



Selections & Timing Vanguard Fund Family

PO Box 3367 Bella Vista AR 72715 **Striving to provide you with the most return and the least risk.**

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UPDATE: We suggest the following changes noted under "TO DO ON". We are raising cash to reduce risk.

VANGUARD, selected & timed (3-month hold at least), style and asset allocated (stock, bond, balanced, cash)												
Past & Future Activity	Activity	Fund	Action Price	Number of Shares	Action Value	Fund	Fund Style	At month end Symbol	Ending NAV	Number of Shares	Current Value	Percent of Total
PAST												
4-Jan	sell	VWIGX	21.56	1,427.8110	30,784	Strg Eqty	EMC	VSEQX	33.35	905.2505	30,190	32%
4-Jan	buy	VSEQX	33.14	905.2505	30,000	Value Indx	EV	VIVAX	37.20	816.9935	30,392	32%
4-Jan	sell	VEIEX	23.01	1,367.0332	31,455	US Value	EV	VUVLX	18.75	1,686.8582	31,629	33%
4-Jan	buy	VIVAX	36.72	816.9935	30,000							
TO DO ON												
5-Apr	sell	VIVAX		all								
5-Apr	sell	VUVLX		all								
5-Apr	buy	VASVX			30,000							
buys are each about 32% of total portfolio												
						Cash	Money Market		1.00	3,103.0000	3,103	3%
										Total Valuation=	95,314	100%

	2015	2016	12 m	9 m	6 m	3 m	1 m
Vanguard Portfolio	-1.11	-6.47	-1.46	-5.20	-5.27	3.06	-1.08
World Growth Index	-3.01	10.65	18.16	16.30	9.27	6.62	0.77
World Income Index	0.19	2.60	-0.65	-4.24	-4.36	0.96	-0.34
World Hybrid (60/40) Index	-1.97	7.97	11.72	9.18	4.73	4.84	0.43

We track and rank 48 Vanguard funds monthly by C, the risk-adjusted relative strength metric. We buy and hold the three top funds.

After at least a three-month hold, we either stay with the buys or sell the laggards and buy the new leaders. This is a proactive rotational allocation strategy. The funds and ranks are shown on page 2.

The right side of the top table above shows the Vanguard Portfolio at month end. The left side

shows new trades upcoming for the month and past trades from previous months.

The lower table above shows the Vanguard Portfolio compared with the World Indexes.

If you have any questions, please email us. Thank you.

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Vanguard Fund Family by C

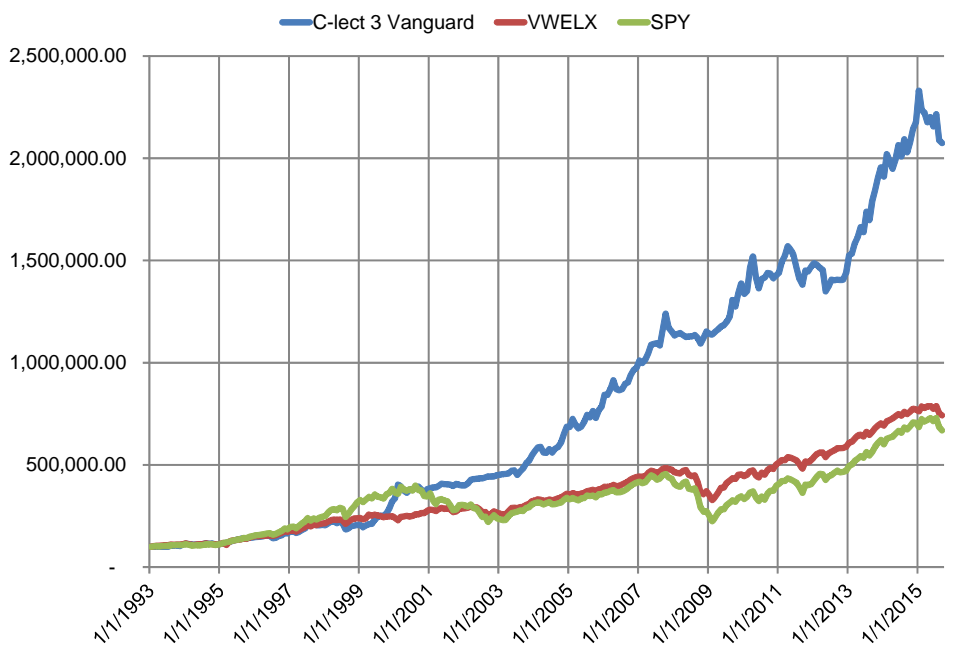
VANGUARD FUND FAMILY by C

ETF	Sell Eligible	Legend	Fund Name	Symbol	S	A	12m	9m	6m	3m	1m	NAV	V	CS	C	Fmly Rank
MGK	na	F S T C	Vanguard Cap Opprt	VHCOX	ELC	E	23.9	25.6	12.0	8.4	0.6	58.36	3.7	34.5	9.3	*****
MGK	na	F S T C	Vanguard PRIMECAP	VPMCX	ELC	E	22.2	21.8	11.0	8.3	0.7	113.74	3.1	27.9	9.1	*****
VOE	to buy	F S T	Vanguard Slctd Value	VASVX	EV	E	21.5	21.6	15.1	5.8	0.4	30.44	3.1	28.4	9.0	*****
MGV		F S T	Vanguard Windsor	VWNDX	ELC	E	21.5	19.7	12.8	5.8	0.2	21.72	3.1	24.0	7.8	****
VO	4/5/2017	F S T	Vanguard Strtg Eqty	VSEQX	EMC	E	21.0	20.4	13.1	3.0	-0.7	33.35	3.1	20.8	6.8	****
VXF		F S T	Vanguard Extended Mrkt Index	VEXMX	EMC	E	22.3	18.3	10.4	4.5	-0.1	75.85	3.1	19.4	6.3	****
MGK		F S T	Vanguard Index Grth	VIGRX	ELC	E	15.8	14.6	9.1	9.6	1.3	62.62	2.5	14.3	5.7	****
MGV		F S T	Vanguard Windsor II	VWNFX	ELC	E	18.6	15.3	10.8	4.8	0.3	36.83	2.4	13.8	5.7	****
NotAvl		F S T	Vanguard Intl Grow th	VWIGX	EW	E	17.0	16.4	5.1	12.6	4.0	23.87	3.4	19.0	5.6	****
VBK		F S T	Vanguard Explorer	VEXPX	ESC	E	20.7	17.6	8.6	6.2	0.5	91.84	3.2	17.6	5.5	****
VOO		F S T	Vanguard 500 Index	VFINX	ELC	E	17.0	14.3	10.1	6.0	0.1	218.05	2.1	11.4	5.4	****
VTV	to sell	F S T	Vanguard US Value	VUVLX	EV	E	19.4	16.5	12.6	2.3	-1.1	18.75	2.5	13.7	5.4	****
VUG		F S T	Vanguard Morgan Grow th	VMRGX	ELC	E	15.0	14.8	9.3	9.3	1.1	26.63	2.6	13.5	5.3	****
VB		F S T	Vanguard SmlCap Index	NAESX	ESC	E	21.4	16.8	10.0	3.7	-0.2	63.85	3.0	15.6	5.1	****
NotAvl		F S T	Vanguard Pacific Index	VPACX	EW	E	16.7	15.0	5.7	8.8	1.7	12.03	2.6	11.8	4.6	***
VWO		F S T	Vanguard Emrg Mrkt	VEIEX	EW	E	17.4	14.8	6.5	10.8	2.3	25.10	3.5	15.7	4.5	***
VOE		F S T	Vanguard Cap Value	VCVLX	EV	E	20.8	16.9	9.8	3.4	-0.2	12.42	3.3	14.7	4.5	***
MGV	to sell	F S T	Vanguard Value Index	VIVAX	EV	E	18.6	14.3	11.0	3.2	-1.0	37.20	2.3	10.1	4.5	***
VT		F S T	Vanguard Global Eqty	VHGEX	EW	E	14.8	14.2	7.5	7.5	1.7	26.67	2.4	9.7	4.1	***
VYM		F S T	Vanguard Grw th & Incm	VQNPX	EGI	E	16.3	13.6	9.5	5.3	0.0	43.60	2.1	8.6	4.1	***
VBK		F S T	Vanguard SmlCap Grw th	VISGX	ESC	E	19.6	14.6	7.5	6.0	0.4	39.59	3.1	12.0	3.9	***
VO		F S T	Vanguard MidCap Index	VIMSX	EMC	E	16.6	14.0	8.4	6.2	0.0	38.02	2.6	9.2	3.5	***
NotAvl		F S T	Vanguard Intl Value	VTRIX	EW	E	13.5	13.3	6.9	8.1	3.1	34.31	2.6	8.8	3.4	***
VWO		F S T	Vanguard Intl Explorer	VINEX	EW	E	10.6	14.6	5.7	10.3	3.7	18.01	3.3	8.9	2.7	***
VYM		F S T	Vanguard Equity Income	VEIPX	EGI	E	15.8	11.3	9.5	4.5	0.0	33.87	2.0	5.2	2.6	***
VYM		F S T	Vanguard High Yld Dividend	VHDYX	EV	E	15.9	11.1	9.3	3.3	-0.3	30.76	2.0	3.2	1.6	***
VGK		F S T	Vanguard European Index	VEURX	EW	E	9.7	12.2	6.7	7.9	4.2	27.65	3.1	4.7	1.5	***
VXUS		F S T	Vanguard Intl Equity	VFSVX	EW	E	12.3	12.2	4.6	8.7	2.4	38.98	2.9	4.2	1.5	***
MGK		F S T	Vanguard US Grow th	VWUSX	ELC	E	12.0	11.7	5.3	8.9	1.4	31.73	2.6	3.4	1.3	***
NotAvl		F S T C	Vanguard Wellington	VWELX	H	H	12.7	9.3	6.7	3.4	-0.2	40.16	1.5	-4.1	-0.6	***
NotAvl		F S T	Vanguard Star	VGSTX	H	H	11.4	9.4	4.6	5.2	0.9	24.90	1.6	-4.6	-0.7	***
VIG		F S T	Vanguard Div Grth	VDIGX	ELC	E	10.7	7.8	6.9	5.9	0.0	24.67	1.8	-4.7	-0.9	***
VGSH		F S T	Vanguard ST Trsry	VFISX	BS	B	0.0	-0.6	-0.5	0.1	-0.1	10.64	0.3	-37.1	-0.9	***
VGSH		F S T	Vanguard ST Federal	VSGBX	BS	B	0.0	-0.6	-0.7	0.2	-0.2	10.69	0.3	-37.3	-1.0	***
BSV		F S T	Vanguard ST InvstGrd	VFSTX	BS	B	1.6	0.3	-0.3	0.6	-0.1	10.66	0.4	-33.9	-1.2	**
NotAvl		F S T	Vanguard Balanced	VBINX	H	H	10.6	7.9	4.9	3.8	0.0	32.14	1.4	-8.8	-1.2	**
NotAvl		F S T C	Vanguard Convertible Securities	VCVSX	EGI	E	11.6	9.5	3.3	2.6	0.5	13.06	1.6	-8.6	-1.4	**
VMBS		F S T	Vanguard GNMA	VFIX	BU	B	0.1	-1.1	-1.7	0.1	-0.3	10.51	0.4	-39.0	-1.7	**
NotAvl		F S T	Vanguard High Yld Corp	VWEHX	BH	B	10.6	7.0	2.5	1.7	-0.7	5.88	1.2	-14.8	-1.8	**
NotAvl		F S T	Vanguard Wellesley Incm	VWINX	H	H	6.4	2.6	1.6	3.4	0.0	25.86	1.0	-23.2	-2.3	**
BIV		F S T	Vanguard IT InvstGrd	VFICX	BI	B	1.3	-1.1	-2.0	1.1	-0.2	9.70	0.8	-36.9	-3.0	**
BND		F S T	Vanguard TTL Bond Index	VBMTX	BI	B	0.1	-2.2	-2.5	0.7	-0.3	10.68	0.7	-40.2	-3.0	**
VTIP		F S T	Vanguard FI TIP	VIPSX	BS	B	1.3	-0.4	-1.3	1.4	0.0	13.15	0.9	-35.0	-3.2	**
VGIT		F S T	Vanguard IT Trsry	VFITX	BI	B	-1.6	-3.2	-2.8	0.6	-0.1	11.13	0.7	-43.1	-3.2	**
BLV		F S T	Vanguard LT InvstGrd	VWESX	BI	B	2.0	-3.9	-5.6	1.0	-1.2	10.09	1.9	-43.7	-8.3	**
NotAvl		F S T	Vanguard Prc Mls	VGPMX	EG	E	26.6	-6.1	-7.5	10.6	1.0	10.39	10.6	-11.5	-12.1	*
VNQ		F S T	Vanguard REIT	VGSIX	ERE	E	2.9	-3.6	-2.1	1.0	-2.4	27.46	3.6	-40.2	-14.3	*
VGLT		F S T	Vanguard LT Trsry	VUSTX	BL	B	-4.8	-10.7	-10.4	1.4	-0.8	11.85	2.4	-61.3	-14.6	*

This table shows the Vanguard funds we track and their ETF counterparts (column 1). The green highlight in column 2 (Sell Eligible) means these 35 funds were part of the back test. For the most part, those will also be the funds in the portfolio, even if there are higher ranked funds. The reason for this is to provide continuity. The results of the back test are shown on page 3. The Sell Eligible column 2 also shows the three funds in the portfolio and their eligible sell date. For Vanguard, we assume at least a three-month holding period to avoid redemption charges. Please see page 4 for more legend details.

Back Test Results

How C-lect May Work For You



TRAILING RETURNS	to year end 2014
1 year	11.2
3 years	14.0
5 years	9.4
10 years	12.2
15 years	13.6
20 years	16.0
Inception	14.7

PAST PERFORMANCE	
2014	11.2
2013	36.0
2012	(2.2)
2011	3.1
2010	2.8
2009	20.4
2008	(0.1)
2007	18.3
2006	24.2
2005	14.2
2004	25.7
2003	21.5
2002	12.6
2001	4.9
2000	18.8
1999	55.1
1998	(0.2)
1997	25.8
1996	14.5
1995	28.2
1994	2.5
1993	10.9
1992	(1.0)
1991	22.4

The chart and tables show the back tested results of buying the top three Vanguard Family funds as measured by C, holding for at least 90 days, and rotating out of the laggards into the leaders on an ongoing continuous basis. On the chart, C-lect 3 Vanguard is the blue line following a rotation strategy, VWELX (Vanguard Wellington), a balanced fund, is the red line following a buy and hold approach, and SPY (S&P 500), a domestic large cap ETF, is the green line following a buy and hold approach. The period is from 1/1/1993 through 9/30/2015. Account start values were \$100,000. No additions or subtractions were made thereafter.

While buying and selling based on C, the risk-adjusted relative performance metric, over the years and decades in the back test produced superior results, in any one year the C ranking may or may not outperform the markets. This may be due to increased market volatility in that year.

For the test, one fund's sell and buy rebalanced all funds held, though in real time, one sell buys one fund for about the same amount would be practiced.

The same funds were used for the whole back test.

Dividends are reinvested.
Taxes are not considered.

Information does not take into account your personal situation.

Past performance does not guarantee future performance. There is no assurance that future periods will be equivalent or similar to past periods. In a back test, there is no guarantee that actual trades could actually be made at the actual prices. All investments have risk; you may lose principle when investing. There are no guarantees. Read the fund's prospectus.

Legend

ETF Altrntv	Sell Eligible	Legend	Fund Name	Symbol	S	A	12m	9m	6m	3m	1m	NAV	V	CS	C	Fmly Rank
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This information below identifies the column headings shown above, which are also on page 2.

ETF Altrntv is the Vanguard ETF alternative to its mutual fund.

Sell Eligible is the earliest date from purchase that the fund may be sold. For Vanguard, it is three months. If there is a green highlight, it means the fund was part of the back test. If there is a date, it means the portfolio owns the fund and it is the earliest date the fund may be sold, assuming a minimum of a three-month hold.

Legend shows fund specific information. It is a short list of where the fund is available for purchase (F is Fidelity, S is Schwab, T is TD Ameritrade). C means the fund is closed. R means there is a short-term redemption fee.

Fund Name is the fund name.

Symbol is the fund ticker symbol. This is the official identification.

S is Style. The first letter is for the A, the next letter or two is the style. BS is bond short-term. BI is bond intermediate. BL is bond long. BH is bond high-yield. BW is bond world. BU is bond government. EG is equity gold. EGI is equity growth/income. ELC is large cap. EMC is mid cap. ESC is small cap. EV is value. EW is world. H is hybrid. A is Asset. B is bond. H is hybrid. E is equity.

12m, 9m, 6m, 3m, 1m is a fund's returns over those periods. Dividends are reinvested.

NAV is net asset value.

V is volatility, a measure of risk.

CS is comet strength, a measure of relative performance to an index. The index is 60% of the World Growth Index and 40% of the World Income Index.

C is comet, the risk-adjusted relative performance metric. The higher the C is the better.

Fmly Rank is family rank. This shows where the fund ranks by C within the fund family. This is either 5, 4, 3, 2, or 1 comets. 5 is the highest ranked by C.

World Growth Index (WGI) is made up of 20% EEM, EFA, IWM, QQQ, SPY.

World Income Index (WII) is made up of 20% PCY, BSV, TLH, LQD, JNK.

World Hybrid Index is made up of 60% WGI and 40% WII.

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Email SMcKee@SelectionsAndTiming.com or call 1-800-800-6563 with any questions or comments.

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