Dear Scott,

What the Charts Say Now
In spite of our problems balancing the budget and the serious glitches in the roll out of Obamacare, the market clearly believes those problems will be overcome and the sun will continue to shine. Expect more of the same until an as yet unknown more serious problem confronts us.

Healthcare - Be Prepared
A few years ago I was not pleased about the rapid rise in gasoline prices. I'm sure I said a few negative things about those whom I believed were draining my wallet and burdening the economy. But it wasn't long before I noted SectorSurfer had me in FSESX, Fidelity Select Energy Services, making money faster than the gas pump was draining it.

That was a lesson well learned. While I felt helpless in my inability to change anything about rising world oil prices, my pain at the pump was well compensated — the trend really was my friend with FSESX.

So, how does this relate to the ACA (Affordable Care Act)? While the news of its disastrous website debut and stories of cancelled plans and doubling rates continue prominently, the technical problems will get fixed, pricing will mostly sort itself out, and it's likely that some portions of the law will be rewritten. It's here to stay. But, are your Strategies prepared?

Why should cancelled plans and increased prices be a wakeup call for investors? Consider this: If your customers can't jump ship for any competitor's product at a lower price (because the government outlawed selling low priced products to new customers), then you can obsolete all your low price products and force customers up to higher priced products without losing them. Might that affect profitability? Might that explain a few things? Apply the lesson.

Your Strategies would be well prepared to participate if they contained a healthcare fund. Notably, the IYH healthcare ETF has already outperformed the S&P500 by 10% this year.

Model Portfolios
Many have requested that we create a page with model portfolios — where a portfolio is defined as a collection of
Strategies, each of which manages one of your buckets of money. Particularly for stock Strategies, we have promoted the concept of "Post Surfing Diversification", to reduce volatility risk of individual stocks through owning multiple stocks — each selected by a Strategy as its trend leader.

The blue "Model Portfolios" button to the right can now be found at the top of the Example Strategies page and the Strategy Hall of Fame page. It links to the new Model Portfolios page. There we introduce the broader concept of "Tactical Diversification" for Portfolios, which is the sequential application of three types of diversification, including "serial diversification", to produce optimal portfolio performance.

**Portfolio Design Contest - Share Your Wisdom**
Why a portfolio design contest? Because sharing your creativity and wisdom is a noble thing. And, there is nothing wrong with a little recognition and a few trinkets to make it more fun. Have your Portfolio immortalized on the Model Portfolios page, and/or win our amazing designer SectorSurfer coffee goblet laden with sage investment wisdom.

Download Portfolio Design Contest Rules PDF

**Amazon Subscription Conversion (a repeat reminder)**
Google Wallet ceases operation about November 22nd. When your last Google Wallet subscription payment eventually expires, you will be directed to the Account Information page where the 3rd column will look as shown, above right. You can either select the Amazon Replacement option and continue through checkout with Amazon, or change your subscription by clicking the brown Cancel Subscription button and selecting an alternative. Changing a subscription before it expires can also be done at any time without losing any time/value remaining on the current one. With Amazon it’s easy.

**Orlando AAII Investor Conference (a repeat reminder)**
SumGrowth Strategies will have a trade show booth at the Orlando AAII Investor Conference starting Friday, November 15. Please come see us there. For conference information, click the AAII Conference image to the right. We also have a 90-minute workshop scheduled for Saturday morning November 16, described as follows:

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*Adaptive Asset Class and Sector Rotation Strategies*
Since economists really do point in all directions, prudent investors must devise strategies that automatically adapt to changes in the economy, interest rates, favored sectors and favored world regions. We’ll examine mutual fund and ETF example strategies for both asset class rotation and sector rotation that perform well, even with forward-walk-progressive-tuning, the industry gold standard for strategy backtesting.

We plan to convert the presentation to some form of video after the conference for those interested in the topic.
Surf Well,

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