

Sector ETFs - Monthly Rotation

This strategy rotates each month to the two best performing ETFs over the previous year. The strategy is featured in the book, *Exchange Traded Profits: Cashing in on new ETF trading methods*.

Percentage Returns

<u>Year</u>	<u>Sector Trading</u>	<u>S&P 500 Index</u>
2002	-11.09	-23.37
2003	40.57	26.38
2004	6.31	8.99
2005	33.22	3.00
2006	20.30	13.62
2007	9.04	3.53
2008	-41.16	-38.49
2009	30.49	23.45
2010	12.26	12.78
2011	-28.87	-0.01
2012	<u>4.14</u>	<u>12.00</u>
AROI	3.91	2.01

through 03/31/12

7.6 round trip trades per year with an average holding period of 94 days.

Assumptions

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. Dividends are excluded.

The strategies are managed with a view toward capital appreciation with risk levels greater than the S&P 500. As with any strategy, **past performance does not guarantee future results or that losses will not occur.**

Individual Trades

<u>Ticker</u>	<u>Sector</u>	<u>Buy Date</u>	<u>Sell Date</u>	<u>% Change</u>	<u>Days Held</u>
IYM	Basic Materials	12/31/01	02/01/02	0.05	32
IYR	Real Estate	12/31/01	03/01/02	3.13	60
ICF	Realty Majors	02/01/02	03/01/02	2.82	28
IYK	Noncyclical	03/01/02	08/30/02	-5.60	182
IYM	Basic Materials	03/01/02	04/01/02	1.65	31
ICF	Realty Majors	04/01/02	08/30/02	-2.33	151
IYM	Basic Materials	08/30/02	10/01/02	-8.86	32
IYR	Real Estate	08/30/02	12/31/02	-7.29	123
ICF	Realty Majors	10/01/02	11/01/02	-3.94	31
IYK	Noncyclical	11/01/02	11/29/02	-3.31	28
ICF	Realty Majors	11/29/02	01/31/03	-3.99	63
IYM	Basic Materials	12/31/02	01/31/03	-5.63	31
EPP	Pacific Ex-Japan	01/31/03	02/28/03	-2.05	28
ITF	Topix 150	01/31/03	02/28/03	1.99	28
ICF	Realty Majors	02/28/03	05/30/03	10.56	91
IYR	Real Estate	02/28/03	05/01/03	5.56	62
IBB	Biotechnology	05/01/03	08/29/03	26.60	120
IGN	Networking	05/30/03	07/01/03	0.00	32
IGV	Software	07/01/03	08/01/03	-0.51	31
IGN	Networking	08/01/03	07/30/04	30.17	364
IGW	Semiconductor	08/29/03	03/01/04	16.64	185
ILF	Latin America	03/01/04	04/01/04	-1.46	31
ITF	Topix 150	04/01/04	06/01/04	-10.26	61
IGW	Semiconductor	06/01/04	07/01/04	-5.69	30
ITF	Topix 150	07/01/04	07/30/04	-5.38	29
ILF	Latin America	07/30/04	09/01/04	4.18	33
IYE	Energy	07/30/04	12/31/04	11.38	154
IGE	Natural Resources	09/01/04	12/01/04	13.40	91
ILF	Latin America	12/01/04	11/01/06	106.89	700
ICF	Realty Majors	12/31/04	02/01/05	-8.48	32
IYE	Energy	02/01/05	04/29/05	4.47	87
EPP	Pacific Ex-Japan	04/29/05	06/01/05	0.02	33
IYE	Energy	06/01/05	12/01/05	17.48	183
IGE	Natural Resources	12/01/05	03/01/06	4.92	90
IGN	Networking	03/01/06	05/01/06	-3.32	61
IGE	Natural Resources	05/01/06	09/29/06	-10.19	151
ICF	Realty Majors	09/29/06	01/03/07	9.43	96
EZU	EMU	11/01/06	12/01/06	4.26	30
ILF	Latin America	12/01/06	02/01/07	11.51	62
EZU	EMU	01/03/07	02/01/07	1.28	29
EPP	Pacific Ex-Japan	02/01/07	03/30/07	5.43	57
IDU	Utilities	03/30/07	06/01/07	4.58	63
ICF	Realty Majors	02/01/07	05/01/07	-7.84	89
EZU	EMU	05/01/07	06/01/07	3.22	31
EPP	Pacific Ex-Japan	06/01/07	08/31/07	0.48	91
ILF	Latin America	06/01/07	07/01/08	23.78	396
IEZ	Oil Equipment & Svs.	08/31/07	11/01/07	4.94	62
EPP	Pacific Ex-Japan	11/01/07	12/31/07	-11.66	60
IEZ	Oil Equipment & Svs.	12/31/07	02/01/08	-12.38	32
IEO	Oil & Gas Expl.	02/01/08	08/01/08	6.72	182
IEZ	Oil Equipment & Svs.	07/01/08	10/01/08	-37.57	92
ILF	Latin America	08/01/08	08/29/08	-4.73	28

Ticker	Sector	Buy Date	Sell Date	% Change	Days Held
IEO	Oil & Gas Expl.	08/29/08	10/01/08	-19.58	33
IBB	Biotechnology	10/01/08	07/01/09	-10.47	273
IYT	Transportation	10/01/08	12/01/08	-30.01	61
IHE	Pharmaceuticals	12/01/08	09/01/09	26.14	274
IHF	Healthcare Providers	07/01/09	07/31/09	6.63	30
EPP	Pacific Ex-Japan	07/31/09	02/01/10	9.36	185
IYW	Technology	09/01/09	10/01/09	3.72	30
ILF	Latin America	10/01/09	04/30/10	14.55	211
IYG	Financial Svs.	02/01/10	03/01/10	1.11	28
IYM	Basic Materials	03/01/10	04/01/10	7.73	31
ICF	Realty Majors	04/01/10	12/01/10	10.86	244
IYR	Real Estate	04/30/10	12/01/10	2.91	215
IEZ	Oil Equipment & Svs.	12/01/10	12/31/10	4.49	30
IGV	Software	12/01/10	12/31/10	3.42	30
ICF	Realty Majors	12/31/10	03/01/11	5.68	60
IYM	Basic Materials	12/31/10	02/01/11	2.52	32
IEZ	Oil Equipment & Svs.	02/01/11	09/30/11	-28.98	241
IYE	Energy	03/01/11	04/01/11	3.19	31
IEO	Oil & Gas Expl.	04/01/11	04/29/11	0.12	28
IYE	Energy	04/29/11	07/01/11	-5.41	63
IHF	Healthcare Providers	07/01/11	08/01/11	-10.46	31
IEO	Oil & Gas Expl.	08/01/11	09/30/11	-28.78	60
IBB	Biotechnology	09/30/11	11/01/11	3.04	32
IHI	Medical Devices	09/30/11	11/01/11	1.06	32
IDU	Utilities	11/01/11	02/01/12	2.72	92
IHE	Pharmaceuticals	11/01/11			
IBB	Biotechnology	02/01/12	03/30/12	4.02	58
IYW	Technology	03/30/12			