

Chapter 5. Rotation Every Week

This strategy uses a six month relative strength report and rotates every week. Current holdings must remain in the top half of the report. The strategy is featured in the *ETF Trading Strategies Revealed* book.

Percentage Returns

<u>Year</u>	<u>ETF Trading</u>	<u>S&P 500 Index</u>
1998	40.06	26.67
1999	57.74	19.53
2000	2.19	-10.14
2001	0.36	-13.04
2002	-16.69	-23.37
2003	41.84	26.38
2004	15.04	8.99
2005	2.60	3.00
2006	12.71	13.62
2007	3.92	3.53
2008	-40.09	-38.49
2009	20.69	23.45
2010	<u>-5.51</u>	<u>-5.90</u>
Avg. =	7.60	0.62

Through 08/31/10

12.4 round trip trades per year with an average holding period of 58 days.

Assumptions

The ETFs used in this backtest was IVE, SPY, QQQQ, MDY, IWM, IJS, IJT.

There are many assumptions to our tests. The percentage returns represent a hypothetical back test, instead of actual performance. The back test's returns and other figures have not been audited but are based upon information obtained from public sources believed to be reliable. Since no funds were managed using the strategies during this period, the impact that economic and market factors might have had on the trading cannot be represented.

The strategies are managed with a view toward capital appreciation with risk levels greater than the S&P 500. In the style index testing, many of the ETFs were not yet available to purchase at the beginning date of the back test. When the ETF wasn't available, the back test used the ETF's benchmark index as a substitute. The back test used price data from the actual ETFs once they became available.

As with any strategy, **past performance does not guarantee future results or that losses will not occur.**

<u>Ticker</u>	<u>Segment</u>	<u>Buy Date</u>	<u>Sell Date</u>	<u>% Change</u>	<u>Days Held</u>
IJT	Small Cap Growth	12/31/1997	2/6/1998	0.86	37
IVE	Large Cap Value	12/31/1997	1/23/1998	-99.03	23
SPY	Large Cap Index	1/23/1998	4/30/1999	38.90	462
QQQQ	Large Cap Growth	2/6/1998	3/6/1998	2.54	28
IJT	Small Cap Growth	3/6/1998	3/20/1998	2.68	14
IVE	Large Cap Value	3/20/1998	5/8/1998	0.18	49
QQQQ	Large Cap Growth	5/8/1998	5/5/2000	191.59	728
IVE	Large Cap Value	4/30/1999	5/21/1999	0.59	21

<u>Ticker</u>	<u>Segment</u>	<u>Buy Date</u>	<u>Sell Date</u>	<u>% Change</u>	<u>Days Held</u>
IWM	Small Cap Index	5/21/1999	6/25/1999	-1.34	35
IJT	Small Cap Growth	6/25/1999	7/9/1999	4.24	14
SPY	Large Cap Index	7/9/1999	7/16/1999	0.93	7
IJT	Small Cap Growth	7/16/1999	10/8/1999	-10.02	84
IJS	Small Cap Value	10/8/1999	11/12/1999	5.72	35
MDY	Mid Cap Index	11/12/1999	12/10/1999	0.04	28
IJS	Small Cap Value	12/10/1999	3/31/2000	17.80	112
MDY	Mid Cap Index	3/31/2000	4/14/2000	-13.42	14
IVE	Large Cap Value	4/14/2000	4/28/2000	4.39	14
MDY	Mid Cap Index	4/28/2000	6/30/2000	0.43	63
IJS	Small Cap Value	5/5/2000	7/28/2000	-4.06	84
QQQQ	Large Cap Growth	6/30/2000	7/21/2000	4.15	21
MDY	Mid Cap Index	7/21/2000	11/10/2000	-0.27	112
IJT	Small Cap Growth	7/28/2000	10/5/2001	-14.38	434
IVE	Large Cap Value	11/10/2000	11/17/2000	-1.28	7
IJS	Small Cap Value	11/17/2000	12/1/2000	-3.31	14
IVE	Large Cap Value	12/1/2000	2/3/2001	7.62	64
MDY	Mid Cap Index	2/3/2001	3/23/2001	-11.54	48
IVE	Large Cap Value	3/23/2001	5/11/2001	7.88	49
IWM	Small Cap Index	5/11/2001	7/6/2001	-1.05	56
MDY	Mid Cap Index	7/6/2001	7/13/2001	1.51	7
IWM	Small Cap Index	7/13/2001	7/20/2001	-0.82	7
IJS	Small Cap Value	7/20/2001	11/16/2001	-7.24	119
MDY	Mid Cap Index	10/5/2001	10/19/2001	1.73	14
IJT	Small Cap Growth	10/19/2001	12/7/2001	-22.76	49
QQQQ	Large Cap Growth	11/16/2001	11/23/2001	-0.23	7
IJS	Small Cap Value	11/23/2001	12/7/2001	5.55	14
MDY	Mid Cap Index	12/7/2001	12/14/2001	-1.95	7
QQQQ	Large Cap Growth	12/7/2001	12/21/2001	-5.39	14
IJT	Small Cap Growth	12/14/2001	8/9/2002	-13.50	238
IJS	Small Cap Value	12/21/2001	1/18/2002	-0.07	28
MDY	Mid Cap Index	1/18/2002	2/1/2002	1.32	14
IJS	Small Cap Value	2/1/2002	2/8/2002	-1.94	7
MDY	Mid Cap Index	2/8/2002	4/5/2002	6.26	56
IWM	Small Cap Index	4/5/2002	5/24/2002	-0.73	49
MDY	Mid Cap Index	5/24/2002	10/18/2002	26.20	147
IVE	Large Cap Value	8/9/2002	8/16/2002	2.01	7
IJS	Small Cap Value	8/16/2002	10/11/2002	-13.86	56
SPY	Large Cap Index	10/11/2002	11/22/2002	11.00	42
QQQQ	Large Cap Growth	10/18/2002	5/2/2003	18.77	196
IWM	Small Cap Index	11/22/2002	12/13/2002	-3.70	21
IJS	Small Cap Value	12/13/2002	1/10/2003	1.14	28
IVE	Large Cap Value	1/10/2003	2/7/2003	-11.13	28
MDY	Mid Cap Index	2/7/2003	2/14/2003	-0.93	7
IWM	Small Cap Index	2/14/2003	2/21/2003	-1.34	7
SPY	Large Cap Index	2/21/2003	4/4/2003	3.57	42
IWM	Small Cap Index	4/4/2003	2/20/2004	55.07	322
IJT	Small Cap Growth	5/2/2003	5/9/2003	0.64	7
QQQQ	Large Cap Growth	5/9/2003	5/23/2003	-1.09	14
MDY	Mid Cap Index	5/23/2003	6/6/2003	6.31	14
QQQQ	Large Cap Growth	6/6/2003	6/27/2003	-1.00	21
IJT	Small Cap Growth	6/27/2003	7/11/2003	4.52	14
QQQQ	Large Cap Growth	7/11/2003	8/8/2003	-5.56	28
IJS	Small Cap Value	8/8/2003	9/26/2003	3.45	49
QQQQ	Large Cap Growth	9/26/2003	10/31/2003	7.98	35
IJS	Small Cap Value	10/31/2003	2/6/2004	9.89	98

<u>Ticker</u>	<u>Segment</u>	<u>Buy Date</u>	<u>Sell Date</u>	<u>% Change</u>	<u>Days Held</u>
IJT	Small Cap Growth	2/6/2004	2/13/2004	0.39	7
MDY	Mid Cap Index	2/13/2004	3/12/2004	-1.00	28
IVE	Large Cap Value	2/20/2004	3/12/2004	-1.00	21
IJS	Small Cap Value	3/12/2004	6/4/2004	-1.42	84
IJT	Small Cap Growth	3/12/2004	3/19/2004	-2.31	7
IVE	Large Cap Value	3/19/2004	3/26/2004	-0.94	7
IWM	Small Cap Index	3/26/2004	4/30/2004	-2.70	35
IJT	Small Cap Growth	4/30/2004	5/7/2004	-1.85	7
SPY	Large Cap Index	5/7/2004	5/28/2004	2.64	21
IJT	Small Cap Growth	5/28/2004	7/23/2004	-3.71	56
IVE	Large Cap Value	6/4/2004	6/18/2004	1.07	14
IJS	Small Cap Value	6/18/2004	1/7/2005	8.14	203
IVE	Large Cap Value	7/23/2004	9/10/2004	4.68	49
IJT	Small Cap Growth	9/10/2004	12/10/2004	10.65	91
IWM	Small Cap Index	12/10/2004	1/14/2005	-2.63	35
IVE	Large Cap Value	1/7/2005	1/21/2005	-1.61	14
IJT	Small Cap Growth	1/14/2005	4/29/2005	-4.14	105
MDY	Mid Cap Index	1/21/2005	7/8/2005	10.73	168
SPY	Large Cap Index	4/29/2005	5/27/2005	3.89	28
IJT	Small Cap Growth	5/27/2005	6/3/2005	0.66	7
IVE	Large Cap Value	6/3/2005	6/10/2005	0.58	7
IJT	Small Cap Growth	6/10/2005	7/15/2005	5.07	35
IJS	Small Cap Value	7/8/2005	7/29/2005	78.32	21
MDY	Mid Cap Index	7/15/2005	9/16/2005	0.93	63
IWM	Small Cap Index	7/29/2005	8/5/2005	-2.83	7
QQQQ	Large Cap Growth	8/5/2005	8/26/2005	-2.58	21
IJS	Small Cap Value	8/26/2005	9/2/2005	2.56	7
IWM	Small Cap Index	9/2/2005	10/7/2005	-3.13	35
QQQQ	Large Cap Growth	9/16/2005	9/23/2005	-1.65	7
IJT	Small Cap Growth	9/23/2005	10/28/2005	-3.33	35
QQQQ	Large Cap Growth	10/7/2005	1/20/2006	7.59	105
IVE	Large Cap Value	10/28/2005	11/4/2005	1.60	7
MDY	Mid Cap Index	11/4/2005	2/3/2006	8.03	91
IWM	Small Cap Index	1/20/2006	5/12/2006	4.94	112
IJS	Small Cap Value	2/3/2006	7/28/2006	-2.10	175
IVE	Large Cap Value	5/12/2006	11/24/2006	8.07	196
SPY	Large Cap Index	7/28/2006	11/10/2006	8.11	105
QQQQ	Large Cap Growth	11/10/2006	2/2/2007	2.63	84
IWM	Small Cap Index	11/24/2006	12/22/2006	-1.71	28
IVE	Large Cap Value	12/22/2006	1/12/2007	5.54	21
IWM	Small Cap Index	1/12/2007	1/19/2007	-2.52	7
IVE	Large Cap Value	1/19/2007	2/2/2007	1.73	14
IJS	Small Cap Value	2/2/2007	2/16/2007	4.24	14
IWM	Small Cap Index	2/2/2007	2/16/2007	1.08	14
IJT	Small Cap Growth	2/16/2007	5/4/2007	4.69	77
MDY	Mid Cap Index	2/16/2007	7/27/2007	-0.65	161
IVE	Large Cap Value	5/4/2007	6/1/2007	2.41	28
IJT	Small Cap Growth	6/1/2007	9/28/2007	-0.61	119
QQQQ	Large Cap Growth	7/27/2007	2/1/2008	-4.98	189
SPY	Large Cap Index	9/28/2007	10/5/2007	2.14	7
IJT	Small Cap Growth	10/5/2007	11/9/2007	-9.20	35
MDY	Mid Cap Index	11/9/2007	12/14/2007	-0.62	35
SPY	Large Cap Index	12/14/2007	2/1/2008	-5.16	49
IJS	Small Cap Value	2/1/2008	2/8/2008	-4.21	7
MDY	Mid Cap Index	2/1/2008	3/14/2008	-7.13	42

<u>Ticker</u>	<u>Segment</u>	<u>Buy Date</u>	<u>Sell Date</u>	<u>% Change</u>	<u>Days Held</u>
IVE	Large Cap Value	2/8/2008	2/29/2008	-1.24	21
IJS	Small Cap Value	2/29/2008	3/7/2008	-3.52	7
SPY	Large Cap Index	3/7/2008	3/14/2008	-0.02	7
IJS	Small Cap Value	3/14/2008	5/2/2008	8.04	49
MDY	Mid Cap Index	3/28/2008	7/25/2008	2.51	119
QQQQ	Large Cap Growth	5/2/2008	6/6/2008	0.53	35
QQQQ	Large Cap Growth	7/25/2008	8/1/2008	-0.86	7
IJT	Small Cap Growth	6/6/2008	8/8/2008	-1.41	63
IWM	Small Cap Index	8/1/2008	11/14/2008	-36.09	105
QQQQ	Large Cap Growth	8/8/2008	8/15/2008	1.78	7
IJS	Small Cap Value	8/15/2008	11/14/2008	-37.55	91
IVE	Large Cap Value	11/14/2008	12/12/2008	0.29	28
SPY	Large Cap Index	11/14/2008	12/19/2008	1.47	35
IJS	Small Cap Value	12/12/2008	1/23/2009	-7.30	42
IWM	Small Cap Index	12/19/2008	1/23/2009	-8.81	35
MDY	Mid Cap Index	1/23/2009	6/5/2009	19.29	133
QQQQ	Large Cap Growth	1/23/2009	4/17/2009	15.26	84
IJS	Small Cap Value	4/17/2009	5/1/2009	2.05	14
QQQQ	Large Cap Growth	5/1/2009	5/8/2009	-0.41	7
IJS	Small Cap Value	5/8/2009	5/15/2009	-8.25	7
QQQQ	Large Cap Growth	5/15/2009	8/7/2009	19.51	84
IWM	Small Cap Index	6/5/2009	7/2/2009	-6.18	27
IJT	Small Cap Growth	7/2/2009	8/7/2009	12.95	36
IJS	Small Cap Value	8/7/2009	10/2/2009	-0.72	56
MDY	Mid Cap Index	8/7/2009	9/25/2009	3.68	49
IWM	Small Cap Index	9/25/2009	10/23/2009	0.38	28
MDY	Mid Cap Index	10/2/2009	11/20/2009	3.92	49
QQQQ	Large Cap Index	10/23/2009	12/24/2009	6.61	62
SPY	Large Cap Index	11/20/2009	12/11/2009	1.54	21
MDY	Mid Cap Index	12/11/2009	3/26/2010	10.94	105
IJS	Small Cap Value	12/24/2009	2/5/2010	-5.77	43
QQQQ	Large Cap Index	2/5/2010	2/19/2010	4.30	14
IJS	Small Cap Value	2/19/2010	6/11/2010	2.25	112
IJT	Small Cap Growth	3/26/2010	4/1/2010	0.82	6
MDY	Mid Cap Index	4/1/2010	4/16/2010	2.88	15
IWM	Small Cap Index	4/16/2010	7/2/2010	-16.29	77
IJT	Small Cap Growth	6/11/2010	8/13/2010	-5.62	63
MDY	Mid Cap Index	7/2/2010	7/23/2010	8.70	21
IWM	Small Cap Index	7/23/2010	8/6/2010	0.25	14
MDY	Mid Cap Index	8/6/2010			
QQQQ	Large Cap Growth	8/13/2010			