

ETF Selections & Timing

Watercourse Way Holdings, LLC

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July 26, 2010 (data through previous Friday close)
Volume 1
Issue 28

Moving Ahead

The drop mentioned last week was successful and markets are all but in gear back to the upside, especially after today if we see both the Industrials and Transports clear their recent highs immediately preceding the big drop.

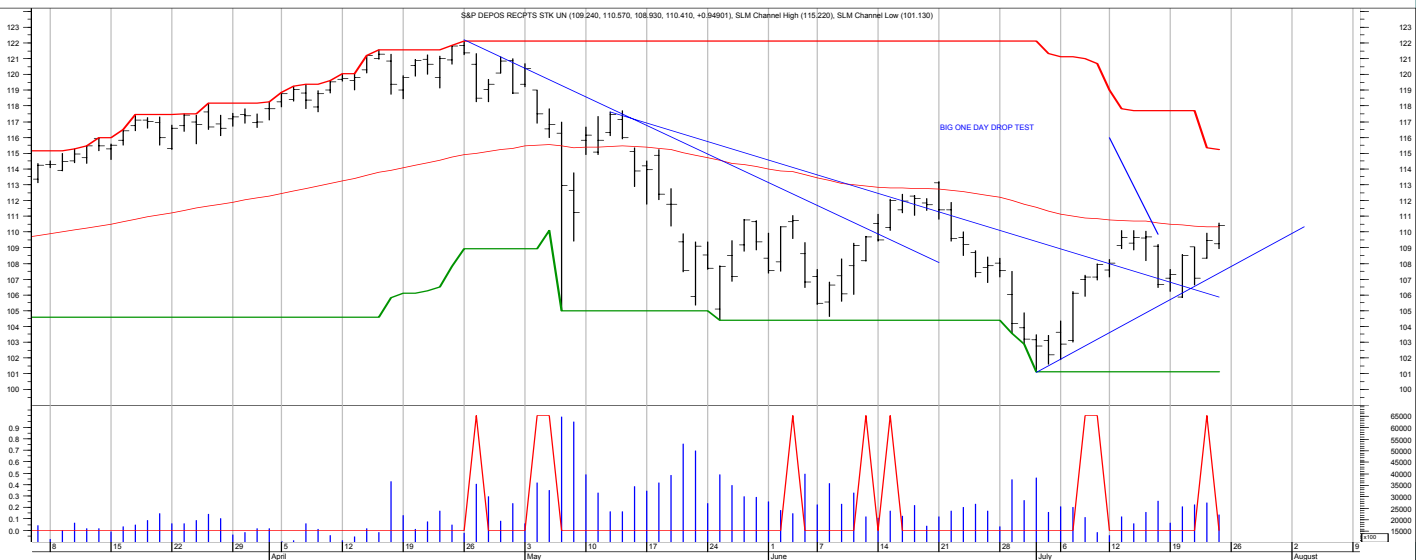
So, did the news get better

or what? Not really. That's what is called climbing the wall of worry. GDP is supposed to slow down. Unemployment is still around 10%. Deficits are out of control. Sentiment is bearish. Leading indicators have stalled. All of those things helped lead the market down-

ward from its April peak to early July lows. And over the last two weeks, the refrain has been the same. Yet up goes the market.

So, the bad news has been discounted. It's the same bad

(Continued on bottom right on page 6 see REVIEW)



The chart shows the daily S&P 500 with red smoothed line an 80-day moving average and orange line a relative comparison to the bond market. The lower part shows blue volume and red spikes as possible trading signals.

SCOREBOARD

Model	YTD	52-week	26-week	13-week	4-week	1-week
ETF Income Portfolio	4.2%		4.3	2.5	2.6	1.6%
ETF Growth Portfolio	3.1%		3.8	-0.5	-0.4	2.9%
Aggrgt Bond (AGG)	4.1%		2.8	3.1	0.7	0.0%
Wilshire 5000	0.1%		1.9	-9.7	2.3	4.0%

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Income Portfolio

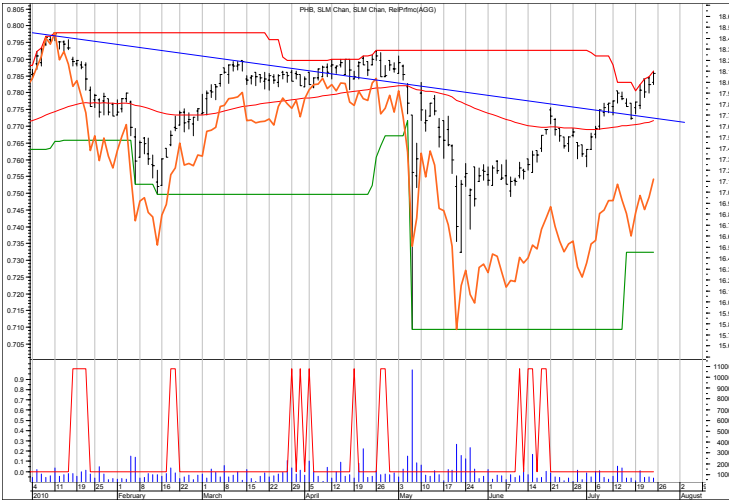
ACTION FOR			PORTFOLIO DETAILS			Value as of date: 7/16/2010							
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total
10-May	buy	PHB	17.75	563.4	10,000	PHB			17.71	18.08	3,205.5	57,955.20	55.6%
						TIP			104.93	105.62	120.2	12,698.57	12.2%
17-May	sell	PHB	17.47	300	5,241	BSV			80.25	81.16	302.6	24,560.96	23.6%
17-May	buy	AGG	105.13	47.6	5,000	AGG			105.13	107.43	47.9	5,144.93	4.9%
25-May	sell	TIP	105.70	120	12,684								
25-May	buy	BSV	80.53	149.0	12,000								
						Money Market			1.00		3,808	3,808.00	3.7%
								Total Valuation=				104,167.66	100.0%

SYMBOL	NAV	RoC
PFF	37.71	52.70%
PCY	26.30	25.35%
PHB	17.81	21.20%
HYG	86.60	20.83%
LQD	107.95	19.62%
TLT	99.22	17.50%
TLH	115.49	15.79%
PLW	28.56	14.37%
AGG	106.74	12.46%
IEF	94.66	12.35%
BND	81.09	11.50%
GVI	108.19	10.25%
BWX	54.79	8.05%
MBB	109.33	7.92%
BSV	80.88	6.04%
TIP	105.74	5.20%
IGOV	98.15	2.87%
SHY	83.99	1.16%
FXE	126.00	-14.56%
PST	44.17	-57.79%
TBT	36.99	-79.67%
TBF	43.73	x

WEEKLY REVIEW and PREVIEW

Hi yield is back in rally mode.

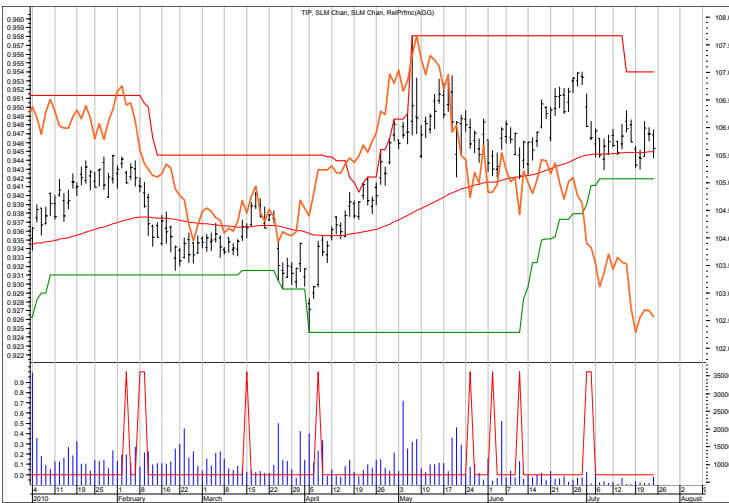
Income Charts



PHB—high yield ETF.

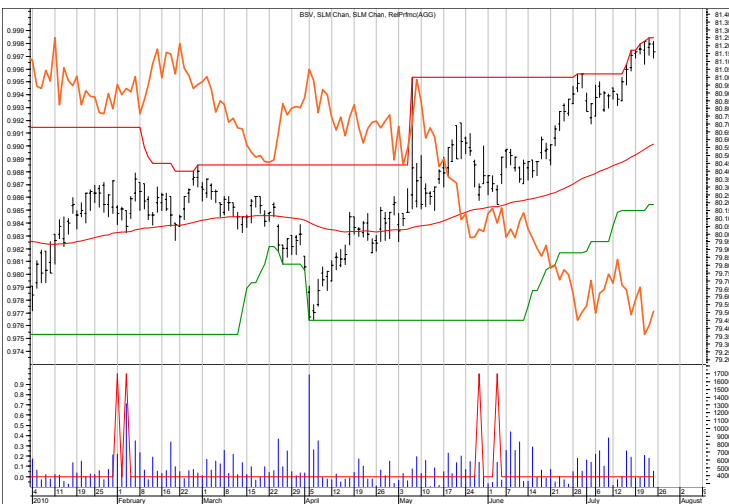
Reiteration—

Moving per expectation.



TIP—Treasury inflation protection

Still lagging. Planning to move out soon, if things don't change.



BSV—short term bonds

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

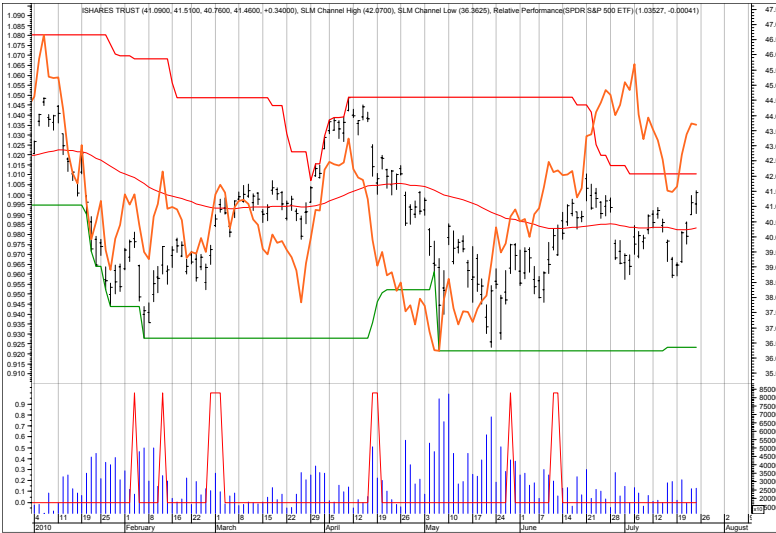
ACTION FOR			PORTFOLIO DETAILS				Value as of date:		7/16/2010						
Action Date	Action	Symbol	Action Price	# of Shares	Action Value	Symbol	Closing Stop	Description	Start Price	Ending Price	# of Shares	Current Value	Percent of Total		
						LONG ETFs-									
28-Jun	sell	DBC	22.10	412.2	9,110	IWR			82.32	86.22	121.5	10,475.73	10.2%		
28-Jun	buy	ICF	57.42	174.2	10,000										
						ICF	53.40		57.42	59.35	174.2	10,338.77	10.0%		
12-Jul	sell	VHT	51.31	176.2	9,041	IYM	53.20		61.38	59.99	162.9	9,772.37	9.5%		
12-Jul	sell	IBB	78.29	125.5	9,825										
						FXI			38.48	41.46	259.9	10,775.45	10.5%		
19-Jul	short	EWS	11.93	(800.0)	(9,544)	ILF			44.18	46.27	226.3	10,470.90	10.2%		
19-Jul	short	EWI	15.56	(600.0)	(9,336)										
						SHORT ETFs-									
						EWS	12.10		11.93	12.09	(800.0)	(9,672.00)	-9.4%		
						EWI	16.15		15.56	15.90	(600.0)	(9,540.00)	-9.3%		
						Cash from short									
						Money Market									
												18,880.00	18.3%		
												1.00	51,600	51,600.00	50.0%
												Total Valuation=		103,101.23	100.0%

WEEKLY REVIEW

The two short positions may get closed today as they are above their stop points. The rest are rallying. I'll look to try to buy on any pullbacks.

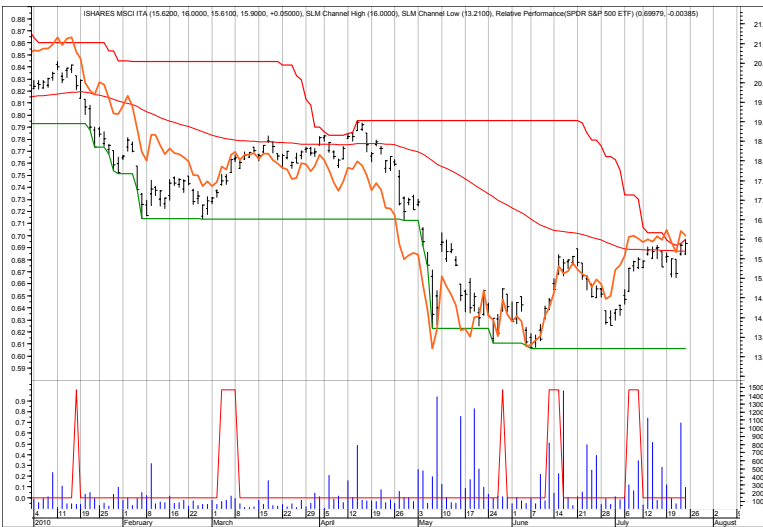
See performance rankings of the equity oriented ETFs on page six.

Growth Charts



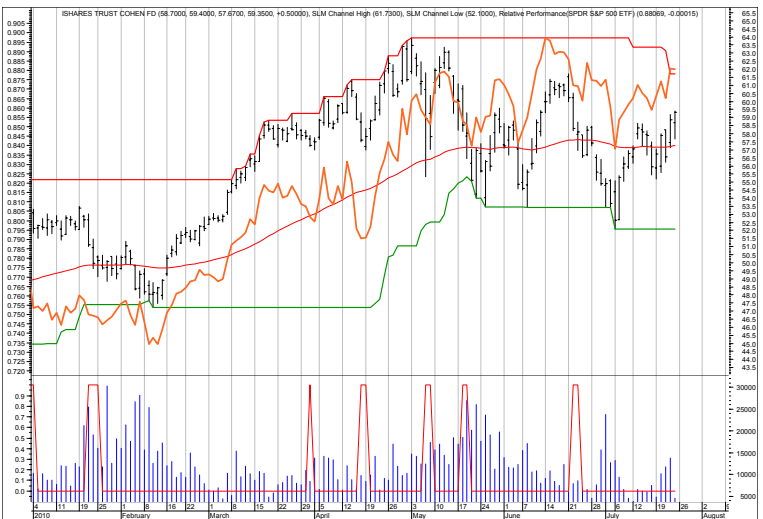
FXI-China

Remaining bullish for now.



EWI

Expecting weakness.



ICF—REIT

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.

ETF Growth Performance Page

SYMBOL	NAV	RoC
EWS	11.85	85.10%
EWM	11.95	80.98%
EWD	24.87	62.06%
ICF	56.78	59.01%
EWY	47.45	58.28%
RWR	52.60	55.55%
IYR	48.62	50.75%
EWV	49.96	46.78%
GLD	118.36	46.65%
EEM	39.97	46.37%
IAU	11.84	46.32%
EZA	56.49	45.36%
EWZ	67.34	44.63%
ILF	44.91	42.50%
EWT	12.00	38.97%
DSG	85.39	32.76%
IGW	46.18	32.54%
IWS	38.05	31.96%
PEY	8.00	31.92%
VO	61.30	31.48%
VBK	60.97	31.39%
EWC	26.21	30.09%
EWB	15.38	30.02%
EWN	18.63	29.75%
EWL	21.05	29.26%
IWR	83.86	28.68%
IYM	57.49	28.60%
VB	58.70	28.36%
PGJ	23.33	27.82%
VXF	43.92	26.77%
RSP	39.62	26.55%
FXI	40.68	25.46%
VBR	55.91	24.26%
DVY	44.37	23.91%
IWP	45.41	23.91%
EPP	38.32	21.91%
QQQQ	44.62	21.67%
IYT	75.16	21.63%
VCR	48.41	21.45%
XLI	28.64	21.27%
IDU	72.46	21.12%
VPU	63.13	20.91%
DSV	57.61	20.27%
PWO	40.99	20.15%
XLU	29.80	19.58%
VGT	51.84	19.42%
XLF	14.51	19.22%
IYW	54.15	18.94%
IWM	62.94	18.82%
IYF	52.14	18.63%
IYK	55.83	18.58%

VFH	29.66	17.84%
EWK	11.71	17.20%
XLY	30.41	15.86%
IYJ	53.36	15.85%
VDC	66.50	15.57%
IGM	50.78	14.26%
IXG	42.30	13.61%
VAW	64.02	12.69%
IBB	84.00	12.06%
XLP	26.48	10.92%
EWA	20.50	10.90%
IGV	45.08	10.79%
XLK	21.39	10.73%
IXN	52.45	10.05%
ISI	48.83	9.11%
IYY	53.84	8.77%
EWJ	9.60	8.70%
VUG	50.97	8.55%
VTI	54.89	8.49%
EFA	50.06	8.11%
ELG	47.16	8.08%
ITF	41.48	7.30%
EWU	14.46	6.86%
VV	49.08	6.82%
FEU	30.50	6.52%
IGN	25.94	5.68%
IYC	55.79	5.59%
EWG	19.87	5.54%
IGE	32.46	5.04%
IYG	52.74	4.57%
XLB	30.39	3.93%
IEV	34.00	3.60%
ELV	56.13	3.43%
IXP	50.57	0.51%
VHT	51.48	0.35%
EWP	37.40	-0.12%
OEF	48.95	-0.69%
IYH	59.82	-1.11%
XLV	29.03	-2.39%
PWC	36.40	-3.38%
IXJ	47.23	-3.44%
EZU	31.28	-5.46%
EWI	15.49	-5.82%
IOO	53.82	-6.83%
DBC	21.98	-9.60%
FEZ	33.64	-9.65%
DGT	50.80	-9.80%
EWQ	21.31	-11.71%
XLE	52.62	-13.61%
EWO	16.66	-14.94%
IYE	30.25	-19.66%
IXC	31.24	-23.11%

The two columns to the left show the rankings of the equity oriented ETFs in our database through the previous Friday's close.

These rankings are based on momentum indicators around which we generally want to trade. Our general strategy is to invest with the stronger performing ETFs by investing with the main trend and against the minor trend down. This means that in a bear (down) market, we want to short the funds that rally against their main trend downward. In a bull market, we want to buy during selloffs with the main trend up.

(Continued from page 1) REVIEW

news, but the market has reversed.

What happens if we get some good news down the road? The market will continue its rally.

This isn't to say that we can put away caution or watchfulness because we can't. The nemesis of a bull market is complacency.

So, bullish still for now. Look for the pattern to change on a short-term and intermediate-term basis to rejoin the long-term pattern of higher highs and higher lows.

ETF Database

Exchange Traded Fund	Symbol	Base	Provider	Exchange Traded Fund	Symbol	Base	Provider
streetTRACKS DJ Global Titans ETF	DGT	Broad	streetTRACKS	iShares MSCI United Kingdom Index Fund	EWU	Intrntl	iShares
DIAMONDS	DIA	Broad	PDR Services LLC	iShares MSCI-Mexico	EWW	Intrntl	BGI
streetTRACKS DJ Wilshire Small Cap ETF	DSC	Broad	streetTRACKS	iShares MSCI-South Korea Index Fund	EWY	Intrntl	iShares
streetTRACKS DJ Wilshire Small Cap Growth ETF	DSG	Broad	streetTRACKS	iShares MSCI-Brazil Index Fund	EWZ	Intrntl	iShares
streetTRACKS DJ Wilshire Small Cap Value ETF	DSV	Broad	streetTRACKS	iShares MSCI-South Africa	EZA	Intrntl	BGI
iShares Dow Jones Select Dividend Index Fund	DVY	Broad	BGI	iShares MSCI-EMU	EZU	Intrntl	BGI
streetTRACKS DJ Wilshire Large Cap Growth ETF	ELG	Broad	streetTRACKS	streetTRACKS Dow Jones STOXX 50 Index Fund	FEU	Intrntl	streetTRACKS
streetTRACKS DJ Wilshire Large Cap ETF	ELR	Broad	streetTRACKS	streetTRACKS Dow Jones EURO STOXX 50 Index Fund	FEZ	Intrntl	NA
streetTRACKS DJ Wilshire Large Cap Value ETF	ELV	Broad	streetTRACKS	iShares FTSE/Xinhua China 25 Index Fund	FXI	Intrntl	BGI
streetTRACKS DJ Wilshire Mid Cap Growth ETF	EMG	Broad	streetTRACKS	iShares S&P Europe 350 Index Fund	IEV	Intrntl	iShares
streetTRACKS DJ Wilshire Mid Cap ETF	EMM	Broad	streetTRACKS	iShares S&P Latin America 40	ILF	Intrntl	BGI
streetTRACKS DJ Wilshire Mid Cap Value ETF	EMV	Broad	streetTRACKS	iShares S&P/TOPIX 150	ITF	Intrntl	BGI
First Trust Dow Jones Select MicroCap Index Fund	FDM	Broad	First Trust ETF	Vanguard European VIPERs	VGK	Intrntl	Vanguard
streetTRACKS Gold Shares	GLD	Broad	streetTRACKS	Vanguard Pacific VIPERs	VPL	Intrntl	Vanguard
iShares COMEX Gold Trust	IAU	Broad	iShares	Vanguard Emerging Markets VIPERs	VWO	Intrntl	Vanguard
iShares S&P MidCap 400 Index Fund	IJH	Broad	iShares	iShares Nasdaq Biotechnology	IBB	Sector	BGI
iShares S&P MidCap 400 Value Index Fund	IJJ	Broad	iShares	iShares Cohen & Steers Realty Majors	ICF	Sector	BGI
iShares S&P MidCap 400 Growth Index Fund	IJK	Broad	iShares	iShares Dow Jones U.S. Utilities Sector Index Fund	IDU	Sector	iShares
iShares S&P SmallCap 600 Index Fund	IJR	Broad	iShares	iShares Goldman Sachs Natural Resources	IGE	Sector	BGI
iShares S&P SmallCap 600 Value Index Fund	IJS	Broad	iShares	iShares Goldman Sachs Technology	IGM	Sector	BGI
iShares S&P SmallCap 600 Growth Index Fund	IJT	Broad	iShares	iShares Goldman Sachs Networking	IGN	Sector	BGI
iShares S&P 1500 Index Fund	ISI	Broad	iShares	iShares Goldman Sachs Software	IGV	Sector	BGI
iShares S&P 500 Value Index Fund	IVE	Broad	iShares	iShares Goldman Sachs Semiconductor	IGW	Sector	BGI
iShares S&P 500 Index	IVV	Broad	iShares	iShares S&P Global Energy Sector	IXC	Sector	BGI
iShares S&P 500 Growth Index Fund	IWW	Broad	iShares	iShares S&P Global Financial Sector	IXG	Sector	BGI
iShares Russell 1000	IWB	Broad	BGI	iShares S&P Global Healthcare Sector	IXJ	Sector	BGI
iShares Russell 1000 Value	IWD	Broad	BGI	iShares S&P Global Information Technology Sector	IXN	Sector	BGI
iShares Russell 1000 Growth	IWF	Broad	BGI	iShares S&P Global Telecommunications Sector	IXP	Sector	BGI
iShares Russell 2000	IWM	Broad	BGI	iShares Dow Jones U.S. Consumer Services Sector Index Fund	IYC	Sector	iShares
iShares Russell 2000 Value	IWN	Broad	BGI	iShares Dow Jones U.S. Energy Sector Index Fund	IYE	Sector	iShares
iShares Russell 2000 Growth	IWO	Broad	BGI	iShares Dow Jones U.S. Financial Sector Index Fund	IYF	Sector	iShares
iShares Russell Midcap Growth Index Fund	IWP	Broad	BGI	iShares Dow Jones U.S. Financial Services Index Fund	IYG	Sector	iShares
iShares Russell Midcap Index Fund	IWR	Broad	BGI	iShares Dow Jones U.S. Healthcare Sector Index Fund	IYH	Sector	iShares
iShares Russell Midcap Value Index Fund	IWS	Broad	BGI	iShares Dow Jones U.S. Industrial Sector Index Fund	IYJ	Sector	iShares
iShares Russell 3000	IWV	Broad	BGI	iShares Dow Jones U.S. Consumer Goods Sector Index Fund	IYK	Sector	iShares
iShares Russell 3000 Value	IWW	Broad	BGI	iShares Dow Jones U.S. Basic Materials Sector Index Fund	IYM	Sector	iShares
iShares Russell 3000 Growth	IWZ	Broad	BGI	iShares Dow Jones U.S. Real Estate Index Fund	IYR	Sector	iShares
iShares Dow Jones U.S. Total Market Index	IYY	Broad	iShares	iShares Dow Jones Transportation Average Index Fund	IYT	Sector	iShares
MidCap SPDRs	MDY	Broad	PDR Services LLC	iShares Dow Jones U.S. Technology Sector Index Fund	IYW	Sector	iShares
iShares S&P 100 Index Fund	OEF	Broad	BGI	iShares Dow Jones U.S. Telecommunications Sector Index Fund	IYZ	Sector	iShares
SPDR O-Strip ETF	OOO	Broad	State Street	streetTRACKS KBW Bank ETF	KBE	Sector	streetTRACKS
PowerShares WilderHill Clean Energy Portfolio	PBW	Broad	PowerShares ETF	streetTRACKS KBW Capital Markets ETF	KCE	Sector	streetTRACKS
PowerShares High Yield Equity Dividend Achievers Portfolio	PEY	Broad	PowerShares ETF	streetTRACKS KBW Insurance ETF	KIE	Sector	streetTRACKS
PowerShares Dividend Achievers Portfolio	PFM	Broad	PowerShares ETF	streetTRACKS Morgan Stanley Technology ETF	MTK	Sector	streetTRACKS
PowerShares Golden Dragon Halter USX China Portfolio	PGJ	Broad	PowerShares ETF	PowerShares Dynamic Biotechnology & Genome Portfolio	PBE	Sector	PowerShares ETF
PowerShares High Growth Rate Dividend Achievers Portfolio	PHJ	Broad	PowerShares ETF	PowerShares Dynamic Food & Beverage Portfolio	PBJ	Sector	PowerShares ETF
PowerShares International Dividend Achievers Portfolio	PID	Broad	PowerShares ETF	PowerShares Dynamic Media Portfolio	PBS	Sector	PowerShares ETF
PowerShares Value Line Timeliness Select Portfolio	PIV	Broad	PowerShares ETF	PowerShares Dynamic Leisure & Entertainment Portfolio	PEJ	Sector	PowerShares ETF
PowerShares Dynamic Large Cap Growth Portfolio	PWB	Broad	PowerShares ETF	PowerShares Dynamic Water Resource Portfolio	PHO	Sector	PowerShares ETF
PowerShares Dynamic Market Portfolio	PWC	Broad	PowerShares ETF	PowerShares Dynamic Hardware & Consumer Electronics Portfolio	PHW	Sector	PowerShares ETF
PowerShares Dynamic Mid Cap Growth Portfolio	PWJ	Broad	PowerShares ETF	PowerShares Dynamic Insurance Portfolio	PIC	Sector	PowerShares ETF
PowerShares Dynamic OTC Portfolio	PWO	Broad	PowerShares ETF	PowerShares Dynamic Pharmaceuticals Portfolio	PJP	Sector	PowerShares ETF
PowerShares Dynamic Mid Cap Value Portfolio	PWP	Broad	PowerShares ETF	PowerShares Dynamic Building & Construction Portfolio	PKB	Sector	PowerShares ETF
PowerShares Dynamic Small Cap Growth Portfolio	PWT	Broad	PowerShares ETF	streetTRACKS Morgan Retail Portfolio	PMR	Sector	PowerShares ETF
PowerShares Dynamic Large Cap Value Portfolio	PWV	Broad	PowerShares ETF	PowerShares Aerospace & Defense Portfolio	PPA	Sector	PowerShares ETF
PowerShares Dynamic Small Cap Value Portfolio	PWY	Broad	PowerShares ETF	PowerShares Dynamic Semiconductors Portfolio	PSI	Sector	PowerShares ETF
PowerShares Zacks Micro Cap Portfolio	PZI	Broad	PowerShares ETF	PowerShares Dynamic Software Portfolio	PSJ	Sector	PowerShares ETF
Nasdaq-100 Index Tracking Stock	QQQQ	Broad	Nasdaq Financial Products	PowerShares Dynamic Telecom & Wireless Portfolio	PTE	Sector	PowerShares ETF
Rydex S&P Equal Weight ETF	RSP	Broad	Rydex ETF	PowerShares Dynamic Utilities Portfolio	PUI	Sector	PowerShares ETF
SPDR Dividend ETF	SDY	Broad	NA	PowerShares Dynamic Energy Exploration & Production Portfolio	PXE	Sector	PowerShares ETF
SPDRs	SPY	Broad	PDR Services LLC	PowerShares Dynamic Oil Services Portfolio	PXJ	Sector	PowerShares ETF
streetTRACKS DJ Wilshire Total Market ETF	TMW	Broad	streetTRACKS	PowerShares Lux Nanotech Portfolio	PXN	Sector	PowerShares ETF
Vanguard Small-Cap VIPERs	VB	Broad	Vanguard	PowerShares Dynamic Networking Portfolio	PXQ	Sector	PowerShares ETF
Vanguard Small-Cap Growth VIPERs	VBK	Broad	Vanguard	streetTRACKS DJ Wilshire REIT ETF	RWR	Sector	streetTRACKS
Vanguard Small-Cap Value VIPERs	VBR	Broad	Vanguard	Vanguard Materials VIPERs	VAW	Sector	Vanguard
Vanguard Mid-Cap VIPERs	VO	Broad	Vanguard	Vanguard Consumer Discretionary VIPERs	VCR	Sector	Vanguard
Vanguard Total Stock Market VIPERs	VTI	Broad	Vanguard	Vanguard Consumer Staples VIPERs	VDC	Sector	Vanguard
Vanguard Value VIPERs	VTV	Broad	Vanguard	Vanguard Energy VIPERs	VDE	Sector	Vanguard
Vanguard Growth VIPERs	VUG	Broad	Vanguard	Vanguard Financials VIPERs	VFH	Sector	Vanguard
Vanguard Large-Cap VIPERs	VV	Broad	Vanguard	Vanguard Information Technology VIPERs	VGT	Sector	Vanguard
Vanguard Extended Market VIPERs	VXF	Broad	Vanguard	Vanguard Health Care VIPERs	VHT	Sector	Vanguard
Rydex Russell Top 50 ETF	XLG	Broad	Rydex ETF	Vanguard Industrials VIPERs	VIS	Sector	Vanguard
iShares MSCI Emerging Markets	EEM	Intrntl	BGI	Vanguard REIT VIPERs	VNQ	Sector	Vanguard
iShares MSCI-EAFE	EFA	Intrntl	BGI	Vanguard Telecommunication Services VIPERs	VOX	Sector	Vanguard
iShares MSCI-Pacific Ex-Japan	EPP	Intrntl	BGI	Vanguard Utilities VIPERs	VPU	Sector	Vanguard
iShares MSCI-Australia	EWA	Intrntl	BGI	Select Sector SPDR-Materials	XLB	Sector	State Street
iShares MSCI-Canada	EWC	Intrntl	BGI	Select Sector SPDR-Energy	XLE	Sector	State Street
iShares MSCI Sweden Index Fund	EWD	Intrntl	iShares	Select Sector SPDR-Financial	XLF	Sector	State Street
iShares MSCI-Germany	EWG	Intrntl	BGI	Select Sector SPDR-Industrial	XLI	Sector	State Street
iShares MSCI Hong Kong Index Fund	EWH	Intrntl	iShares	Select Sector SPDR-Technology	XLK	Sector	State Street
iShares MSCI Italy Index Fund	EWI	Intrntl	iShares	Select Sector SPDR-Consumer Staples	XLP	Sector	State Street
iShares MSCI Japan Index Fund	EWJ	Intrntl	iShares	Select Sector SPDR-Utilities	XLU	Sector	State Street
iShares MSCI Belgium Index Fund	EWK	Intrntl	iShares	Select Sector SPDR-Health Care	XLV	Sector	State Street
iShares MSCI Switzerland Index Fund	EWL	Intrntl	iShares	Select Sector SPDR-Consumer Discretionary	XLY	Sector	State Street
iShares MSCI Malaysia Index Fund	EWM	Intrntl	iShares	iShares Lehman Aggregate Bond Fund	AGG	Broad	BGI
iShares MSCI Netherlands Index Fund	EWN	Intrntl	iShares	iShares GS \$ InvesTopTM Corporate Bond Fund	LQD	Broad	BGI
iShares MSCI-Austria	EWO	Intrntl	BGI	iShares Lehman 1-3 Year Treasury Bond Fund	SHY	Broad	BGI
iShares MSCI Spain Index Fund	EWP	Intrntl	iShares	iShares Lehman 7-10 Year Treasury Bond Fund	IEF	Broad	BGI
iShares MSCI France Index Fund	EWQ	Intrntl	iShares	iShares Lehman 20+ Year Treasury Bond Fund	TLT	Broad	BGI
iShares MSCI Singapore (Free) Index Fund	EWS	Intrntl	iShares				
iShares MSCI Taiwan Index Fund	EWT	Intrntl	iShares				

This information is reformatted from the American Stock Exchange.

Descriptions & Disclosures

PORTFOLIO DESCRIPTIONS (pages 2 and 3)

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 3: 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. Issues are normally posted on Mondays by 1:30pm est.

Portfolios are updated through the Friday close the week before.

Dividends are reinvested in additional shares. Commissions of \$5/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 or MasterCard 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 1:30 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. 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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