

Perspective: Pause vs. Market Top, Plus New Features

Aug 07, 2015

Dear Scott,

A Pause that Refreshes versus a Market Top

It's easy to see from the S&P 500 market index chart (right) that we've had a nice ride on the rebound from the depths of the 2008 -09 crash while enjoying a significant decrease in volatility along the way. It's also easily observed that the market has been losing steam of late, appearing relatively flat this summer. The same is expressed in the StormGuard chart (lower-right) by its droop toward the "Go To \$Cash" zone. Of course this begs the question about what's next. Apparently it will take more than the troubles in Greece and the Middle East to induce larger sustained moves in the market.

There is, however, an elephant in the room: the Federal Reserve. And it is signaling its plan to start hiking interest rates later this year. In 2005 -07 Ben Bernanke quickly raised rates by 4%, and, at least in my view, triggered the 2008 -09 market crash. While the dominos may have been set up by others, he gave the push. The dramatic rise in interest rates propagated through to home owners, many of whom had signed up for the new interest only, variable rate, no-doc, 5% down mortgages. In addition to being highly leveraged and susceptible to interest rate changes, no-doc loans became known as "liar loans" for a reason. As rates adjusted upward, the number of defaults climbed precipitously. Since most of these mortgages had been packaged and sold to third party financial institutions applying at least 30:1 leverage, when over 3% of the packaged loans defaulted, the investment value cratered and jeopardized or destroyed the solvency of their owners. Meanwhile, residential real estate collapsed as mortgage defaults fueled a downward spiral in home values.

The question is whether FED chairman Janet Yellen will pull the same trigger all over again. Although many improvements were made in the system as a result of the last debacle, recently some of the more important loan requirements have again been seriously weakened. While I am the consummate optimist, and I do believe rates should go higher slowly, it remains unknown whether the FED leaned to act differently this time, or whether history will repeat itself as predicted by countless gloom and doom sayers. Keep StormGuard enabled and ready for action...

New: Add Multiple Ticker Symbols at a Time.

You can now enter multiple ticker symbols in a single operation. Simply add a comma after entering a ticker symbol and then enter another. In fact, you can even perform a search mid-way through entry of a series of ticker symbols as illustrated (right), where the entry is "SPY, MDY, TLT, etf health." The entry has already validated and accepted the symbols SPY, MDY, and TLT, and then has



5-Years



[Click to learn more.](#)

Adding Multiple Symbols

Find a Mutual Fund, ETF or Stock

Search For: SPY,MDY,TLT,etf health Previous Next Page Page 1 of 2 Undo Changes

Enter one or more comma-separated symbols, or words from its name in the text box. Click a listing to select it, then click Use Selected.

Symbol	Fund	Min Hold Days	Early Trade Fee
CURE	ETF-Daily Healthcare Bull (iDeo)	0	0.00%
DIOR	ETF-Super Medical Health Care	0	0.00%
FMHC	ETF-MSCI Health Care (iShares)	0	0.00%
FMH	ETF-Healthcare Alpha (SEI)	0	0.00%
HEF	ETF-Healthcare Provider (SPDR)	0	0.00%
HEV	ETF-S&P 500 Health Care Sector (SPDR)	0	0.00%
HU	ETF-Healthcare S&P Divid (iShares)	0	0.00%
HVM	ETF-Healthcare (iShares)	0	0.00%
PHCH	ETF-S&P Small Cap Health Care (iShares)	0	0.00%
PHM	ETF-Healthcare (DWA Momentum) (iShares)	0	0.00%
RHD	ETF-UltraHealth Health Care (iShares)	0	0.00%
RHL	ETF-Ultra Health Care (iShares)	0	0.00%

Notes: Some fund and stock names use abbreviations. Try multiple word fragments. Please contact us to request additional. We'll add ETFs and mutual funds with > 3 years of data.

Use Selected

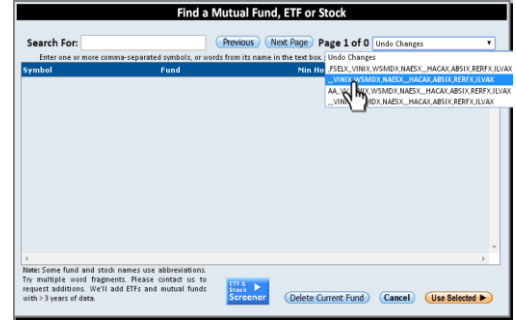
[Click to enlarge.](#)

performed a search for symbols having both "etf" and "health" in its name. Simply click the search listing of interest to add it to the list of ticker symbols.

New: Undo Changes Made to a Strategy.

Occasionally, one might click and change the wrong ticker symbol by mistake and wonder what had been accidentally deleted. Similarly, after trying numerous different fund combinations you might wonder what that magic combination was a few iterations ago. Well, now you can click the Undo Changes dropdown box in the upper right portion of the "Find a Mutual Fund, ETF or Stock" popup window (right) and see up to twenty prior changes you made. Click to select the one you would like to return to, then click the "Use Selected" button at the bottom. This history is saved in what is called browser cookies on your computer, and thus is specific to changes made with that browser. This feature is specific to ticker symbols, and thus does not include changes made to StormGuard, its name, or other properties.

Reversing Fund Changes to Strategy



Click to enlarge.

Meetup Group - Internet Streamed for Everyone.

The Seattle SectorSurfer Momentum Investing Meetup Group will have its second meeting since its July inception on August 11th at 7PM PST. It will be Internet streamed so everyone can attend. After an introductory review, the advanced topic is entitled "**The Next Market Crash? Learn Three Ways to StormGuard Your ASSETS.**" For more details please click the meeting graphic on the right.



Click for Event details.

Speaking Engagement Calendar.

Please come and see one of these seminar presentations if you are in the neighborhood. Alternatively, ask your AAI Chapter or Investment Group leader to schedule a presentation. Webex presentations for smaller investment clubs and groups are also possible.

Seminar Title: True Sector Rotation: Breaking Through the Efficient Frontier.

This is a fast paced detailed seminar that will cover SectorSurfer basics, Forward Walk Progressive Tuning, Strategy-of-Strategies, and how to make Low Drawdown Portfolios.

- [Seattle, WA: SectorSurfers Meetup Group - Tues, Aug 11, 7:00 PM](#)
- Philadelphia, PA: AAI CI SIG - Sat, Aug 22, 10:00 AM
- Santa Rosa, CA: North Bay Investors Forum - Saturday, Sep 12, 10:00 AM
- [San Jose, CA: SectorSurfer Users Group - Wed, Sep 16, 6:00 PM](#)
- Detroit, MI: AAI CI SIG - Saturday Sep 26, 10:30 AM
- Madison, WI: AAI Subgroup - Wednesday Oct 21, 6:00 PM
- Milwaukee, WI: AAI Chapter - Thursday Oct 22, 6:00 PM
- Twin Cities, MN: AAI Chapter - Friday, Oct 23, 7:00 PM (Intro)
- Twin Cities, MN: AAI Chapter - Sat, Oct 24, 9:00 AM (Advanced)
- Boston, MA: AAI Chapter, MIT SIG - Mon, Oct 26, 7:00 PM
- Providence, RI: AAI Chapter - Tues, Oct 26, 7:00 PM
- Las Vegas, NV: AAI National Conference - Saturday, Nov 7 - Nov 9
- Houston, TX: Houston Investors Association - Sat., Nov 14, 9:00 AM
- Orlando Florida: AAI Chapter - Wednesday, Nov 18, 7:00 PM
- Baton Rouge, LA: AAI Chapter - Thursday Nov 19, 6:00 PM
- Houston, TX: AAI Chapter - Saturday, Nov 21, 9:00 AM
- Phoenix, AZ: AAI Chapter - October 2016 - Stay tuned for details.

Surf Well and Prosper,



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Additional Resources

Sector Surfer Live Forum

By the Seattle SectorSurfers Meetup Group



The SectorSurfer Live Forum was created by Norman Booth to provide Internet-streamed access to the Seattle SectorSurfers Momentum Investing Meetup Group to everyone, including discussions and local or remote presentations. [Click HERE](#)

Sector Surfer University

Learn to Change the Game



Investment professional Richard Erkes created SectorSurfer University to provide everyone the opportunity to learn how to use SectorSurfer to improve investment portfolio performance while simultaneously reducing investment costs. [Click HERE](#)

Sector Surfer Users Group

Join the Conversation



The SectorSurfer Users Group is an online Google Groups Forum created by Joe Gruender of San Jose, CA to provide a platform for exchanging strategies, ideas and learning from the experience of other SectorSurfers. [Click HERE](#)



Professional Help - Change the Game



Bryan Sullivan founded AlphaGen Strategies to empower financial advisors with SectorSurfer's True Sector Rotation technology in a framework that helps advisors manage high performance portfolios for their clients. [Click HERE](#)