



All Star Investor

Update #1929 - Monday, December 19, 2016

Model Recommendations

Model / Changes / Holdings	As of 12/16/16	
Tactical Fixed Income Most recent new recommendation on 12/12/16 <i>Holdings:</i> SJNK, SRLN, CWB, and ~40% Cash	+0.1% wk	-0.5% since inception 9/30
Global Multi-Asset Income Most recent new recommendation on 12/12/16 <i>Holdings:</i> SJNK, PBP, SDY, SPHD, and MDIV	-0.7% wk	-2.0% since inception 9/30
Factor Rotation Most recent new recommendation on 12/5/16 <i>Holdings:</i> FTA, XSLV, DES, and ~1% Cash	-1.4% wk	+1.4% since inception 9/30
Sector Rotation Sell First Trust NYSE Arca Biotechnology (FBT) Buy ~17.9% iShares PHLX Semiconductor (SOXX) <i>Holdings:</i> KRE, IYT, XES, and SOXX	-1.7% wk	+10.2% ytd
International Rotation Most recent new recommendation on 12/12/16 <i>Holdings:</i> DXJ, GREK, RSX, ASHR, and EWI	-2.0% wk	-3.0% since inception 9/30

Note: Performance reflects new recommendations executed at the closing price on the day of the recommendation. You may place trades as soon as you receive this update.

Asset Classes React to Fed's Interest-Rate Hike

As expected, the Federal Reserve raised interest rates by a quarter of a percent at last week's FOMC meeting and suggested that three more hikes are on tap for calendar year 2017. The stock market's reaction was rather muted, and the S&P 500 ended the week only 0.6% lower than where it was before the FOMC's Wednesday press release. The U.S. dollar, bonds, and gold clearly had larger reactions.

The 10-year Treasury yield was hovering around 2.44% before the Fed's announcement, then shot up to 2.53% before the close and ended the week at 2.60%. That may not seem like much of a move, but the damage was noticeable for bond ETFs. The Vanguard Extended Duration Treasury ETF (EDV) fell 1.3% on Wednesday, has dropped 12.9% since Election Day, and has plunged 23.7% since early July. Just imagine what will happen to the value of long-term Treasury ETFs when interest rates rise a few percentage points instead of just the two quarter-point bumps that have occurred so far.

Gold fell 1.5% on Wednesday and was down 2.2% for the week. Gold's movements have been highly correlated with bonds the past six months. Gold made its high for the year the same day that Treasury bond prices did on July 8, and bullion has declined 17.2% since then. The U.S. dollar has been a primary beneficiary of the setbacks in bonds and gold, although currency traders are likely to say it happened the other way around—strength in the dollar has caused weakness in bonds and gold. The PowerShares US Dollar Bullish ETF (UUP) gained 1.3% on the week, creating a headwind for unhedged international stocks, especially emerging markets. The iShares MSCI Emerging Markets ETF (EEM) fell 2.8% for the week, with China and Latin America performing even worse.

There are only two weeks remaining in 2016, and the upcoming Christmas holiday will keep markets closed next Monday and postpone our next update until Tuesday, December 27.

Our Sector Rotation model is initiating a new position in [iShares PHLX Semiconductor \(SOXX\)](#). This ETF was originally known as the iShares S&P North American Technology-Semiconductors Index Fund (former ticker IGW), and [it changed its underlying index, name, and ticker](#) on October 15, 2010. The PHLX Semiconductor Index (aka "The SOX") was established in 1993 for options trading on the Philadelphia Stock Exchange ("PHLX") and quickly became the de facto index of semiconductor stocks. It holds 30 stocks, with the largest allocations going to Nvidia (NVDA) 10.8%, Qualcomm (QCOM) 7.6%, Texas Instruments (TXN) 7.4%, Intel (INTC) 7.2%, and Broadcom (AVGO) 7.2%.

The **Tactical Fixed Income** model advanced 0.1% for the week and is down 0.5% since its inception on 9/30/16. Last Monday, the model bought 20% in SPDR Barclays Convertible Securities (CWB), which has gained 0.4% since then. For the week, SPDR Blackstone/GSO Senior Loan (SRLN) increased 0.1%, and SPDR Barclays Short Term High Yield Bond (SJNK) fell 0.2%.

The **Global Multi-Asset Income** model lost 0.7% for the week, and it is down 2.0% since its inception on 9/30/16. Last week, the model used its remaining cash to buy First Trust Multi-Asset Diversified Income (MDIV). Positions going ex-dividend included PowerShares S&P 500 BuyWrite (PBP) at \$0.14385 per share, PowerShares S&P 500 High Dividend Low Volatility (SPHD) \$0.25085, and SPDR S&P Dividend (SDY) \$1.369321. Weekly returns consisted of SPDR Barclays Short Term High Yield Bond (SJNK) -0.2%, PowerShares S&P 500 BuyWrite (PBP) -0.3%, PowerShares S&P 500 High Dividend Low Volatility (SPHD) -0.8%, SPDR S&P Dividend (SDY) -0.8%, and First Trust Multi-Asset Diversified Income (MDIV) -1.4%.

The **Factor Rotation** model decreased 1.4% for the week, and it is up 1.4% since its inception on 9/30/16. PowerShares S&P SmallCap Low Volatility (XSLV) went ex-dividend at \$0.41811 per share. For the week, First Trust Large Cap Value AlphaDEX (FTA) slipped 1.2%, PowerShares S&P SmallCap Low Volatility (XSLV) fell 1.5%, and WisdomTree Small Cap Dividend (DES) declined 1.6%.

The **Sector Rotation** model fell 1.7% for the week and is up 10.2% year to date. Today, the model will sell First Trust NYSE Arca Biotechnology (FBT) and use the proceeds to initiate about a 17.9% allocation to iShares PHLX Semiconductor (SOXX). SPDR S&P Regional Banking (KRE) went ex-dividend at \$0.209906 per share, and SPDR S&P Oil & Gas Equipment & Services (XES) will pay \$0.02245. For the week, First Trust NYSE Arca Biotechnology (FBT) gained 1.5%, SPDR S&P Regional Banking (KRE) shed 1.9%, iShares Transportation Average (IYT) slipped 2.5%, and SPDR S&P Oil & Gas Equipment & Services (XES) fell 2.8%.

The **International Rotation** model retreated 2.0% for the week, and it is down 3.0% since its inception on 9/30/16. Last Monday, the model returned to a fully invested state by creating an 18% position in iShares MSCI Italy Capped (EWI), which has already gained 1.3%. Weekly returns for the other holdings were VanEck Vectors Russia (RSX) +0.3%, WisdomTree Japan Hedged Equity (DXJ) -0.4%, Global X MSCI Greece (GREK) -5.3%, and Deutsche X-trackers Harvest CSI 300 China A-Shares (ASHR) -5.9%.



DISCLOSURE

© 2016 Dynamic Performance Publishing, Inc. - All Rights Reserved. This material is protected under U.S. copyright law and is provided for the exclusive use of our members for personal purposes. Although our employees may answer your general customer service questions, they are not licensed under securities laws to address your particular investment situation. No communication by Dynamic Performance Publishing or our employees to you should be deemed as personalized investment advice. Any investment recommended in this email should be made only after consulting with your investment advisor and only after reviewing the prospectus or financial statements of the company. Dynamic Performance Publishing, its affiliates, and clients may hold positions in the recommended securities. Results are not indicative of holdings for clients of Flexible Plan Investments. Forwarding, copying, or otherwise duplicating this information for the use by anyone other than the intended recipient is expressly forbidden. Any retransmission of this material by you is your authorization to us to debit your credit card, or otherwise bill you, for a full price one-year membership for each violation. It may also cause your membership to be revoked without a refund. Any such action on our part does not prevent us from seeking additional legal remedies.

Updated for 12/19/2016 AM with latest closing data

Rank	Ticker	Name	RSM	RSM Chg	1-Wk %Chg	15-Day %Chg	RSI 14	S-T %Vlty
Style and Strategy ETFs								
1	RZV	Guggenheim S&P SmallCap 600 Pure Value	69	-27	-3.8	2.3	62	1.0
2	PXSV	PowerShares Russell 2000 Pure Value	67	-17	-1.9	3.9	70	0.8
3	RWJ	Oppenheimer Small Cap Revenue	62	-15	-1.5	3.7	71	0.8
4	EES	WisdomTree Small Cap Earnings	62	-15	-1.6	3.5	69	0.8
5	FYT	First Trust Small Cap Value AlphaDEX	61	-15	-1.8	3.5	69	0.7
6	SMLV	SPDR Russell 2000 Low Volatility	59	-13	-1.3	3.0	69	0.7
7	IWN	iShares Russell 2000 Value	58	-16	-1.9	3.0	68	0.7
8	VTWV	Vanguard Russell 2000 Value	57	-17	-2.2	2.7	67	0.7
9	IJS	iShares S&P Small-Cap 600 Value	56	-16	-2.1	2.4	66	0.7
10	SLYV	SPDR S&P 600 Small Cap Value	56	-16	-2.1	2.5	66	0.7
11	VIOV	Vanguard S&P Small-Cap 600 Value	56	-17	-2.2	2.4	65	0.7
12	SPHB	PowerShares S&P 500 High Beta	55	-18	-2.1	3.6	63	0.8
13	SMDV	ProShares Russell 2000 Dividend Growers	53	-10	-1.3	3.8	69	0.7
14	RFV	Guggenheim S&P Midcap 400 Pure Value	53	-22	-2.8	2.0	62	0.8
15	VIOO	Vanguard S&P Small-Cap 600	51	-14	-1.8	2.1	66	0.7
Sector ETFs								
1	KRE	SPDR S&P Regional Banking	94	-22	-1.9	5.1	68	1.0
2	KBE	SPDR S&P Bank	92	-20	-1.7	5.7	69	1.0
3	XES	SPDR S&P Oil & Gas Equipment & Services	91	-23	-2.8	14.2	65	1.9
4	KBWB	PowerShares KBW Bank	90	-21	-2.1	5.7	68	1.0
5	PSCE	PowerShares S&P SmallCap Energy	88	-23	-1.7	11.7	64	2.1
6	QABA	First Trust NASDAQ ABA Community Bank	88	-22	-2.6	4.3	66	1.1
7	KBWR	PowerShares KBW Regional Banking	88	-25	-2.9	4.1	64	1.1
8	IAT	iShares US Regional Banks	87	-18	-1.4	4.8	68	0.9
9	SLX	VanEck Vectors Steel	75	-51	-5.7	-2.6	51	1.6
10	IEZ	iShares US Oil Equipment & Services	74	-17	-1.7	10.7	66	1.4
11	OIH	VanEck Vectors Oil Services	73	-18	-1.8	11.2	65	1.5
12	IAI	iShares US Broker-Dealers & Securities Exch	73	-17	-1.5	3.7	68	0.8
13	JETS	U.S. Global Jets	72	-13	-1.3	3.8	67	1.0
14	COPX	Global X Copper Miners	70	-60	-8.7	-4.3	48	1.7
15	IYG	iShares US Financial Services	70	-15	-1.5	4.5	67	0.8
International ETFs								
1	RSXJ	VanEck Vectors Russia Small-Cap	95	13	4.2	10.1	72	1.1
2	ERUS	iShares MSCI Russia Capped	74	6	1.1	11.2	64	1.5
3	DXJ	WisdomTree Japan Hedged Equity	67	-4	-0.4	6.4	70	1.0
4	DXJS	WisdomTree Japan Hedged SmallCap Equity	63	-2	0.1	6.2	73	0.8
5	RSX	VanEck Vectors Russia	63	0	0.3	9.9	64	1.3
6	HEWJ	iShares Currency Hedged MSCI Japan	57	0	0.0	5.4	70	0.8
7	DBJP	Deutsche X-trackers MSCI Japan Hedged	57	0	-0.1	5.3	70	0.8
8	WBIB	WBI Tactical SMV Shares	43	-20	-2.8	0.4	60	0.7
9	WBIF	WBI Tactical LCV Shares	42	-12	-1.5	2.3	69	0.5
10	WBID	WBI Tactical SMS Shares	41	-14	-1.8	1.7	64	0.6
11	HEWP	iShares Currency Hedged MSCI Spain	40	10	1.8	9.2	71	0.9
12	EWI	iShares MSCI Italy Capped	40	4	1.7	12.3	66	1.3
13	DXGE	WisdomTree Germany Hedged Equity	36	4	0.9	5.9	72	0.7
14	WBIA	WBI Tactical SMG Shares	36	-9	-1.0	1.9	67	0.5
15	HEWG	iShares Currency Hedged MSCI Germany	35	6	1.2	6.2	71	0.8

Updated for 12/19/2016 AM with latest closing data

Rank	Ticker	Name	RSM	RSM Chg	1-Wk %Chg	15-Day %Chg	RSI 14	S-T %Vlty
Bond ETFs								
1	STPP	iPath US Treasury Steepener ETN	47	-3	0.5	3.6	63	1.0
2	HYHG	ProShares High Yield – Interest Rate Hedged	24	3	0.6	3.0	68	0.5
3	HYLD	AdvisorShares Peritus High Yield	15	1	0.7	1.6	63	0.3
4	IGHG	ProShares Investment Grade-Int Rate Hedged	14	3	0.7	1.4	61	0.4
5	ANGL	VanEck Vectors Fallen Angel High Yield Bond	11	-2	-0.2	1.6	59	0.3
6	HYS	PIMCO 0-5 Year High Yield Corp Bond Index	10	-3	-0.4	0.9	59	0.3
7	SJNK	SPDR Barclays Short Term High Yield Bond	10	-1	-0.2	1.0	60	0.2
8	CWB	SPDR Barclays Convertible Securities	9	-1	-0.1	0.4	58	0.4
9	LQDH	iShares Interest Rate Hedged Corporate Bond	9	3	0.7	1.4	70	0.2
10	BSJM	Guggenheim BulletShares 2022 HY Corp Bond	9	-3	-0.5	1.4	60	0.2
11	SHYG	iShares 0-5 Year High Yield Corporate Bond	9	-1	-0.1	1.0	61	0.2
12	BSJK	Guggenheim BulletShares 2020 HY Corp Bond	8	-1	0.0	1.1	61	0.2
13	SNLN	Highland/iBoxx Senior Loan	8	1	0.3	1.4	81	0.1
14	PGHY	PowerShares Global Short Term High Yield Bd	8	-2	-0.2	0.6	60	0.1
15	BKLN	PowerShares Senior Loan Portfolio	8	0	0.2	1.3	75	0.1
Commodity ETFs								
1	JJC	iPath Bloomberg Copper ETN	51	-28	-4.1	-5.2	50	1.2
2	UGA	United States Gasoline	50	9	3.1	12.3	64	1.6
3	COW	iPath Bloomberg Livestock TR ETN	48	21	4.9	7.9	76	1.2
4	BNO	United States Brent Oil	42	3	1.6	13.8	62	2.0
5	DBE	PowerShares DB Energy	42	1	1.3	9.9	64	1.4
6	DBO	PowerShares DB Oil	41	2	1.4	11.8	61	2.0
7	USL	United States 12-Month Oil	38	3	1.3	10.4	61	1.7
8	OIL	iPath S&P GSCI Crude Oil TR ETN	37	3	1.0	12.0	59	2.3
9	DBB	PowerShares DB Base Metals	36	-11	-1.9	-4.7	51	1.1
10	USO	United States Oil Fund	34	2	1.0	11.8	59	2.1
11	GSP	iPath S&P GSCI TR Index ETN	30	-1	0.3	7.7	62	1.4
12	GSG	iShares S&P GSCI Commodity Indexed-Trust	24	-1	0.3	6.2	62	1.1
13	UNG	United States Natural Gas	24	-50	-9.2	5.8	51	2.6
14	PDBC	PowerShares DB Opt Yld Divers Cmmnty Strat	22	-1	0.3	4.3	61	0.9
15	DBC	PowerShares DB Commodity	22	-1	0.3	4.2	61	0.9
Currency ETFs								
1	YCS	ProShares UltraShort Yen	100	19	4.6	8.3	81	1.2
2	EUO	ProShares UltraShort Euro	45	12	2.1	2.8	66	1.0
3	CROC	ProShares UltraShort Australian Dollar	22	14	3.9	3.2	65	1.0
4	UUP	PowerShares DB US Dollar Index Bullish	22	6	1.3	1.3	66	0.5
5	USDU	WisdomTree Bloomberg U.S. Dollar Bullish	22	6	1.4	1.3	70	0.4
6	DBV	PowerShares DB G10 Currency Harvest	11	0	0.5	1.4	60	0.3
7	FXC	CurrencyShares Canadian Dollar Trust	-3	-5	-1.3	1.2	47	0.3
8	FXB	CurrencyShares British Pound Trust	-9	-4	-0.8	0.2	47	0.5
9	CEW	WisdomTree Emerging Currency Strategy	-11	-1	-0.8	0.4	41	0.4
10	FXA	CurrencyShares Australian Dollar Trust	-13	-7	-2.0	-1.7	34	0.5
11	CYB	WisdomTree Chinese Yuan Strategy	-14	-4	-1.3	-1.3	28	0.3
12	FXF	CurrencyShares Swiss Franc Trust	-19	-4	-1.0	-1.4	33	0.4
13	FXE	CurrencyShares Euro Trust	-23	-5	-1.1	-1.5	34	0.5
14	UDN	PowerShares DB US Dollar Index Bearish	-24	-7	-1.4	-1.5	32	0.5
15	ULE	ProShares Ultra Euro	-45	-9	-1.8	-3.0	36	1.1

Updated for 12/19/2016 AM with latest closing data

Rank	Ticker	Name	RSM	RSM Chg	1-Wk %Chg	15-Day %Chg	RSI 14	S-T %Vlty
Leveraged & Inverse ETFs								
1	YCS	ProShares UltraShort Yen	100	19	4.6	8.3	81	1.2
2	EUO	ProShares UltraShort Euro	45	12	2.1	2.8	66	1.0
3	CROC	ProShares UltraShort Australian Dollar	22	14	3.9	3.2	65	1.0
4	UUP	PowerShares DB US Dollar Index Bullish	22	6	1.3	1.3	66	0.5
5	USDU	WisdomTree Bloomberg U.S. Dollar Bullish	22	6	1.4	1.3	70	0.4
6	DBV	PowerShares DB G10 Currency Harvest	11	0	0.5	1.4	60	0.3
7	FXC	CurrencyShares Canadian Dollar Trust	-3	-5	-1.3	1.2	47	0.3
8	FXB	CurrencyShares British Pound Trust	-9	-4	-0.8	0.2	47	0.5
9	CEW	WisdomTree Emerging Currency Strategy	-11	-1	-0.8	0.4	41	0.4
10	FXA	CurrencyShares Australian Dollar Trust	-13	-7	-2.0	-1.7	34	0.5
11	CYB	WisdomTree Chinese Yuan Strategy	-14	-4	-1.3	-1.3	28	0.3
12	FXF	CurrencyShares Swiss Franc Trust	-19	-4	-1.0	-1.4	33	0.4
13	FXE	CurrencyShares Euro Trust	-23	-5	-1.1	-1.5	34	0.5
14	UDN	PowerShares DB US Dollar Index Bearish	-24	-7	-1.4	-1.5	32	0.5
15	ULE	ProShares Ultra Euro	-45	-9	-1.8	-3.0	36	1.1
VIX Volatility ETFs								
1	XIV	VelocityShares Daily Inverse VIX S-T ETN	100	-8	1.3	7.6	69	1.5
2	SVXY	ProShares Short VIX Short-Term Futures	98	-8	1.2	7.1	69	1.5
3	ZIV	VelocityShares Daily Inverse VIX M-T ETN	27	-6	-0.7	0.9	57	0.6
4	VXZ	iPath S&P 500 VIX Mid-Term Futures ETN	-34	5	0.5	-1.2	42	0.6
5	VIXM	ProShares VIX Mid-Term Futures	-34	5	0.6	-1.2	42	0.6
6	VIXY	ProShares VIX Short-Term Futures	-127	7	-1.5	-8.0	30	1.5
7	VIIX	VelocityShares VIX Short-Term ETN	-128	7	-1.6	-8.1	30	1.5
8	VXX	iPath S&P 500 VIX Short-Term Futures ETN	-128	8	-1.4	-7.9	30	1.5
9	UVXY	ProShares Ultra VIX Short-Term Futures	-288	11	-3.2	-16.3	30	3.0
10	TVIX	VelocityShares Daily 2x VIX Short-Term ETN	-290	12	-3.0	-16.2	30	3.0
IPOs - New ETFs								
			IPO Date	IPO Gain	1-Wk %Chg	15-Day %Chg	RSI 14	S-T %Vlty
1	DULL	Direxion Daily Silver Miners Index Bear 2x	09/08	89.1	-4.6	23.5	54	6.1
2	MELT	Direxion Daily Gold Miners Index Bear 1x	07/27	44.2	-0.5	-2.8	54	2.2
3	XIVH	VelocityShares VIX Short Volatility Hedged ETN	07/14	41.6	10.7	4.7	63	2.6
4	EUFL	Direxion Daily European Financials Bull 2x	07/27	37.2	22.8	27.7	77	2.9
5	FTXO	First Trust Nasdaq Bank ETF	09/21	28.7	4.5	10.5	82	1.5
6	XTH	SPDR S&P Technology Hardware	06/28	27.1	3.3	8.1	77	1.2
7	DESC	Deutsche X-trackers Russell 2000 Comp Factor	06/28	25.9	5.1	13.5	83	1.1
8	SCAP	AdvisorShares Cornerstone Small Cap	07/07	19.5	1.5	10.0	69	1.1
9	XWEB	SPDR S&P Internet	06/28	17.5	2.6	2.6	59	1.3
10	ESGS	Columbia Sustainable U.S. Equity Income	06/13	16.5	2.0	9.5	75	0.9
11	FTXR	First Trust Nasdaq Transportation ETF	09/21	16.0	4.6	10.7	87	1.0
12	LVHB	Elkhorn Lunt Low Vol/High Beta Tactical	10/20	13.6	4.5	8.9	81	1.2
13	FTXL	First Trust Nasdaq Semiconductor ETF	09/21	13.4	9.7	7.4	67	1.3
14	MENU	USCF Restaurant Leaders	11/08	13.0	3.9	6.8	84	
15	ESGW	Columbia Sustainable Global Equity Income	06/13	12.6	1.0		69	
16	OILB	iPath Series B S&P GSCI Crude Oil ETN	11/18	12.5				
17	OEW	Guggenheim S&P 100 Equal Weight	06/30	11.7	1.1	3.3	63	0.8
18	PRNT	The 3D Printing ETF	07/19	10.9	7.3	4.0	63	1.0
19	REML	CS X-Links Mthly Pay 2x Mortgage REIT ETN	07/13	10.7	2.7	6.3	62	1.9
20	FTXN	First Trust Nasdaq Oil & Gas ETF	09/21	10.5	4.1			