

# Cycle Projections ETFs

MARCH 2008

ETF'S - A Diversified Selection of Major Exchange Traded Funds

## Bull or Bear?

ETFs over the period from October to March gave the long investor a clear alternative to equities. We had good upside from the gold and agricultural ETFs. We have now headed into spring and the usual seasonal corrections in both gold and agricultural. So where should we go? Should we be back in equities? Have we seen the bottom? The overall pattern that we are looking for in equities is the election year pattern that we previously published. It indicates that there will be no major rally until May. Our current expectations are for a trading range in equities until May. This sideways trend will be joined by agricultural over the next month, but then we expect the trend to continue higher in both agriculturals and gold.

EXTRADED Financial(SPDR) XLF  
Daily



Our view is that it is very likely the bottom is in but there is still a 40% chance that we will see a lower low in May due to the effects of the economy as opposed to the credit crunch. And that is why we are cautious on many equity funds especially the financial sector.

We have included a chart of XLF, a financial sector ETF. Many feel that the financial sector is at a significant low and is a buy and there is much support for that, although we feel that there is too much risk at these levels to buy the financial sector since we expect yet another bottom due to the possible recession.

The commodity ETFs including gold should be good buys at the end of April. SLV, a silver ETF will also be a buy but the tax consequences of this fund should be examined.

China and Brazil are both bullish but China remains a lucrative but high risk investment. The clean energy fund should perform well but it has been very washed out. Still the growth potential here is high. Remember that some of the stocks in this sector have very high PEs.

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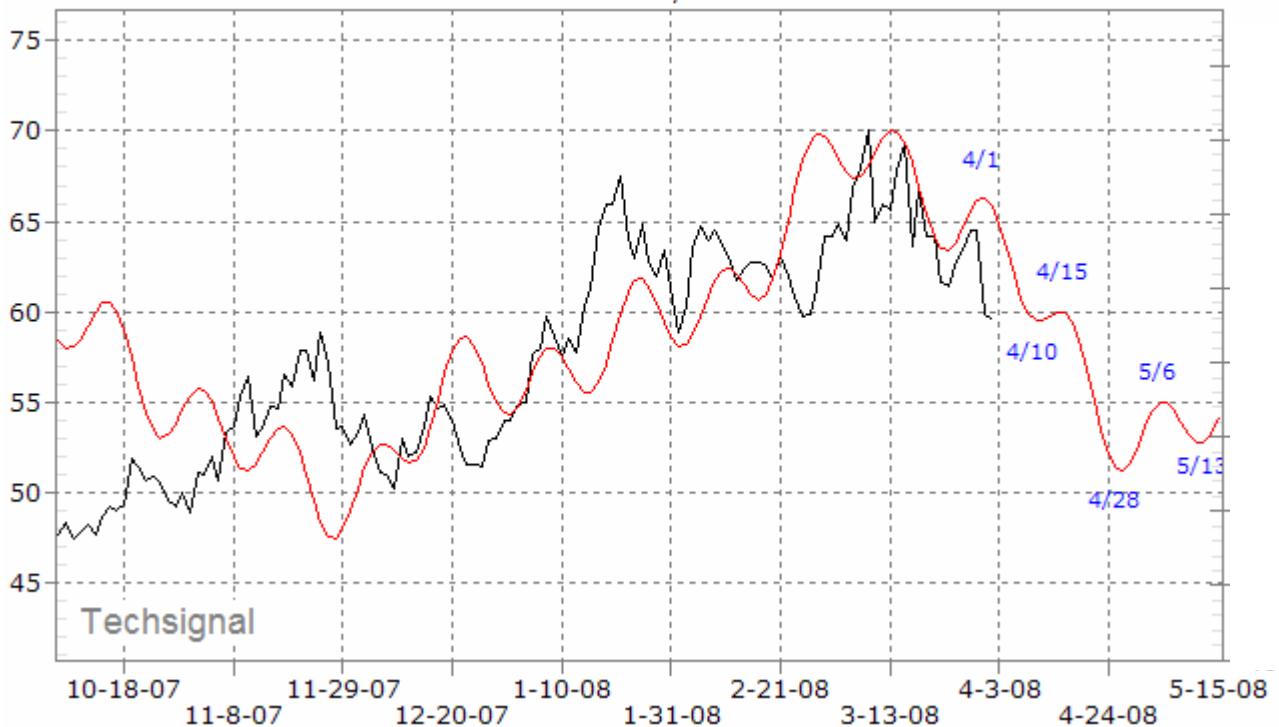
## QLD (2X) Double Beta

EXTRADED Ultra QQQQ(ProShr) QLD  
Daily



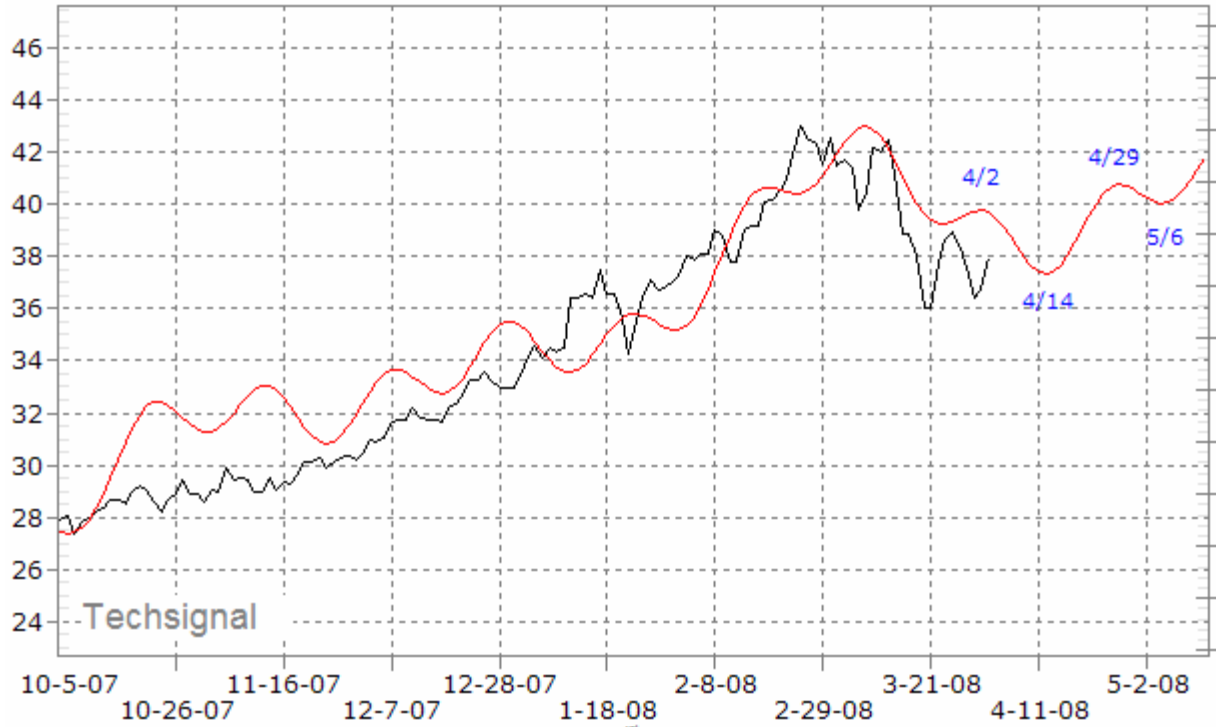
## SDS (-2X) Double Beta Inverse

EXTRADED UltraShort S&P 500(ProShr) SDS  
Daily



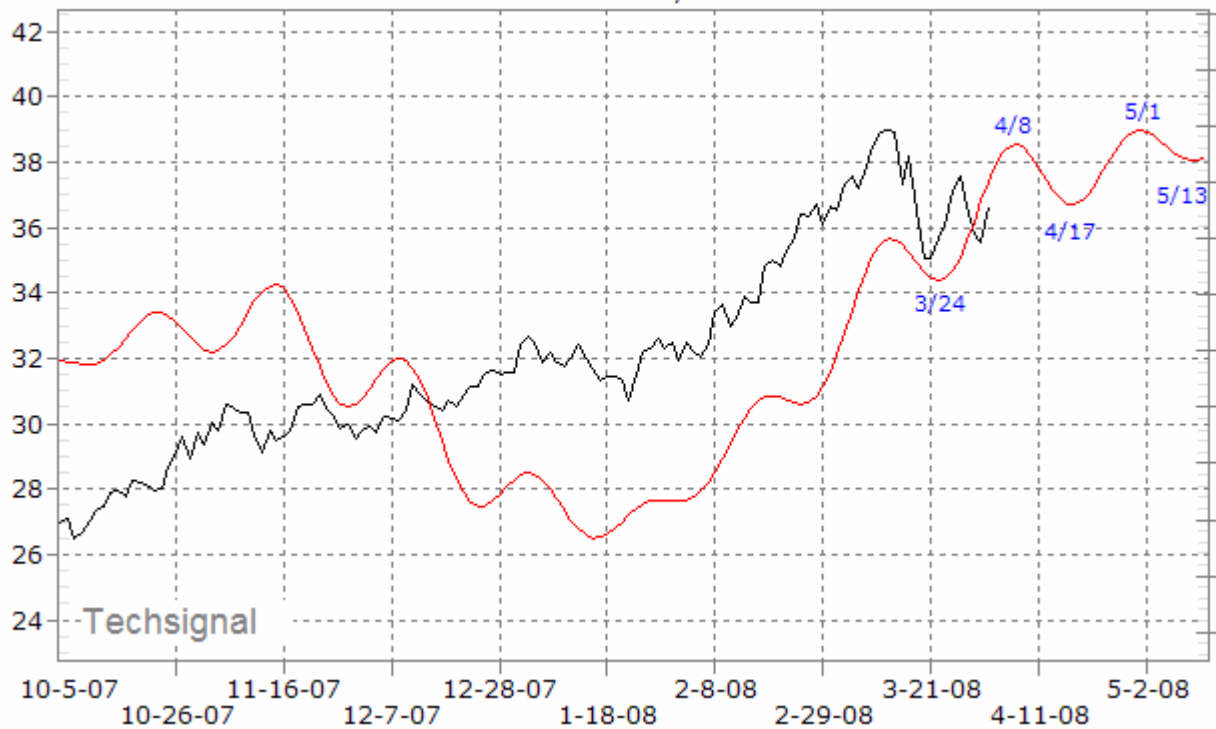
## DBA Agriculture

EXTRADED DB Agriculture Fund(PowShr) DBA  
Daily



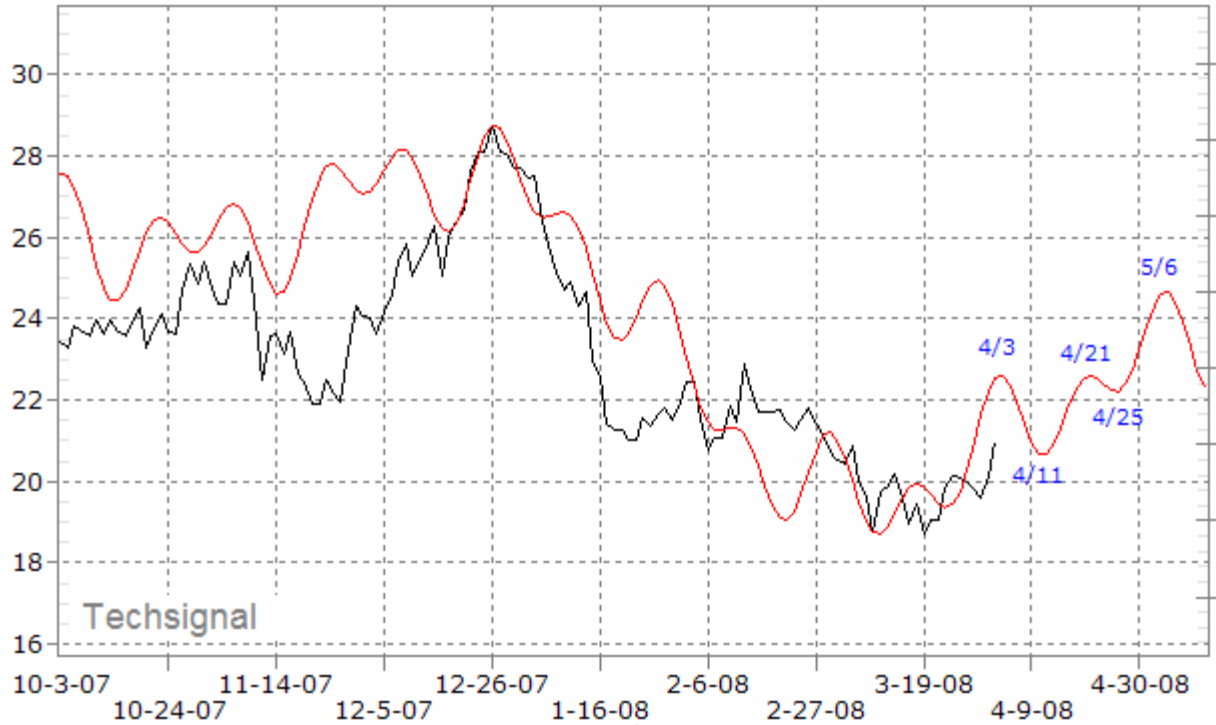
## DBC Commodities

EXTRADED DB Commodity Track(PowShr) DBC  
Daily



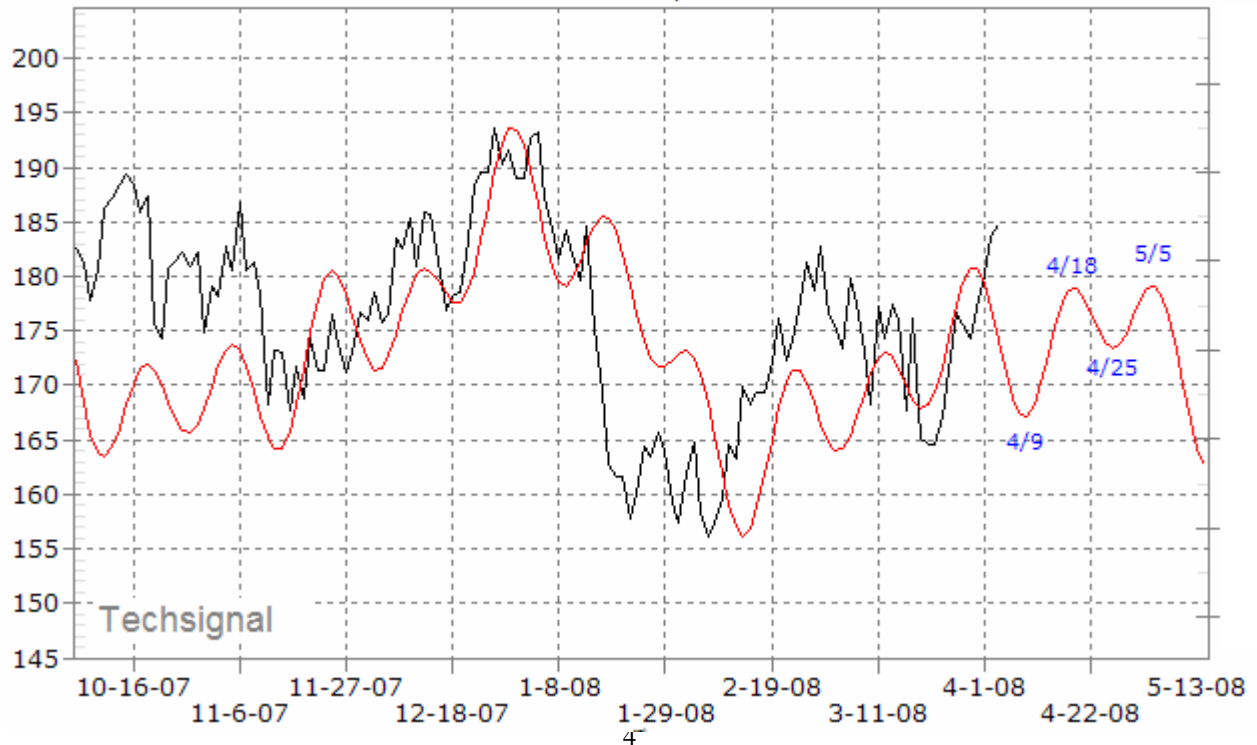
## PBW Clean Energy

EXTRADED Energy WilderHill Clean(PowShr) PBW  
Daily



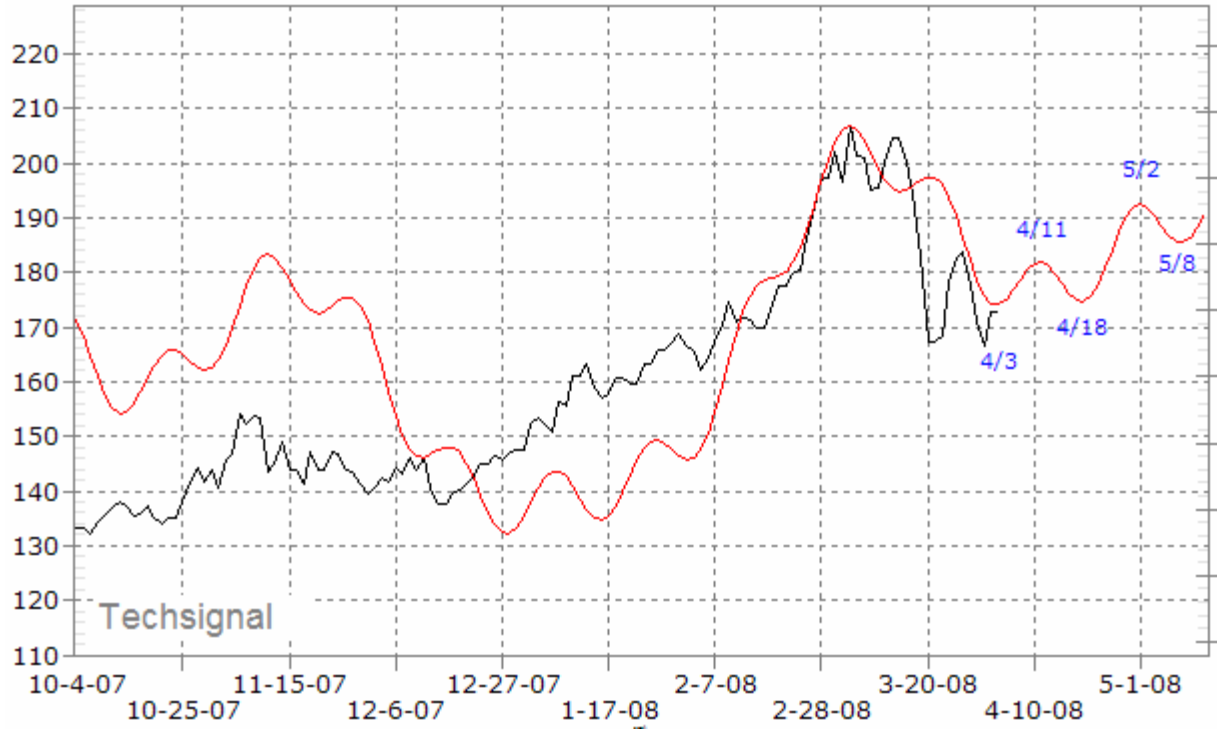
## OIH Energy Services

EXTRADED Oil Service(HLDRS) OIH  
Daily



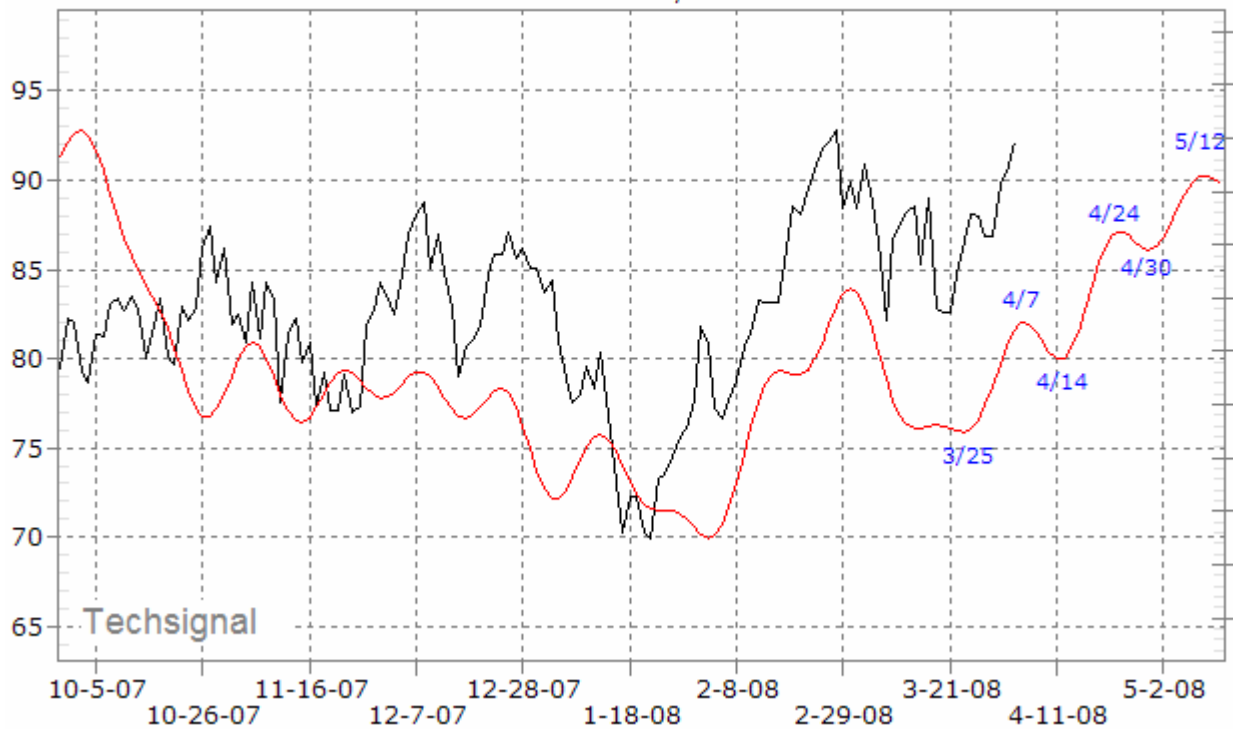
## SLV Silver

EXTRADED Silver Trust(iS) SLV  
Daily



## SLX Steel

EXTRADED Steel Markt Vectr(VanEk) SLX  
Daily



## EWZ Brazil

EXTRADED MSCI Brazil(iS) EWZ  
Daily



## PGJ Golden Dragon China

EXTRADED Golden Dragon USX(PowShr) PGJ  
Daily

