

Colby Investment Ratings Report

A Publication from Robert W. Colby Asset Management, Inc.

Ratings for February 17, 2012

Asset Classes. Commodities. Real Estate. Foreign and Emerging Markets.

Small Cap Growth, IWO	BULLISH
Large Cap Growth, VUG	BULLISH
Mid Cap Blend, MDY	BULLISH
Small Cap Blend, IWM	BULLISH
Mid Cap Growth, IWP	BULLISH
Small Cap Value, IWN	BULLISH
Real Estate Investment Trusts, VNQ	BULLISH
Large Cap Value, IVE	BULLISH
Large Cap Blend, S&P 500, SPY	BULLISH
Mid Cap Value, IWS	BULLISH
Bond, Inflation-Protected US, TIP	BULLISH
Bond, Investment Grade Corp., LQD	BULLISH
Bond, US Bond Aggregate, AGG	BULLISH
Bond, High-Yield Junk, JNK	BULLISH
Bond, 20+ Year US Treasury, TLT	NEUTRAL
Emerging Markets, EEM	NEUTRAL
Bond, 7-10 Year US Treasury, IEF	NEUTRAL
Commodities, DBC	NEUTRAL
Foreign/International, EFA	NEUTRAL
Bond, 1-3 Year US Treasury, SHY	NEUTRAL
Bond, Sovereign non-US, BWX	NEUTRAL
Cash, 1-12 mos. US T-Bills, SHV	BEARISH
Bear, Short S&P 500, SH	BEARISH

What do Colby Investment Ratings mean?

We present 3 very clear ratings so that you can easily choose the investments that are most likely to produce positive returns with limited risk for your portfolio. All you have to do is match the choices available in your plan or in your brokerage account with the ratings in our current weekly report.

Our 3 ratings are:

BULLISH This investment is in a clearly defined UP trend, and prices will most likely continue to move higher.

NEUTRAL This investment is in an UNCERTAIN trend. This investment is not in a clearly defined trend, according to our objective algorithm. Stand aside until a trend is detected.

BEARISH This investment is in a clearly defined DOWN trend, and prices will most likely continue downward.

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Fidelity Investments™ Commission-Free iShares® ETFs

SmallCap Value S&P 600 iS, IJS	BULLISH
SmallCap Blend S&P 600 iS, IJR	BULLISH
SmallCap Growth Russell 2000 iS, IWO	BULLISH
SmallCap Growth S&P 600 iS, IJT	BULLISH
MidCap Growth S&P 400 iS, IJK	BULLISH
MidCap Blend S&P 400 iS, IJH	BULLISH
SmallCap Blend Russell 2000 iS, IWM	BULLISH
MidCap Value S&P 400 iS, IJJ	BULLISH
LargeCap Growth Russell 1000 iS, IWF	BULLISH
SmallCap Value Russell 2000 iS, IWN	BULLISH
LargeCap Blend Russell 3000 iS, IWV	BULLISH
LargeCap Blend Russell 1000 iS, IWB	BULLISH
LargeCap Value S&P 500 iS, IVE	BULLISH
LargeCap Blend S&P 500 iS, IVV	BULLISH
LargeCap Growth S&P 500 iS, IVW	BULLISH
LargeCap Value Russell 1000 iS, IWD	BULLISH
Dividend U.S. DJ iS, DVY	BULLISH
Real Estate US DJ iS, IYR	BULLISH
Bond, Muni S&P ATM-Free iS, MUB	BULLISH
Bond, TIPS U.S. Treasury iS, TIP	BULLISH
Bond, Long-Term Corp iBoxx iS, LQD	BULLISH
Bond, Emerg Mkt JPM iS, EMB	BULLISH
Bond, High Yield Corp iBoxx iS, HYG	BULLISH
Bond, Intermediate US Aggregate iS, AGG	BULLISH
Global LargeCap Blend MSCI iS, ACWI	NEUTRAL
Emerging Markets MSCI iS, EEM	NEUTRAL
SmallCap Blend EAFE MSCI iS, SCZ	NEUTRAL
Global ex U.S. LargeCap Blend, ACWX	NEUTRAL
Foreign LargeCap EAFE MSCI iS, EFA	NEUTRAL
Dividend ex-U.S. DJ iS, IDV	NEUTRAL

BULLISH

This investment is in a clearly defined UP trend, and prices will most likely continue to move higher.

NEUTRAL

This investment is in an UNCERTAIN trend. This investment is not in a clearly defined trend, according to our objective algorithm. Stand aside until a trend is detected.

BEARISH

This investment is in a clearly defined DOWN trend, and prices will most likely continue downward.

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Why do we publish Colby Investment Ratings?

It is not at all necessary to ride stocks down in bearish (down trending) markets. With our ratings, you can ride the uptrends and then get out when the uptrends end--earning positive returns in the good times and saving yourself from large losses in the inevitable bad times. **You can be sure that major market cycles (huge upswings followed by massive downswings) will continue in the future, just as they always have in the past.** Why not profit from these big price swings instead of being victimized by them?

These ratings are designed to help you make better investment decisions managing 401(k) accounts, IRAs, and brokerage accounts. Research shows that most people have not maximized their investments, and they need to make much better investments decisions going forward in order to live comfortably in retirement. Our ratings are designed to secure your comfortable retirement.

Where can I use Colby Investment Ratings?

- 401(k) Plans
- IRA's
- Brokerage Accounts
- Other Retirement Accounts

What are Colby Investment Ratings?

Most retirement and brokerage accounts allow you to make investments in mutual funds and exchange-traded funds (ETFs) to diversify and lower your risk compared to investing in a single stock. That's a good thing--but it is not enough. You also need to know **when to get in and when to get out.**

Our ratings are designed to bridge that gap in a practical way that is easy to implement. We do all the research for you so you can make intelligent decisions easily and quickly. We rate:

- **asset classes**
(large/medium/small cap stocks, growth/income stocks, different kinds of bonds, etc.),
- **commodities, real estate, foreign and emerging markets**

Our ratings guide you to the right time to change specific investments in your portfolio. Our ratings allow you to own *BULLISH* investments and to avoid *BEARISH* investments.

Why are Colby Investment Ratings important to you?

Based on decades of research, we have a tested and proven method for objectively rating the investment alternatives available in your retirement plan or brokerage account.

Most investors have been poorly served by the common *Buy-and-Hold* and *Asset Allocation* investment approaches. Investors were devastated by the dot.com bust of 2000-2002 and then by the financial meltdown of 2008 that cut many portfolios in half--or worse. Sadly, the net result over the past 12 years is that many investors have been forced to throw out their dreams for the future.

What can I expect when I invest based on Colby Investment Ratings?

Research studies show that many people don't know where to begin to take control over their investments, so we designed **Colby Investment Ratings** to bridge that gap in a way that anyone can easily use. Our ratings are designed to build wealth over the long-term, as your retirement plan should. The key to successful use of **Colby Investment Ratings** is consistent discipline. Our weekly emails will serve as a reminder for you to implement portfolio updates,

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according to our ratings, weekly or monthly (as allowed by your plan) in your retirement plan or brokerage account. Just a few minutes of attention consistently applied just once a week or once a month can make a huge difference in your long-term investment performance.

We can manage your individual separate accounts: 401(k), IRA, brokerage.

If you have an old **401(k)** from a previous employer, **IRA**, and/or **brokerage accounts**, we offer professional account management of such individual separate accounts. Our management incorporates the research and intelligence in this report--**plus more**. Our clients' accounts have made money in 2011, even though the stock market is down. Our goal is to make money for our clients no matter what the markets may do. To learn more and obtain an application, please visit www.ColbyAssetManagement.com. Please feel free to email or call us at any time with any questions you may have about our account management services.

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capital appreciation. We work continuously to achieve these goals. We try to anticipate and adapt to change. Regulators point out that there can never be any guarantees in investing; there is always risk and the possibility of loss; changing market conditions are beyond anyone's control; and past performance is not a guide to future performance.

Colby's technical analysis is prepared using widely-available public data that is generally accepted as reasonably reliable, although Colby cannot guarantee accuracy or completeness of data and analysis and no representation is made to that effect. Colby's technical analysis is based primarily on analysis of the current price and volume performance of a security relative to other securities and in the context of its historical patterns of performance, in accordance with the Body of Knowledge and Code of Ethics endorsed by the Market Technicians Association, the globally-recognized, professional regulatory organization for technical analysts established in 1973. (See: mta.org.)

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