	3.08	22.41	***
Wtree Dryfs Indn Rupee	ICN	B	-4.90	-2.27	-7.18	-8.80	2.41	2.44	25.45	***
Wtree Dryfs Jpn Yen	JYF	B	3.96	6.16	4.80	-0.18	-0.29	1.84	33.62	***
Wtree Dryfs N Zlnd Dollar	BNZ	B	0.34	-0.85	0.56	-8.00	-10.93	3.66	23.46	***
iShares 1-3yr Trsry	SHY	B	0.07	0.55	0.50	0.08	-0.02	0.20	84.55	**
iShares Inter Bond	MBB	B	-1.62	2.14	1.56	0.58	-0.22	0.65	107.95	**
PS Low Duration	PLK	B	-0.34	0.57	1.09	-0.22	-0.57	0.34	25.44	**
Vngrd ShrtTrm Bond	BSV	B	-0.61	0.90	0.87	0.10	0.07	0.43	81.48	**
Wtree Dryfs Comdty Cur	CCX	B	4.05	2.16	-5.70	-6.93	6.48	NA	26.47	**
Wtree Dryfs S Africa Rand	SZR	B	-17.69	-5.57	-14.56	-14.07	3.39	3.80	25.59	**
Wtree Emrg Mrkt Lcl Debt	ELD	B	-4.11	0.75	-5.85	-6.31	5.78	NA	50.89	**
PS VRDO Tax Free Wkly	PVI	B	0.04	0.04	0.04	0.04	0.00	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

11/28 Still on a buy corporate bond signal.

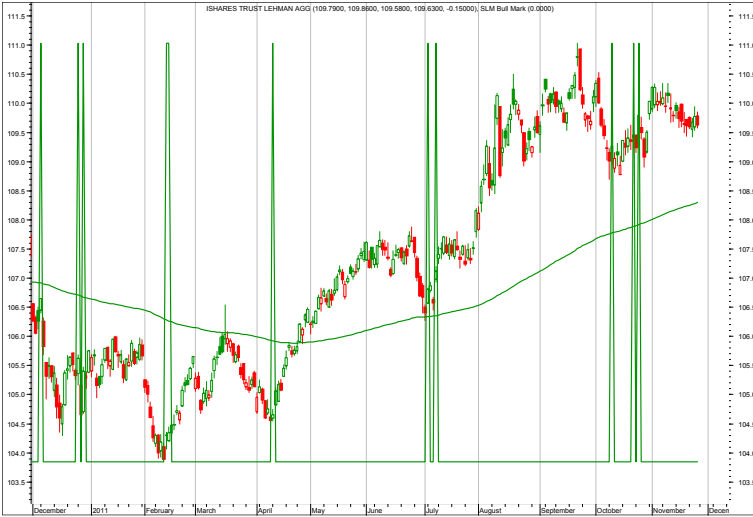
11/21 Corporate bonds have come down into a buy zone. See the Portfolio page for a buy signal.

11/14 Still more whipsaws as investors trade the news out of Europe. But our economy continues to muddle along, confirming the long-term trend down in interest rates.

11/4 Whole lotta whipsaws going on. Whipsaws are short-term trades in and out of the market due to volatility without a clear trend. Long-term, however, the trend is still up for bond prices and down for yields.

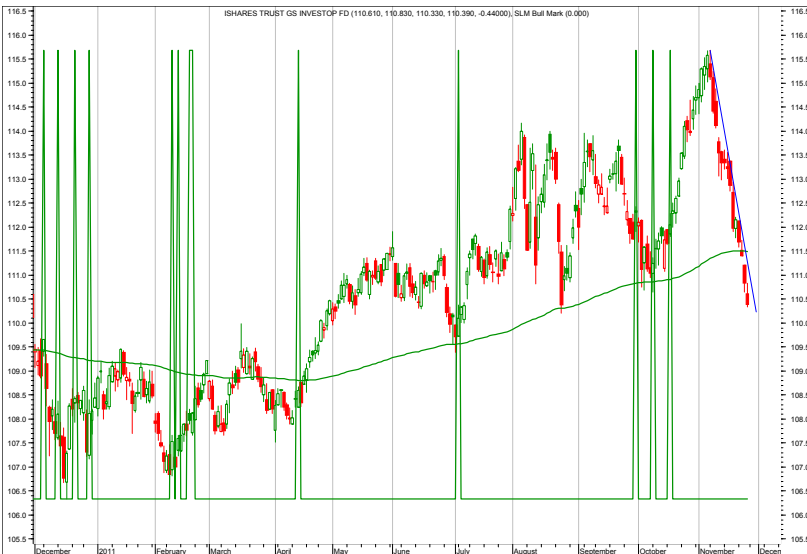
10/31 Bonds have been very choppy over the last month with problems and solutions in Europe hit back and forth like a birdie over the Atlantic court. Long-term major trend still appears up for prices and down for yields.

Income Charts



AGG—Aggregate Bond Market

11/28 No change.
 11/21 No change.
 11/14 No change.
 11/4 No changes.
 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.



LQD—Corporate Bonds

11/28 Still a good buying opportunity.
 11/21 LQD has sharply corrected to a good entry area. See the Portfolio.



BAB—Build America Bonds

11/28 No change.
 11/21 No change.

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: 11/25/2011		
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop as of 11/25	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total
3-Oct	short	EWP	30.94	(100)	(3,104)	LONG ETFs- QQQ	52.50				1,000		
3-Oct	sell	QQQ	51.14	220	11,241								
10-Oct	cover	EWP	34.75	100	3,485								
28-Nov	buy	QQQ	at close	1,000									
						SHORT ETFs-							
						Cash from short				1.00		-	0.0%
						Money Market			1.00	114,352		114,352.00	100.0%
						Total Valuation=						114,352.00	100.0%

WEEKLY REVIEW

11/28 I will buy for the bounce back into resistance.

11/21 No change. Still in cash, waiting for a pullback.

11/14 No change.

11/4 No changes.

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.

Performance	2010	2011	Incptn
ETF Growth Portfolio	8.1	5.8	14.4
Wilshire 5000 TR	17.7	-7.5	8.9

Top ETF Growth Ranking to 10/31/11 (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>
Guggnhm Dfnsv Eqty	DEF	EV	11.13	7.59	-0.49	2.94	6.78	2.33	26.61	*****
iShares Gold	IAU	EG	26.28	28.90	9.82	5.67	5.94	5.58	16.77	*****
PS DB Gold	DGL	EG	25.02	28.28	9.55	5.60	5.77	5.52	60.11	*****
PS Dynmc Pharma	PJP	EA	18.22	15.20	1.60	0.42	8.26	3.99	26.60	*****
PS Dynmc Retail	PMR	EA	20.37	13.82	-2.18	3.71	13.10	4.98	21.50	*****
PS S&P SmICap Utilities	PSCU	EA	9.79	7.21	1.70	2.27	7.94	2.73	30.18	*****
Select SPDR Utilities	XLU	EA	9.87	9.87	5.10	5.06	3.66	1.83	34.85	*****
SPDR Gold	GLD	EG	26.18	28.85	9.82	5.72	5.87	5.57	167.34	*****
Vngrd Consmr Stpls	VDC	EA	9.32	10.30	0.10	1.12	4.49	2.63	79.65	*****
Vngrd Utilities	VPU	ELC	10.37	9.18	3.55	4.38	3.97	1.82	74.30	*****
Guggnhm Ocn Grth	OTR	ELC	7.76	4.09	-4.34	-3.90	6.70	3.50	29.29	****
iShares Cohen&Str REIT	ICF	ERE	9.25	2.91	-5.13	-4.55	14.88	4.79	70.49	****
iShares DJ Slct Div	DVY	EGI	8.38	4.26	-2.89	1.50	8.02	2.97	52.11	****
PS Buyback Achievers	PKW	EGI	12.49	3.53	-4.73	-0.42	10.18	4.01	25.97	****
PS DB Precious Metals	DBP	EG	27.39	26.62	-1.49	0.71	7.70	7.63	60.83	****
PS Dividend Achievers	PFM	EGI	7.58	2.61	-4.77	0.07	8.17	3.02	14.56	****
PS Dynmc Consmr Discr	PEZ	EA	9.74	3.45	-6.39	-3.33	13.59	5.23	25.80	****
PS Dynmc Consmr Staples	PSL	EA	11.59	10.51	-1.56	-0.29	7.30	3.48	30.91	****
PS Dynmc Energy	PXI	EA	21.79	-1.87	-13.43	-11.35	23.42	7.74	38.74	****
PS Dynmc Food & Bev	PBJ	EA	10.43	8.42	-3.69	-3.54	6.25	3.70	19.05	****
PS Dynmc Leisure & Enter	PEJ	EA	6.09	0.33	-4.65	-3.95	14.16	4.91	18.46	****
PS Hi Yld Eqty Div	PEY	EGI	4.88	3.01	-1.87	4.58	8.40	2.92	8.90	****
PS Mega Cap	PMA	ELC	12.40	1.81	-5.09	0.23	9.75	3.79	26.46	****
PS S&P 500 High Qlty	PIV	ELC	8.62	2.59	-5.29	-0.57	10.26	3.70	13.86	****
PS S&P SmICap Cnsmr Stpl	PSCC	EA	12.51	9.10	-3.28	-2.21	6.14	3.92	30.93	****
PS S&P SmICap Hlth Care	PSCH	EA	19.49	8.26	-10.95	-5.03	10.14	5.53	30.41	****
PS US REIT	PSR	ERE	11.46	6.53	-2.29	-1.97	14.09	4.28	50.76	****
Select SPDR Cnsmr Disc	XLY	EA	10.66	4.95	-3.77	-1.59	11.93	4.28	39.02	****
Select SPDR Cnsmr Stpl	XLP	EA	7.89	7.48	-1.52	0.68	4.65	2.78	31.04	****
Select SPDR Health	XLV	EA	7.67	5.93	-4.77	-1.64	5.77	3.45	33.56	****
Select SPDR Technlgy	XLK	EA	6.82	0.08	-2.73	0.77	10.21	4.17	26.01	****
SPDR DJ Industrials	DIA	ELC	7.21	0.62	-6.79	-1.48	9.56	3.79	119.34	****
SPDR NASDAQ 100	QQQ_O	ELC	11.06	3.48	-1.91	-0.09	10.40	4.26	57.95	****
SPDR Wish REIT	RWR	ERE	8.10	2.59	-5.47	-4.48	14.52	4.67	64.71	****
Vngrd Consmr Dis	VCR	EA	11.23	5.18	-4.10	-1.88	12.97	4.59	62.99	****
Vngrd Grth	VUG	ELC	7.97	-0.22	-5.82	-2.79	11.60	4.15	62.43	****
Vngrd Health	VHT	EA	8.13	6.00	-5.93	-2.51	6.02	3.61	60.10	****
Vngrd Tech	VGT	EA	7.72	-0.33	-3.72	0.74	12.28	4.70	63.73	****
Wtree Div Ex Fincl	DTN	ELC	9.86	4.21	-2.85	1.33	7.55	3.13	50.45	****
Wtree Eqty Income	DHS	EGI	7.99	6.10	-2.39	1.18	6.87	2.72	41.20	****
Wtree LrgCap Div	DLN	ELC	7.97	2.02	-5.22	-0.59	8.16	3.23	47.56	****

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

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

Middle ETF Growth Ranking to same month end

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
Guggnhm BRIC	EEB	EW	-13.60	-12.12	-17.81	-11.84	14.81	5.32	39.45	***
Guggnhm Candn Enrg Incm	ENY	EWR	-4.77	-20.44	-26.57	-16.90	19.68	7.79	16.97	***
Guggnhm China All	YAO	EWR	-18.52	-14.12	-20.30	-15.85	18.35	6.02	23.39	***
Guggnhm Euro-Pac	EEN	EW	-10.12	-13.39	-19.16	-8.23	15.92	5.63	17.40	***
Guggnhm Frntr	FRN	EW	-16.79	-10.05	-14.13	-9.84	9.23	4.81	19.88	***
Guggnhm Gbl Div	LVL	EW	-8.54	-8.76	-16.59	-8.12	9.30	5.27	13.84	***
Guggnhm Gbl Wtr	CGW	EW	1.00	-3.62	-11.74	-6.77	7.48	4.31	19.69	***
Guggnhm Insdrr Sent	NFO	EMC	7.47	-2.61	-11.04	-8.03	16.44	5.65	32.08	***
Guggnhm Intrntl A Incm	HGI	EW	-11.94	-13.21	-17.33	-10.78	11.93	4.97	16.89	***
Guggnhm MidCap Core	CZA	EMC	7.51	-0.61	-9.08	-3.74	12.66	4.48	29.36	***
Guggnhm Multi Ast In	CVY	EV	3.33	-0.19	-6.82	-1.96	9.58	3.23	20.48	***
Guggnhm Ocn Tomo	OTP	ELC	2.64	-5.13	-11.70	-5.06	10.29	4.58	25.02	***
Guggnhm RJ All	RYJ	ELC	10.58	-3.98	-12.25	-5.21	15.93	6.04	20.70	***
Guggnhm Sctr Rotn	XRO	ELC	0.99	-5.17	-14.30	-8.38	13.09	5.17	23.50	***
Guggnhm Spin Off	CSD	EMC	5.71	1.61	-8.71	-4.75	9.63	4.20	22.83	***
iShares Canada	EWC	EW	-2.36	-9.75	-16.20	-8.73	10.79	4.41	28.24	***
iShares EAFE Indx	EFA	EW	-8.12	-11.88	-17.46	-10.78	9.63	5.35	52.38	***
iShares Emrg Mrkt Stk	EEM	EW	-11.50	-10.90	-18.37	-13.36	16.30	5.97	40.81	***
iShares Europe 350	IEV	EW	-9.59	-12.66	-21.00	-10.65	12.39	6.67	35.82	***
iShares Latin Amr	ILF	EW	-12.72	-11.45	-16.02	-8.16	17.00	5.56	45.49	***
iShares Mexico	EWX	EW	-3.89	-9.02	-14.04	-10.56	12.86	5.23	55.28	***
iShares REIT	IYR	ERE	4.15	-1.24	-7.93	-5.28	13.19	4.27	57.24	***
iShares Russel 2000	IWM	ESC	5.28	-5.05	-14.33	-7.19	15.10	5.94	74.01	***
iShares Russel MidVal	IWS	EV	3.58	-5.65	-11.87	-5.34	12.60	4.63	43.42	***
iShares Silver	SLV	EG	38.35	22.08	-28.67	-13.93	15.67	14.58	33.44	***
iShares Slct Div	IDV	ELC	-4.25	-8.48	-16.85	-7.90	11.97	5.55	31.72	***
iShares Spain	EWP	EW	-17.93	-15.83	-23.06	-8.96	9.00	7.62	35.24	***
PS Aerospace & Def	PPA	EA	0.61	-8.69	-11.73	-4.68	10.89	4.79	18.13	***
PS BLDR Dvlpd Mrkt 100 ADR	ADRD	EW	-6.73	-11.07	-16.16	-9.28	10.99	5.54	19.77	***
PS BLDR Emrg Mkt 50 ADR	ADRE	EW	-11.21	-11.82	-16.11	-10.29	13.36	5.09	40.89	***
PS BLDR Europe 100 ADR	ADRU	EW	-5.24	-8.55	-15.50	-6.79	14.30	5.96	19.90	***
PS Cleantech	PZD	EA	-7.19	-15.51	-23.53	-13.84	10.48	6.22	22.98	***
PS DB Agriculture	DBA	EA	2.39	-11.32	-10.72	-5.71	2.51	4.50	30.41	***
PS DB Commodity	DBC	EA	10.09	-2.84	-13.10	-8.45	7.65	5.20	27.72	***
PS DB Energy	DBE	EA	15.53	-1.10	-16.38	-8.20	8.79	5.88	27.97	***
PS DB Oil	DBO	EA	4.05	-9.36	-23.00	-8.57	14.37	6.34	26.35	***
PS DB Silver	DBS	EG	37.09	21.86	-29.04	-14.24	15.93	14.72	59.88	***
PS DWA Dvlpd Mrkt T Ldrs	PIZ	ELC	-10.97	-14.32	-21.59	-15.33	13.43	5.77	18.67	***
PS DWA Emrg Mrkt T Ldrs	PIE	EW	-9.61	-5.73	-16.04	-16.34	13.93	6.17	16.28	***
PS DWA Tech Ldr	PDP	ELC	9.10	-0.41	-9.16	-6.26	9.74	4.52	24.10	***
PS Dyn Dvlp Intrnl Opp	PFA	EW	-7.93	-15.02	-19.96	-16.55	7.70	5.54	15.67	***
PS Dyn MagniQuant	PIQ	ELC	6.56	-2.96	-11.14	-5.93	16.76	5.58	23.96	***
PS Dyn Mrkt	PWC	ELC	1.29	-7.05	-13.43	-6.72	13.30	4.92	41.75	***
PS Dyn OTC	PWO	ESC	1.30	-4.74	-12.83	-6.30	10.86	5.13	46.86	***
PS Dynmc Banking	PJB	EA	-5.73	-15.31	-14.06	-5.92	16.44	5.21	11.12	***
PS Dynmc Basic Matrl	PYZ	EA	-0.90	-9.34	-19.25	-13.97	17.84	6.38	32.89	***
PS Dynmc Biotech	PBE	EA	1.65	-4.20	-12.34	-3.61	10.98	5.02	20.32	***
PS Dynmc Bldg Cnstrctn	PKB	EA	-2.49	-13.01	-16.41	-5.39	18.18	5.88	11.77	***
PS Dynmc Energy Explor	PXE	EA	20.39	-6.35	-16.33	-11.77	21.77	7.97	23.16	***
PS Dynmc Fncl	PFI	EA	1.40	-6.72	-12.33	-4.38	14.52	4.67	17.91	***
PS Dynmc Healthcare	PTH	EA	12.56	4.53	-9.76	-5.90	9.53	4.86	28.40	***
PS Dynmc Indstrls	PRN	EA	4.57	-8.26	-15.43	-6.15	17.81	6.30	27.45	***
PS Dynmc Lrg Cap Grth	PWB	ELC	5.55	-1.28	-8.39	-4.77	12.30	4.50	16.16	***
PS Dynmc Lrg Cap Value	PWV	ELC	5.65	-0.58	-7.17	-2.38	10.27	3.79	18.90	***

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

Middle ETF Growth Ranking to same month end

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
PS Dynmc Media	PBS	EA	2.07	-4.04	-14.85	-8.28	13.19	5.94	13.30	***
PS Dynmc Networking	PXQ	EA	4.65	-5.16	-14.48	-0.83	20.10	6.71	24.98	***
PS Dynmc Oil & Gas Srvc	PXJ	EA	12.51	-11.32	-21.97	-19.50	27.40	9.67	20.60	***
PS Dynmc Semicdctr	PSI	EA	0.41	-14.31	-19.97	-4.28	20.65	8.20	14.55	***
PS Dynmc Software	PSJ	EA	4.50	-1.39	-9.45	0.20	14.33	4.90	24.88	***
PS Dynmc Technology	PTF	EA	1.21	-7.58	-12.31	-2.10	16.06	5.88	24.28	***
PS Dynmc Utilities	PUI	EA	3.62	1.43	-5.96	-2.39	4.61	2.59	16.08	***
PS Emrg Mrkt Infrastrctr	PXR	EW	-18.30	-21.18	-27.54	-19.87	18.69	7.33	40.89	***
PS Fincl Pfd	PGF	EGI	-6.30	-4.35	-7.33	-3.42	4.95	1.99	16.95	***
PS FTSE RAFI Asia Pac xJpn	PAF	EW	-2.04	-9.21	-16.65	-10.98	17.10	5.98	50.94	***
PS FTSE RAFI Dvlp Mrkt xUSA	PNQ	EW	-12.29	-15.71	-21.00	-12.29	10.12	6.01	34.61	***
PS FTSE RAFI Dvlp Mrkt xUSA Sml	PDN	EW	-5.62	-11.12	-15.74	-11.29	6.13	4.58	21.99	***
PS FTSE RAFI Emrg Mrkt	PXH	EW	-12.94	-13.94	-19.50	-13.87	14.56	5.44	21.79	***
PS FTSE RAFI US 1500 Sml-Mid	PRFZ	EMC	5.02	-6.25	-14.37	-7.66	15.41	5.89	60.50	***
PS Gbl Agriculture	PAGG	EA	-4.03	-9.64	-12.12	-11.27	15.32	5.71	29.51	***
PS Gbl Coal	PKOL	EA	-12.03	-22.70	-24.10	-19.16	21.18	7.57	28.44	***
PS Gbl Gold Precious Mtls	PSAU	EG	-3.14	2.53	-11.35	-3.51	8.77	6.66	45.13	***
PS Ibtstn Altrntv	PTO	ELC	-0.61	-1.71	-6.43	-4.38	7.48	2.58	11.49	***
PS India	PIN	EW	-21.98	-11.11	-17.23	-13.40	8.89	6.37	19.84	***
PS Intrntl Dvldnd	PID	EW	0.00	-2.81	-9.90	-4.40	10.62	4.25	15.21	***
PS Mrngstr Stk	PYH	ELC	5.22	-4.54	-9.43	-2.44	9.31	3.91	19.97	***
PS NASDAQ Intrnt	PNQI	EA	4.03	0.08	-13.11	-8.54	13.11	5.74	35.98	***
PS RvrFrnt Tac Bal	PAO	EGI	-4.20	-8.06	-14.42	-9.19	7.59	3.68	11.63	***
PS RvrFrnt Tac G&I	PCA	EGI	-0.77	-2.71	-8.07	-3.76	6.20	2.51	12.52	***
PS S&P 500 BuyWrite	PBP	ELC	-4.07	-2.38	-4.38	-2.05	9.50	2.44	20.52	***
PS S&P SmlCap Cnsmr Dis	PSCD	EA	8.80	1.44	-7.73	-6.37	14.91	6.16	27.20	***
PS S&P SmlCap Energy	PSCE	EA	27.11	-5.68	-19.01	-17.23	24.66	10.06	33.57	***
PS S&P SmlCap Fincl	PSCF	EA	5.79	-2.38	-8.33	-2.64	14.81	4.56	26.51	***
PS S&P SmlCap Indstrils	PSCI	EA	5.39	-6.46	-11.81	-5.23	17.72	6.24	27.28	***
PS S&P SmlCap Info Tech	PSCT	EA	5.75	-6.94	-14.57	-2.65	18.92	6.97	27.91	***
PS S&P SmlCap Mtrls	PSCM	EA	0.15	-7.63	-13.79	-8.15	12.80	5.25	26.26	***
PS Water Resources	PHO	EA	-1.50	-10.84	-15.42	-7.31	13.84	5.71	17.11	***
PS WilderHill Prgsv Enrgy	PUW	EA	-6.10	-16.78	-22.24	-13.73	19.05	6.76	23.81	***
PS Zacks Micro Cap	PZI	ESC	-2.76	-13.71	-18.33	-9.89	16.04	6.55	10.20	***
Select SPDR Enrgy	XLE	EA	17.67	-4.70	-13.38	-8.82	19.14	6.92	69.71	***
Select SPDR Financs	XLF	EA	-7.31	-17.71	-17.61	-8.79	14.27	5.34	13.49	***
Select SPDR Indl	XLI	EA	3.85	-7.78	-13.64	-3.63	14.37	5.40	33.42	***
Select SPDR Matrils	XLB	EA	-1.01	-10.38	-15.71	-9.37	17.36	5.32	34.45	***
SPDR DJ Gbl Titans	DGT	EW	-6.52	-12.43	-17.16	-9.85	9.75	4.91	52.62	***
SPDR Euro Stoxx 50	FEZ	EW	-17.16	-19.17	-26.66	-13.82	14.18	8.20	32.29	***
SPDR S&P 500	SPY	ELC	5.92	-2.47	-8.01	-2.96	10.91	4.07	125.50	***
Vngrd Emrg Mrkt	VWO	EW	-11.39	-10.67	-17.92	-14.05	15.91	5.74	41.53	***
Vngrd Extnd 4500	VXF	ELC	6.33	-4.58	-13.09	-6.79	14.38	5.52	52.73	***
Vngrd Fincl Srv	VFH	EA	-6.03	-15.74	-16.87	-8.66	13.86	5.23	28.37	***
Vngrd Large Cap	VW	ELC	5.93	-2.70	-8.37	-3.40	11.04	4.16	57.35	***
Vngrd Materials	VAW	ELC	0.51	-8.12	-15.15	-9.43	17.94	5.60	76.04	***
Vngrd MidCap Val	VO	EMC	6.67	-3.22	-11.01	-5.20	13.09	4.93	73.62	***
Vngrd Small Cap	VB	ESC	7.15	-3.27	-12.99	-5.94	15.28	5.75	70.75	***
Vngrd Small Cap Grth	VBK	ESC	11.20	-1.27	-12.81	-5.85	16.27	6.25	77.74	***
Vngrd Small Cap Value	VBR	ESC	2.83	-5.44	-13.02	-6.13	14.43	5.24	63.60	***
Vngrd TTL Stock	VTI	ELC	5.86	-2.99	-9.08	-3.84	11.37	4.28	64.28	***
Wtree DEFA	DWM	EW	-8.48	-11.70	-17.91	-10.37	9.05	5.42	43.40	***
Wtree DEFA Eqty Incm	DTH	EW	-7.60	-9.01	-17.06	-7.33	11.45	6.08	39.26	***
Wtree Emrg Mrkt Eincm	DEM	EW	-8.33	-8.41	-18.54	-12.09	11.15	5.19	52.63	***
Wtree Eur SC Div	DFE	EW	-13.29	-17.03	-25.03	-11.95	10.41	6.92	36.08	***
Wtree Gbl Eqty Incm	DEW	EW	-5.18	-6.89	-15.25	-7.21	10.02	4.90	40.49	***
Wtree Intrntl Div Ex Fincl	DOO	EW	-7.98	-8.78	-16.88	-8.20	9.52	5.55	41.77	***
Wtree Intrntl LC Div	DOL	EW	-8.48	-10.29	-17.01	-8.68	11.43	5.82	42.30	***
Wtree Intrntl MC Div	DIM	EW	-9.75	-12.55	-18.42	-11.63	8.48	5.37	46.28	***
Wtree Intrntl SC Div	DLS	EW	-6.86	-11.65	-17.22	-10.20	5.78	4.69	46.08	***
Wtree Japan SC Div	DFJ	EWR	4.12	-6.71	-3.81	-7.98	-5.02	3.31	41.40	***
Wtree LrgCap Grth	ROI	ELC	4.40	-2.48	-9.10	-3.46	12.58	4.41	36.54	***
Wtree MidCap Div	DON	EMC	6.50	-0.64	-8.26	-2.96	11.54	4.03	51.43	***
Wtree MidCap Earn	EZM	EMC	8.93	-2.06	-11.04	-4.46	14.80	5.36	53.90	***
Wtree Middle East Div	GULF	EW	-8.80	-11.24	-12.36	-1.65	4.33	3.66	14.93	***
Wtree S&P 500	EPS	ELC	6.03	-1.18	-6.91	-1.77	10.81	3.82	43.77	***
Wtree Sml Cap Div	DES	ESC	0.95	-5.02	-10.21	-3.93	12.95	4.53	44.50	***
Wtree Ttl Earn	EXT	ELC	5.66	-1.71	-7.92	-2.35	11.16	3.96	44.81	***
Wtree World Ex US Grth	DNL	EW	-9.84	-9.16	-18.27	-14.51	13.33	5.46	48.39	***

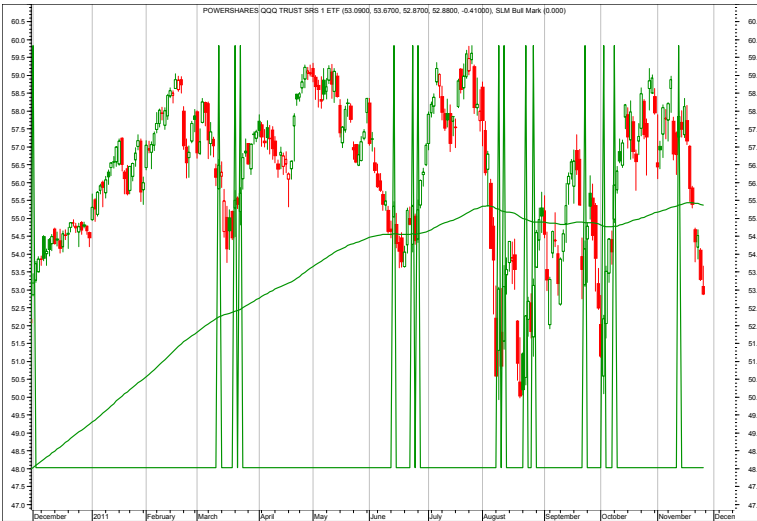
This shows the ETF Growth Database and Ranking. It shows performance over the last 12, 9, 6, 3, and 1 months through the previous month's end. V is Volatility. NAV is price. Rank shows the number of comets from 5 to 1. The larger the better.

Bottom ETF Growth Ranking to same month end

<i>Fund Name</i>	<i>Symbol</i>	<i>Style</i>	<i>12m</i>	<i>9m</i>	<i>6m</i>	<i>3m</i>	<i>1m</i>	<i>V</i>	<i>NAV</i>	<i>Rank</i>
Guggnhm Airline	FAA	EA	-31.33	-24.67	-20.62	-7.08	8.45	5.93	28.88	**
Guggnhm China REIT	TAO	EWR	-21.10	-20.07	-19.83	-19.85	20.47	6.41	15.94	**
Guggnhm China Sml	HAO	EWR	-32.31	-27.26	-29.34	-21.61	17.56	6.91	21.29	**
Guggnhm Intrntl SmlCap	XGC	EW	-23.89	-24.27	-28.23	-19.88	16.72	6.22	18.24	**
Guggnhm Shipping	SEA	EA	-41.92	-40.51	-37.90	-21.23	8.89	5.97	16.17	**
Guggnhm Solar	TAN	EA	-58.38	-56.03	-60.23	-45.57	8.36	10.87	3.50	**
Guggnhm Timber	CUT	EA	-14.90	-21.45	-25.65	-11.56	9.05	5.83	17.36	**
iShares China	FXI	EW	-19.82	-15.25	-20.24	-14.87	16.96	5.59	36.06	**
iShares Prfrd	PFF	EGI	-5.81	-4.53	-6.86	-3.59	4.77	1.60	37.31	**
PS BLDR Asia 50 ADR	ADRA	EW	-8.92	-14.85	-15.88	-12.81	7.69	4.26	24.09	**
PS DB Base Metals	DBB	EG	-11.65	-17.96	-16.56	-19.82	8.36	5.58	20.10	**
PS Gbl Clean Enrgy	PBD	EW	-29.91	-31.29	-37.01	-23.01	11.40	7.48	9.77	**
PS Gbl Listd Prvt Eqty	PSP	EW	-17.14	-20.16	-28.69	-14.47	13.78	7.04	8.75	**
PS Gbl Nuclr Enrgy	PKN	EW	-15.16	-22.48	-18.27	-13.01	10.86	5.58	16.81	**
PS Gbl Steel	PSTL	EA	-19.39	-27.49	-28.42	-22.59	13.18	6.26	17.00	**
PS Gbl Water	PIO	EW	-9.52	-14.55	-20.86	-13.19	8.32	5.30	16.92	**
PS Gbl Wind Energy	PWND	EW	-24.07	-23.31	-31.47	-16.52	9.18	7.05	7.73	**
PS Gldn Drgn USX China	PGJ	EW	-20.83	-19.61	-24.01	-16.84	13.69	5.78	21.97	**
PS Lux Nanotech	PXN	EA	-31.48	-35.42	-33.83	-22.24	9.03	6.77	6.40	**
PS MENA Frntr Countries	PMNA	EW	-17.71	-13.36	-10.83	-3.58	5.39	3.10	11.30	**
PS WilderHill Cln Enrgy	PBW	EA	-39.70	-42.19	-41.40	-27.26	10.64	7.48	6.03	**
Wtree Emrg Mrkt SC Div	DGS	EW	-17.35	-16.47	-23.28	-18.11	12.16	6.27	43.36	**
Wtree India	EPI	EWR	-26.48	-13.72	-19.72	-14.35	10.14	6.71	19.99	**
Wtree Intrntl REIT	DRW	ERE	-16.75	-13.98	-18.46	-12.80	11.81	4.80	24.80	**
Wtree Intrntl Utilities	DBU	EA	-12.72	-12.72	-17.91	-9.03	4.83	4.98	18.51	**
Wtree Japan Hedge Eqty	DXJ	EC	-7.06	-16.10	-11.92	-8.43	-0.46	3.26	32.37	**

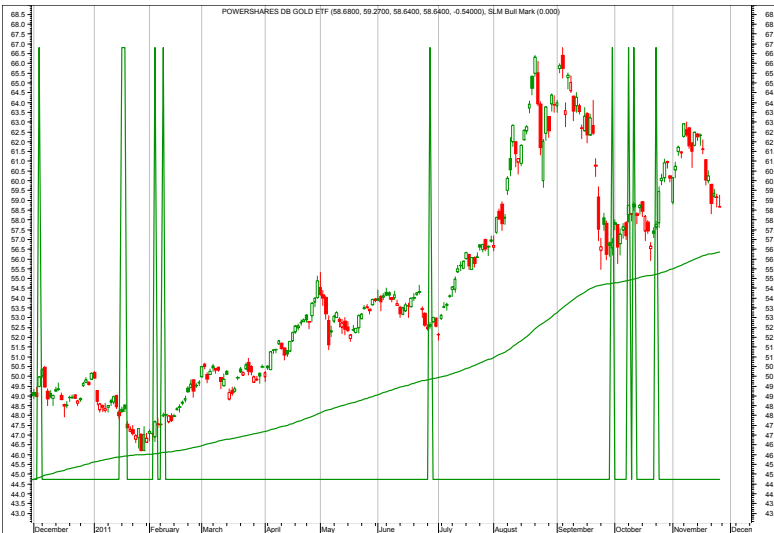
This shows the ETF Growth Database and Ranking. It shows performance over the last 12, 9, 6, 3, and 1 months through the previous month's end. V is Volatility. NAV is price. Rank shows the number of comets from 5 to 1. The larger the better.

Growth Charts



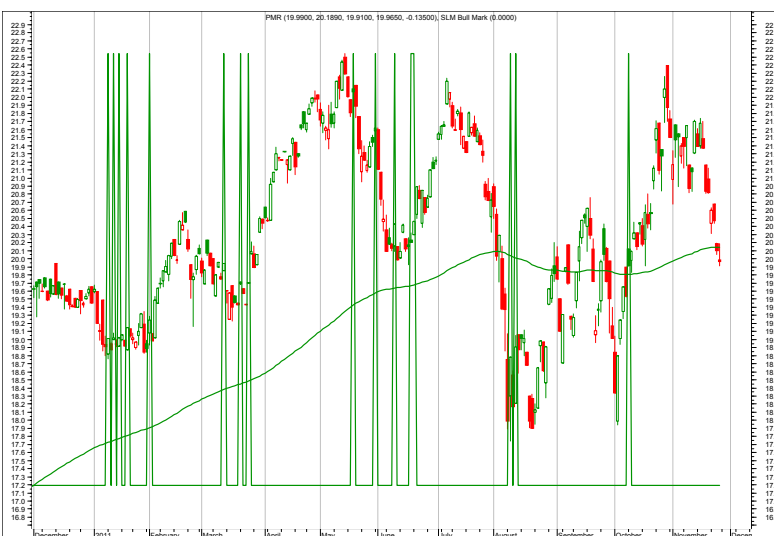
QQQ—OTC

11/28 Buying for a bounce back to 57-58 (about 6%).



DGL—Gold

11/28 No change.
11/21 Another example of buy signals on a higher ranked ETF.



PMR—Retail

11/28 American consumer is back (at least over the last few days).

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**

eventually be taken out (the market move below them).

In the meantime, the American consumer has returned and Santa Claus is on the way. December typically is a strong month. As well, the tax loss season is ending. This suggests a relief rally.

Obviously these things will

have to be carefully watched. On a longer-term basis, the background news has not really changed at all. The economy is still struggling. The European debt crisis is still ongoing. The domestic debt issue is still simmering. Problems have not really changed, yet they will eventually have to be addressed. The likelihood of lower government spend-

ing and higher taxes remains high.

But, even with all the news, the stock market still ebbs and flows over the days and weeks. At this stage, we want to try to capture some additional gains, if they are there to be captured. But, again, we'll also have to watch the stop levels closely. See the Portfolios for specific ideas.

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.

11/28/11 No changes.

11/21/11 No updates.

11/14/11 Added a couple of new dividend-oriented ETFs to the database (VIG and SDY). Also began work on the new short-term sell timing model (see bottom chart on page 11 for an example). I hope to have the selection and timing models combined into one model by the New Year.

11/4/11 Work on the new short-term timing model continues.

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.

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.

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.

SUBSCRIPTIONS: To receive *ETF Selections & Timing*, you may subscribe in one of three ways. You may subscribe on the web site InvestmentST.com using PayPal or call 1-800-800-6563 for Visa, MasterCard, or Discover orders or send a check to the address on the front page. Subscriptions may be tax deductible.

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.

PUBLISHER: Watercourse Way Holdings, LLC publishes this newsletter.

REPRINTS: This eNewsletter is intended for subscribers only, reprints are not permitted.

DISCLAIMER: The information contained herein is assembled from sources who are believed reliable, but the accuracy of data or advice cannot be guaranteed. Past performance does not guarantee future performance. Portfolio values include a commission of \$10/trade, dividend reinvestment, and short-term redemption charges. The Wilshire 5000 and Aggregate Bond are equity and bond indexes and may or may not be useful in comparing returns. Security values fluctuate. Information is provided without consideration for your personal situation. Watercourse Way Holdings, LLC its members and associates may or may not invest identically to or at the same time as portfolios or advice shown herein.

COPYRIGHT: Copyright, 2009-11, Watercourse Way Holdings, LLC. All rights reserved.