



ADVISORGUIDE

CLEAR • SPECIFIC • OBJECTIVE • TIMELY

the essential money management guide for investment advisors

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March 2010
Newsletter

www.advisorguideonline.com

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Market Summary

Market Up-Model Down: Let's put it on the table right away - February saw a strong S&P 500 Index (+3.01%), and a third straight monthly decline for the AdvisorGuide ETF Rotation Model (-1.09%). YTD numbers favor the S&P (-0.65%) vs. the Rotation Model (-4.25%). Completing the trifecta is a massive gain of +53.69% compared with a respectable +17.66% for the Rotation Model.

Making Sense of Underperforming Periods: Every strategy has them, like it or not. The question therefore is 'what can we learn from this that will help us in the future?'

What are the contributors? All sub-strategies underperformed.

Are we consistently following the strategy? Yes

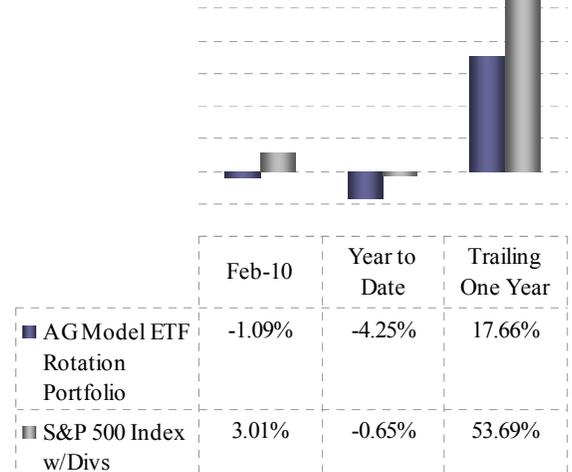
Are we comparing to a particularly strong market index? Yes, the S&P 500, but we only have 30% max in domestic equities.

How does this strategy fit within all the assets our clients own? This model is a diversifying component to client strategic asset allocation holdings.

Have we seen similar periods before? Yes, particularly when the broad market indexes move strongly in unison.

What should we research because of this period? Review changes in selection universes, has the expansion of narrow choices affected performance?

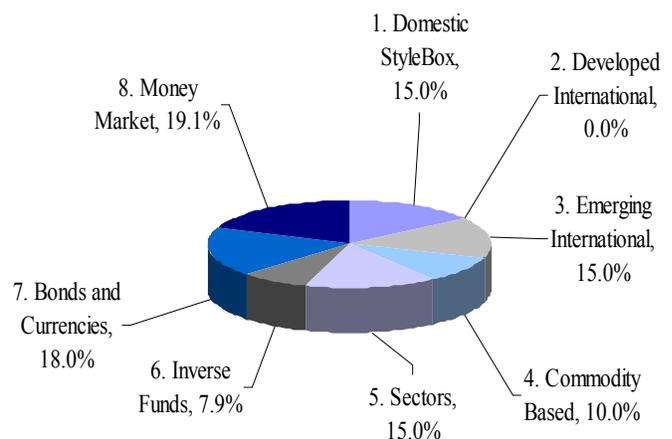
Highlighted Returns



Model ETF Rotation Portfolio for March 2010

PFF	iShares S&P US Preferred Stock {1}
RPV	Rydex S&P 500 Pure Value {1}
MMF	Money Market Fund {2}
MMF	Money Market Fund {2}
EIS	iShares MSCI Israel Investable Market {3}
IDX	Market Vectors Indonesia {3}
FXZ	First Trust Materials AlphaDEX {4}
IYR	iShares Dow Jones US Real Estate {4}
FAA	Claymore NYSE ARCA Airline {5}
IAT	iShares Dow Jones US Regional Banks {5}
PBS	PowerShares Dynamic Media {5}
REC	Rydex Invr 2x S&P Select Sectors Energy {6}
EFU	ProShares UltraShort MSCI EAFE {6}
FXP	ProShares UltraShort FTSE/Xinhua China {6}
TFI	SPDR Barclays Capital Municipal Bond {7}
JNK	iShares iBoxx \$ High Yld Corporate Bond {7}
PZA	PowerShares Insured National Muni Bond {7}
	Money Market {8}

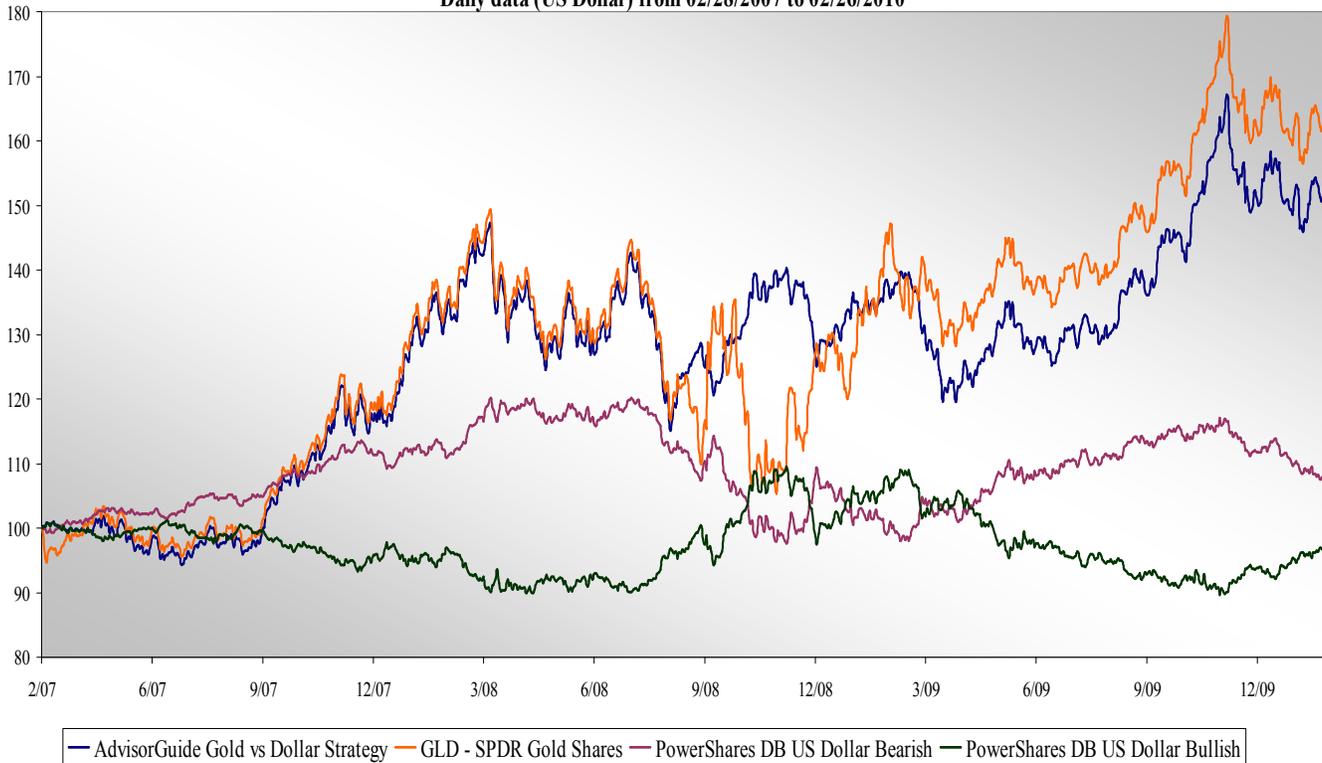
Model Rotation Portfolio Allocation Breakdown



AdvisorGuide Education

Performance comparison

Daily data (US Dollar) from 02/28/2007 to 02/26/2010

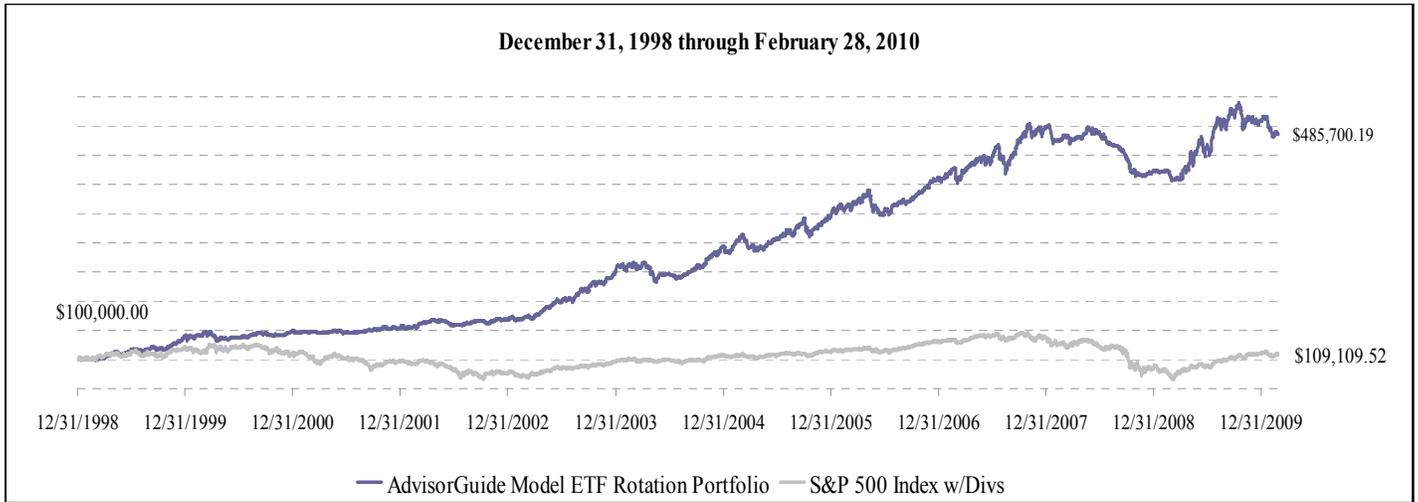


With all of the speculation about inflation we have been asked what we can do to defend against it. Of course we are technically in a deflationary cycle, so how do we recognize inflation. One of the most well known ways to combat inflation is to buy gold, but what to do when gold is not running? We have created a simple strategy that buys GLD—SPDR Gold Shares when the AdvisorGuide Long Term Signal is a Hold. When the

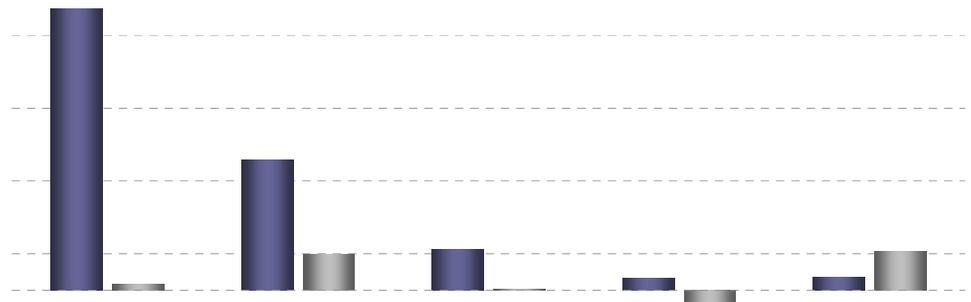
Daily data from 02/28/2007 to 02/26/2010	AdvisorGuide Gold vs Dollar Strategy	GLD - SPDR Gold Shares	UDN - PowerShares DB US Dollar Bearish	UUP - PowerShares DB US Dollar Bullish
Total return	53.50%	64.61%	8.47%	-3.77%
Annual compound return	15.37%	18.09%	2.75%	-1.28%
% of Negative Days	44.88%	45.27%	45.14%	47.83%
% of Positive Days	51.66%	51.28%	51.41%	48.72%
Average negative Day	-0.90%	-1.11%	-0.49%	-0.51%
Average positive Day	0.90%	1.12%	0.46%	0.50%
Expectancy	1.15	1.15	1.06	0.99
Annualized Standard Deviation	22.71%	29.61%	12.33%	13.06%
Beta vs Gold	0.42	1.00	0.22	-0.22
Annualized Alpha vs Gold	8.81%	0.00%	-3.79%	-0.56%
Correlation to Gold	0.54	1.00	0.53	-0.50
Largest drawdown	-21.72%	-29.41%	-18.79%	-18.09%
Maximum upturn	77.20%	89.39%	21.11%	21.82%

Long Term Signal gives a Sell we simply buy UUP—PowerShares DB US Dollar Bullish. This will give good protection against inflation while also defending your portfolio against falling gold prices. This is another way that you can use the AdvisorGuide research to your clients benefit.

AdvisorGuide Model ETF Portfolio Returns

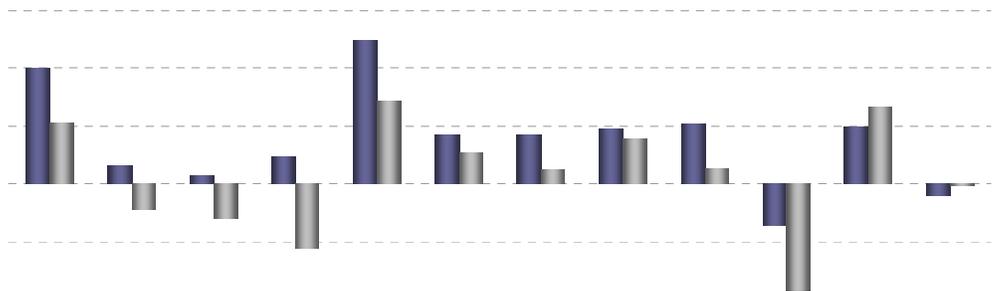


Cumulative Returns



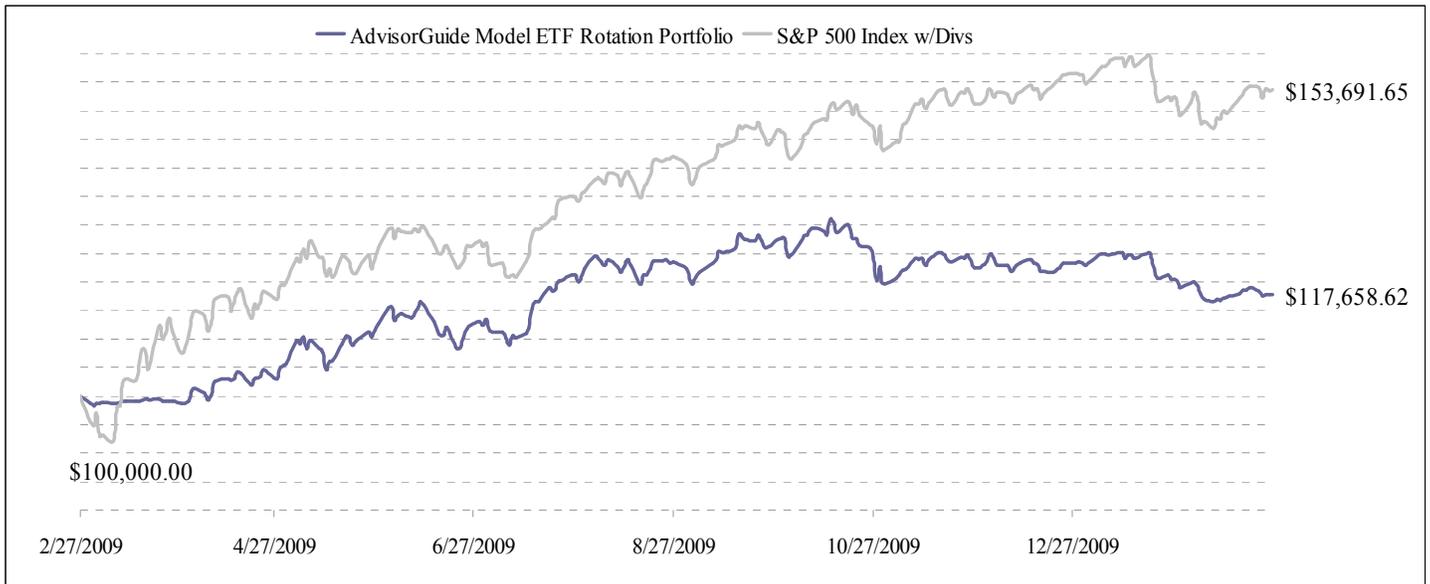
	Inception	7 Year	5 Year	3 Year	1 Year
■ AdvisorGuide Model ETF Rotation Portfolio	385.70%	180.05%	56.66%	17.16%	17.66%
■ S&P 500 Index w/Divs	9.11%	50.82%	1.79%	-16.10%	53.69%

Year by Year Returns

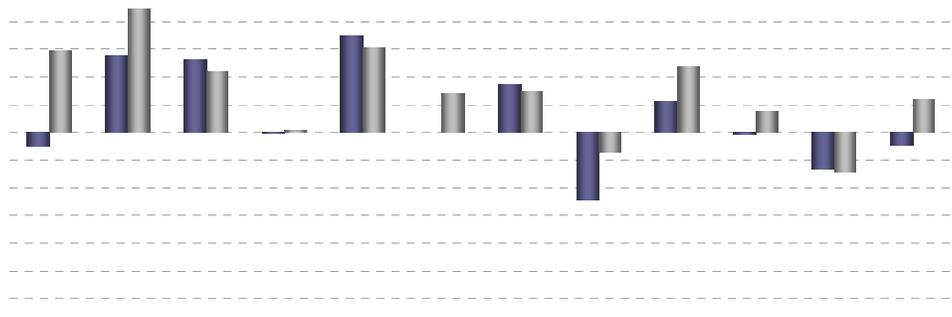


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	YTD: 2010
■ AdvisorGuide Model ETF Rotation Portfolio	40.28%	6.42%	2.97%	9.42%	49.61%	17.07%	16.94%	19.15%	20.84%	-14.58%	19.72%	-4.25%
■ S&P 500 Index w/Divs	21.02%	-9.13%	-11.92%	-22.10%	28.66%	10.88%	4.91%	15.78%	5.43%	-36.99%	26.45%	-0.65%

AdvisorGuide Model ETF Portfolio Returns



Month by Month Returns



	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10
■ AdvisorGuide Model ETF Rotation Portfolio	-1.27%	6.89%	6.62%	-0.08%	8.72%	0.04%	4.34%	-6.12%	2.78%	-0.17%	-3.19%	-1.09%
■ S&P 500 Index w/Divs	7.42%	11.08%	5.51%	0.22%	7.63%	3.54%	3.75%	-1.80%	5.91%	1.96%	-3.55%	3.01%

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