



# 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
Grizzly Short	GRZZX	EC	25.6
Federated Mid Cap Indx	FMMSX	EMC	21.5
PS Commodity	DBC	EC	21.4
PS Energy	DBE	EA	20.4
PS Oil	DBO	EA	20.1
Potomac US Short	PSPSX	EC	20.0
Currency Euro	FXE	EC	17.3
Rydex URSA (short S&P 500)	RYURX	EC	17.2
Profunds Ultra Bear	URPIX	EC	16.2
Laudus Rosen US L/S	RMNIX	EC	13.3
Hussman Strtg Grth	HSGFX	EMC	12.6
Spdr Gold	GLD	EG	11.8
Permanent Portfolio Family	PRPFX	HB	11.7
Heartland Value	HRVIX	EV	9.6
PS Silver	DBS	EG	8.8
Gabelli Mathers Fund	MATRX	HGI	8.6
PS Agrcltr	DBA	EC	7.9
Janus Gbl LifeScienc	JAGLX	EWR	7.9
Prudent Bear	BEARX	EC	7.7
Wells Fargo MultiCap Value	SMTVX	EV	6.3
Caldwell & Oakin Mkt Oprrntny	COAGX	EA	5.3
Berwyn Income	BERIX	HGI	5.2
Rydex Arktos	RYAIX	EC	4.6
Janus Olympus	JAOLX	EA	4.3
Profunds UltraShrt OTC	USPIX	EC	2.9
The Arbitrage	ARBFX	EC	2.6
Royce Premier Series	RYPRX	EA	2.5
Parnassus Incm Fund Balanced	PRBLX	EGI	2.3
Profunds Shrt SmCap	SHPIX	EC	2.1
Neuberger & Berman Genesis	NBGNX	ESC	1.9
Janus Twenty	JAVLX	EMC	1.5
Price New Era	PRNEX	EC	1.2
Royce Value Ser	RYVFX	ESC	1.0
Neubrg & Brmn Lmtd Bond	NLMBX	BS	36.6
Amrcn Bcn Intm Bond	AAPAX	BI	25.7
Permanent Port Versatile Bond	PRVBX	BF	21.3
x	x	x	x
Permanent Portfolio T-Bill	PRTBX	BS	20.2
Dreyfus Short-Intmtdt Govt	DSIGX	BI	17.6
AmCent US Govt Short	TWUSX	BS	15.6
Wells Fargo Short Govt Bond	MNSGX	BS	15.2

## The Bottoming Process

After that short bear hibernation written about last month, the market retraced to new lows for this bear market cycle. The bull, however, is snorting again and pawing out a potential, news associated double bottom here.

The first bottom was made in March when it was announced that Bear Stearns would be taken over. From there the market rallied into early May. The bad news resumed, however, as financials and housing and the consumer remain in poor shape. The market again declined into mid July. This bottom was again accompanied by major "washout" or capitulation news from two areas. One the mortgage finance behemoths, FNMA and FrMAC, would also not be allowed to go bankrupt; the government would step in. Two Merrill Lynch would jettison most of their toxic securities at about 20 cents on the dollar, which is about where Bear also sold itself for.

All of this activity is shown on the chart on page 7.

As you can see, the market remains in its long-term down trend, but there are some positives happening that help the bottoming process.

One is the aforementioned recognition of losses. This is one thing that sets America apart from many other investable countries. We mark the losses to the market, take the losses and move on. If you try to hide them or wait it out, you just add to your selling agony with no end in sight.

Two is the skyrocketing number of new lows. There is lots of selling, lots of panic, but for certain issues, the fear of loss is irrational. For example, some CD's yield substantially more than others, even though both are backed by the government.

So, the background has turned somewhat positive. The economy still muddles along, oil has dropped, interest rates are stable, losses are counted and known. This is a process though. It takes time, but at this point, we seem to know exactly what we are dealing with, yet bargains are appearing in contrast to the fear.

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### AROUND THE CAMPFIRE

Bull market bubbles sow the seeds of their own destruction. They rally and rally, but at some point, prices become too high for the users of those products and they react. They substitute, like fish instead of beef or sun instead of oil; they conserve, like staycationse; they even abandon, like scoters for SUVs. That is why it is never different.

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 52 funds followed.	S Wn	Permanent Portfolio Family	PRPFX	HB	H	12.67	3.74	165	0.80	-1.13	151	37.60	18	*****	11.7
	S Ws	Gabelli Mathers Fund	MATRX	HGI	H	0.94	0.75	0.29	-0.10	0.00	0.22	10.51	2	*****	8.6
	S WC	Berwyn Income	BERIX	HGI	H	3.74	-0.25	0.15	-0.20	1.47	0.94	11.72	5	*****	5.2
	F SW	ABN AMRO Mntg Balncd	MOBAX	HB	H	5.02	-4.95	2.52	-1.60	-0.42	2.10	18.80	1	*****	0.3
	W	CGM Mutual Fund	LOMMX	HGI	H	17.37	-7.12	3.02	-7.44	-6.08	5.04	30.73	0	****	-0.1
	Fn So Ws R2<90d	Oakmark Eqty Incm I	OAKBX	HB	H	4.64	-2.52	0.72	-3.63	-3.42	1.82	26.58	-4	****	-2.3
	F SW	Leuthold Core Invst	LCORX	HB	H	3.72	-1.40	-0.92	-4.82	-1.48	2.12	17.35	-5	****	-2.3
	F SW	Greenspring Fund	GRSPX	HGI	H	-0.32	-4.29	0.87	0.00	-1.48	2.07	23.23	-5	****	-2.5
	F SWC	FPA Crescent	FPACX	HGI	H	-0.41	-2.15	1.38	-3.29	-3.99	1.99	25.00	-8	****	-4.3
	F SW	ABN AMRO Balncd	CHTAX	HB	H	-3.56	-8.26	2.76	-2.35	-0.84	2.15	5.92	-12	****	-5.7
Usually... Variable combination of stocks, bonds and cash. Risk, growth and income emphasis varies.	F SW	Jamestown Blncd	JAMBX	HB	H	-0.57	-6.85	-1.08	-2.85	-0.92	2.01	12.91	-12	****	-6.1
	F SW	Buffalo Balanced	BUFBX	HB	H	-1.30	-6.50	-0.27	-4.36	-3.02	2.28	11.25	-15	****	-6.8
	Fn S Wn	Value Line Asset Allctn	VLAAX	HB	H	-1.59	-9.41	-1.54	-3.95	-1.50	2.61	20.42	-18	****	-6.9
	F SW	Columbia Balanced	CBALX	HB	H	0.71	-6.70	-2.95	-4.28	-0.58	1.86	23.81	-14	****	-7.4
	F SW	Price Capital Appreciation	PRWCX	HGI	H	-2.98	-6.35	-1.34	-3.37	-0.16	1.89	19.19	-14	****	-7.5
	ETF	Spdr Gold	GLD	EG	E	36.92	14.58	-1.44	3.96	-1.44	4.44	90.08	53	*****	11.8
	ETF	PS Silver	DBS	EG	E	28.57	15.15	3.63	4.80	1.28	6.08	32.54	53	*****	8.8
	D	USAA Pr M tls	USAGX	EG	E	23.57	-6.99	-7.32	-0.70	-0.94	7.37	32.80	-2	****	-0.3
	F SW R25<4d	US Gbl Invst US Gold	USERX	EG	E	15.61	-11.34	-13.76	-3.32	-10.24	7.87	15.42	-23	****	-2.9
	F So Wn	AmCent Global Gold	BGEIX	EG	E	10.47	-14.74	-14.20	-1.09	-11.00	7.95	20.96	-31	****	-3.8
Aggressive Growth 39 funds followed.	ETF	PS Energy	DBE	EA	E	61.45	39.32	36.96	10.16	-12.60	6.62	47.68	135	*****	20.4
	ETF	PS Oil	DBO	EA	E	68.43	38.73	40.52	10.02	-11.34	7.28	46.89	146	*****	20.1
	F SWC	Caldwell & Oakin Mrkt Opprntny	COAGX	EA	E	13.72	1.25	-0.67	3.55	-2.86	2.26	22.16	15	*****	5.3
	Fn So Wn	Janus Olympus	JAOLX	EA	E	-1.62	8.75	0.00	0.00	0.00	1.65	33.50	7	*****	4.3
	Fn So Wn R<6m	Royce Premier Series	RYPRX	EA	E	4.16	-1.37	7.93	-1.65	-1.27	3.14	17.83	8	*****	2.5
	W	CGM Focus	CGMFX	EA	E	30.59	-4.12	3.23	-8.59	-8.97	8.47	49.80	2	****	0.3
	F SR<12m	Vanguard Energy	VGEXX	EA	E	12.84	-1.17	8.70	-7.80	-14.50	6.20	78.46	-2	****	-0.3
	Fn So Wn	Wells Fargo Discovery	STDX	EA	E	0.18	-9.72	6.12	3.27	-3.37	4.58	21.49	-4	****	-0.8
	F SW	Federated Kaufmann	FIIFX	EA	E	3.33	0.80	-2.34	-1.63	-0.91	0.80	9.76	-1	****	-0.9
	F SR<12m	Vanguard Health Care	VGHCX	EA	E	-3.07	-7.12	-1.32	3.97	4.95	2.72	130.58	-3	****	-1.0
Small Cap 104 funds followed.	Fn So Ws C	Neuberger & Berman Genesis	NBGNX	ESC	E	9.69	-2.14	5.58	-2.34	-4.15	3.43	34.22	7	*****	1.9
	Fn So Wn R<6m	Royce Value Ser	RYVFX	ESC	E	1.11	-1.86	8.06	-0.18	-3.05	3.91	11.13	4	****	1.0
	Fn S Wn	WPG Tudor	TUDRX	ESC	E	4.60	5.92	3.02	-6.57	-5.74	3.44	15.93	1	****	0.4
	F SW	FM I Common Stk	FMIMX	ESC	E	-6.92	-4.77	4.13	1.54	6.90	3.03	21.70	1	****	0.3
	Fn So Wn R<6m	Royce Special Eq	RYSEX	ESC	E	-4.42	-6.49	2.62	1.97	4.51	3.00	17.61	-2	****	-0.6
	S C	Price Small Cap Value	PRSVX	ESC	E	-2.89	-7.21	4.27	0.65	2.59	3.11	35.64	-3	****	-0.8
	Fn Wn C	Turner Micro Cap	TMCGX	ESC	E	1.05	-9.30	3.35	1.69	-1.29	3.57	52.80	-4	****	-1.3
	S W	Victory Small Co Opp G	GOGFX	ESC	E	-5.38	-5.85	5.62	-0.59	2.11	3.10	25.18	-4	****	-1.3
	F SW	ABN AMRO TMRO Sml Cap	ATASX	ESC	E	-5.26	-13.80	4.24	1.84	3.55	4.81	17.20	-9	****	-2.0
	S	Stratton Small Cap Value	STSCX	ESC	E	-3.46	-6.51	5.70	-0.32	-2.60	3.26	46.91	-7	****	-2.2
Usually... Market cap less than \$1 billion, no dividend, with growth emphasis. Higher risk.	Fn Wn C	Turner Small Cap Value	TCSVX	ESC	E	-2.78	-8.90	2.36	-1.59	1.56	3.76	13.00	-9	****	-2.5
	F SW	Columbia Small Cap	CMSCX	ESC	E	0.47	-13.15	2.28	-0.43	-1.38	4.30	27.80	-12	****	-2.8
	F SW	Northern SmlCap Value	NOSGX	ESC	E	-5.47	-9.34	0.89	-0.66	4.30	3.47	13.59	-10	****	-3.0
	Fn So Wn	Wells Fargo Emrg Grth	SEMRX	ESC	E	-3.06	-3.26	4.75	-8.25	-2.22	4.05	14.56	-12	****	-3.0
	Fn So Wn C	William Blair Val Dis	BVDIX	ESC	E	-6.81	-8.15	1.53	-1.23	3.78	3.54	11.27	-11	****	-3.1
	F SW	TCW Gal SmallCap Grth	TGSNX	ESC	E	-0.96	-15.56	4.91	-1.41	-1.19	4.60	21.60	-14	****	-3.1
	Fn So Wn R<6m	Royce Low Priced	RYLPX	ESC	E	-5.12	-8.82	3.30	-0.55	-0.48	3.47	14.42	-12	****	-3.4
	Fn Wn C	Turner Small Cap Growth	TSCGX	ESC	E	-2.76	-13.30	2.78	0.50	-0.20	3.84	29.98	-13	****	-3.4
	Fn So Wn C	Artisan SmCap Val	ARTVX	ESC	E	-5.68	-5.11	3.01	-1.96	-0.07	2.83	14.03	-10	****	-3.5
	F SW	Northern SmlCap Grth	NSGRX	ESC	E	-3.85	-12.91	1.77	0.15	1.69	3.72	13.22	-13	****	-3.5
Mid Cap 62 funds followed.	F SW	Laudus Rosen US Discvry	RDVX	ESC	E	-5.11	-9.10	4.06	0.59	-3.70	3.44	16.92	-13	****	-3.9
	F S	Berwyn	BERWX	ESC	E	-5.30	-7.38	2.42	-2.75	1.18	2.96	24.09	-12	****	-4.0
	Fn So Wn	Third Ave SmallCap	TASCX	ESC	E	-2.76	-6.63	1.85	-2.90	-2.04	3.05	23.09	-12	****	-4.1
	F So Wn	AmCent New Opp II	ANOIX	ESC	E	-5.20	-15.36	0.25	0.77	-0.13	4.14	7.90	-20	****	-4.8
	F SW	Nicholas Limited Edition	NCLEX	ESC	E	-2.21	-11.99	-1.80	-1.70	1.20	3.47	15.54	-16	****	-4.8
	F SWn I	Wilshire Target Small Co Grth	DTSGX	ESC	E	-6.25	-13.62	2.52	-0.32	-1.02	3.86	15.45	-19	****	-4.8
	F SW	AmCent Veedot	AMVIX	ESC	E	-3.20	-18.16	2.57	-2.82	-6.31	5.45	7.57	-28	****	-5.1
	Si Ws	Rydex OTC	RYOCX	ESC	E	-4.51	-17.31	0.33	-3.15	1.07	4.56	12.28	-24	****	-5.2
	Fn So Ws	Neuberger & Ber Millen	NBMIX	ESC	E	-2.17	-17.29	-1.37	-2.59	-1.26	4.57	18.03	-25	****	-5.4
	Fn S Wn C	Loomis Sayles Small Cap	LSSCX	ESC	E	-7.67	-13.04	0.00	-1.89	2.70	3.63	22.84	-20	****	-5.5
Usually... Market cap \$1 billion to \$3.5 billion. Risk, growth and dividend emphasis varies.	F SWn I	California Invest S&P SmCap	SMCIX	ESC	E	-7.98	-12.47	-0.01	-1.07	2.37	3.38	15.99	-19	****	-5.7
	Fn So Wn	Marshall Small Cap	MRSCX	ESC	E	-3.91	-18.03	-1.02	-0.21	-2.47	4.52	14.58	-26	****	-5.7
	Fn S Wn	Value Line Emrg Opp	VLEOX	ESC	E	-5.41	-13.01	0.77	-2.05	0.61	3.35	31.49	-19	****	-5.7
	F SWn I	Wilshire Target Small Co Value	DTSVX	ESC	E	-10.42	-14.32	-0.13	-1.17	2.84	3.99	15.21	-23	****	-5.8
	F SW	Kalmar ValueSmCap	KGSCX	ESC	E	-4.75	-14.36	-1.35	-1.49	-1.14	3.81	13.92	-23	****	-6.1
	F SW	Delafield	DEFIX	ESC	E	-8.32	-8.65	0.47	-1.64	1.75	2.70	23.32	-16	****	-6.1
	F So Wn	AmCent Vista Investors	TWCVX	ESC	E	-2.81	-15.56	-0.32	-3.78	-6.06	4.67	18.59	-29	****	-6.1
	F SW	CRM Small Cap	CRMSX	ESC	E	-10.45	-9.76	-0.66	-2.64	3.94	3.20	19.54	-20	****	-6.1
	Si W 1.5% I	Vanguard SmlCap Index	NAESX	ESC	E	-8.27	-13.65	-0.48	-2.60	1.67	3.73	30.39	-23	****	-6.3
	F So Wn	Dreyfus Small Cap Index	DISSX	ESC	E	-8.73	-13.18	-0.33	-1.42	2.23	3.42	20.17	-21	****	-6.3
Mid Cap 62 funds followed.	F SW I	Federated Mid Cap Indx	FMMSX	EMC	E	6.70	9.33	7.83	2.42	3.47	1.80	14.12	39	*****	21.5
	F SW	Hussman Strtg Grth	HSGFX	EMC	E	3.01	3.39	3.84	4.04	1.46	1.25	15.96	16	*****	12.6
	Fn So Wn C	Janus Twenty	JAVLX	EMC	E	17.70	-4.09	4.27	-6.34	-4.91	4.42	17.150	7	*****	15
	Fn So Wn	Marshall Mid Cap Stock	MRMSX	EMC	E	4.31	-9.33	4.68	-2.82	-3.97	4.12	17.89	-7	****	-1.7
	F So Wn	AmCent Hertz Investors	TWHIX	EMC	E	3.47	-10.09	1.45	-2.35	-3.79	4.46	19.55	-11	****	-2.5
	Fn So Wn	RS Partners	RSNRX	EMC	E	9.67	-4.89	3.08	-9.04	-16.14	6.04	36.53	-17	****	-2.9
	F SW	Westport Growth	WPFRX	EMC	E	-0.11	-6.27	2.63	-3.98	-5.14	3.28	20.29	-13	****	-3.9
	Fn So Wns	Wells Fargo Entrprs	SENTX	EMC	E	-3.05	-12.09	4.39	-2.07	-5.38	4.32	33.08	-18	****	-4.2
	Fn S W	Fidelity Levrg Co Stk	FLVCX	EMC	E	-2.85	-9.71	5.46	-3.81	-10.25	4.94	31.09	-21	****	-4.3
	F SW	Price New America Growth	PRWAX	EMC	E	-0.67	-10.97	2.36	-4.10	-1.25	3.39	29.94	-15	****	-4.3
Risk, growth and dividend emphasis varies.	F SW	Northern MidCap Gr	NOMCX	EMC	E	-0.12	-11.61	-1.19	-3.47	-2.74	3.95	16.67	-19	****	-4.8
	F SW	Columbia Mid Cap Grth	CLSPX	EMC	E	-0.81	-11.82	1.51	-4.51	-5.48	4.17	24.13	-21	****	-5.1
	F SW	Crdt Suisse Mid Cap	CUEGX	EMC	E	-4.09	-10.98	0.92	-3.16	-1.44	3.68	34.93	-19	****	

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 97 funds dalq  Usually... Market cap greater than \$3.5 billion, larger dividend, with growth and average risk.	F S W	TCW Gal Sict Eqty	TGCNX	ELC	E	-5.40	-14.40	-2.05	-5.76	-1.47	3.52	16.70	-29	****	0.9
	F S W	ABN AMRO Mntg Grth	MCGFX	ELC	E	4.32	-9.50	4.47	-2.40	-0.76	3.43	24.80	-4	****	-1.1
	So	First Eagle Fund of Amr	FEAFX	ELC	E	0.59	-4.77	4.14	-3.40	-1.67	3.20	25.88	-5	****	-1.6
	S W	Reynolds Blue Chip Growth	RBCGX	ELC	E	2.66	-4.63	0.06	0.13	-0.09	1.11	31.92	-2	****	-1.7
	Fn S W	Fidelity Independence	FDFFX	ELC	E	9.99	-8.28	3.92	-4.85	-10.74	5.17	26.27	-10	****	-1.9
	F S W C	Vanguard PRIMECAP	VPMCX	ELC	E	0.10	-7.56	1.12	-1.62	-0.50	2.65	69.32	-8	****	-3.2
	Fn So Wn	Managers Capital Apprtcn	MGCAX	ELC	E	-0.29	-14.29	0.39	-0.58	-1.66	3.68	30.83	-16	****	-4.5
	F S W	Chase Grth	CHASX	ELC	E	2.88	-10.15	-1.41	-3.77	-1.15	2.90	18.90	-14	****	-4.7
	F S W	Aquinas Grth	AQEGX	ELC	E	0.26	-8.23	0.46	-5.03	-3.04	3.27	15.30	-16	****	-4.8
	F S W	Jensen	JENSX	ELC	E	-3.34	-9.63	-1.90	-2.11	3.75	2.62	26.01	-13	****	-5.1
	F S W	Fairholme	FAIRX	ELC	E	-1.01	-11.07	-2.85	-6.45	1.03	3.81	30.29	-20	***	-5.3
	F S W	Profunds OTC	OTPIX	ELC	E	-4.85	-17.74	0.39	-3.47	0.46	4.54	67.03	-25	***	-5.6
	F S W	ABN AMRO Grth	CHTX	ELC	E	-7.26	-13.07	4.34	-2.30	-0.62	3.11	14.44	-19	***	-6.1
	S W	Stratton Growth	STRGX	ELC	E	-1.14	-10.20	-0.66	-7.36	-6.09	4.09	39.35	-25	***	-6.2
	F So Wn	AmCent Grwth Investors	TWCGX	ELC	E	-0.75	-11.69	-1.79	-5.93	-1.87	3.42	23.62	-22	***	-6.4
	Fn So Wn	SIT Large Cap	SNIGX	ELC	E	-1.28	-10.55	-1.32	-4.56	-2.21	2.92	42.46	-20	***	-6.8
	Fn S W	Fidelity Growth Company	FDGRX	ELC	E	-0.93	-15.04	-0.70	-5.39	-4.69	3.85	74.75	-27	***	-7.0
	F S W	Amrcn Trust Allgnc	ATAFX	ELC	E	-3.57	-10.24	-0.79	-4.83	-0.11	2.76	18.93	-20	***	-7.1
	Fn So Wn R15<30d	Wright Selected Blue Chip	WSBEX	ELC	E	-7.97	-12.96	-1.80	-2.75	-1.39	3.68	9.20	-27	***	-7.3
	Fn So Wn	Marsico Focus	MFOCX	ELC	E	-2.08	-17.50	-4.01	-6.33	0.58	3.92	17.46	-29	***	-7.5
	F S W	Bridgeway Large Grth	BRLGX	ELC	E	-4.26	-12.93	-0.52	-5.33	-2.91	3.44	13.33	-26	***	-7.5
	Fn So W	Papp America Abroad	LRPSX	ELC	E	-5.33	-11.67	-1.99	-3.91	1.20	2.83	11.80	-22	***	-7.7
	Fn So Wns	Wells Fargo LargeCap Gr	STRFX	ELC	E	-2.10	-13.58	-2.21	-5.67	-2.60	3.37	26.61	-26	***	-7.8
	F S W	Northern Select Eqty	NOEQX	ELC	E	-2.56	-14.95	-3.17	-5.27	-4.94	3.90	21.38	-31	***	-7.9
	Fn So Wn C	Dreyfus Third Century	DRTHX	ELC	E	-5.43	-12.19	-1.40	-3.57	-1.18	2.99	9.18	-24	***	-7.9
	Fn So Wns	Wells Fargo Growth	SGROX	ELC	E	-4.54	-16.62	-2.81	-4.40	-1.37	3.66	25.23	-30	***	-8.1
	F So Wn	Flex Muirfield	FLMFX	ELC	E	-8.85	-13.83	-0.93	-4.47	-2.38	3.74	5.34	-30	***	-8.1
	F S W	Vanguard US Growth	VWUSX	ELC	E	-6.84	-14.04	-0.22	-3.83	-0.39	3.08	17.81	-25	***	-8.2
	Fn So Wn	Bramwell Growth	BRGRX	ELC	E	-3.67	-11.95	-0.99	-6.28	-3.63	3.21	18.06	-27	***	-8.3
	F S W	Harbor Capital Appreciation	HACAX	ELC	E	-3.64	-14.45	-2.12	-5.30	-2.24	3.30	33.21	-28	***	-8.4
	D	USAA Growth	USAAAX	ELC	E	-4.24	-17.03	-3.34	-6.91	-3.22	4.09	15.35	-35	***	-8.5
	F So Wn	AmCent Select Investors	TWCIX	ELC	E	-3.57	-15.14	-3.12	-6.39	-3.01	3.61	35.74	-31	***	-8.7
	Fn S W	Fidelity Contra	FCNTX	ELC	E	-2.41	-14.00	-2.70	-5.84	-4.14	3.35	63.72	-29	***	-8.7
	Fn S Wn	Loomis Sayles Growth	LSGRX	ELC	E	-5.63	-18.33	-3.92	-7.28	-3.78	4.47	6.37	-39	***	-8.7
	F S W	Spectra N	SPECX	ELC	E	-4.39	-18.42	-5.87	-6.58	-4.21	4.49	9.79	-39	***	-8.8
	Fn So Wn	Heartland Value	HRVIX	EV	E	6.71	3.16	17.77	3.22	0.48	3.28	25.07	31	*****	9.6
	Fn So Wns	Wells Fargo MultiCap Value	SMTVX	EV	E	9.55	11.58	11.7	-1.65	-5.31	4.01	63.35	25	*****	6.3
	S W	Victory Estblshd Value G	GETGX	EV	E	-2.77	-8.48	1.20	-3.72	-2.13	3.35	23.92	-16	****	-4.7
	F S W	Meridian Value	MVALX	EV	E	-3.45	-8.51	-0.13	-1.94	1.39	2.65	29.84	-13	****	-4.8
	Fn So Wn	Sound Shore	SSHFX	EV	E	-6.21	-10.05	-1.37	-0.62	2.90	2.83	33.71	-15	****	-5.4
F S W	Aegis Value	AVALX	EV	E	-12.77	-6.38	2.04	-1.80	0.80	3.15	12.53	-18	***	-5.7	
F S W	Amana Incm	AMANX	EV	E	-1.54	-8.67	-1.16	-5.06	-2.09	2.56	29.04	-19	***	-7.2	
F S W	ABN AMRO TMRO Lrg Value	ATLVX	EV	E	-7.04	-14.85	-3.35	-3.27	0.18	3.47	11.24	-28	***	-8.2	
F S W	Aquinas Value	AQEIX	EV	E	-6.28	-11.88	-4.62	-5.37	1.27	3.04	11.98	-27	***	-8.8	
So W	Mosaic Investors	MINVX	EV	E	-7.88	-12.81	-5.22	-5.65	2.64	2.67	16.69	-29	***	-10.8	
Fn So Wn	Baron Small Cap	BSCFX	EV	E	-9.93	-19.21	-6.20	-6.24	0.45	3.78	20.27	-41	***	-10.9	
Fn So Wn	Baron Asset	BARAX	EV	E	-8.10	-17.27	-6.25	-7.36	-1.61	3.72	55.47	-41	***	-10.9	
Fn So Ws R2<90d	Oakmark	OAKMX	EV	E	-12.54	-15.36	-5.90	-6.19	3.21	3.21	36.97	-37	***	-11.5	
Fn S W	Fidelity Fifty	FFTYX	EV	E	-13.98	-21.22	-2.00	-7.64	-6.67	4.35	18.61	-52	***	-11.8	
F S W	Harbor Value	HAVLX	EV	E	-6.09	-13.62	-6.15	-8.77	-0.24	2.88	8.41	-35	***	-12.1	
F S W	Homestead Value	HOVLX	EV	E	-3.79	-16.96	-5.73	-5.70	1.27	3.31	30.99	-41	***	-12.4	
F S W	Price Mid Value	TRMCX	EV	E	-10.53	-12.75	-5.28	-5.80	-0.10	2.72	20.62	-34	***	-12.7	
Fn So Wn	Yacktman Focused	YAFFX	EV	E	-7.23	-12.32	-6.87	-8.63	1.45	2.52	12.60	-34	***	-13.3	
F S W	Price Value	TRVLX	EV	E	-13.07	-15.63	-5.39	-5.92	1.30	2.88	23.36	-39	***	-13.4	
Fn So Wns	Gabelli Asset	GABAX	EV	E	-10.24	-15.33	-5.05	-6.80	-1.13	2.86	43.85	-39	***	-13.5	
World Growth 80 funds followed.  Risk, growth, income and country emphasis varies.	F S W	AMIDEX 35	AMDEX	EW	E	7.61	-4.48	1.25	-5.88	-9.64	5.37	15.38	-11	****	-2.1
	F S W	Metzler/Payden Emrg M rkt	MPYMX	EW	E	-0.20	-12.65	4.14	-4.43	-1.00	4.99	33.68	-14	****	-2.6
	F S W	Buffalo US Gbl	BUFGX	EW	E	-5.72	-11.70	2.71	-1.65	1.30	2.95	21.76	-15	****	-5.1
	Fn So Wn	RS Natrl Rsrcs	RSPFX	EW	E	-8.29	-9.10	1.70	-2.27	-1.58	3.54	29.29	-20	****	-5.5
	W	Legg Mason Emrg M rkt	LMEMX	EW	E	-0.78	-19.41	-3.73	-11.32	-4.45	6.40	23.62	-40	***	-6.2
	F S W	Price Emrg Mkt Stk	PRMSX	EW	E	-4.49	-23.25	-7.08	-14.64	-5.64	6.84	34.80	-55	***	-8.1
	Fn S W	Fidelity Emrg M rkt	FEMKX	EW	E	-6.22	-23.55	-7.13	-13.64	-7.51	6.90	27.47	-58	***	-8.4
	F S W	Harbor International	HAINX	EW	E	-3.47	-14.93	-1.86	-10.02	-3.45	3.94	63.84	-34	***	-8.6
	ETF	iShares Emrg M rkt	EEM	EW	E	-3.26	-23.29	-6.31	-12.55	-5.50	5.80	42.75	-51	***	-8.8
	Fn So Wn	Managers Emrg M rkt	MEMEX	EW	E	-7.78	-21.88	-4.61	-12.34	-6.07	5.92	22.74	-53	***	-8.9
	F So Wn	AmCent Global Grth	TWGGX	EW	E	-4.49	-15.59	-1.66	-7.12	-4.34	3.60	9.26	-33	***	-9.2
	Fn So Wn	Wells Fargo Emrg M rkt	MNEFX	EW	E	-5.65	-23.64	-8.78	-12.64	-7.27	6.18	41.05	-58	***	-9.4
	F S W	Driehaus Intl Dis	DRIDX	EW	E	-7.43	-21.59	-3.89	-8.70	-9.88	5.40	35.58	-51	***	-9.5
	F S W	Price Gbl Stk	PRGSX	EW	E	-4.27	-15.78	-5.68	-10.83	-3.27	4.02	21.91	-40	***	-9.9
	Fn S W	Fidelity Worldwide	FWWFX	EW	E	-5.47	-16.47	-2.78	-7.32	-4.60	3.69	18.86	-37	***	-9.9
	F S W R2<2m	Thomas White Intrntl	TWVWX	EW	E	-7.23	-16.30	-2.13	-8.01	-3.68	3.76	18.84	-37	***	-9.9
	Fn So Wn C R2<3m	Janus Overseas	JAOSX	EW	E	-4.65	-18.71	-8.42	-15.18	-1.66	4.75	46.76	-49	***	-10.2
	F S W	Matthews Asian G/I	MACSX	EW	E	-3.10	-10.95	-4.99	-9.25	-2.00	2.94	17.17	-30	***	-10.3
	Fn So Wn	Gabelli Gbl Grth	GICPX	EW	E	-5.01	-15.79	-3.90	-9.92	-6.24	3.82	23.44	-41	***	-10.7
	F So Wn R2<180d	AmCent Emrg M rkt	TWMIX	EW	E	-11.80	-27.22	-9.96	-14.52	-8.22	6.70	8.71	-72	***	-10.7
F W	Preferred Intrntl Value	PFIFX	EW	E	0.36	-3.81	-2.58	-3.15	-0.92	0.91	10.81	-10	***	-11.1	
F S W	SSgA Intl Grth Opp	SINGX	EW	E	-8.38	-14.43	-2.06	-9.85	-4.83	3.48	12.81	-40	***	-11.4	
F S W	Price International Stock	PRITX	EW	E	-7.49	-17.49	-4.33	-10.28	-3.19	3.76	14.58	-43	***	-11.4	
Fn So Wn	SIT International Growth	SNGRX	EW	E	-6.38	-15.74	-4.49	-8.45	-4.44	3.47	17.01	-40	***	-11.4	
F S W	UMB Scout Worldwide	UMBWX	EW	E	-4.50	-13.11	-3.25	-8.79	-4.15	2.96	33.27	-34	***	-11.4	
World Regional 26 funds followed.  Region or industry emphasis varies.	Fn So Wn R2<3m	Janus Gbl LifeScienc	JAGLX	EWR	E	9.87	-1.70	2.60	5.57	5.52	2.76	23.71	22	*****	7.9
	F S R15<3m	Fidelity Latin America	FLATX	EWR	E	11.27	-7.72	3.03	-8.70	-9.54	6.92	60.43	-12	*****	-1.7
	S	Price Latin America	PLRAX	EWR	E	10.72	-10.71	1.77	-10.08	-8.08	7.26</				

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> 54 funds followed.	F S Wn	Parnassus Incm Fund Balanced	PRBLX	EGI	E	4.58	-3.55	3.89	-0.70	2.11	2.79	24.70	6	*****	2.3
	F S W	UMB Scout Stk	UMBSX	EGI	E	-0.70	-9.33	0.37	-1.74	0.62	2.66	13.06	-11	****	-4.1
	F S Ws R.1<4d I	US Gbl Invst Amrcn Eqty	GBTFX	EGI	E	1.74	-13.34	-0.58	-3.46	-5.91	4.55	25.64	-22	****	-4.7
	S W	Victory Divrsf Stk	GRINX	EGI	E	-3.18	-10.38	1.61	-1.34	-0.18	2.63	16.47	-13	****	-5.1
	F S W	ING Corp Leaders	LEXCX	EGI	E	-2.98	-8.84	0.05	-6.06	-1.57	2.88	21.34	-19	****	-6.7
	Fn So Wn	Heartland Value & Income	HRTVX	EGI	E	-11.45	-13.75	1.96	-0.59	-3.54	3.94	39.00	-27	***	-6.9
	F S W	Hennsler Eqty	HEQFX	EGI	E	-3.20	-9.28	-1.04	-5.51	0.49	2.60	14.22	-19	***	-7.1
	Fn S W	Fidelity Convertible Securities	FCVFX	EGI	E	-4.12	-9.72	0.26	-6.12	-8.98	3.81	26.25	-29	***	-7.5
	Fn S Wn	Value Line Income	VALIX	EGI	E	-2.04	-5.90	-1.88	-2.78	-0.37	1.62	8.04	-13	***	-8.0
	F W	Mairs & Power Growth	MPGFX	EGI	E	-7.86	-11.10	-4.54	-4.96	4.05	2.84	69.59	-24	***	-8.6
	F So Wn	AmCent Utilities Income	BULIX	EGI	E	-2.89	-13.46	-4.88	-5.16	-5.38	3.63	16.52	-32	***	-8.8
	Fn S Wn	Value Line Convertible	VALCX	EGI	E	-3.53	-9.52	-1.52	-3.08	-1.99	2.24	11.85	-20	***	-8.8
	Fn S Wn	Value Line Fund	VLIFX	EGI	E	-5.22	-17.93	-2.50	-3.88	-5.22	3.94	10.90	-35	***	-8.8
	F S W	Vanguard Convertible Securities	VCVSX	EGI	E	-1.40	-8.92	-3.69	-4.35	-2.95	2.21	12.81	-21	***	-9.6
	F S W	Nicholas Equity Income	NSEIX	EGI	E	-8.74	-11.46	-1.89	-3.76	0.56	2.56	12.54	-25	***	-9.9
<b>Contrary</b> 20 funds followed.	Fn So Wn	FAM Equity Income	FAMEX	EGI	E	-12.83	-13.91	-3.43	-5.11	1.72	3.34	17.74	-34	***	-10.0
	F S W	Bridges Invst	BRGIX	EGI	E	-5.91	-13.00	-5.00	-7.53	-2.03	3.08	30.89	-33	***	-10.9
	Fn So Wn	Westcore Growth	WTEIX	EGI	E	-7.53	-19.28	-6.55	-8.81	-4.04	4.16	12.84	-46	***	-11.1
	F S W	Price Dividend Growth	PRDGX	EGI	E	-7.27	-12.41	-4.46	-5.36	0.22	2.60	22.71	-29	***	-11.3
	Fn So Wns	Wells Fargo Div Incm	SDVIX	EGI	E	-7.95	-13.93	-5.72	-7.03	0.82	2.89	14.67	-34	***	-11.7
	F S W	Analytic Defensive	ANDEX	EGI	E	-11.86	-11.06	-1.31	-7.62	-4.00	3.01	12.01	-36	***	-11.9
	F S W	Price Growth & Income	PRGIX	EGI	E	-8.96	-14.36	-4.51	-6.68	-1.40	2.89	19.67	-36	***	-12.4
	F S Wn	Domini Social Equity	DSEFX	EGI	E	-11.86	-15.29	-3.79	-7.10	-0.53	3.07	28.19	-39	***	-12.6
	D	USAA Grth/Incm	USGRX	EGI	E	-10.73	-17.30	-6.58	-7.05	-1.79	3.44	14.85	-43	***	-12.6
	Fn So Wn	Gabelli Equity Incm	GABEX	EGI	E	-7.95	-13.61	-5.49	-6.55	-0.86	2.59	19.66	-34	***	-13.3
	F S W	Grizzly Short	GRZZX	EC	E	38.85	43.03	22.24	16.35	0.45	4.73	6.76	121	*****	25.6
	ETF	PS Commodity	DBC	EC	E	54.26	32.46	24.38	6.51	-9.78	5.04	40.40	108	*****	21.4
	F S W	Potomac US Short	PSPSX	EC	E	8.52	16.48	10.93	11.02	2.94	2.49	24.95	50	*****	20.0
	ETF	Currency Euro	FXE	EC	E	14.06	7.86	4.87	0.00	-0.82	1.50	156.53	26	*****	17.3
	F Si W	Rydex Ursa (short S&P 500)	RYURX	EC	E	14.56	20.78	7.22	8.60	0.73	3.02	41.43	52	*****	17.2
<b>Real Estate</b> 14 funds followed.	F W	Columbia REIT	CREEX	ERE	E	0.38	-11.34	4.42	-2.97	5.27	5.23	13.59	-4	****	-0.8
	F S W	Stratton Monthly Dividend Shrs	STMDX	ERE	E	-2.43	-11.73	-1.41	-5.18	5.44	4.77	26.17	-15	****	-3.2
	F S W	Vanguard REIT	VGSIX	ERE	E	-3.62	-14.23	0.00	-7.86	3.15	4.93	19.97	-23	****	-4.6
	F S W	SSGA Tuckerman REIT	SSREX	ERE	E	-4.82	-15.21	1.34	-8.23	2.53	5.06	13.78	-24	****	-4.8
	F So Wn	AmCent Real Estate	REACX	ERE	E	-4.96	-15.94	-2.25	-8.16	2.54	5.09	20.98	-29	****	-5.7
<b>Bond Short</b> 18 funds followed.	So W	Neubrg & Brmn Lmted Bond	NLMBX	BS	B	5.13	4.43	2.68	1.11	0.96	0.39	9.12	14	*****	36.6
	F W	Preferred Short Govt Secrts	PFSGX	BS	B	x	x	-5.18	0.05	-2.71	8.86	19.03	x	x	x
	S Wn	Permanent Portfolio T-Bill	PTBIX	BS	B	2.47	1.48	0.48	0.17	0.12	0.23	69.35	5	*****	20.2
	F So Wn	AmCent US Govt Short	TWJSX	BS	B	5.69	3.74	0.30	0.26	-0.10	0.63	9.54	10	*****	15.6
	Fn So Wn	Wells Fargo Short Govt Bond	MNSGX	BS	B	5.09	3.06	0.22	0.28	-0.20	0.55	10.01	8	*****	15.2
<b>Bond Intrmdt</b> 33 funds followed.	F S W	Amrcn Bcn Intm Bond	AAPAX	BI	B	4.89	6.42	3.41	1.26	1.54	0.68	10.18	17	*****	25.7
	Fn So Wn	Dreyfus Short-Intrmdt Govt	DSIGX	BI	B	5.76	3.80	0.46	0.06	0.00	0.57	10.58	10	*****	17.6
	F S W	Vanguard IT Trsry	VFITX	BI	B	10.13	6.61	-0.33	-0.12	0.44	1.42	11.43	17	****	11.7
	Wn	Dreyfus US Intrmdt	DRGIX	BI	B	8.11	4.79	-0.76	-0.28	0.31	1.09	12.90	12	****	11.1
	F S W	Price US Treasury Intermediate	PRTIX	BI	B	10.28	6.97	-0.38	-0.06	0.36	1.54	5.62	17	****	11.1
<b>Bond Long</b> 7 funds followed.	F S W	Vanguard LT Trsry	VUSTX	BL	B	9.16	5.35	-1.42	-0.45	-0.09	1.67	11.42	12	***	7.5
	F W	Price US Treasury Bond Long	PRULX	BL	B	9.57	5.93	-1.36	-0.55	-0.33	1.85	11.91	13	***	7.1
	Wn	Dreyfus US Long	DRGBX	BL	B	9.70	4.67	-2.45	-0.88	-0.30	1.76	16.38	11	***	6.1
	Fn So Wn	Wasatch Hsng Trsry	WHOSX	BL	B	8.60	4.47	-2.33	-1.20	-1.11	2.18	14.28	8	***	3.8
	ETF	iShares 20+ yr Trsry	TLT	BL	B	4.57	1.88	-3.50	-1.55	-0.73	1.99	91.67	1	***	0.3
<b>Bond US Govt</b> 25 funds followed.	F So Wn	AmCent Inf Adj B	ACITX	BU	B	12.01	8.48	0.31	1.36	-0.44	1.55	11.43	22	*****	14.0
	Fn So Wn	SIT US Govt Securities	SNGVX	BU	B	6.34	4.19	0.08	0.30	-0.28	0.77	10.75	11	*****	13.7
	Fn S W	Fidelity Intrm Gov	FSTGX	BU	B	7.62	4.94	-0.14	0.05	0.19	0.94	10.36	13	*****	13.4
	Fn S Wn	Value Line US Govt Securities	VALBX	BU	B	6.99	3.99	-0.39	-0.59	0.17	0.79	11.54	10	*****	12.8
	Fn S W	Fidelity Govt Securities	FGOVX	BU	B	7.56	4.65	-0.51	-0.41	0.00	0.99	10.38	11	*****	11.3
	F S W	Northern US Gov	NOUGX	BU	B	6.03	3.97	-0.55	-0.40	0.20	0.82	10.02	9	****	11.2
	F Wn	California Invest US Govt Secrt	CAUSX	BU	B	5.61	3.20	-0.69	-0.23	0.10	0.71	10.40	8	****	11.2
	Fn S W	Fidelity GNM A	FGMNX	BU	B	6.43	3.46	-0.45	-0.37	-0.18	0.81	10.86	9	****	10.9
	D	USAA GNMA	USGNX	BU	B	6.00	3.20	-0.62	-0.98	-0.42	0.78	9.57	7	***	9.1
	Fn S Wn	Payden GNMA	PYGNX	BU	B	5.84	3.00	-0.91	-1.02	-0.51	0.73	9.72	6	***	8.7
<b>Bond Flexible</b> 23 funds followed.	S Wn	Permanent Port Versatile Bond	PRVBX	BF	B	3.25	1.99	0.58	0.28	0.13	0.29	60.37	6	*****	21.3
	Fn So Wn	Wells Fargo Corp Bond	STCBX	BF	B	6.29	4.34	1.92	-0.57	0.27	0.82	10.17	12	****	14.9
	F S W	UMB Scout Bond	UMBBX	BF	B	4.91	2.77	-0.53	-0.01	0.09	0.72	10.98	7	****	10.0
	F S W	Harbor Bond	HABDX	BF	B	8.68	4.26	-1.58	-2.14	-0.51	1.06	11.79	9	***	8.2
	F S W	LKCM FI	LKFIX	BF	B	4.62	2.42	-1.11	-0.61	0.00	0.66	10.19	5	***	8.0
	Fn So Wn	Janus Flexible Income	JAFIX	BF	B	6.04	3.03	-0.96	-1.32	-0.32	0.88	9.49	6	****	7.3
	F S W	Price New Income	PRCIX	BF	B	5.56	2.55	-0.99	-1.21	-0.33	0.78	8.93	6	****	7.1
	Si WI	Vanguard TTL Bond Index	VBMFX	BF	B	5.52	2.43	-1.49	-1.09	-0.40	0.81	9.99	5	****	6.1
	Fn So Wn R15<30d	Wright Total Return Bond	WTRBX	BF	B	3.67	1.63	-2.23	-1.68	-0.66	0.77	12.06	1	****	0.9
	D	USAA Income	USAIX	BF	B	3.40	0.84	-1.89	-1.63	-1.01	0.66	11.81	0	****	-0.5
<b>Bond HiYield</b> 19 funds followed.	Fn So Wn	Wells Fargo Shrt HiYld	STHBY	BH	B	3.13	0.99	1.45	-0.40	-0.36	0.52	8.22	5	***	9.1
	Fn S W	Fidelity High Incm	SPHIX	BH	B	1.50	-2.90	0.05	-3.17	-1.67	1.52	8.22	-6	***	-4.1
	Fn S Wn	Value Line Aggrsv Incm	VAGIX	BH	B	1.51	-2.02	-0.32	-2.99	-1.05	1.07	4.71	-5	***	-4.6
	F S W	Columbia High Yield	CMHYX	BH	B	0.73	-4.11	-1.35	-3.04	-0.91	1.45	7.63	-9	***	-6.0
	F S W R1<12m	Price High Yield	PRHYX	BH	B	-0.79	-4.78	-0.78	-2.61	-1.40	1.54	6.32	-10	***	-6.8
<b>Bond World</b> 12 funds followed.	F S W	Prudent Gbl Incm	PSAFX	BW	B	11.83	4.63	1.90	-0.31	-1.56	1.49	13.22	16	*****	11.0
	F So Wn	AmCent Intl Bond	BEGBX	BW	B	12.92	6.06	1.13	-1.55	0.86	1.90	15.26	19	****	10.2
	F S W	BNY Haml Intl Gov	BNIGX	BW	B	5.75	3.19	-1.13	-0.44	0.00	0.80	9.95	7	****	9.1
	F S W	Crdt Suisse Gbl FI	CGFIX	BW	B	9.30	4.20	0.01	-1.44	-0.10	1.37	10.16	12	****	8.7
	F S W	Price International Bond	RPIBX	BW	B	9.15	2.79	0.47	-1.73	0.39	1.93	10.29	11	****	5.7

**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 load. The number after is the amount and/or duration. I index-based fund. C closed to new investors. D direct purchase only. S, F, W indicates fund offered at Charles Schwab & Co., Fidelity, TD Waterhouse, respectively. So, Fn, Wn are funds available without transaction fees. Ws is shortable. Si is institutional only. Holding periods vary.

# Interest Rates and Bond Prices

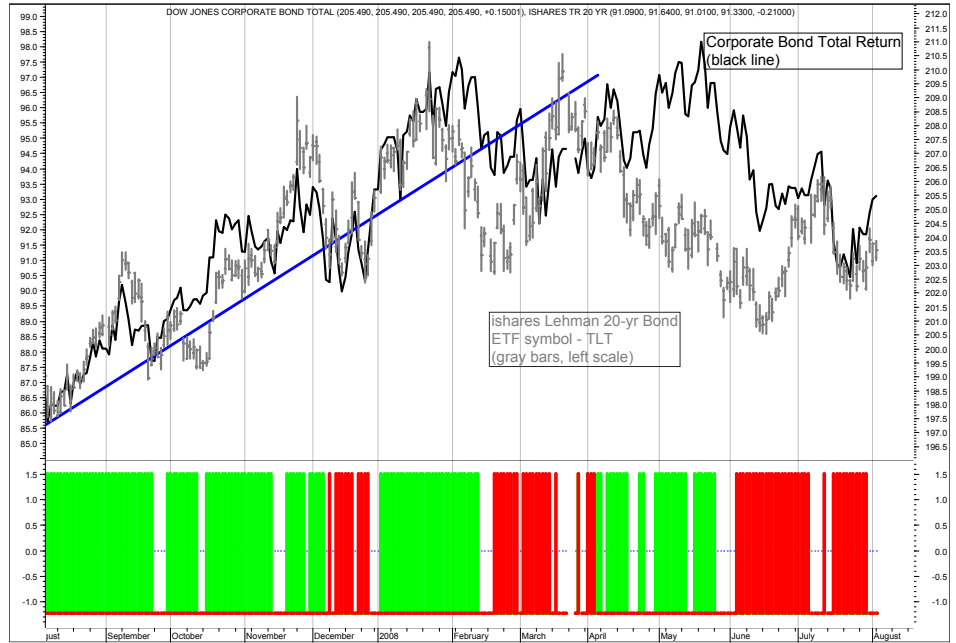
The Federal Reserve held rates steady at their last meeting. This was the best of all worlds for stocks, but neutral news for bonds.

It means that the economy and financials have not deteriorated further, so there is no need to lower rates.

In turn this boosted the dollar, which has also helped the drop in oil prices.

Hopefully, things continue to work this way for the US. A drop in oil, a rise in the dollar, stable interest rates will all lead to a stock market rally, while bonds should simply tread water.

The SLM Bond model remains bearish, so cash instead of bonds should be primarily used for income.



The SLM Bond Market Timing Model shown on bottom part of chart above is an intermediate to long-term (months to years) forecasting tool of the direction of bond prices and yields, which move inversely. If you see this as a PDF file off the internet, the green bars are buy/hold, the red bars are sell/avoid signals. White spaces indicate that the previous signal is still in effect. If you see this as a printed version, the dark bars indicate red, the lighter bars indicate green.

# MAAP Income Portfolio

So far the new mantra is working: A stronger dollar now. No portfolio changes now.

## MONTHLY ACTIVITY

MONTH ENDING: 7/31/2008

## MONTH END VALUATIONS

### INCOME, selected & timed, style and asset allocated (bond, balanced, cash)

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
12-Aug	sell	BEGBX		2,162.9067	-	FAGIX	Bond HiYld	Fidelity Cap/Incm	8.09	3,314.9171	26,818	12%
						BEGBX	Bond Wrld	AmCent Intrn Bond	15.26	2,162.9067	33,006	15%
						MM	Money Market		100	159,237.0000	159,237	73%
						MM	Margin Loan		-100	-	-	0%
Total Valuation=											219,061	100%

# MAAP Growth and Balanced Portfolios

**MONTHLY ACTIVITY**

**MONTH ENDING:** 7/31/2008

**MONTH END VALUATIONS**

**AGGRESSIVE GROWTH, selected & timed, style allocated (stock, balanced, cash)**

Activity Date	Activity	Fund	Action Price	Number of Shares	Action Value	Symbol	Style	Name	Ending NAV	Number of Shares	Current Value	Percent of Total
12-Aug	sell	MIDSX		6,246.9607	-							0%
12-Aug	sell	CGMFX		820.3154	-	MIDSX	Gold	Midas	4.55	6,246.9607	28,424	7%
						PRBLX	Equity G/I	Parnassus Bal	24.70	1,380.1262	34,089	9%
						WPFrx	Eqty MidCap	Westport Grth	20.29	1,592.3567	32,309	8%
						JORNx	Eqty MidCap	Janus Orion	11.90	3,348.7833	39,851	10%
						CGMFX	Eqty Aggrsv	CGM Focus	49.80	820.3154	40,852	10%
						RYURX	Contrary	Rydex Ursa	41.43	2,821.9313	116,913	30%
							MM	Money Market	100	103,869.0000	103,869	26%
<b>Total Valuation=</b>											<b>\$396,306</b>	<b>100%</b>

**GROWTH, selected & timed, style & asset allocated (stock, balanced, cash)**

Activity Date	Activity	Fund	Action Price	Number of Shares	Action Value	Symbol	Style	Fund	Ending NAV	Number of Shares	Current Value	Percent of Total
12-Aug	sell	MIDSX		3,759.3985	-	MIDSX	Gold	Midas	4.55	3,759.3985	17,105	3%
12-Aug	sell	CGMFX		820.3154	-							
						PRBLX	Equity G/I	Parnassus Bal	24.70	1,380.1262	34,089	5%
						WPFrx	Eqty MidCap	Westport Grth	20.29	1,592.3567	32,309	5%
						JORNx	Eqty MidCap	Janus Orion	11.90	3,348.7833	39,851	6%
						CGMFX	Eqty Aggrsv	CGM Focus	49.80	820.3154	40,852	6%
						RYURX	EqtyContry	Rydex Ursa	41.43	2,267.6039	93,947	14%
							MM	Money Market	100	400,415.0000	400,415	61%
<b>Total Valuation=</b>											<b>\$658,567</b>	<b>100%</b>

**BALANCED, selected & timed, style & asset allocated (stock, balanced, bond, cash)**

Activity Date	Activity	Fund	Action Price	Number of Shares	Action Value	Symbol	Style	Fund	Ending NAV	Number of Shares	Current Value	Percent of Total
12-Aug	sell	MIDSX		3,759.3985	-	MIDSX	Gold	Midas	4.55	3,759.3985	17,105	3%
12-Aug	sell	CGMFX		820.3154	-							
						PRBLX	Equity G/I	Parnassus Bal	24.70	1,380.1262	34,089	6%
						WPFrx	Eqty MidCap	Westport Grth	20.29	1,592.3567	32,309	6%
						JORNx	Eqty MidCap	Janus Orion	11.90	3,348.7833	39,851	7%
						CGMFX	Eqty Aggrsv	CGM Focus	49.80	820.3154	40,852	7%
						FAGIX	Bond HIYld	Fidelity Cap/Incm	8.09	6,629.8343	53,635	9%
						RYURX	EqtyContry	Rydex Ursa	41.43	1,049.3179	43,473	8%
							MM	Money Market	100	303,447.0000	303,447	54%
<b>Total Valuation=</b>											<b>\$564,761</b>	<b>100%</b>

The two contrary funds, gold and CGMFX, really got hammered last month, as the markets appear to be changing here. Trends that were in place do not appear to be working anymore. Time for a change.

All MAAP portfolio performances include a separate annual 2% management fee expense (the fee we would charge to manage it). All dividends are reinvested.

# Market Timing and Asset Allocation

## S&P 500 and the Number of New Lows

The number of new NYSE lows exploded to more than 1200 in the July sell off. This will probably mark the technical low point for this bear market, even though external prices may head somewhat lower. In fact, watch for the averages to decline

again to new lows, but be unaccompanied by such a large number of new lows and yet with more fear.

As mentioned on page one, both bottoms in March and July were made with “capitulation news”, which is part of the bottoming process.



### TIMING POSITIONS

**STOCKS:** Neutral.    **GOLD:** Neutral.    **BONDS:** Neutral.

### STOCK MARKET COMMENTS

- US Gov. fiscal policy, **neutral** (housing bill).
- Corporate activity (buy backs, mergers), **bearish** (credit dried up).
- Economy, **bearish** (expectations are coming down slowly).
- Inflation, **bearish** (expectations are going up slowly).
- Oil prices, **neutral** (top in place?).
- Housing, **bearish** (inventory overhang, falling prices, no liquidity).
- Investor sentiment, **neutral** (some bears, some bulls, not lopsided).
- Federal Reserve policy, **neutral** (near the end of easing).
- Market valuation (PE, yield, book), **bearish** (too high values).  
(7000 projected on the Industrials to fair value vs. bond yield).
- Terrorism/war risk, **neutral** (Iranian tension easing a bit).
- Hedge fund/leverage risk, **neutral** (leverage coming down).
- Technical, **bullish**, (bullish divergence, double bottom).

The stock market is trying to put in a bottom. The catalysts have been mainly news associated capitulations in the financials, but the drop in oil and rise in dollar have also helped. With that marking to the market of the losses, we know where we stand, even if it is in insolvency.

So, the market appears to be trying to bottom out here. Look for another sell off to new lows, yet be unaccompanied by confirming technicals. Watch for more bears, less number of new lows, more irrationality.

# Performance Scoreboard

INDEXES, FUND STYLES & MAAP PORTFOLIOS	%RETURNS FROM THE PAST X MONTHS THRU 7/31/08					V Vol- atility	INDEX CLOSE		PERFORMANCE IN:					
	X= 12	9	6	3	1				2007	2006	2005	2004	2003	2002
DJ Wilshire 5000	-11.82	-17.40	-6.83	-7.46	-0.97	3.1	12946.90	-	3.94	13.72	8.24	10.85	29.44	-22.08
Dow Jones Industrials	-13.88	-13.32	-10.06	-11.25	0.25	2.8	11378.00	-	6.43	16.29	-0.61	3.15	25.32	-16.76
Standard & Pooors 500	-12.91	-13.20	-8.06	-8.53	-0.99	3.0	1267.38	-	3.53	13.62	3.00	8.99	26.38	-23.37
Russell 2000	-7.94	-13.71	0.17	-0.23	3.60	3.8	714.52	-	-2.75	17.00	3.32	17.00	45.37	-21.58
Dow Jones World Index	-12.64	-13.89	-6.19	-9.39	-2.63	3.2	259.83	-	8.43	18.52	9.41	14.43	33.42	-20.73
Gold/Sliver Index (XAU)	13.52	-10.25	-9.38	-1.41	-13.54	7.6	168.82	-	2184	11.11	28.87	4.65	19.89	25.57
Dow Jones Ttl Bond	3.59	0.69	-2.06	-2.05	-0.43	0.7	204.89	-	5.24	3.70	1.40	3.99	2.20	11.96
Small Cap	-10.45	-15.84	-1.87	-2.94	-0.10	3.8	Columns 2 through 6 are the average returns and Column 7 is the average V (Volatility) for all funds in each fund style. Usually, the larger the V, the greater the risk.	-3.52	7.20	2.63	11.74	39.43	-21.96	
Mid Cap	-6.41	-14.00	-2.83	-5.83	-2.81	3.7		6.00	6.79	8.38	12.96	33.65	-21.89	
Large Cap	-7.32	-15.48	-4.40	-6.37	-1.83	3.4		5.81	6.11	5.75	13.34	27.54	-21.75	
Value	-13.48	-17.02	-7.31	-7.53	-0.33	3.3		-6.44	10.08	3.66	11.26	27.18	-15.61	
Contrary	10.26	11.81	4.23	2.80	-1.85	3.4		-1.11	-1.99	5.78	3.11	0.47	9.99	
World Growth	-10.65	-10.03	-5.89	-10.03	-3.95	3.8		x	x	13.07	17.11	34.67	-15.76	
Growth/Income	-10.10	-15.42	-5.87	-7.07	-1.34	3.1	For more information about these model portfolios, please see pages five and six.	0.47	9.82	4.23	10.24	23.46	-18.22	
Bond Long	4.38	1.60	-2.75	-2.15	-1.32	1.7		6.19	2.75	10.32	8.43	8.64	6.73	
Bond High Yield	-0.52	-4.46	-1.61	-3.39	-1.48	1.5		x	8.84	5.76	6.63	16.24	-7.55	
Bond World	5.77	1.28	-0.81	-1.51	-0.49	1.2		4.74	5.65	7.40	9.07	11.56	10.56	
MAAP Aggrsv Grth	1.10	-2.12	-0.38	-1.58	-3.63	1.3	For more information about these model portfolios, please see pages five and six.	4.30	9.95	7.20	0.57	15.03	-4.93	
MAAP Growth	0.65	-0.75	-0.05	-1.21	-1.93	0.7		3.39	5.66	3.50	1.53	11.56	-1.22	
MAAP Balanced	-0.82	-3.17	-0.65	-2.16	-2.61	1.0		3.17	7.59	2.01	5.88	12.57	0.09	
MAAP Income	2.84	0.88	0.08	-0.96	-0.17	0.5		4.32	2.80	-1.86	1.90	7.05	1.75	

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 nearly 800 funds. Firstly, we separate funds into their primary investment style, Equity, Bond, Hybrid, and then subdivide into categories like 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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