



# No-Load Mutual Fund Selections & Timing Newsletter

Striving to provide you with the most return and the least risk.

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## Top 5% Funds By C

C measures the risk (V) adjusted relative performance between fund and market (CS).

| Fund                         | Symbol | Style | C    |
|------------------------------|--------|-------|------|
| Analytic Defensive           | ANDEX  | EGI   | 315  |
| FBR Amrcn Gas                | GASFX  | EA    | 311  |
| AmCent Utilities Income      | BULIX  | EGI   | 30.2 |
| Alpine Intl Real Estate      | EGLRX  | ERE   | 27.7 |
| Boston Prtn Lng/Shrt Eqty    | BPLEX  | EC    | 26.9 |
| Fairholme                    | FAIRX  | ELC   | 25.9 |
| Icon Health                  | ICHCX  | EA    | 25.0 |
| Artisan MidCap Val           | ARTQX  | EMC   | 24.8 |
| Alpine US Real Estate        | EUEYX  | ERE   | 24.1 |
| Price Latin America          | PRLAX  | EWR   | 23.8 |
| Fidelity Utilities           | FIUIX  | EGI   | 23.8 |
| Permanent Port Aggrsv Grwth  | PAGRFX | EA    | 23.8 |
| Third Ave REIT               | TAREX  | ERE   | 23.6 |
| Vanguard Slctd Value         | VASVX  | EV    | 23.6 |
| Westport Growth              | WPFRX  | EMC   | 23.2 |
| Copley                       | COPLX  | EV    | 22.4 |
| Vanguard Energy              | VGEXX  | EA    | 22.4 |
| Tweedy Browne Global Value   | TBGVX  | EW    | 22.3 |
| Exeter Modrt                 | EXBAX  | HGI   | 22.2 |
| ING Corp Leaders             | LEXCX  | EGI   | 22.0 |
| Third Ave Value              | TAVFX  | EV    | 21.8 |
| Matthews Asian G/I           | MACSX  | EW    | 21.5 |
| Gateway Index Plus           | GATEX  | EC    | 21.4 |
| Amana Grth                   | AMAGX  | EMC   | 21.3 |
| Lazard Emrg Mkt Open         | LZOEX  | EWR   | 21.2 |
| Harbor Value                 | HAVLX  | EV    | 20.5 |
| Fidelity Latin America       | FLATX  | EWR   | 20.5 |
| Exeter Extend                | MNBAX  | HB    | 20.4 |
| US Gbl Invstrs Global Rsrscs | PSPFX  | EWR   | 20.2 |
| American AA Blncd            | AABPX  | HB    | 20.1 |
| Price New Asia               | PRASX  | EWR   | 19.8 |
| Nicholas Fund                | NICSX  | ELC   | 19.7 |
| Neuberger & Berman Genesis   | NBGNX  | ESC   | 19.5 |
| Wasatch Hsng Trsry           | WHOSX  | BL    | 20.1 |
| Dreyfus US Long              | DRGBX  | BL    | 17.8 |
| Rydex US Govt Bond           | RYGBX  | BU    | 17.7 |
| Price Emrg Mkt Bond          | PREMX  | BW    | 16.9 |
| Vanguard LT InvGrd           | VVWEX  | BL    | 16.0 |
| Vanguard LT Trsry            | VUSTX  | BL    | 14.3 |
| Payden Emrg MrkBd            | PYEMX  | BW    | 13.9 |
| Price US Treasury Bond Long  | PRULX  | BL    | 13.9 |

## Super Market

With the stock market essentially where it was when the weather was chilly instead of steamy (at least here in Dallas), the question arises why haven't we gone anywhere besides sideways for the last year and one half? We've done nothing since December 2003.

Of course it's not all been ho-hum. Cash investors in CDs and money market funds, have seen yields triple since then. Long-term bond investors, however, have seen their yields drop. As a result, utility and real estate investors have benefited from those drops, seeing their funds increase nicely. International investors have seen okay appreciation as well. Aside from that, everyone else has tired arms from trading water.

were slain at the alter of "buy and hold", it culminated in a bubble that imploded a scant four years ago. Unwinding the excesses, however, take time to complete.

After the roaring Twenties, the market went sideways (and down) for years. After the soaring Sixties, it went sideways for years again, after peaking in 1968. In 1982, it again took off until the peak in 2000.

But that last super bull market is over. We're now in a super bear market.

But don't worry. Super bear or bull is only a way of defining something, not a way of forecasting eventual

gains or losses. In other words, it provides the backdrop to develop a profitable strategy.

For example, when the tide comes in, all boats rise, all boats

*(Continued on page 7)*



## AROUND THE CAMPFIRE

The summer season is settling in, time to go boating again. Memorial weekend, your editor discovers he can still cut a few "rooster tails" on the slalom ski. And finds his two sons are fast approaching that time when they'll be perfectly cutting swaths of delight through silky glass waters to send a wall of water skyward.

In answer to the question, we simply have to recall from whence we've come. The market went up for some 13 years after the Crash of 1987 without hardly a 10% correction. It was fully overbought, completely accepted as the way to riches, the timers

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| Fund Style  | Legend            | Fund Name                    | Symbol | S   | A | Ttl. % return (dividends + or - capital changes) last |       |        |        |       | V    | NAV    | CS  | Rank  | C    |
|---|-------------------|------------------------------|--------|-----|---|---|-------|--------|--------|-------|------|--------|-----|-------|------|
|   |                   |                              |        |     |   | 12m   | 9m    | 6m     | 3m     | 1m    |      |        |     |       |      |
|   |                   |                              |        |     |   |   |       |        |        |       |      |        |     |       |      |
| Hybrid<br>33 funds<br>followed.   | F S W             | Exeter Modrt                 | EXBAX  | HGI | H | 10.60   | 9.16  | 4.73   | 0.82   | 1.73  | 1.22 | 12.34  | 27  | ***** | 22.2 |
|   | F S W             | Exeter Extend                | MNBAX  | HB  | H | 12.60   | 11.08 | 5.10   | 0.80   | 2.22  | 1.56 | 15.19  | 32  | ***** | 20.4 |
|   | F S W             | American AA Blncd            | AABPX  | HB  | H | 13.09   | 10.72 | 4.15   | 0.43   | 2.20  | 1.52 | 13.96  | 31  | ***** | 20.1 |
|   | F S W             | Mairs & Power Balanced       | MAPOX  | HB  | H | 9.89  | 7.35  | 2.84   | -0.08  | 2.22  | 1.23 | 57.47  | 22  | ****  | 18.1 |
|   | Fn So Wn          | Gabelli Westwood Balanced    | WEBAX  | HB  | H | 11.64   | 8.41  | 2.81   | -0.57  | 2.01  | 1.37 | 12.17  | 24  | ****  | 17.7 |
|   | Fn So Wn          | Janus Balanced               | JABAX  | HB  | H | 8.67  | 8.40  | 3.49   | 1.43   | 3.50  | 1.51 | 21.32  | 25  | ****  | 16.9 |
|   | F S W             | Dodge & Cox Balanced         | DODBX  | HB  | H | 11.01   | 10.60 | 3.10   | -0.14  | 1.87  | 1.57 | 79.01  | 26  | ****  | 16.8 |
|   | F S W             | Vanguard Star                | VGSTX  | HGI | H | 10.52   | 10.28 | 3.59   | 0.37   | 2.61  | 1.64 | 18.86  | 27  | ****  | 16.7 |
|   | F S W             | Accessor Incm/Grth           | ACIGX  | HGI | H | 5.87  | 4.62  | 1.51   | -0.16  | 1.13  | 0.78 | 15.26  | 13  | ****  | 16.6 |
|   | Fn So Wn          | Rainier Balanced             | RIMBX  | HB  | H | 8.64  | 8.99  | 3.50   | 1.13   | 3.39  | 1.55 | 17.39  | 26  | ****  | 16.5 |
| Usually...<br>Variable com-<br>bination of<br>stocks, bonds<br>and cash.<br>Risk, growth<br>and income<br>emphasis<br>varies. | F S W             | Vanguard Wellesley Incm      | VWINX  | HB  | H | 8.90  | 5.11  | 2.81   | -0.32  | 1.07  | 1.09 | 21.76  | 18  | ****  | 16.1 |
|   | D                 | USAA Grth Tax                | USBLX  | HB  | H | 9.81  | 11.05 | 3.04   | 0.90   | 3.53  | 1.79 | 14.65  | 28  | ****  | 15.8 |
|   | F So Wn           | AmCent Blncd Investors       | TWBIX  | HB  | H | 9.30  | 8.20  | 2.69   | 0.00   | 2.66  | 1.46 | 16.57  | 23  | ***   | 15.7 |
|   | Fn So Wn          | Pax World                    | PAXWX  | HB  | H | 10.58   | 11.10 | 2.91   | 0.09   | 3.11  | 1.78 | 23.20  | 28  | ****  | 15.6 |
|   | F S W             | Price Capital Appreciation   | PRWCX  | HGI | H | 13.00   | 10.16 | 1.92   | -1.07  | 1.88  | 1.68 | 19.47  | 26  | ***   | 15.4 |
| Gold<br>9 funds<br>followed.  | F S R<12m C       | Vanguard Prcs Mtls           | VGPMF  | EG  | E | 25.98   | 20.82 | -0.98  | -7.73  | 2.26  | 5.09 | 16.71  | 40  | ***   | 7.9  |
|   | Fn So Ws R.25<14d | US Gbl Invst World PMtl      | UNWPX  | EG  | E | 2.05  | 6.48  | -17.56 | -17.83 | -0.35 | 7.44 | 14.06  | -27 | *     | -3.7 |
|   | F Wn              | Tocqueville Gold             | TGLDX  | EG  | E | -0.60   | -0.97 | -14.35 | -11.41 | 1.28  | 6.45 | 29.97  | -26 | *     | -4.0 |
|   | F S W             | Midas                        | MIDSX  | EG  | E | 0.55  | -1.61 | -17.57 | -13.27 | 0.55  | 6.83 | 1.83   | -31 | *     | -4.6 |
|   | F S W R.25<14d    | US Gbl Invst US Gold         | USERX  | EG  | E | -5.01   | 0.32  | -19.49 | -16.75 | 2.22  | 7.90 | 6.91   | -39 | *     | -4.9 |
| Aggressive<br>Growth<br>42 funds<br>followed.   | F S W             | FBR Amrcn Gas                | GASFX  | EA  | E | 29.11   | 21.64 | 8.56   | 2.81   | 3.23  | 2.10 | 16.61  | 65  | ***** | 31.1 |
|   | F S W             | Icon Health                  | ICHCX  | EA  | E | 20.19   | 28.01 | 13.27  | 3.71   | 2.96  | 2.72 | 17.07  | 68  | ***** | 25.0 |
|   | S Wn              | Permanent Port Aggrsv Grwth  | PAGRX  | EA  | E | 27.04   | 28.49 | 13.45  | 6.68   | 9.47  | 3.58 | 95.00  | 85  | ***** | 23.8 |
|   | F S R<12m         | Vanguard Energy              | VGEXX  | EA  | E | 41.61   | 32.46 | 11.16  | -3.16  | 3.20  | 3.81 | 45.11  | 85  | ***** | 22.4 |
|   | F S W             | Excelsior Energy NatRes      | UMESX  | EA  | E | 41.32   | 29.77 | 7.28   | -5.88  | 2.96  | 4.05 | 21.59  | 75  | ****  | 18.6 |
| Capital growth<br>higher risk.<br>May industry<br>concentrate.  | F S R<12m         | Vanguard Health Care         | VGHCX  | EA  | E | 9.20  | 11.92 | 9.52   | 3.68   | 2.10  | 2.07 | 132.01 | 36  | ****  | 17.6 |
|   | D                 | USAA Aggressive Growth       | USAUX  | EA  | E | 11.47   | 14.56 | 4.64   | 1.98   | 4.41  | 2.57 | 28.87  | 37  | ****  | 14.4 |
|   | Fn So Wn          | Century Shares Trust         | CENSX  | EA  | E | 6.30  | 8.86  | 3.53   | 1.65   | 3.74  | 1.70 | 34.41  | 24  | ****  | 14.2 |
|   | Fn So Wn          | Janus Olympus                | JAOLX  | EA  | E | 8.42  | 16.13 | 4.66   | 4.09   | 6.57  | 3.04 | 28.73  | 40  | ***   | 13.1 |
|   | F S W             | Accessor Agrsv Grth          | ACAIX  | EA  | E | 11.36   | 12.53 | 2.74   | -1.44  | 2.88  | 2.31 | 14.63  | 28  | ****  | 12.1 |
| Small Cap<br>110 funds<br>followed.   | Fn So Ws C        | Neuberger & Berman Genesis   | NBGNX  | ESC | E | 17.37   | 18.24 | 6.71   | 1.34   | 4.69  | 2.48 | 31.03  | 48  | ***** | 19.5 |
|   | F S W C           | Longleaf Small Cap           | LLSCX  | ESC | E | 15.26   | 17.70 | 4.76   | 2.60   | 5.30  | 2.86 | 30.79  | 46  | ****  | 15.9 |
|   | F S W             | HighMark SmCap Value         | HMSCX  | ESC | E | 18.09   | 19.77 | 5.20   | 1.58   | 7.19  | 3.41 | 18.04  | 52  | ****  | 15.2 |
|   | Fn So Wn          | Third Ave SmallCap           | TASCX  | ESC | E | 17.87   | 15.17 | 3.60   | 0.48   | 4.99  | 2.78 | 22.93  | 42  | ****  | 15.1 |
|   | F S W             | Accessor Small Cap           | ASMCX  | ESC | E | 17.97   | 20.11 | 5.18   | 0.56   | 5.70  | 3.27 | 25.21  | 50  | ****  | 15.1 |
|   | F S W             | Accessor Sml Mid             | ACSIX  | ESC | E | 17.42   | 19.73 | 4.95   | 0.45   | 5.72  | 3.27 | 24.40  | 48  | ****  | 14.8 |
|   | Fn So Wn          | FAM Value Fund               | FAMVX  | ESC | E | 10.78   | 11.06 | 4.35   | 0.43   | 3.65  | 2.10 | 46.85  | 30  | ****  | 14.4 |
|   | Fn So Wn          | RS Partners                  | RSPFX  | ESC | E | 22.07   | 18.98 | 1.19   | -2.85  | 4.92  | 3.19 | 34.09  | 44  | ****  | 13.9 |
|   | S                 | Stratton Small Cap Value     | STSCX  | ESC | E | 23.67   | 23.64 | 5.30   | -0.51  | 7.31  | 4.40 | 40.81  | 59  | ***   | 13.5 |
|   | F S R1.5<3m       | Fidelity Low Priced Stock    | FLPSX  | ESC | E | 16.80   | 17.32 | 2.92   | -2.11  | 4.90  | 2.96 | 39.84  | 40  | ****  | 13.5 |
| Usually...<br>Market cap<br>less than<br>\$1 billion,<br>no dividend,<br>with growth<br>emphasis.<br>Higher risk.             | F S W             | FMI Common Stk               | FMIMX  | ESC | E | 13.76   | 14.49 | 1.77   | -0.36  | 4.82  | 2.57 | 25.24  | 34  | ****  | 13.4 |
|   | F S               | Berwyn                       | BERWX  | ESC | E | 18.01   | 13.23 | 1.23   | -2.21  | 6.88  | 2.80 | 28.72  | 37  | ***   | 13.3 |
|   | Fn So Wn          | Skyline Special Equity II    | SKSEX  | ESC | E | 14.71   | 16.90 | 3.29   | -0.03  | 5.72  | 3.20 | 28.64  | 41  | ***   | 12.7 |
|   | Fn So Wn C        | Artisan SmCap Val            | ARTVX  | ESC | E | 17.64   | 16.44 | 2.14   | -2.54  | 5.95  | 3.22 | 17.63  | 40  | ***   | 12.3 |
|   | Fn So Wn          | Gabelli Small Cap Grth       | GABSX  | ESC | E | 14.72   | 16.42 | 1.71   | -1.62  | 4.52  | 2.97 | 27.99  | 36  | ***   | 12.0 |
|   | Fn So Wn C        | Wasatch SmCap Grth           | WAAEX  | ESC | E | 13.15   | 22.18 | 5.64   | 1.02   | 7.30  | 4.10 | 39.53  | 49  | ***   | 12.0 |
|   | Fn So Wn          | Ariel                        | ARGFX  | ESC | E | 14.95   | 12.10 | 2.63   | -0.06  | 3.54  | 2.77 | 53.25  | 33  | ***   | 12.0 |
|   | F S W             | Price New Horizons           | PRNHX  | ESC | E | 10.50   | 20.21 | 4.37   | -0.24  | 7.73  | 3.60 | 29.14  | 43  | ***   | 11.8 |
|   | Fn Wn C           | Turner Micro Cap             | TMCGX  | ESC | E | 18.15   | 21.02 | 3.16   | -2.51  | 6.52  | 3.98 | 49.64  | 46  | ****  | 11.6 |
|   | D                 | USAA Small Cap               | USCAX  | ESC | E | 15.40   | 17.67 | 2.08   | -1.18  | 6.08  | 3.47 | 13.43  | 40  | ****  | 11.5 |
| Mid Cap<br>61 funds<br>followed.  | F So Wn           | AmCent Small Co              | ASQIX  | ESC | E | 20.68   | 20.17 | 1.93   | -3.00  | 5.91  | 3.97 | 10.03  | 46  | ***   | 11.5 |
|   | F S W             | Brandywine                   | BRWIX  | ESC | E | 15.24   | 19.62 | 3.83   | -2.63  | 6.29  | 3.69 | 27.37  | 42  | ***   | 11.5 |
|   | F S W             | James Small Cap              | JASCX  | ESC | E | 18.33   | 22.28 | 4.79   | -2.36  | 8.36  | 4.56 | 19.84  | 51  | ***   | 11.3 |
|   | Fn So Wn          | Rainier Small/Mid Cap Equity | RIMSX  | ESC | E | 17.63   | 22.57 | 5.90   | -2.56  | 7.68  | 4.58 | 29.29  | 51  | ***   | 11.2 |
|   | F S W             | Nicholas Limited Edition     | NCLEX  | ESC | E | 6.92  | 13.75 | 3.51   | 1.09   | 6.38  | 2.83 | 19.51  | 32  | ****  | 11.2 |
|   | F S W             | American AA SmallCap Value   | AVPAX  | ESC | E | 16.40   | 15.21 | 1.05   | -1.42  | 5.87  | 3.32 | 19.49  | 37  | ***   | 11.2 |
|   | W                 | Legg Mason US Small Value    | LMSVX  | ESC | E | 14.53   | 13.79 | 0.30   | -0.75  | 5.84  | 3.05 | 14.49  | 34  | ****  | 11.1 |
|   | Fn So Wn          | Century SmCap                | CSMVX  | ESC | E | 10.90   | 15.01 | 3.13   | -0.89  | 2.05  | 2.74 | 23.38  | 30  | ***   | 11.0 |
|   | Fn S Wn           | Citizens Emrg Grwth          | WAEGX  | ESC | E | 8.06  | 16.26 | 3.87   | 1.01   | 6.66  | 3.32 | 13.94  | 36  | ***   | 10.8 |
|   | F S W             | LKCM SmCap                   | LKSCX  | ESC | E | 14.85   | 15.24 | 1.31   | -1.84  | 6.22  | 3.34 | 21.34  | 36  | ***   | 10.7 |
| Usually...<br>Market cap<br>\$1 billion<br>to \$3.5 billion.<br>Risk, growth<br>and dividend<br>emphasis varies.              | F S W             | N/I Numeric SmlCap Valu      | NISVX  | ESC | E | 19.49   | 16.96 | 1.33   | -2.33  | 5.72  | 3.90 | 18.86  | 41  | ***   | 10.6 |
|   | F S W             | Northern SmlCap Value        | NOSGX  | ESC | E | 16.82   | 15.22 | -0.37  | -1.44  | 5.00  | 3.37 | 15.11  | 35  | ***   | 10.5 |
|   | Fn So Wn          | PBHG SmallCap Val            | PBSVX  | ESC | E | 12.06   | 19.06 | 1.91   | -1.48  | 5.18  | 3.54 | 21.93  | 37  | ***   | 10.4 |
|   | F S W             | Fwrd Hoo SmlCap              | FFSCX  | ESC | E | 14.61   | 19.75 | 2.13   | -0.28  | 7.47  | 4.23 | 18.13  | 44  | ***   | 10.3 |
|   | F S Wn I          | Calfrnia Invest S&P SmCap    | SMCIX  | ESC | E | 15.39   | 17.09 | 0.58   | -1.92  | 6.74  | 3.71 | 17.73  | 38  | ***   | 10.2 |
|   | Fn So Wn          | Gabelli Westwood Small Cap   | WESCX  | ESC | E | 19.67   | 17.03 | -0.30  | -2.60  | 4.99  | 3.81 | 10.10  | 39  | ***   | 10.2 |
|   | F S W             | Laudus Rosen US Discvry      | RDIVX  | ESC | E | 13.83   | 17.32 | 2.51   | -2.64  | 5.59  | 3.60 | 15.88  | 37  | ***   | 10.2 |
|   | F S W             | Buffalo Small Cap            | BUFSX  | ESC | E | 10.90   | 18.69 | 1.22   | 0.79   | 6.36  | 3.80 | 26.91  | 38  | ***   | 10.0 |
|   | Fn So Wn          | Value Line Emrg Opp          | VLEOX  | ESC | E | 11.61   | 15.95 | 1.33   | -1.44  | 6.09  | 3.40 | 25.95  | 34  | ***   | 9.9  |
|   | Fn So Wn          | SIT Small Cap Grth           | SSMGX  | ESC | E | 7.90  | 19.61 | 4.00   | 0.00   | 7.98  | 4.01 | 26.78  | 39  | ***   | 9.8  |
| Mid Cap<br>61 funds<br>followed.  | Fn So Wn          | Artisan MidCap Val           | ARTQX  | EMC | E | 27.57   | 24.32 | 9.53   | 2.25   | 6.25  | 2.82 | 18.18  | 70  | ***** | 24.8 |
|   | F S W             | Westport Growth              | WPFRX  | EMC | E | 20.06   | 25.41 | 10.80  | 6.74   | 4.30  | 2.90 | 19.16  | 67  | ***** | 23.2 |
|   | F S W             | Amana Grth                   | AMAGX  | EMC | E | 25.69   | 24.68 | 8.39   | 1.64   | 6.74  | 3.15 | 15.51  | 67  | ***** | 21.3 |
|   | Fn So Wn          | Janus Orion                  | JORNX  | EMC | E | 14.79   | 17.63 | 8.68   | 0.71   | 5.78  | 3.02 | 7.14   | 48  | ****  | 15.8 |
|   | F S W             | Hussman Strtg Grth           | HSGFX  | EMC | E | 3.81  | 8.47  | 3.43   | 0.96   | 0.96  | 1.15 | 15.70  | 18  | ****  | 15.3 |
|   | F S W             | Vanguard MidCap Index        | VIMSX  | EMC | E | 17.99   | 20.39 | 5.30   | 0.32   | 5.19  | 3.25 | 15.80  | 49  | ****  | 15.1 |
|   | F S W             | Boston Prtn MidCap Val       | BPMCX  | EMC | E | 15.04   | 18.23 | 4.06   | 1.01   | 5.70  | 2.97 | 12.97  | 44  | ****  | 14.8 |
|   | F S W             | Auxier Focus                 | AUXFX  | EMC | E | 9.77  | 9.61  | 3.68   | -0.69  | 2.05  | 1.65 | 14.42  | 24  | ****  | 14.8 |
|   | Fn So Wn          | Marshall Mid Cap Value       | MRVEX  | EMC | E | 12.51   | 13.94 | 3.74   | 0.13   | 4.12  | 2.38 | 15.16  | 34  | ****  | 14.5 |
|   | F S Wn I          | Calfrnia Invest S&P Mid Cap  | SPMIX  | EMC | E | 13.36   | 16.43 | 5.57   | 0.60   | 5.98  | 2.95 | 21.97  | 42  | ****  | 14.2 |
| Risk, growth<br>and dividend<br>emphasis varies.  | F S W             | Navellier MidCap Gr          | NPMIX  | EMC | E | 17.69   | 23.73 | 5.65   | -0.34  | 6.46  | 3.79 | 26.54  | 53  |       |      |

| Fund Style   | Legend                        | Fund Name                          | Symbol | S   | A     | Ttl. % return (dividends + or - capital changes) last |       |       |       |       | V     | NAV    | CS   | Rank  | C    |
|--|-------------------------------|------------------------------------|--------|-----|-------|---|-------|-------|-------|-------|-------|--------|------|-------|------|
|  |                               |                                    |        |     |       | 12m   | 9m    | 6m    | 3m    | 1m    |       |        |      |       |      |
|  |                               |                                    |        |     |       |   |       |       |       |       |       |        |      |       |      |
| Large Cap<br>109 funds<br>followed.  | F S W                         | Fairholme                          | FAIRX  | ELC | E     | 23.47   | 18.26 | 8.95  | 2.86  | 2.33  | 2.16  | 23.74  | 56   | ***** | 25.9 |
|  | F S W                         | Nicholas Fund                      | NICSS  | ELC | E     | 10.30   | 14.47 | 6.77  | 1.10  | 4.04  | 1.86  | 61.76  | 37   | ***** | 19.7 |
|  | F S W                         | Vanguard Windsor II                | VWNFX  | ELC | E     | 15.08   | 13.29 | 4.58  | 0.06  | 1.87  | 1.84  | 31.11  | 35   | ****  | 19.0 |
|  | F S W                         | American AA LrgCap Value           | AAGPX  | ELC | E     | 17.50   | 15.29 | 4.74  | -0.36 | 2.71  | 2.20  | 19.33  | 40   | ****  | 18.1 |
| Usually...<br>Market cap<br>greater than<br>\$3.5 billion,<br>larger dividend,<br>with growth and<br>average risk. | Fn So Wn C                    | Baron Growth                       | BGRFX  | ELC | E     | 18.75   | 23.49 | 5.15  | -2.17 | 4.62  | 2.95  | 45.10  | 50   | ****  | 16.9 |
|  | F S W                         | Dodge & Cox Stock                  | DODGX  | ELC | E     | 15.29   | 16.01 | 4.00  | -0.61 | 2.58  | 2.38  | 129.10 | 37   | ****  | 15.7 |
|  | Fn So Ws                      | Neuberger & Berman Partners        | NPRTX  | ELC | E     | 18.35   | 21.23 | 6.20  | -2.42 | 4.97  | 3.11  | 25.78  | 48   | ****  | 15.5 |
|  | Fn So Wn                      | Westcore Blue Chip                 | WTMVX  | ELC | E     | 12.42   | 15.73 | 4.41  | 0.08  | 3.58  | 2.42  | 13.02  | 36   | ****  | 15.0 |
| F S W  | Fn So Wn                      | Rainier Core Equity                | RIMEX  | ELC | E     | 11.83   | 14.07 | 4.77  | 1.03  | 4.92  | 2.47  | 24.54  | 37   | ****  | 14.8 |
|  | Fn S W                        | Fidelity Contra                    | FCNTX  | ELC | E     | 12.46   | 15.40 | 4.24  | -0.09 | 4.59  | 2.47  | 57.61  | 37   | ****  | 14.8 |
|  | Fn So Wn                      | SIT Large Cap                      | SNIGX  | ELC | E     | 8.90  | 13.57 | 3.53  | 2.19  | 5.12  | 2.37  | 34.06  | 33   | ****  | 14.1 |
|  | F S W                         | Aquinas Grth                       | AQEGX  | ELC | E     | 9.91  | 16.40 | 4.76  | 0.73  | 4.83  | 2.61  | 15.19  | 37   | ****  | 14.0 |
| F S W  | Fn So Wn                      | Marsico Growth                     | MGRIX  | ELC | E     | 11.66   | 14.01 | 3.71  | 0.81  | 3.90  | 2.51  | 17.33  | 34   | ***   | 13.6 |
|  | F So Wn                       | AmCent Grwth Investors             | TWCGX  | ELC | E     | 9.03  | 9.95  | 2.99  | 1.99  | 4.50  | 2.10  | 19.51  | 28   | ****  | 13.6 |
|  | Fn S W                        | Fidelity Disciplined Equity        | FDEQX  | ELC | E     | 12.00   | 14.33 | 4.39  | -1.04 | 4.02  | 2.49  | 25.63  | 34   | ***   | 13.5 |
|  | F S W                         | Harbor Capital Appreciation        | HACAX  | ELC | E     | 9.67  | 14.64 | 4.57  | 4.33  | 8.11  | 3.06  | 28.94  | 41   | ***   | 13.5 |
| F So Wn  | F So Wn                       | AmCent Equity Growth               | BEQGX  | ELC | E     | 12.27   | 12.70 | 3.41  | -0.54 | 4.09  | 2.37  | 22.14  | 32   | ***   | 13.5 |
|  | F W                           | Preferred Growth                   | PFRGX  | ELC | E     | 9.14  | 14.25 | 4.56  | 4.45  | 8.15  | 3.01  | 12.21  | 41   | ***   | 13.5 |
|  | F Sio Wn                      | Flex Quantex                       | FLCGX  | ELC | E     | 8.76  | 10.48 | 3.76  | 2.10  | 6.30  | 2.35  | 16.02  | 31   | ***   | 13.4 |
|  | Fn So W                       | Papp America Abroad                | LRPSX  | ELC | E     | 4.05  | 7.95  | 5.09  | 2.46  | 3.15  | 1.72  | 21.27  | 23   | ***   | 13.2 |
| F S W  | Accessor Growth Allctn        | AGALX                              | ELC    | E   | 10.14 | 10.57   | 2.47  | -1.05 | 2.45  | 1.90  | 15.05 | 25     | ***  | 12.9  |      |
|  | F S W                         | Transamerica Eqty                  | TEQUX  | ELC | E     | 9.02  | 12.02 | 2.80  | 1.60  | 5.29  | 2.38  | 19.10  | 31   | ***   | 12.9 |
|  | F S W                         | Boston Prtn Lrg Cap                | BPLIX  | ELC | E     | 12.20   | 11.06 | 2.68  | -1.80 | 3.20  | 2.12  | 14.20  | 27   | ***   | 12.9 |
|  | Fn So Ws                      | Neuberger & Berman Guardian        | NGUAX  | ELC | E     | 12.32   | 14.02 | 1.40  | -0.24 | 3.98  | 2.45  | 16.44  | 31   | ***   | 12.8 |
| Fn So Wn   | Marsico Focus                 | MFOCX                              | ELC    | E   | 11.11 | 14.57   | 3.51  | 0.56  | 2.99  | 2.55  | 16.20 | 33     | ***  | 12.8  |      |
|  | So                            | First Eagle Fund of Amr            | FEAFX  | ELC | E     | 10.31   | 10.57 | 3.40  | -1.40 | 3.10  | 2.03  | 25.97  | 26   | ***   | 12.8 |
|  | F S W                         | Excelsior Blended Eqty             | UMEQX  | ELC | E     | 9.60  | 11.47 | 3.67  | -1.21 | 3.02  | 2.08  | 36.18  | 27   | ***   | 12.8 |
|  | F S W                         | Fidelity Export                    | FEXPX  | ELC | E     | 11.55   | 13.44 | 3.85  | -1.15 | 5.17  | 2.62  | 19.74  | 33   | ***   | 12.5 |
| Fn S W   | Fidelity Growth Company       | FDGRX                              | ELC    | E   | 7.95  | 17.24   | 4.05  | 3.88  | 7.81  | 3.34  | 55.90 | 41     | ***  | 12.3  |      |
|  | D                             | USAA Growth                        | USAAX  | ELC | E     | 10.57   | 16.11 | 2.71  | 0.89  | 5.83  | 2.96  | 13.62  | 36   | ***   | 12.2 |
|  | So R.5<6m                     | Schwab 1000                        | SNXFX  | ELC | E     | 8.76  | 10.34 | 3.02  | 0.00  | 3.58  | 2.16  | 34.43  | 26   | ***   | 11.9 |
|  | F S W                         | AmSouth Large Cap                  | ILEIX  | ELC | E     | 4.42  | 9.64  | 4.06  | 2.10  | 4.00  | 2.05  | 18.46  | 24   | ***   | 11.8 |
| F So Wn  | AmCent Lrg Co Value           | ALVIX                              | ELC    | E   | 11.01 | 9.11  | 2.43  | -1.84 | 1.75  | 1.91  | 6.41  | 22     | ***  | 11.8  |      |
|  | Fn S                          | Fidelity Fund                      | FFIDX  | ELC | E     | 6.72  | 7.91  | 2.36  | 0.18  | 3.26  | 1.74  | 29.74  | 20   | ***   | 11.7 |
|  | Fn S W                        | Fidelity Stock Selector            | FDSSX  | ELC | E     | 8.31  | 10.44 | 2.93  | -0.35 | 4.17  | 2.19  | 22.74  | 25   | ***   | 11.6 |
|  | F S W                         | Vanguard Slctd Value               | VASVX  | EV  | E     | 21.73   | 18.64 | 7.94  | 1.89  | 3.40  | 2.27  | 18.87  | 54   | ***** | 23.6 |
| Value<br>57 funds<br>followed.   | F S W                         | Copley                             | COPLX  | EV  | E     | 15.53   | 10.49 | 5.13  | 0.36  | 1.64  | 1.48  | 44.04  | 33   | ***** | 22.4 |
|  | Fn So Wn                      | Third Ave Value                    | TAVFX  | EV  | E     | 27.43   | 20.90 | 8.74  | 1.98  | 2.42  | 2.82  | 54.62  | 61   | ***** | 21.8 |
|  | F S W                         | Harbor Value                       | HAVLX  | EV  | E     | 14.46   | 13.35 | 6.57  | 1.12  | 2.59  | 1.81  | 16.66  | 37   | ***** | 20.5 |
|  | D                             | USAA Value                         | UVALX  | EV  | E     | 20.66   | 17.16 | 6.03  | -0.31 | 2.57  | 2.37  | 12.76  | 46   | ***** | 19.5 |
| Usually...<br>Some dividend<br>some growth.<br>Risk varies.<br>Lower PE, PS.                                       | F S W                         | JohnsonFam LargeCap Value          | JFLCX  | EV  | E     | 14.39   | 11.39 | 3.79  | 0.10  | 2.31  | 1.75  | 10.19  | 32   | ****  | 18.3 |
|  | F S W                         | Homestead Value                    | HOVLX  | EV  | E     | 14.73   | 12.28 | 4.57  | 0.59  | 2.25  | 1.91  | 30.88  | 34   | ****  | 18.0 |
|  | F S W                         | ICAP Dis Eqty                      | ICDEX  | EV  | E     | 11.47   | 11.92 | 4.86  | -0.65 | 2.47  | 1.77  | 29.43  | 30   | ****  | 17.0 |
|  | Fn S W                        | Fidelity Value                     | FDVLX  | EV  | E     | 19.03   | 18.38 | 5.05  | -0.08 | 4.69  | 2.84  | 72.72  | 47   | ****  | 16.6 |
| F S W  | AmSouth Value                 | AYEQX                              | EV     | E   | 34.31 | 12.83   | 2.94  | -0.66 | 2.89  | 3.16  | 16.72 | 52     | **** | 16.6  |      |
|  | F S W                         | ABN AMRO Value                     | RVALX  | EV  | E     | 14.02   | 11.97 | 3.42  | -1.41 | 1.71  | 1.81  | 11.92  | 30   | ****  | 16.4 |
|  | Fn So W                       | Oak Value                          | OAKVX  | EV  | E     | 6.78  | 11.70 | 4.97  | 0.75  | 3.02  | 1.67  | 31.03  | 27   | ****  | 16.3 |
|  | F S W                         | ICAP Eqty                          | ICAEX  | EV  | E     | 11.31   | 11.84 | 4.86  | -0.60 | 2.72  | 1.85  | 44.60  | 30   | ****  | 16.3 |
| Fn So Wn   | Baron Asset                   | BARAX                              | EV     | E   | 18.12 | 21.80   | 5.35  | -1.25 | 5.50  | 3.16  | 52.34 | 50     | **** | 15.7  |      |
|  | Fn So Wn                      | Managers Value                     | MGIEX  | EV  | E     | 10.69   | 11.93 | 4.49  | -0.76 | 2.93  | 1.89  | 29.89  | 29   | ****  | 15.5 |
|  | W                             | Weitz Partners Val                 | WPVLX  | EV  | E     | 9.35  | 7.82  | 2.26  | 0.95  | 2.32  | 1.49  | 23.34  | 23   | ****  | 15.2 |
|  | S W                           | Victory Estblshd Value G           | GETGX  | EV  | E     | 14.00   | 15.19 | 4.38  | -0.25 | 3.81  | 2.44  | 27.50  | 37   | ****  | 15.2 |
| Fn So Wns  | Gabelli Asset                 | GABAX                              | EV     | E   | 13.05 | 15.29   | 3.61  | -0.63 | 2.97  | 2.26  | 41.27 | 34     | **** | 15.2  |      |
|  | F S W                         | Amana Incm                         | AMANX  | EV  | E     | 23.10   | 17.14 | 2.83  | -4.67 | -0.05 | 2.63  | 21.42  | 38   | ****  | 14.6 |
|  | F So Wn C                     | AmCent Value                       | TWVLX  | EV  | E     | 9.95  | 9.17  | 3.69  | -0.27 | 3.65  | 1.80  | 7.38   | 26   | ****  | 14.6 |
|  | F S W                         | Tweedy Browne Global Value         | TBGVX  | EW  | E     | 14.25   | 13.35 | 7.84  | -0.62 | 2.03  | 1.65  | 24.11  | 37   | ****  | 22.3 |
| World Growth<br>80 funds<br>followed.  | F S W                         | Matthews Asian G/I                 | MACSX  | EW  | E     | 21.24   | 16.23 | 4.65  | -0.98 | 1.00  | 1.96  | 16.23  | 42   | ****  | 21.5 |
|  | F S W                         | Vanguard Intl Expl                 | VINEX  | EW  | E     | 24.72   | 23.20 | 8.43  | -3.84 | 0.36  | 2.82  | 16.54  | 53   | ****  | 18.8 |
|  | F S W                         | Price Emrg Mkt Stk                 | PRMSX  | EW  | E     | 33.48   | 32.19 | 10.54 | -4.61 | 3.90  | 4.20  | 20.27  | 75   | ****  | 18.0 |
|  | Fn So Wn                      | Artisan Intl SmCap                 | ARTJX  | EW  | E     | 23.83   | 25.23 | 7.56  | -3.89 | 0.06  | 2.94  | 17.78  | 53   | ****  | 18.0 |
| Risk, growth,<br>income and<br>country<br>emphasis<br>varies.  | Fn S Wn                       | Loomis Sayles Intrntl Equity       | LSIEX  | EW  | E     | 14.84   | 18.53 | 11.86 | 4.89  | 0.00  | 2.86  | 12.43  | 50   | ****  | 17.5 |
|  | Fn So Ws R2<90d               | Oakmark International              | OAKIX  | EW  | E     | 17.08   | 17.78 | 5.26  | -2.02 | 1.18  | 2.38  | 21.35  | 39   | ****  | 16.5 |
|  | F S W                         | AMIDEX 35                          | AMDEX  | EW  | E     | 13.67   | 29.41 | 12.70 | 2.42  | 4.24  | 3.93  | 10.56  | 62   | ****  | 15.9 |
|  | F S W                         | Dodge & Cox Intl Stock             | DODFX  | EW  | E     | 25.72   | 21.12 | 4.72  | -4.93 | 1.16  | 3.03  | 30.63  | 48   | ****  | 15.8 |
| F S W  | Laudus Rosen Intl SmCap       | RISIX                              | EW     | E   | 24.57 | 23.64   | 6.93  | -5.99 | -0.99 | 3.07  | 16.00 | 48     | **** | 15.7  |      |
|  | Fn So W                       | Neuberger & Berman Intrntl         | NBISX  | EW  | E     | 21.76   | 19.39 | 5.99  | -5.82 | 0.16  | 2.66  | 18.30  | 41   | ****  | 15.6 |
|  | F Wn                          | Lazard Mid Cap                     | LZMOX  | EW  | E     | 15.41   | 16.55 | 4.04  | 0.54  | 5.08  | 2.79  | 13.03  | 42   | ****  | 14.9 |
|  | Fn S W                        | Fidelity Emrg Mkt                  | FEMMX  | EW  | E     | 30.67   | 30.93 | 10.33 | -6.22 | 4.03  | 4.73  | 13.42  | 70   | ****  | 14.7 |
| Fn So Ws R2<90d C  | Oakmark Intrntl Small Cap     | OAKEX                              | EW     | E   | 20.70 | 17.48   | 4.36  | -6.61 | -1.08 | 2.37  | 20.07 | 35     | **** | 14.7  |      |
|  | Fn So Ws R2<90d               | Oakmark Global                     | OAKGX  | EW  | E     | 12.79   | 17.81 | 4.21  | -1.52 | 1.06  | 2.36  | 21.99  | 34   | ****  | 14.6 |
|  | F S W                         | Excelsior Intl                     | UMINX  | EW  | E     | 18.88   | 19.85 | 4.36  | -4.23 | 0.94  | 2.77  | 12.92  | 40   | ****  | 14.4 |
|  | F S W                         | Price Gbl Stk                      | PRGSX  | EW  | E     | 12.43   | 14.85 | 4.31  | -0.06 | 4.87  | 2.56  | 15.94  | 36   | ****  | 14.2 |
| F S W  | 1838 Intrntl Eqty             | INTEX                              | EW     | E   | 16.62 | 18.91   | 3.33  | -3.59 | 1.45  | 2.65  | 13.96 | 37     | **** | 13.9  |      |
|  | W                             | Legg Mason Emrg Mkt                | LMEMX  | EW  | E     | 29.29   | 28.92 | 7.24  | -6.97 | 3.42  | 4.58  | 16.94  | 62   | ***   | 13.5 |
|  | F So Wn                       | AmCent Global Grth                 | TWGGX  | EW  | E     | 12.62   | 19.33 | 4.20  | -1.14 | 2.91  | 2.83  | 7.79   | 38   | ****  | 13.4 |
|  | F S W                         | UMB Scout Worldwide                | UMBWX  | EW  | E     | 16.46   | 16.90 | 4.10  | -3.39 | 1.94  | 2.69  | 24.22  | 36   | ***   | 13.4 |
| C  | Price International Discovery | PRIDX                              | EW     | E   | 19.16 | 18.55   | 4.67  | -4.71 | -0.24 | 2.86  | 32.75 | 37     | ***  | 13.1  |      |
|  | F Wn                          | Tocqueville Intl Valu              | TIVFX  | EW  | E     | 17.85   | 15.57 | 3.24  | -4.49 | 0.42  | 2.50  | 14.25  | 33   | ***   | 13.0 |
|  | Fn So Wn                      | William Blair International Growth | WBIGX  | EW  | E     | 17.12   | 18.77 | 3.82  | -3.18 | 1.53  | 2.94  | 21.93  | 38   | ***   | 12.9 |
|  | F S W                         | Driehaus Intl Dis                  | DRIDX  | EW  | E     | 18.28   | 22.94 | 7.01  | -3.53 | 3.14  | 3.78  | 32.55  | 48   | ***   | 12.7 |
| World Regional<br>26 funds<br>followed.  | S                             | Price Latin America                | PRLAX  | EWR | E     | 58.51   | 44.87 | 19.47 | -1.84 | 7.98  | 5.41  | 17.60  | 129  | ***** | 23.8 |
|  | F Wn                          | Lazard Emrg Mkt Open               | LZOEX  | EWR |       |   |       |       |       |       |       |        |      |       |      |

| Fund Style   | Legend                | Fund Name                        | Symbol | S   | A    | Ttl. % return (dividends + or - capital changes) last |       |       |       |       | V     | NAV   | CS   | Rank  | C     |
|--|-----------------------|----------------------------------|--------|-----|------|---|-------|-------|-------|-------|-------|-------|------|-------|-------|
|  |                       |                                  |        |     |      | 12m   | 9m    | 6m    | 3m    | 1m    |       |       |      |       |       |
| <b>Growth/Income</b><br>65 funds followed.   | F S W                 | Analytic Defensive               | ANDEX  | EGI | E    | 16.18   | 16.91 | 12.48 | 3.52  | 4.12  | 1.69  | 12.64 | 53   | ***** | 31.5  |
|  | F So Wn               | AmCent Utilities Income          | BULIX  | EGI | E    | 28.69   | 21.45 | 8.94  | 2.25  | 1.76  | 2.09  | 12.74 | 63   | ***** | 30.2  |
|  | Fn S W                | Fidelity Utilities               | FIUIX  | EGI | E    | 23.53   | 17.36 | 4.93  | 1.18  | 0.58  | 2.00  | 13.77 | 48   | ***** | 23.8  |
|  | F S W                 | ING Corp Leaders                 | LEXCX  | EGI | E    | 22.28   | 17.03 | 6.51  | -2.27 | 1.31  | 2.04  | 18.55 | 45   | ***** | 22.0  |
|  | Fn S Wn               | Loomis Sayles Value              | LSGIX  | EGI | E    | 13.23   | 12.29 | 3.76  | -0.63 | 2.42  | 1.84  | 17.35 | 31   | ****  | 16.9  |
| <b>Usually...<br/>Emphasis on<br/>stocks with<br/>dividends. Low<br/>or no bonds.<br/>Risk, dividend<br/>and growth<br/>emphasis varies.</b> | Fn So Wn              | Gabelli Westwood Equity          | WESWX  | EGI | E    | 15.63   | 12.59 | 3.83  | -1.07 | 3.04  | 2.10  | 10.18 | 34   | ****  | 16.2  |
|  | F S W                 | Muhlenkamp                       | MUHLX  | EGI | E    | 21.91   | 20.87 | 6.25  | -2.32 | 5.52  | 3.27  | 78.77 | 52   | ****  | 16.0  |
|  | F S W                 | BNY Haml Eqty/Incm               | BNEIX  | EGI | E    | 9.03  | 9.80  | 4.80  | 0.83  | 3.34  | 1.79  | 13.32 | 28   | ****  | 15.5  |
|  | F S W                 | Mairs & Power Growth             | MPGFIX | EGI | E    | 9.64  | 10.54 | 3.79  | 1.80  | 4.34  | 2.01  | 70.17 | 30   | ****  | 15.0  |
|  | Fn S Wn               | Value Line Income                | VALIX  | EGI | E    | 11.45   | 11.25 | 2.24  | -0.59 | 3.07  | 1.84  | 8.40  | 27   | ****  | 14.9  |
|  | Fn So Wn              | Janus Core Eqty                  | JAEIX  | EGI | E    | 11.41   | 12.88 | 4.09  | 1.29  | 4.62  | 2.31  | 20.37 | 34   | ****  | 14.8  |
|  | Fn So Wn              | FAM Equity Income                | FAMEIX | EGI | E    | 10.73   | 11.31 | 3.72  | 1.07  | 5.26  | 2.19  | 20.61 | 32   | ****  | 14.7  |
|  | Fn So Wn              | Gabelli Equity Incm              | GABEX  | EGI | E    | 11.40   | 11.40 | 3.36  | -1.10 | 1.54  | 1.86  | 17.84 | 27   | ****  | 14.3  |
|  | F S W                 | Accessor Grth/Incm               | AGIIX  | EGI | E    | 8.60  | 8.39  | 2.34  | -0.52 | 2.08  | 1.49  | 15.23 | 21   | ****  | 14.0  |
|  | Fn So Wn              | PBHG Disc Eqty                   | PBDEX  | EGI | E    | 9.93  | 13.63 | 4.62  | -0.83 | 3.67  | 2.26  | 10.74 | 31   | ****  | 13.7  |
|  | F S W                 | 1st Source Incm Eqty             | FMIEX  | EGI | E    | 15.85   | 14.69 | 3.93  | -1.79 | 2.98  | 2.67  | 13.48 | 36   | ****  | 13.4  |
|  | Fn So Wns             | Janus Growth & Income            | JAGIX  | EGI | E    | 11.01   | 15.01 | 4.12  | -0.40 | 4.12  | 2.66  | 32.06 | 34   | ****  | 12.7  |
|  | F S W                 | Atlas Grth/Incm                  | ASGIX  | EGI | E    | 8.49  | 11.77 | 2.95  | 1.26  | 5.04  | 2.34  | 22.51 | 30   | ****  | 12.6  |
|  | F So Wn               | AmCent Income & Growth           | BIGRX  | EGI | E    | 10.80   | 10.37 | 3.39  | -0.68 | 3.70  | 2.22  | 30.57 | 28   | ****  | 12.4  |
|  | F So Wn               | AmCent Equity Income             | TWEIX  | EGI | E    | 9.96  | 6.97  | 2.26  | -1.59 | 2.03  | 1.61  | 8.05  | 20   | ****  | 12.2  |
| <b>Contrary</b><br>21 funds followed.  | S                     | Primary Trend                    | PTFDX  | EGI | E    | 7.15  | 6.78  | 2.87  | -0.53 | 2.35  | 1.54  | 13.09 | 19   | ****  | 12.1  |
|  | F S W                 | Vanguard Cap Value               | VCLVX  | EGI | E    | 13.39   | 14.61 | 3.92  | -0.60 | 3.68  | 2.92  | 11.56 | 35   | ****  | 12.0  |
|  | Fn S Wn               | Citizens Core Growth             | WAIDX  | EGI | E    | 7.31  | 12.94 | 2.76  | 0.47  | 4.19  | 2.33  | 19.38 | 28   | ****  | 11.9  |
|  | F S W                 | Dreyfus Dis Stock                | DDSTX  | EGI | E    | 8.49  | 10.02 | 2.62  | -0.44 | 2.97  | 2.04  | 31.94 | 24   | ****  | 11.6  |
|  | D                     | USAA Grth/Incm                   | USGRX  | EGI | E    | 8.97  | 11.10 | 3.11  | -0.22 | 3.68  | 2.32  | 18.32 | 27   | ****  | 11.5  |
|  | F S W                 | Boston Prtn Lng/Shrt Eqty        | BPLEX  | EC  | E    | 21.95   | 14.02 | 10.32 | 2.21  | -0.89 | 1.77  | 16.67 | 48   | ***** | 26.9  |
|  | Fn So Wn              | Gateway Index Plus               | GATEX  | EC  | E    | 7.36  | 6.53  | 2.73  | 0.53  | 1.93  | 0.89  | 24.77 | 19   | ***** | 21.4  |
|  | F S W                 | James Market Neutral             | JAMNX  | EC  | E    | 14.11   | 13.07 | 6.91  | 1.48  | -0.32 | 1.82  | 12.37 | 35   | ****  | 19.4  |
|  | F S W                 | Laudus Rosen US L/S              | RMNIX  | EC  | E    | 7.96  | 7.86  | 4.30  | 1.24  | 1.97  | 1.47  | 11.39 | 23   | ****  | 15.9  |
|  | Fn So Wn C            | Merger Fund                      | MERFX  | EC  | E    | 1.71  | 3.73  | 2.24  | 0.72  | 1.31  | 0.67  | 15.47 | 10   | ****  | 14.5  |
| <b>Real Estate</b><br>17 funds followed.   | F S W                 | Alpine Intl Real Estate          | EGLRX  | ERE | E    | 40.46   | 31.85 | 11.51 | 0.68  | 3.71  | 3.19  | 27.94 | 88   | ***** | 27.7  |
|  | F S W                 | Alpine US Real Estate            | EUEYX  | ERE | E    | 49.74   | 41.51 | 27.14 | 2.38  | 9.88  | 5.43  | 43.36 | 131  | ***** | 24.1  |
|  | Fn So Wn              | Third Ave REIT                   | TAREX  | ERE | E    | 31.26   | 19.27 | 9.96  | 4.62  | 3.59  | 2.91  | 28.54 | 69   | ***** | 23.6  |
|  | F S W                 | Alpine Realty Inc/Grth           | AIGYX  | ERE | E    | 28.78   | 18.11 | 8.25  | 4.88  | 3.84  | 4.31  | 21.92 | 64   | ****  | 14.8  |
|  | W                     | CGM Realty Fund                  | CGMRX  | ERE | E    | 35.78   | 30.78 | 17.88 | -5.41 | 2.95  | 5.54  | 30.36 | 82   | ****  | 14.8  |
| <b>Bond Short</b><br>20 funds followed.<br>Maturity less<br>than 3 years.  | F S W                 | Vintage Bond                     | VBDFX  | BS  | B    | 5.78  | 2.69  | 2.29  | 1.19  | 0.61  | 0.85  | 9.95  | 4    | ***   | 4.7   |
|  | F S W                 | Vanguard ST InvstGrd             | VFSTX  | BS  | B    | 2.46  | 0.75  | 0.67  | 0.39  | 0.19  | 0.40  | 10.59 | -4   | **    | -10.2 |
|  | S W                   | Victory Fund Incm                | GGIFX  | BS  | B    | 2.05  | 0.28  | 0.49  | 0.14  | 0.08  | 0.54  | 12.25 | -5   | **    | -10.2 |
|  | F S W                 | Vanguard Short Federal           | VSGBX  | BS  | B    | 2.11  | 0.41  | 0.66  | 0.54  | 0.29  | 0.41  | 10.37 | -5   | **    | -11.0 |
|  | F S W                 | Homestead Shrt Bond              | HOSBX  | BS  | B    | 2.42  | 1.08  | 0.96  | 0.65  | 0.19  | 0.29  | 5.16  | -3   | **    | -11.1 |
| <b>Bond Intrmdt</b><br>37 funds followed.<br>Maturity varies<br>3-7 years.   | F S W                 | Accessor Intrmdt FI              | AIFIX  | BI  | B    | 6.52  | 3.01  | 3.36  | 2.07  | 0.76  | 0.98  | 11.95 | 7    | ****  | 7.3   |
|  | F S W                 | Dreyfus Intrmdt FI               | DRITX  | BI  | B    | 7.45  | 3.73  | 2.09  | 0.75  | 0.63  | 0.97  | 12.85 | 6    | ****  | 6.3   |
|  | F S W                 | Accessor Intrmdt FI Inv          | AITIX  | BI  | B    | 5.74  | 2.60  | 3.08  | 1.99  | 0.67  | 0.96  | 11.94 | 6    | ****  | 5.8   |
|  | Fn S W                | Fidelity Invst Grade Bond        | FBNDX  | BI  | B    | 6.50  | 2.61  | 2.17  | 1.11  | 0.80  | 0.89  | 7.56  | 5    | ****  | 5.2   |
|  | Fn So Wn              | Ariel Premier Bond               | APBRX  | BI  | B    | 5.83  | 2.69  | 2.29  | 1.37  | 0.68  | 0.84  | 10.33 | 4    | ****  | 5.1   |
| <b>Bond Long</b><br>6 funds followed.<br>Maturity > 7 years.   | Fn So Wn              | Wasatch Hsng Trsry               | WHOSX  | BL  | B    | 24.28   | 14.86 | 14.53 | 7.71  | 3.89  | 2.82  | 14.94 | 57   | ***** | 20.1  |
|  | Wn                    | Dreyfus US Long                  | DRGBX  | BL  | B    | 14.75   | 8.54  | 8.05  | 4.34  | 2.07  | 1.64  | 16.75 | 29   | ***** | 17.8  |
|  | F S W                 | Vanguard LT InvGrd               | VWESX  | BL  | B    | 16.27   | 8.83  | 7.81  | 3.18  | 1.85  | 1.96  | 9.89  | 29   | ***** | 15.0  |
|  | F S W                 | Vanguard LT Trsry                | VUSTX  | BL  | B    | 14.95   | 8.09  | 7.97  | 4.23  | 2.13  | 2.01  | 11.96 | 29   | ***** | 14.3  |
|  | F W                   | Price US Treasury Bond Long      | PRULX  | BL  | B    | 12.86   | 6.85  | 6.76  | 3.84  | 1.82  | 1.70  | 12.31 | 24   | ***** | 13.9  |
| <b>Bond US Govt</b><br>26 funds followed.<br>Maturity varies.  | F Si W                | Rydex US Govt Bond               | RYGBX  | BU  | B    | 23.72   | 13.10 | 13.75 | 7.55  | 3.47  | 3.00  | 11.94 | 53   | ***** | 17.7  |
|  | F S W                 | Federated US Bond                | FEDBX  | BU  | B    | 14.29   | 7.44  | 7.48  | 3.99  | 2.02  | 1.94  | 12.10 | 27   | ****  | 13.8  |
|  | F So Wn               | AmCent Inf Adj B                 | ACITX  | BU  | B    | 7.97  | 3.59  | 2.65  | 1.24  | -0.09 | 1.10  | 11.38 | 7    | ****  | 6.2   |
|  | Fn S W                | Fidelity Govt Securities         | FGOVX  | BU  | B    | 5.87  | 2.32  | 2.43  | 1.65  | 0.68  | 0.87  | 10.31 | 4    | ****  | 5.1   |
|  | Fn So Wn              | Marshall Govt Income             | MRGIX  | BU  | B    | 5.92  | 2.34  | 1.84  | 1.03  | 0.42  | 0.62  | 9.63  | 3    | ****  | 4.9   |
|  | F Wn                  | California Invest US Govt Secrty | CAUSX  | BU  | B    | 5.19  | 2.42  | 2.03  | 1.38  | 0.57  | 0.65  | 10.52 | 3    | ****  | 4.7   |
|  | F S W                 | Vanguard GNMA                    | VFIIIX | BU  | B    | 6.32  | 2.49  | 1.82  | 0.78  | 0.48  | 0.72  | 10.44 | 3    | ****  | 4.7   |
|  | Fn S W                | Fidelity GNMA                    | FGMNIX | BU  | B    | 5.66  | 2.38  | 1.79  | 0.96  | 0.45  | 0.63  | 11.11 | 3    | ****  | 4.3   |
|  | Fn S Wn               | Payden GNMA                      | PYGNX  | BU  | B    | 5.51  | 2.71  | 1.92  | 0.86  | 0.20  | 0.63  | 10.01 | 3    | ****  | 4.2   |
|  | Fn S W                | Fidelity Mortgage Security       | FMSFX  | BU  | B    | 5.85  | 2.21  | 1.65  | 0.96  | 0.54  | 0.67  | 11.26 | 3    | ****  | 4.0   |
| <b>Bond Flexible</b><br>28 funds followed.<br>Maturity, risk<br>and quality<br>emphasis varies.  | F S W                 | Harbor Bond                      | HABDX  | BF  | B    | 7.58  | 3.66  | 2.95  | 2.18  | 1.01  | 0.87  | 12.00 | 9    | ****  | 10.2  |
|  | F W                   | Preferred Fixed Income           | PFIXX  | BF  | B    | 7.89  | 3.53  | 2.44  | 1.04  | 0.64  | 0.92  | 10.95 | 7    | ****  | 7.6   |
|  | Fn So Wn              | Dreyfus A Bonds Plus             | DRBDX  | BF  | B    | 6.12  | 3.67  | 2.55  | 1.37  | 0.80  | 0.87  | 13.92 | 6    | ****  | 6.9   |
|  | F S W                 | Atlas Strtc Incm                 | ATSAX  | BF  | B    | 9.88  | 6.03  | 1.20  | -1.08 | 0.66  | 1.24  | 4.61  | 8    | ****  | 6.6   |
|  | F S W                 | Price New Income                 | PRCIX  | BF  | B    | 6.89  | 3.11  | 2.35  | 1.11  | 0.66  | 0.87  | 9.14  | 6    | ****  | 6.4   |
|  | Fn S Wn               | Loomis Sayles Bond               | LSBRX  | BF  | B    | 12.59   | 6.80  | 0.02  | -1.80 | 1.11  | 1.66  | 13.61 | 10   | ****  | 6.1   |
|  | F S W                 | SSGa Bond                        | SSBMX  | BF  | B    | 6.26  | 2.71  | 2.44  | 1.48  | 0.98  | 0.94  | 10.26 | 5    | ****  | 5.7   |
|  | F S W                 | Excelsior Mgd Incm               | UMMGX  | BF  | B    | 6.62  | 2.71  | 2.22  | 1.19  | 0.76  | 0.88  | 9.31  | 5    | ****  | 5.6   |
| D  | USAA Income           | USAIX                            | BF     | B   | 6.26 | 3.10  | 2.46  | 1.22  | 0.56  | 0.90  | 12.46 | 5     | **** | 5.6   |       |
| F S W  | Price Spectrum Income | RPSIX                            | BF     | B   | 8.22 | 4.81  | 1.09  | -0.79 | 0.42  | 0.95  | 11.91 | 5     | **** | 5.5   |       |
| <b>Bond HiYield</b><br>23 funds followed.<br>Less than BBB.<br>Maturity varies.  | Fn S W                | Fidelity Cap/Incm                | FAGIX  | BH  | B    | 13.80   | 8.25  | 0.84  | -2.90 | 1.47  | 1.73  | 8.27  | 13   | ****  | 7.5   |
|  | F S W                 | SSGa HiYld                       | SSHYY  | BH  | B    | 8.34  | 3.36  | -0.75 | -2.90 | 1.87  | 1.39  | 8.71  | 1    | ***   | 1.0   |
|  | D                     | USAA HiYld                       | USHYX  | BH  | B    | 7.86  | 4.14  | -0.19 | -2.77 | 0.47  | 1.13  | 8.63  | 1    | ***   | 0.9   |
|  | Fn S W                | Fidelity High Incm               | SPHIX  | BH  | B    | 8.05  | 4.00  | -0.73 | -3.09 | 1.16  | 1.34  | 8.75  | 1    | ***   | 0.6   |
|  | Fn So Wn C            | Janus High Yield                 | JAHYX  | BH  | B    | 8.46  | 3.11  | -0.66 | -3.08 | 1.16  | 1.38  | 9.59  | 0    | ***   | 0.3   |
| <b>Bond World</b><br>11 funds followed.<br>Quality, region,<br>risk and maturity<br>varies.  | F S W                 | Price Emrg Mkt Bond              | PREMX  | BW  | B    | 25.00   | 14.02 | 8.47  | 0.96  | 3.08  | 2.54  | 13.72 | 43   | ***** | 16.9  |
|  | Fn S Wn               | Payden Emrg Mrk Bd               | PYEMX  | BW  | B    | 22.14   | 11.86 | 6.57  | 0.36  | 2.32  | 2.50  | 12.34 | 35   | ***** | 13.9  |
|  | Fn S W R1<6m          | Fidelity New Markets Income      | FNMIX  | BW  | B    | 21.31   | 10.93 | 5.20  | 0.79  | 3.05  | 2.42  | 14.17 | 33   | ***** | 13.5  |
|  | Fn S Wn               | Payden Gbl Flncm                 | PYGFIX | BW  | B    | 7.02  | 4.56  | 3.15  | 2.38  | 1.00  | 0.73  | 10.10 | 10   | ****  | 13.1  |
|  | F S W                 | Julius Baer Gbl Incm             | JBGX   | BW  | B    | 8.63  | 6.38  | 2.40  | 1.07  | 0.67  | 0.89  | 13.58 | 11   | ****  | 11.9  |

**Rank Column:** Shows the top 5%, next 15%, middle 60%, lower 15%, and bottom 5% ranked by C within Hybrid, Equity, and Bond asset type. Except for specific market change decisions, we will normally want to own only the funds that place in the top 20%, the four and five comet funds.

**Column:** A is Asset type (H is Hybrid, E is Equity, B is Bond). S is fund Style (H, E, B is first letter, thereafter is definition shown in first column. For example, BW is Bond World, BH is Bond High Yield). V is Volatility, a measure of risk. NAV is fund's Net Asset Value. CS is Comet Strength. Rank is number of Comets (5 best). C is Comet, or CS/V, measures risk adjusted return. Legend: R may charge a redemption fee. L may charge a low

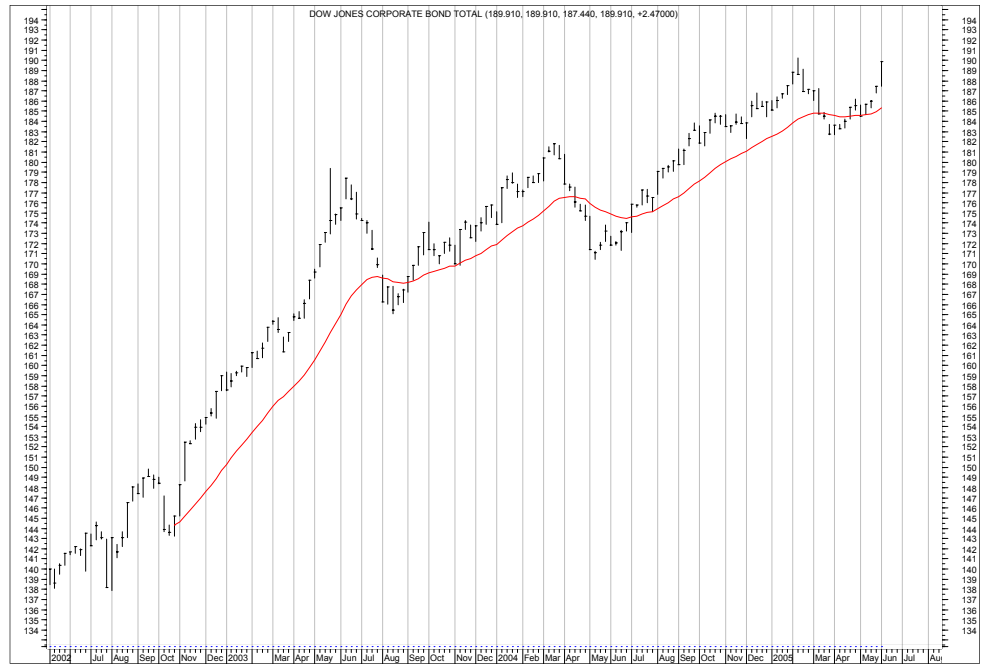
# Interest Rates and Bond Prices

Although you can't clearly see last Friday's key reversal on the weekly chart that's shown, it is a very negative event, suggesting that interest rates have seen their lows and bond prices their highs for this cycle.

On Friday morning, the jobs report came in much weaker than expected, which ignited a rally that sent yields to their lowest levels, but by the afternoon the whole complex had reversed course. It seems to me the bond market is very overbought and ripe for a correction.

After all, there was still growth in the report, but it was weaker than expected. Growth, however, still implies an expanding economy, which means the Federal Reserve is still not done raising short-term rates.

Be cautious with bond. I'm outright bearish.



The SLM Bond Market Timing Models are forecasting tools of the direction of bond prices and yields, which move inversely. The right one forecasts the long-term (months to years); the left forecasts the intermediate-term (weeks to months). Up arrows identify buy signals; expect prices to move higher and interest rates to move lower. Down arrows show sell signals; expect lower prices and higher interest rates.

## MAAP Model Portfolios

Buy

| MONTHLY ACTIVITY |          |       |              |                  |              | MONTH ENDING: 5/31/2005 |            | MONTH END VALUATIONS |            |                  |               |                  |
|------------------|----------|-------|--------------|------------------|--------------|-------------------------|------------|----------------------|------------|------------------|---------------|------------------|
|                  |          |       |              |                  |              | AGGRESSIVE GROWTH       |            |                      |            |                  |               |                  |
| Activity Date    | Activity | Fund  | Action Price | Number of Shares | Action Value | Symbol                  | Style      | Name                 | Ending NAV | Number of Shares | Current Value | Percent of Total |
| 6-May            | buy      | UNWPX | 44.50        | 1379.3103        | 20000        |                         |            |                      |            |                  |               | 0%               |
|                  |          |       |              |                  |              | UNWPX                   | Prcs Mtls  | US Gbl Prc Mtl       | 44.06      | 1373.3103        | 19,309        | 6%               |
|                  |          |       |              |                  |              | NBISX                   | World Grth | Nbrgr Brmn Intrntl   | 18.30      | 1011.0719        | 18,503        | 6%               |
|                  |          |       |              |                  |              | RSPFX                   | Small Cap  | RS Partners          | 34.09      | 540.4463         | 18,424        | 6%               |
|                  |          |       |              |                  |              |                         |            |                      |            |                  |               | 0%               |
|                  |          |       |              |                  |              |                         |            |                      |            |                  |               | 0%               |
|                  |          |       |              |                  |              |                         |            |                      |            |                  |               | 0%               |
|                  |          |       |              |                  |              |                         |            |                      |            |                  |               | 0%               |
|                  |          |       |              |                  |              | RYURX                   | Contrary   | Rydex Ursa           | 8.63       | 5594.2900        | 48,279        | 15%              |
|                  |          |       |              |                  |              |                         | MM         | M Money Market       | 100        | 221890.63        | 221,891       | 68%              |
|                  |          |       |              |                  |              | Growth, may use margin. |            |                      |            | Total Valuation= | \$326,405     | 100%             |

# MAAP Model Portfolios

## MONTHLY ACTIVITY

**MONTH ENDING: 5/31/2005**

## MONTH END VALUATIONS

### GROWTH

| Activity Date | Activity | Fund | Action Price | Number of Shares | Action Value | Symbol                            | Fund Style | Fund               | Ending NAV | Number of Shares | Current Value    | Percent of Total |      |
|---------------|----------|------|--------------|------------------|--------------|-----------------------------------|------------|--------------------|------------|------------------|------------------|------------------|------|
|               |          |      |              |                  |              |                                   |            |                    |            |                  |                  | 0%               |      |
|               |          |      |              |                  |              |                                   |            |                    |            |                  |                  | 0%               |      |
|               |          |      |              |                  |              | NBISX                             | World Grth | Nbrgr Brmn Intrntl | 18.30      | 2022.1339        | 37005            | 6%               |      |
|               |          |      |              |                  |              | RSPFX                             | Small Cap  | RS Partners        | 34.09      | 1080.8927        | 36848            | 6%               |      |
|               |          |      |              |                  |              |                                   |            |                    |            |                  |                  | 0%               |      |
|               |          |      |              |                  |              |                                   |            |                    |            |                  |                  | 0%               |      |
|               |          |      |              |                  |              |                                   |            |                    |            |                  |                  | 0%               |      |
|               |          |      |              |                  |              |                                   |            |                    |            |                  |                  | 0%               |      |
|               |          |      |              |                  |              | RYURX                             | Contrary   | Rydex Ursa         | 8.63       | 5594.2900        | 48279            | 8%               |      |
|               |          |      |              |                  |              |                                   | MM         | Money Market       | 100        | 462609.63        | 462610           | 79%              |      |
|               |          |      |              |                  |              | Growth emphasis, 0-50% per style. |            |                    |            |                  | Total Valuation= | \$584,741        | 100% |

### BALANCED

| Activity Date | Activity | Fund  | Action Price | Number of Shares | Action Value | Symbol                                 | Fund Style | Fund               | Ending NAV | Number of Shares | Current Value    | Percent of Total |      |
|---------------|----------|-------|--------------|------------------|--------------|--|------------|--------------------|------------|------------------|------------------|------------------|------|
| 6-May         | sell     | NCINX | 2.11         | 34525.8200       | 72849        |  |            |                    |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |  |            |                    |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |  |            |                    |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              | NBISX                                  | World Grth | Nbrgr Brmn Intrntl | 18.30      | 2022.1339        | 37005            | 7%               |      |
|               |          |       |              |                  |              | RSPFX                                  | Small Cap  | RS Partners        | 34.09      | 1080.8927        | 36848            | 7%               |      |
|               |          |       |              |                  |              |  |            |                    |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |  |            |                    |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |  |            |                    |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |  |            |                    |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              | VFSTX                                  | Corp Incm  | Vngrd Short Corp   | 10.59      | 3920.7700        | 41521            | 8%               |      |
|               |          |       |              |                  |              |  | MM         | Money Market       | 100        | 389002.45        | 389002           | 77%              |      |
|               |          |       |              |                  |              | All styles permitted, 0-50% per style. |            |                    |            |                  | Total Valuation= | \$504,376        | 100% |

### INCOME

| Activity Date | Activity | Fund  | Action Price | Number of Shares | Action Value | Symbol                            | Fund Style | Fund             | Ending NAV | Number of Shares | Current Value    | Percent of Total |      |
|---------------|----------|-------|--------------|------------------|--------------|-----------------------------------|------------|------------------|------------|------------------|------------------|------------------|------|
| 6-May         | sell     | BUFHX | 11.05        | 3220.79          | 35590        |                                   |            |                  |            |                  |                  | 0%               |      |
| 6-May         | sell     | NCINX | 2.11         | 5754.33          | 12142        |                                   |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                   |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                   |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              | VFSTX                             | Corp Incm  | Vngrd Short Corp | 10.59      | 6299.27          | 66709            | 35%              |      |
|               |          |       |              |                  |              |                                   |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                   |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                   | MM         | Money Market     | 100        | 12207.75         | 122208           | 65%              |      |
|               |          |       |              |                  |              | Income emphasis, 0-50% per style. |            |                  |            |                  | Total Valuation= | \$188,646        | 100% |

### AGGRESSIVE INCOME

| Activity Date | Activity | Fund  | Action Price | Number of Shares | Action Value | Symbol                             | Fund Style | Fund             | Ending NAV | Number of Shares | Current Value    | Percent of Total |      |
|---------------|----------|-------|--------------|------------------|--------------|------------------------------------|------------|------------------|------------|------------------|------------------|------------------|------|
| 6-May         | sell     | BUFHX | 11.05        | 3263.04          | 36057        |                                    |            |                  |            |                  |                  | 0%               |      |
| 6-May         | sell     | NCINX | 2.11         | 23019.23         | 48571        |                                    |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                    |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                    |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              | VFSTX                              | Corp Incm  | Vngrd Short Corp | 10.59      | 2535.80          | 26854            | 13%              |      |
|               |          |       |              |                  |              |                                    |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                    |            |                  |            |                  |                  | 0%               |      |
|               |          |       |              |                  |              |                                    | MM         | Money Market     | 100        | 175269.40        | 175269           | 87%              |      |
|               |          |       |              |                  |              |                                    | MM         | Margin Loan      | -100       | 0.00             | 0                | 0%               |      |
|               |          |       |              |                  |              | Income emphasis, 0-100% per style. |            |                  |            |                  | Total Valuation= | \$201,633        | 100% |

All MAAP portfolio performance include an annual 2% management fee expense. All dividends are reinvested.

# Market Timing and Asset Allocation

(Continued from page 1)

can go out to sea to catch fish and make money. But if all the boats are on a lake that's lost water in a drought, it's only the ones who have a different way of making it out of port who will make you money. You have to go find those kinds, you can't just wait for the rising tide. It isn't coming.

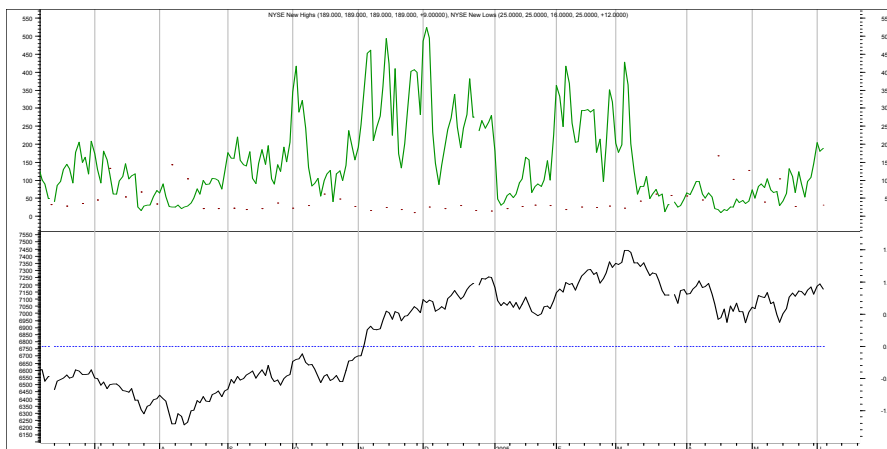
If history is a guide, this super bear should last another 10 years. But again, this isn't to say that we will decline for 10 years. The indexes may go sideways for years. But it simply means we have to find different ways to make money in the market besides throwing darts or index investing. Look at the S&P 500, it's where it was in November, 1998. Six years is a long time to tread the market's waters without making any head way. Still, to drive home the point, utility and real estate investors have made money the last few years, which by the way, isn't to say they'll make money the next few years.

So, within a back drop of a super bear market, evolving through the winners, which is our strategy, should continue to provide favorable returns.

## Gold Index (XAU)



## NYSE New Highs



### MARKET and FUND COMMENTS

Gold bounced off of its major uptrend line, dating back to the year 2000. This is bullish and I remain bullish on gold.

The number of new NYSE highs is contracting. This indicates a weakening market.

**OVERVIEW** Fiscal policy—no tax rebates for 2005—neutral, offset by enormous Microsoft dividend and corporate stock repurchases.

Economy up, bullish.

Inflation up, neutral.

Oil sideways, neutral.

Investor sentiment, bearish because too bullish.

Fed tightening, bearish.

Market valuation, bearish.

Terrorism risk, bearish.

Still a mixed stock picture. Expect continued sideways movement.

### SLM TIMING MODELS

**LCITT**, modified 1/96, 3/97, 9/98.

Large cap stock intermediate-term, signals lasting weeks to months.

**LC Long-term**, modified 11/95

Large cap stock long-term, lasting months to years. Under reconstruction.

**SCITT**, introduced 3/03

Small cap stock intermediate-term, signals lasting weeks to months.

**GOLD**, web site, InvestmentST.com

**BONDS**, intermediate and long-term, page five.

All of these are due for a review and reassessment in 2005.

# Performance Scoreboard

| INDEXES,<br>FUND STYLES &<br>MAAP PORTFOLIOS | % RETURNS FROM THE<br>PAST X MONTHS THRU 5/31/05 |       |        |        |       | V<br>Vol-<br>atility | INDEX<br>CLOSE  | PERFORMANCE IN: |       |       |        |        |        |       |
|--|--|-------|--------|--------|-------|----------------------|---|-----------------|-------|-------|--------|--------|--------|-------|
|  | X=   | 12    | 9      | 6      | 3     |                      |   | 1               | 2004  | 2003  | 2002   | 2001   | 2000   | 1999  |
| Wilshire 5000                                | 7.92   | 9.97  | 1.90   | -0.64  | 3.73  | 2.3                  | 11787.80  | -               | 10.85 | 29.44 | -22.08 | -12.06 | -11.41 | 21.44 |
| Dow Jones Industrials                        | 2.74   | 2.89  | 0.38   | -2.77  | 2.70  | 2.1                  | 10467.50  | -               | 3.15  | 25.32 | -16.76 | -7.10  | -6.18  | 25.22 |
| Standard & Poors 500                         | 6.32   | 7.90  | 1.51   | -1.01  | 3.00  | 2.1                  | 1191.50   | -               | 8.99  | 26.38 | -23.37 | -13.04 | -10.14 | 19.53 |
| Russell 2000 (small cap)                     | 8.52   | 12.55 | -2.69  | -2.74  | 6.44  | 3.9                  | 616.71  | -               | 17.00 | 45.37 | -21.58 | 1.03   | -4.20  | 19.62 |
| Dow Jones World Index                        | 10.51  | 11.95 | 1.60   | -3.17  | 1.78  | 2.4                  | 209.30  | -               | 14.43 | 33.42 | -20.73 | -16.58 | -15.89 | 23.73 |
| Gold/Silver Index (XAU)                      | -3.94  | -8.99 | -19.19 | -12.83 | 3.30  | 7.0                  | 86.27   | -               | 4.65  | 19.89 | 25.57  | 1.28   | -5.94  | 0.85  |
| Dow Jones Ttl Bond                           | 8.19   | 3.39  | 2.43   | 0.60   | 1.03  | 1.3                  | 187.44  | -               | 3.99  | 2.20  | 11.96  | 6.77   | 13.40  | 10.92 |
| Small Cap Growth                             | 9.82   | 14.45 | 1.17   | -1.68  | 5.42  | 3.6                  | Columns 2 through 6<br>are the average returns<br>and Column 7 is the<br>average V (Volatility)<br>for all funds in each<br>fund style. Usually,<br>the larger the V,<br>the greater<br>the risk. |                 | 11.74 | 39.43 | -21.96 | -6.21  | 0.96   | 38.84 |
| Mid Cap Growth                               | 11.19  | 14.95 | 4.00   | 0.24   | 4.99  | 2.9                  |   |                 | 12.96 | 33.65 | -21.89 | -11.03 | -0.38  | 38.52 |
| Large Cap Growth                             | 7.84   | 11.05 | 3.13   | 0.40   | 4.32  | 2.5                  |   |                 | 13.34 | 27.54 | -21.75 | -13.19 | -3.69  | 29.36 |
| Value Company                                | 12.41  | 11.48 | 4.31   | 0.04   | 2.79  | 2.2                  |   |                 | 11.26 | 27.18 | -15.61 | 2.30   | 9.99   | 12.27 |
| Contrary                                     | 5.19   | 3.14  | 3.62   | 0.49   | -0.55 | 2.2                  |   |                 | 3.11  | 0.47  | 9.99   | 2.83   | 13.54  | 6.12  |
| World Growth                                 | 14.64  | 15.50 | 3.94   | -3.05  | 1.32  | 2.6                  |   |                 | 17.11 | 34.67 | -15.76 | -19.89 | -12.70 | 49.42 |
| Growth & Income                              | 9.93   | 10.04 | 3.62   | -0.15  | 2.99  | 2.1                  | For more information<br>about these model<br>portfolios, please<br>see page six.  |                 | 10.24 | 23.46 | -18.22 | -7.76  | 0.03   | 23.36 |
| Long-term Corp Income                        | 15.46  | 10.67 | 9.50   | 4.15   | 2.68  | 1.7                  |   |                 | 8.43  | 8.64  | 6.73   | 2.45   | 11.68  | -7.61 |
| High Yield Income                            | 9.91   | 5.81  | 2.72   | -0.75  | 1.49  | 1.3                  |   |                 | 6.63  | 16.24 | -7.55  | -4.73  | -12.68 | 1.33  |
| International Income                         | 13.56  | 9.29  | 6.31   | 2.14   | 1.62  | 1.5                  |   |                 | 9.07  | 11.56 | 10.56  | 1.48   | 0.18   | 3.46  |
| MAAP Aggrsv Grth                             | 1.85   | 2.78  | -0.50  | -0.74  | -0.36 | 0.5                  |   |                 | 0.57  | 15.03 | -4.93  | 1.42   | 1.78   | 26.66 |
| MAAP Growth                                  | 2.15   | 2.85  | -0.24  | -0.77  | -0.03 | 0.4                  |   |                 | 1.53  | 11.56 | -1.22  | 0.75   | 2.64   | 18.42 |
| MAAP Balanced                                | 4.26   | 3.81  | -0.60  | -1.68  | 0.12  | 0.8                  |   |                 | 5.88  | 12.57 | 0.09   | -0.56  | 0.37   | 17.81 |
| MAAP Income                                  | 0.84   | 0.01  | -0.80  | -0.86  | -0.03 | 0.6                  |   |                 | 0.62  | 5.16  | 2.05   | 1.40   | 4.38   | 2.82  |
| MAAP Aggrsv Incm                             | 1.47   | -0.42 | -1.76  | -2.16  | -0.45 | 0.9                  |   |                 | 1.90  | 7.05  | 1.75   | 4.59   | 2.37   | 6.04  |

Funds and MAAP portfolio data include dividend reinvestment and fees (2% annual for MAAP). Market data does not include dividends, except for T-Bond Index.

## Managed Asset Allocation Program (MAAP)

**Fund Selection.** We conduct a three-step selection process on more than 900 funds. Firstly, we separate funds into their primary investment style, Equity, Bond, Hybrid, and then subdivide into small, large, value, etc.. Secondly, we rank the funds by recent performance relative to their peer group (CS). Thirdly, we consider their historical risk, as measured by their volatility (V).

**Portfolio Allocation.** We follow a straightforward approach to allocation: Overweight the portfolio to the investment style that is performing the strongest out of the three (stocks, bonds, cash) major asset classes.

**Diversification.** We diversify by fund company, investment style, and asset class. The funds themselves normally reduce specific company risk, so that the main investment risks are the market and then the industry.

**MAAP.** Our Managed Asset Allocation Program brings our proprietary fund selection and market timing models together. We EVOLVE, buying from the top 5%, holding as long as the fund is in the top 20%. If it drops below 4 comets, we evolve, selling that fund and buying from the top 5% again. We overlay market timing on this fund selection evolution. The results are five portfolios shown on pages 5 and 6. See Scoreboard above for comparative performances.

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