



The Rhodes Report

"ETF Playbook"

Telephone: 1-484-278-4073

Email: richard@rhodes-capital.com

Web Address: <http://www.rhodes-capital.com>

WEDNESDAY — DECEMBER 14, 2011

INSIDE THIS ISSUE

Pg. 2-3.....Model Portfolios
Pg. 4.....ETF Summary Data
Pg. 5.....US Indice ETFs
Pg. 7.....Global Regional ETFs
Pg. 9.....Global/Country ETFs
Pg. 13.....Precious Metal ETFs
Pg. 14.....Industrial Metal ETFs
Pg. 15.....Energy ETFs
Pg. 17.....Currency ETFs
Pg. 18.....Bond ETFs
Pg. 19.....S&P Sector ETFs
Pg 24.....Specialty ETFs

POTENTIAL TRADES

Timely and strong pattern/model setups that aren't currently included in the Model Portfolio

→ **BROAD MARKET FORECAST** — Our focus remains on S&P 500 overhead resistance at the 200-day moving average of 1263, which has turned prices lower several times in the past 6-weeks. However, we are of the opinion it shall be given to the upside as the recent sideways pattern appears to be a bullish consolidation, with recent weakness simply a corrective/discounting process. Once the 1263 level is given, then a trade higher into 1293 and perhaps even still higher towards 1330 by Christmas. However, time is growing rather short for this to occur as there are only 8-trading sessions remaining before Christmas. We shall consider adding positions if the 1240 level is regained.

Lastly, given the recent weakness, our attention has turned to the S&P 1217 level — which must ultimately hold any and all corrections on a closing basis.

→ **LONG TRADES** — On an S&P trade above 1240:

- ✓ **Russell 2000 Small Caps (IWM)**
- ✓ **S&P Energy (XLE)**
- ✓ **Oil Service ETF (OIH)**
- ✓ **S&P Materials (XLB)**
- ✓ **S&P Homebuilders (XHB)**

→ **SHORT TRADES** — On rally "failures" into major overhead resistance :

- ✓ **Lehman 20+year Bond Fund (TLT)**

→ **RELATIVE WEAKNESS** — We want to point out the following ETFs that have begun to show relative weakness, and are poised to under-perform. They are also candidates for short positions on a weak rally attempt:

- ✓ **S&P Consumer Discretionary (XLY)**
- ✓ **Retail ETF (RTH)**
- ✓ **S&P Technology (XLK)**

SUMMARY — ETF PORTFOLIO

No.	Date	L/S	Shr #	ETF Description	Symbol	Port %	Capital Allocate	Entry Price	Current Price	Profit or Loss	Profit or Loss %	Stop Loss Notes	TARGET
1	11/15/2011	L	600	S&P Industrials	XLI	9.1%	\$ 20,262	\$ 33.77	\$ 32.91	\$ (516)	-2.5%	\$ 31.15 TR <	\$ -
2	11/15/2011	L	800	Coal ETF	KOL	12.4%	\$ 30,192	\$ 37.74	\$ 33.48	\$ (3,408)	-11.3%	\$ 32.15 TR <	\$ -
3	12/1/2011	L	300	Silver 2x Long	AGQ	7.3%	\$ 18,302	\$ 61.01	\$ 52.37	\$ (2,591)	-14.2%	\$ 50.00 TR <	\$ -
4	12/5/2011	L	500	Latin American ETF	ILF	9.8%	\$ 22,340	\$ 44.68	\$ 42.66	\$ (1,010)	-4.5%	\$ 39.90 TR <	\$ -
5	12/2/2011	L	500	Steel ETF	SLX	11.0%	\$ 26,248	\$ 52.50	\$ 47.60	\$ (2,448)	-9.3%	\$ 45.00 TR <	\$ -
6						0.0%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -
7						0.0%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -
8						0.0%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -
9						0.0%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -
10						0.0%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -
11						0.0%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -
12						0.0%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -
TOTAL						49.6%	\$117,343			\$ (9,972)	-8.5%	" < " Denotes Change	

2005 Performance: N/A
 2006 Performance: +7.82%
 2007 Performance: +27.13%
 2008 Performance: +29.85%
 2009 Performance: +11.99%
 2010 Performance: +15.48%

2011 RECAP

Starting Balance \$ 230,183
 Closed Positions \$ (3,662)
 Open Positions \$ (9,972)
 Dividends \$ -

TR = TRADE
 CL = CLOSE
 HLD = HOLD
 EX = EXIT

PORTFOLIO YTD (Gain/Loss) \$ 216,548 \$(13,634) -5.92%
 S&P 500 YTD -2.54%
 Over/(Under) Performance -3.39%

RECOMMENDATION SUMMARY

ETF ORDERS:

1. None.

ETF EXECUTIONS:

1. None.

DISCLAIMER: "The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so that investors' securities, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index. The illustrations and charts in this report are educational only and do not take into consideration your personal circumstances or other factors that may be important in making investment decisions. This report is not a recommendation to buy or sell a particular security."

STATISTICAL DATA SUMMARY

Index	TKR	Last	Chg	% Chg	% Chg vs SPY	YTD Chg	2011 % Chg	2011 vs SPY	2010 % Chg	2010 vs SPY
US ETFs										
S&P 500 "Spyders"	SPY	\$ 123.05	\$ (1.16)	-0.93%	0.00%	\$ (2.70)	-2.42%	0.00%	12.84%	0.00%
Dow "Diamonds"	DIA	\$ 119.51	\$ (0.73)	-0.61%	0.33%	\$ 3.88	3.73%	6.15%	11.11%	-1.73%
NASDAQ 100	QQQQ	\$ 55.76	\$ (0.62)	-1.10%	-0.17%	\$ 1.30	2.84%	5.26%	19.04%	6.20%
Russell 2000 Sm Caps	IWM	\$ 71.94	\$ (1.53)	-2.08%	-1.15%	\$ (6.30)	-10.09%	-7.67%	25.30%	12.46%
WORLD REGIONAL ETFs										
World (ex-US)	EFA	\$ 48.88	\$ (0.67)	-1.35%	-0.42%	\$ (9.34)	-16.90%	-14.47%	5.32%	-7.52%
Pacific (ex-Jap)	EPP	\$ 39.83	\$ (0.42)	-1.04%	-0.11%	\$ (7.15)	-17.28%	-14.86%	13.56%	0.72%
European Union	EZU	\$ 27.26	\$ (0.74)	-2.64%	-1.71%	\$ (8.01)	-21.38%	-18.95%	-5.87%	-18.71%
Emerging Market	EEM	\$ 37.54	\$ (0.35)	-0.92%	0.01%	\$ (10.10)	-24.34%	-21.92%	14.80%	1.96%
Latin America	ILF	\$ 42.66	\$ (0.46)	-1.07%	-0.13%	\$ (11.20)	-23.44%	-21.01%	12.70%	-0.14%
COUNTRY ETFs										
Japan ETF	EWJ	\$ 9.20	\$ (0.04)	-0.49%	0.45%	\$ (1.72)	-17.61%	-15.18%	12.01%	-0.83%
S. Korea ETF	EWY	\$ 52.21	\$ (0.73)	-1.38%	-0.45%	\$ (8.98)	-18.85%	-16.43%	28.44%	15.60%
China ETF	FXI	\$ 34.74	\$ (0.20)	-0.57%	0.36%	\$ (8.35)	-19.76%	-17.34%	1.96%	-10.88%
Brazil ETF	EWZ	\$ 57.65	\$ (0.83)	-1.42%	-0.49%	\$ (19.75)	-26.47%	-24.05%	3.74%	-9.10%
Mexico ETF	EWX	\$ 53.41	\$ (0.68)	-1.26%	-0.32%	\$ (8.51)	-17.41%	-14.99%	26.70%	13.86%
India ETF	IFN	\$ 20.15	\$ (0.20)	-0.98%	-0.05%	\$ (14.96)	-48.73%	-46.31%	14.36%	1.52%
Russia ETF	RSX	\$ 26.12	\$ (0.13)	-0.50%	0.44%	\$ (11.79)	-37.80%	-35.38%	21.5%	8.7%
METAL / ENERGY/ CURRENCY/ BOND ETF's										
Gold ETF	GLD	\$ 158.45	\$ (3.54)	-2.19%	-1.25%	\$ 19.73	18.39%	20.81%	29.27%	16.43%
Silver ETF	SLV	\$ 29.82	\$ (0.67)	-2.20%	-1.26%	\$ (0.36)	-2.18%	0.25%	82.48%	69.64%
Copper ETF	JJC	\$ 43.59	\$ (0.82)	-1.85%	-0.91%	\$ (15.51)	-33.86%	-31.44%	29.04%	16.20%
Steel ETF	SLX	\$ 47.60	\$ (1.17)	-2.40%	-1.47%	\$ (24.98)	-40.60%	-38.18%	17.98%	5.14%
Crude Oil Trust	USO	\$ 38.61	\$ 0.73	1.93%	2.86%	\$ (0.39)	-0.99%	1.43%	-0.71%	-13.55%
US Natural Gas Trust	UNG	\$ 7.20	\$ 0.06	0.84%	1.77%	\$ (4.78)	-23.73%	-21.30%	-40.56%	-53.40%
Gasoline Trust	UGA	\$ 47.88	\$ 0.81	1.72%	2.65%	\$ 5.77	15.78%	18.21%	15.11%	2.27%
Euro Currency	FXE	\$ 129.80	\$ (1.59)	-1.21%	-0.28%	\$ (3.29)	-2.30%	0.12%	-6.87%	-19.71%
Japanese Yen	FXJ	\$ 126.28	\$ (0.17)	-0.13%	0.80%	\$ 4.53	4.25%	6.67%	14.20%	1.36%
Lehman Bond Fund	TLT	\$ 119.11	\$ 1.10	0.93%	1.87%	\$ 24.99	27.80%	30.22%	4.71%	-8.14%
Corporate Bond	LQD	\$ 112.01	\$ 0.38	0.34%	1.27%	\$ 3.57	3.43%	5.85%	4.12%	-8.72%
S&P SECTOR ETFs										
Consumer Discretionary SPDR	XLY	\$ 38.46	\$ (0.77)	-1.96%	-1.03%	\$ 1.05	3.53%	5.95%	25.66%	12.82%
Consumer Staples SPDR	XLP	\$ 31.65	\$ (0.07)	-0.22%	0.71%	\$ 2.34	8.84%	11.26%	10.73%	-2.11%
Energy SPDR	XLE	\$ 67.91	\$ (0.64)	-0.93%	0.00%	\$ (0.34)	-0.60%	1.83%	19.72%	6.87%
Financial SPDR	XLF	\$ 12.61	\$ (0.18)	-1.41%	-0.47%	\$ (3.34)	-23.19%	-20.77%	10.76%	-2.08%
Healthcare SPDR	XLV	\$ 33.36	\$ (0.06)	-0.18%	0.75%	\$ 1.86	5.99%	8.41%	1.38%	-11.46%
Industrials SPDR	XLI	\$ 32.91	\$ (0.44)	-1.32%	-0.39%	\$ (1.96)	-7.05%	-4.63%	25.48%	12.64%
Materials SPDR	XLB	\$ 32.73	\$ (0.56)	-1.68%	-0.75%	\$ (5.68)	-17.22%	-14.79%	16.43%	3.59%
Technology SPDR	XLK	\$ 25.47	\$ (0.24)	-0.93%	0.00%	\$ 0.28	1.22%	3.64%	9.86%	-2.98%
Utilities SPDR	XLU	\$ 34.83	\$ 0.13	0.37%	1.31%	\$ 3.49	11.25%	13.67%	1.03%	-11.81%
SPECIALTY ETFs										
Agriculture	DBA	\$ 28.14	\$ 0.17	0.61%	1.54%	\$ (4.21)	-15.92%	-13.50%	22.35%	9.51%
Base Metals	DBB	\$ 18.66	\$ (0.45)	-2.35%	-1.42%	\$ (5.77)	-25.64%	-23.22%	8.58%	-4.26%
S&P Biotechnology	XBI	\$ 62.72	\$ (0.77)	-1.21%	-0.28%	\$ (0.36)	-0.67%	1.75%	17.60%	4.76%
Broker-Dealer	IAI	\$ 20.63	\$ (0.37)	-1.76%	-0.83%	\$ (8.39)	-29.83%	-27.40%	3.16%	-9.68%
Coal	KOL	\$ 33.48	\$ (0.77)	-2.25%	-1.31%	\$ (13.76)	-38.10%	-35.67%	30.79%	17.95%
Commodity Index	DBC	\$ 27.05	\$ 0.11	0.41%	1.34%	\$ (0.50)	-2.03%	0.39%	11.90%	-0.94%
Gold Miners	GDX	\$ 54.04	\$ (1.76)	-3.15%	-2.22%	\$ (7.43)	-16.08%	-13.66%	33.02%	20.18%
Homebuilders SPDR	XHB	\$ 16.33	\$ (0.59)	-3.49%	-2.55%	\$ (1.06)	-7.02%	-4.59%	15.09%	2.25%
Oil Service HOLDERS	OIH	\$ 115.04	\$ (2.20)	-1.88%	-0.94%	\$ (25.49)	-21.44%	-19.02%	18.21%	5.37%
Pharmaceutical HOLDERS	PPH	\$ 69.72	\$ 0.08	0.11%	1.05%	\$ 4.77	7.23%	9.65%	-1.59%	-14.43%
Real Estate ETF	IYR	\$ 53.94	\$ (0.48)	-0.88%	0.05%	\$ (2.02)	-4.40%	-1.98%	21.86%	9.02%
Retail HOLDERS	RTH	\$ 109.89	\$ (2.33)	-2.08%	-1.14%	\$ 3.41	3.63%	6.06%	13.47%	0.63%
Semiconductor HOLDERS	SMH	\$ 29.37	\$ (0.53)	-1.77%	-0.84%	\$ (3.16)	-11.32%	-8.90%	16.51%	3.67%
Transportation	IYT	\$ 86.42	\$ (1.37)	-1.56%	-0.63%	\$ (5.90)	-7.99%	-5.57%	25.06%	12.22%

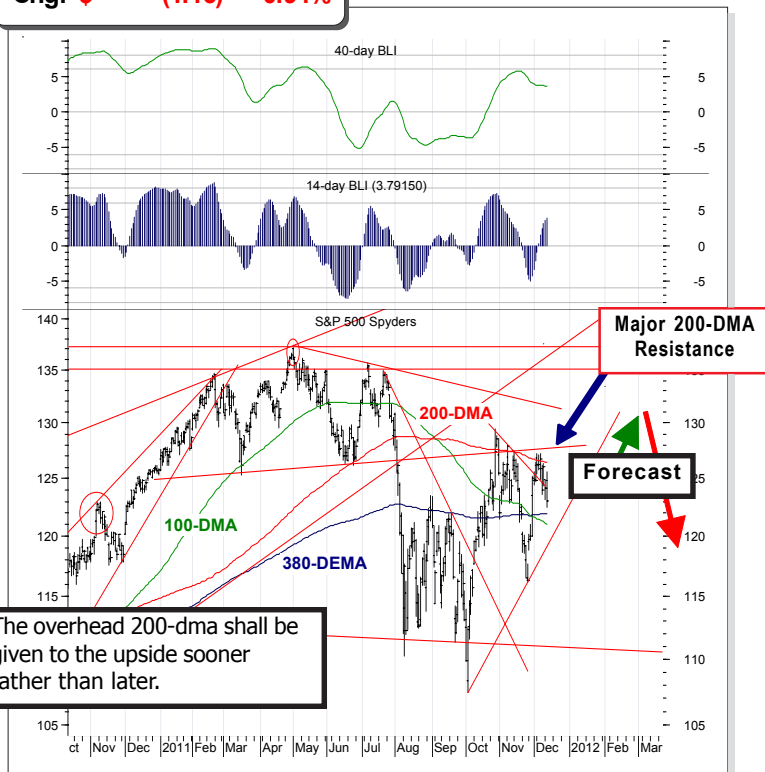
RELATIVE MARKET FORECASTS

***Based on daily/weekly chart and model observations.

TRR - Relative Sector / Industry Calls			
(3-month time horizon)			
<u>OUT-PERFORM</u>		<u>UNDER-PERFORM</u>	
1	Dow "Diamonds" DIA	1	NASDAQ 100 QQQQ
2	Crude Oil Trust USO	2	World (ex-US) EFA
3	Energy SPDR XLE	3	Pacific (ex-Jap) EPP
4	Industrials SPDR XLI	4	Japan ETF EWJ
5	Biotechnology XBI	5	Mexico ETF EWW
		6	India ETF IFN
		7	Copper ETF JJC
		8	Euro Currency FXE
		9	Cons. Discretionary XLY
		10	Technology SPDR XLK
		11	Agriculture DBA
		12	Base Metals DBB
		13	Commodity Index DBC
		14	Semiconductor SMH
		15	Transportation IYT
		16	US Natural Gas Trust UNG
<u>BULL CORRECTION</u>		<u>BEAR CORRECTION</u>	
1	Gold ETF GLD	1	Russell 2000 Sm Caps IWM
2	Silver ETF SLV	2	European Union EZU
3	Gasoline Trust UGA	3	Emerging Market EEM
4	Japanese Yen FXY	4	Latin America ILF
5	Lehman Bond Fund TLT	5	S. Korea ETF EWY
6	Corporate Bond LQD	6	China ETF FXI
7	Consumer Staples SPDR XLP	7	Brazil ETF EWZ
8	Healthcare SPDR XLV	8	Russia ETF RSX
9	Utilities SPDR XLU	9	Steel ETF SLX
10	Gold Miners GDX	10	Financial SPDR XLF
11	Pharmaceutical HOLDERS PPH	11	Materials SPDR XLB
12	Real Estate ETF IYR	12	Broker-Dealer IAI
13	Retail HOLDERS RTH	13	Coal KOL
		14	Homebuilders SPDR XHB
		15	Oil Service HOLDERS OIH

US INDICES

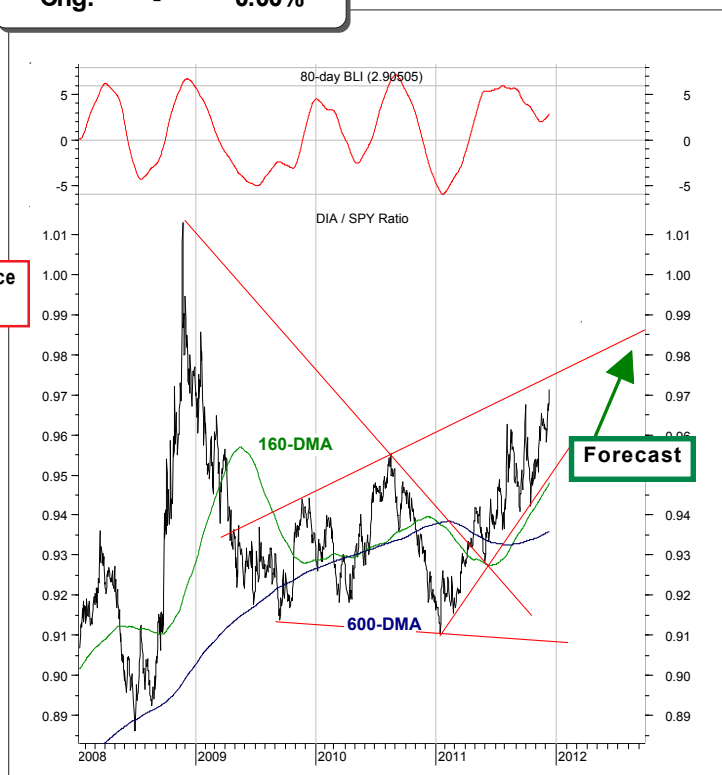
SP 500 **SPY**
 Last: \$ 123.05
 Chg: \$ (1.16) -0.94%



Dow Industrials **DIA**
 Last: \$ 119.51
 Chg: \$ (0.73) -0.61%

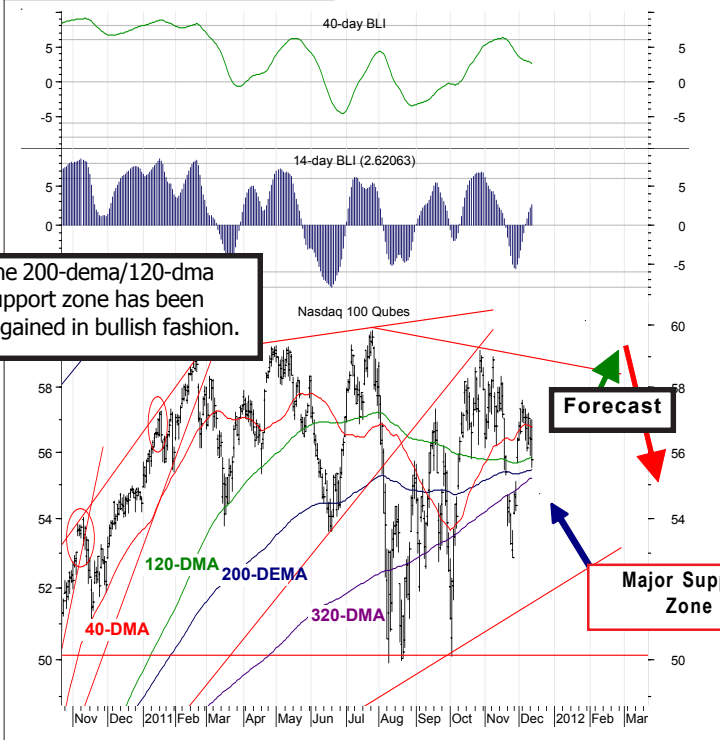


RATIO: DIA / SPY
 Last: 0.971
 Chg: - 0.00%



US INDICES

NASDAQ 100 **QQQQ**
 Last: \$ 55.76
 Chg: \$ (0.62) -1.11%



RATIO: QQQQ / SPY
 Last: 0.453
 Chg: - 0.00%



Russell 2000 **IWM**
 Last: \$ 71.94
 Chg: \$ (1.53) -2.13%



RATIO: IWM / SPY
 Last: 0.585
 Chg: - 0.00%



GOLBAL REGIONAL FUNDS

World (ex-US) EFA
Last: \$ 48.88
Chg: \$ (0.67) -1.37%



RATIO: EFA / SPY

Last: 0.397
Chg: - 0.00%

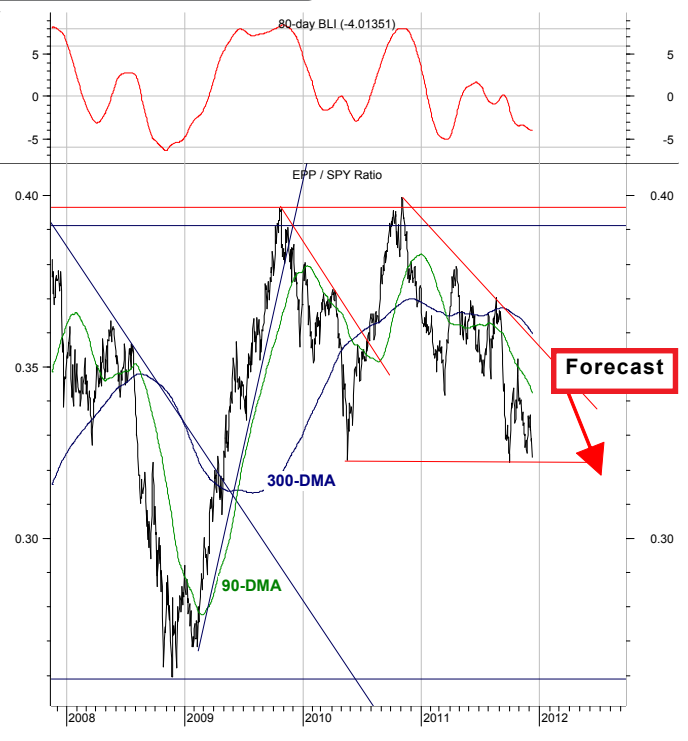


Pacific (ex-Jap) EPP
Last: \$ 39.83
Chg: \$ (0.42) -1.05%



RATIO: EPP / SPY

Last: 0.324
Chg: - 0.00%



GOLBAL REGIONAL FUNDS

European Union EZU

Last: \$ 27.26
Chg: \$ (0.74) -2.71%



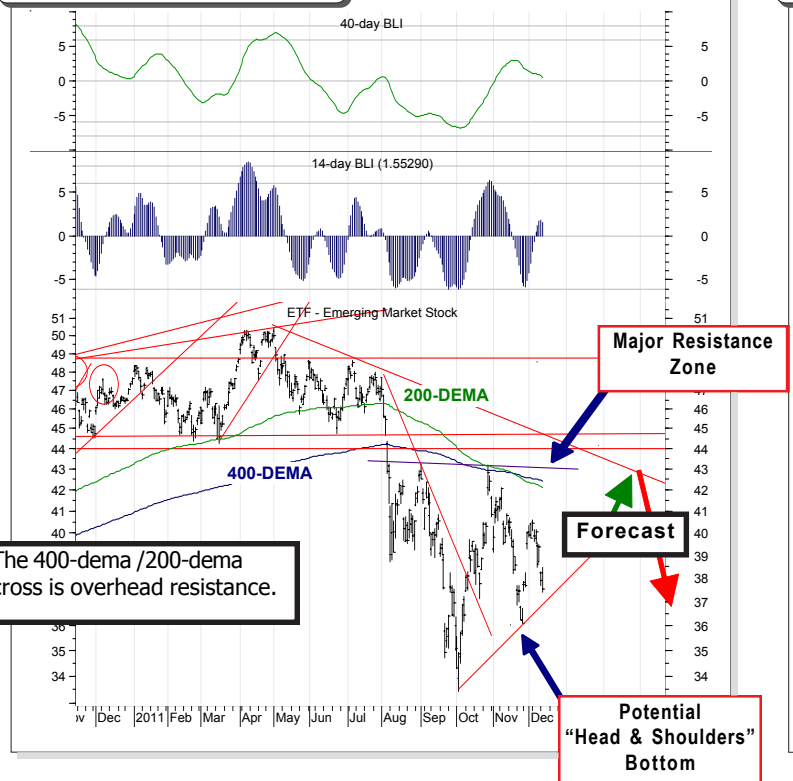
RATIO: EZU / SPY

Last: 0.222
Chg: - 0.00%



Emerging Market EEM

Last: \$ 37.54
Chg: \$ (0.35) -0.93%



RATIO: EEM / SPY

Last: 0.305
Chg: - 0.00%



GLOBAL REGIONAL/COUNTRY FUNDS

Latin America ILF
Last: \$ 42.66
Chg: \$ (0.46) -1.08%



RATIO: ILF / SPY

Last: 0.347
Chg: - 0.00%



Japan ETF EWJ
Last: \$ 9.20
Chg: \$ (0.04) -0.49%



RATIO: EWJ / SPY

Last: 0.075
Chg: - 0.00%



COUNTRY FUNDS

S. Korea ETF EWY

Last: \$ 52.21
Chg: \$ (0.73) -1.40%



RATIO: EWY / SPY

Last: 0.424
Chg: - 0.00%



China ETF FXI

Last: \$ 34.74
Chg: \$ (0.20) -0.58%



RATIO: FXI / SPY

Last: 0.282
Chg: - 0.00%



COUNTRY FUNDS

Brazil ETF EWZ

Last: \$ 57.65
Chg: \$ (0.83) -1.44%



RATIO: EWZ / SPY

Last: 0.469
Chg: - 0.00%



Mexico ETF EWW

Last: \$ 53.41
Chg: \$ (0.68) -1.27%



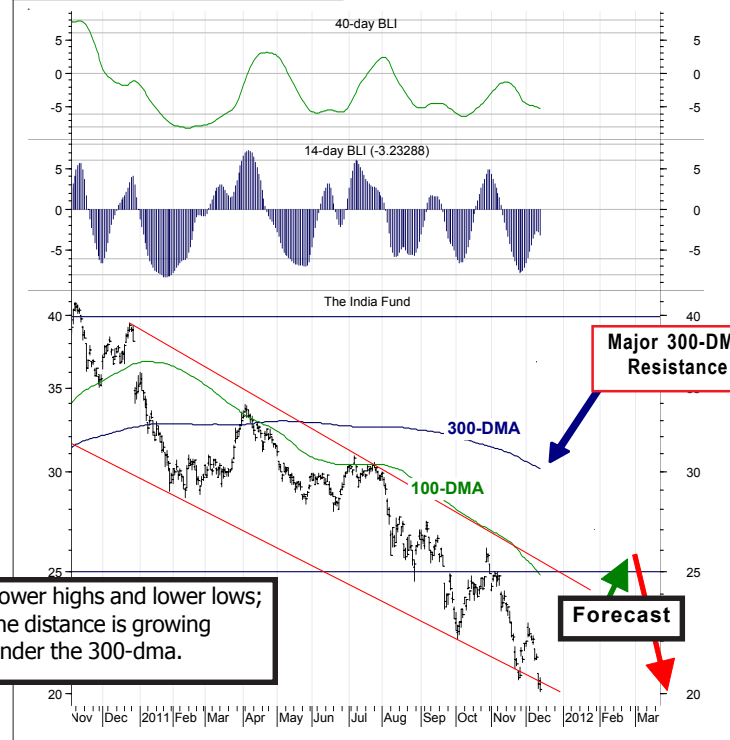
RATIO: EWW / SPY

Last: 0.434
Chg: - 0.00%

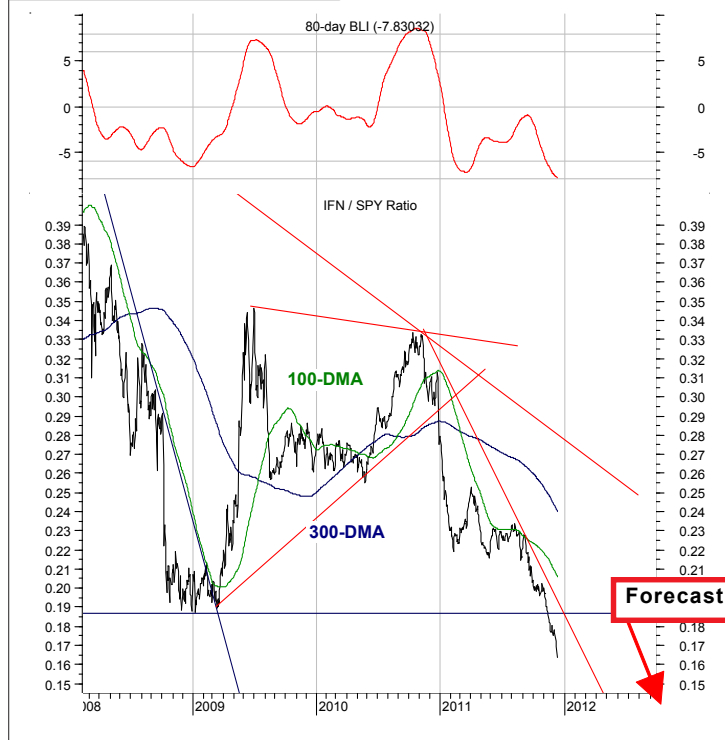


COUNTRY FUNDS

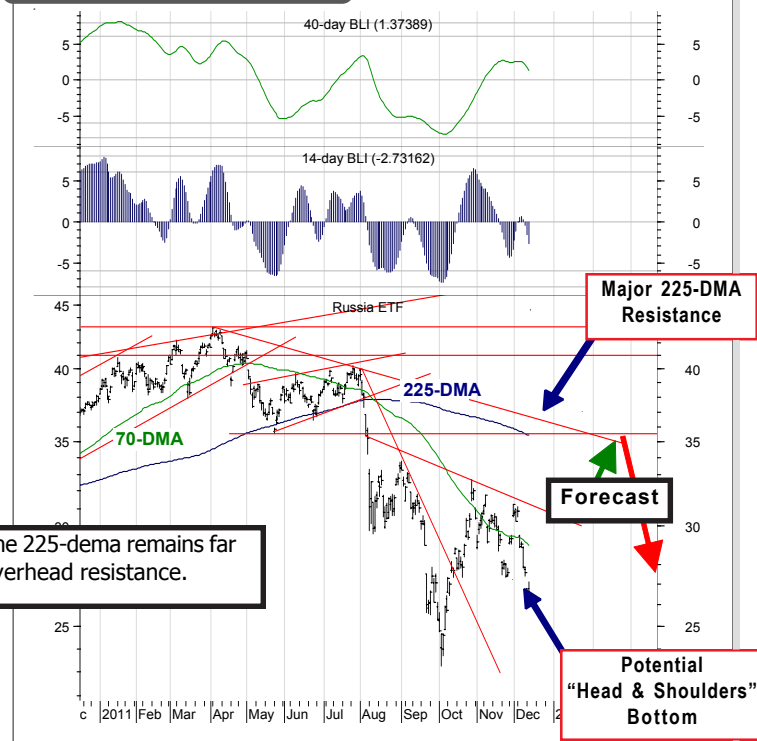
India ETF IFN
Last: \$ 20.15
Chg: \$ (0.20) -0.99%



RATIO: IFN / SPY
Last: 0.164
Chg: - 0.00%



Russia ETF RSX
Last: \$ 26.12
Chg: \$ (0.13) -0.50%



RATIO: RSX / SPY
Last: 0.212
Chg: - 0.00%



PRECIOUS METALS

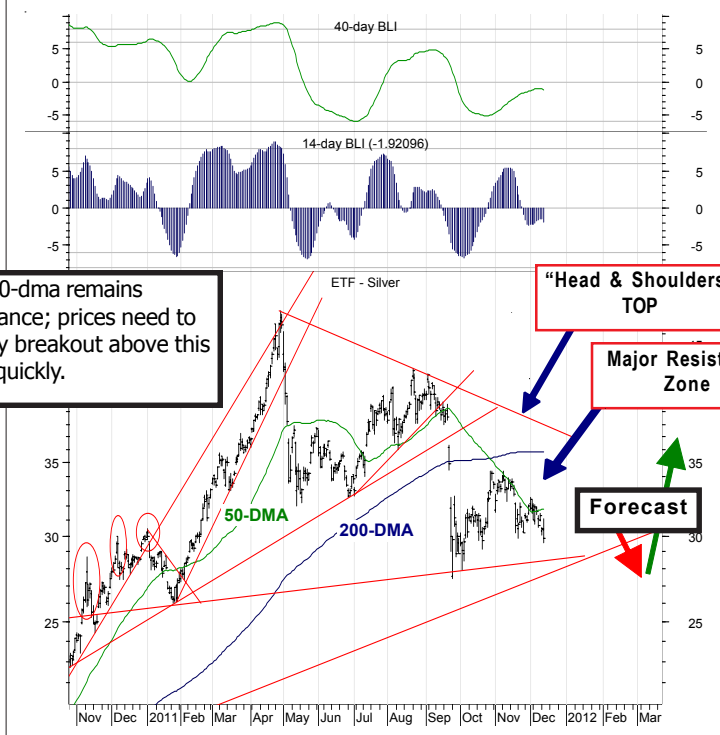
Gold ETF **GLD**
Last: \$ 158.45
Chg: \$ (3.54) -2.23%



RATIO: GLD / SPY
Last: 1.288
Chg: - 0.00%



Silver ETF **SLV**
Last: \$ 29.82
Chg: \$ (0.67) -2.25%



RATIO: SLV / SPY
Last: 0.242
Chg: - 0.00%



INDUSTRIAL METALS

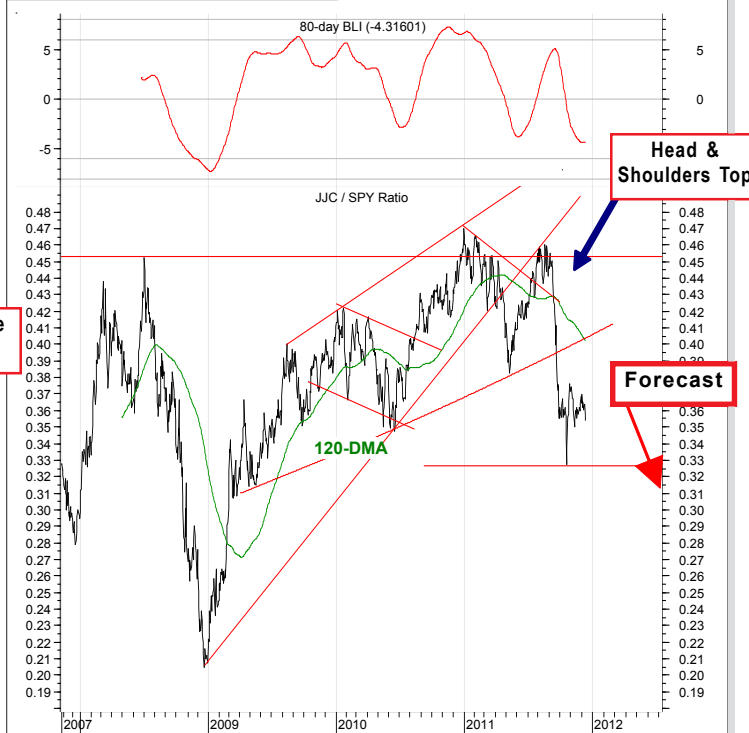
Copper ETF JJC

Last: \$ 43.59
Chg: \$ (0.82) -1.88%



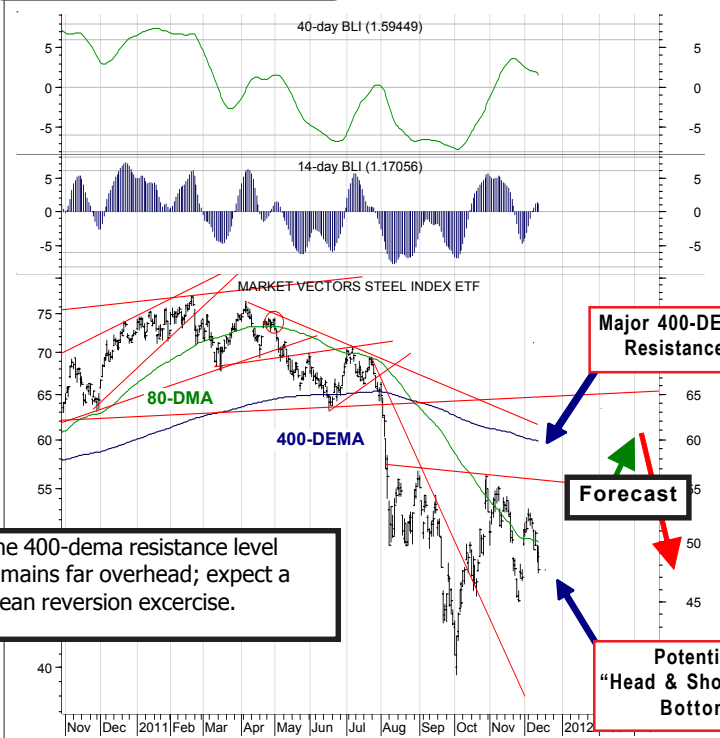
RATIO: JJC / SPY

Last: 0.250
Chg: - 0.00%



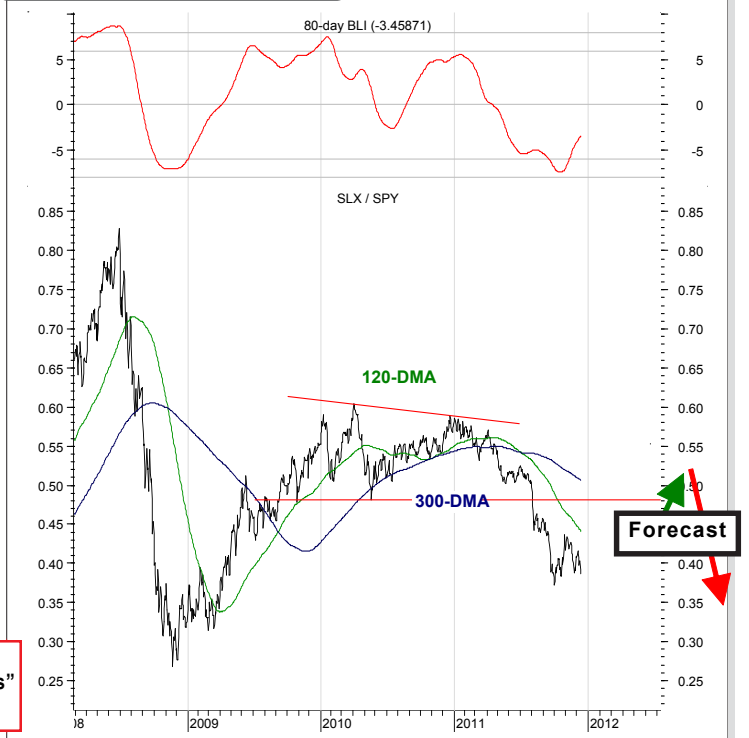
Steel ETF SLX

Last: \$ 47.60
Chg: \$ (1.17) -2.46%



RATIO: SLX / SPY

Last: 0.535
Chg: - 0.00%



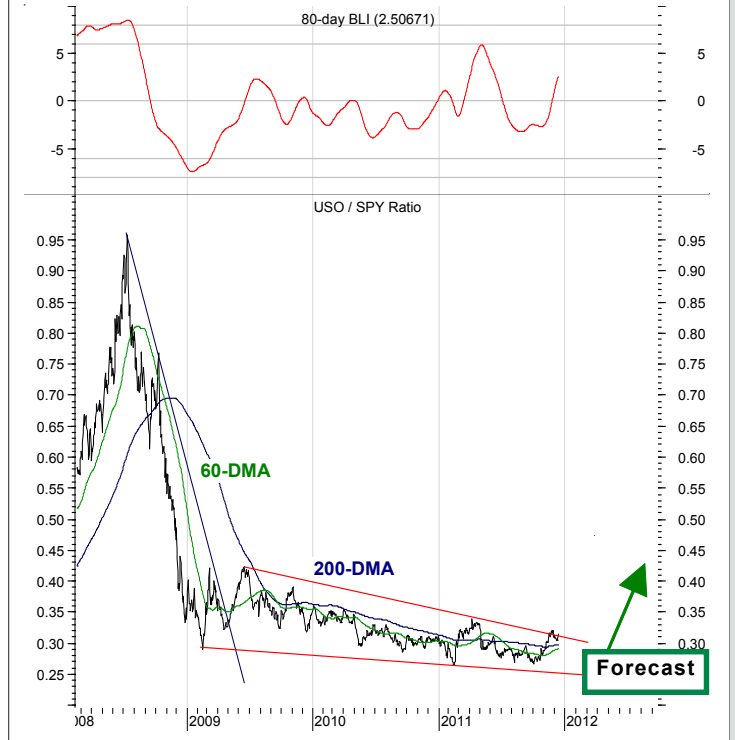
ENERGY

Crude Oil ETF **USO**
Last: \$ **38.61**
Chg: \$ **0.73** **1.89%**



RATIO: USO / SPY

Last: 0.314
Chg: - **0.00%**



Natural Gas **UNG**
Last: \$ **7.20**
Chg: \$ **0.06** **0.83%**



RATIO: UNG / SPY

Last: 0.059
Chg: - **0.00%**



ENERGY

Gasoline	UGA
Last: \$ 47.88	
Chg: \$ 0.81	1.69%



RATIO: UGA / SPY

Last: 0.401
Chg: - 0.00%

