



# MONTHLY ETF SNAPSHOT

ARTAC ADVISORY PUBLICATION



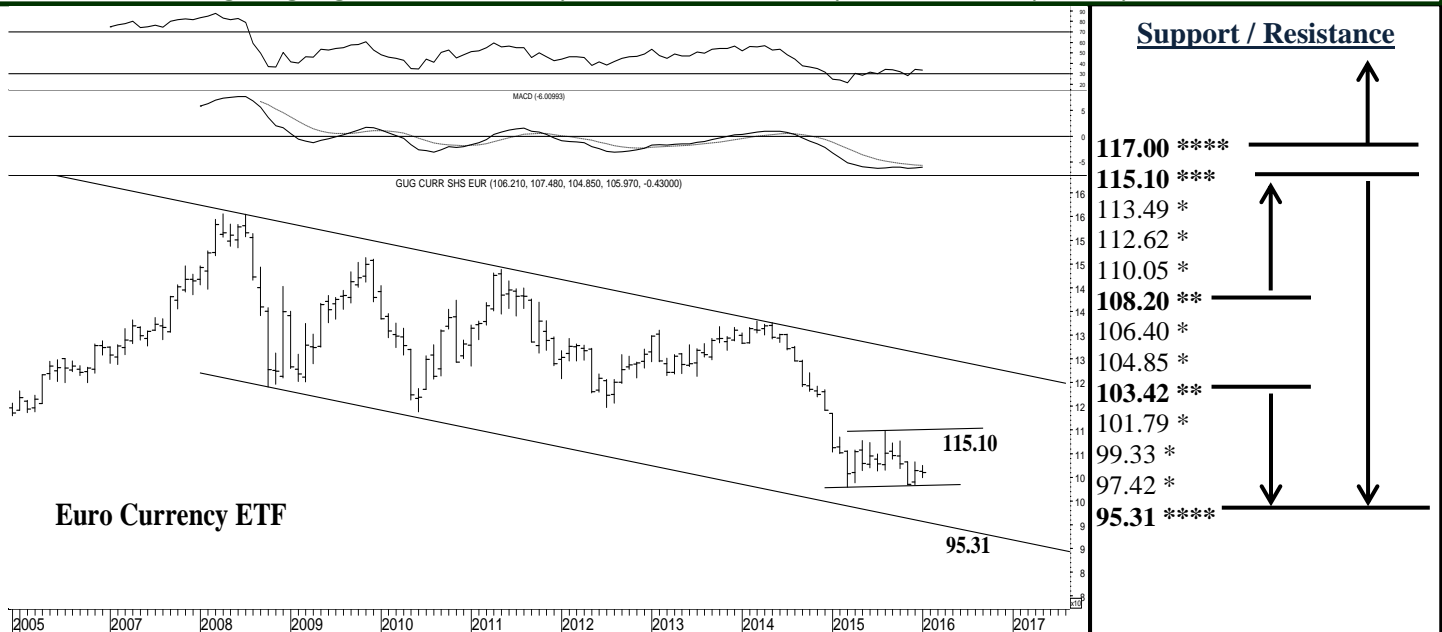
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**REGULAR MONTHLY LINEUP:**

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**BEYOND THE SCOPE: iShares Mortgage-Backed Securities (MBB)**

**Containment Weighting Legend:** \* weekly      \*\* monthly      \*\*\* quarterly      \*\*\*\* annual

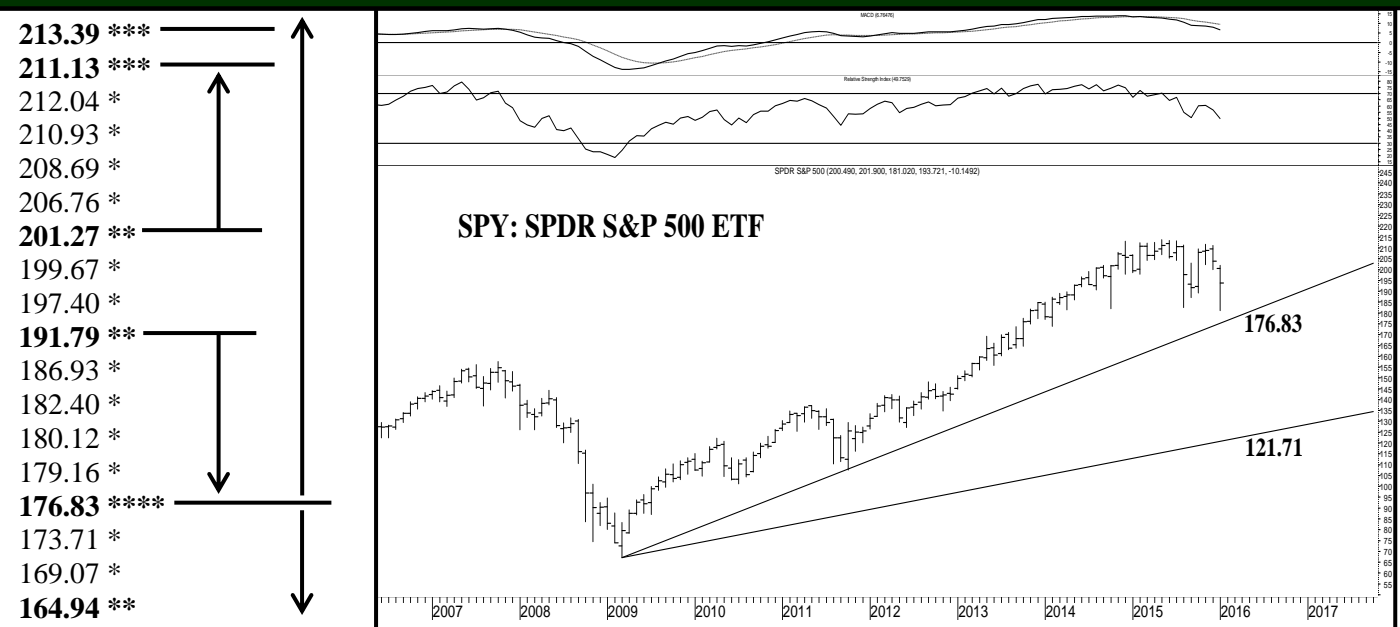


For February, both 103.42 and 108.20 can contain monthly activity, inside of which a neutral, two-sided dynamic continues into later Q1. Nonetheless, this market remains bearish longer-term below the 115.10-117.00 region, expecting the 95.31 formation into later 2016. With that said, a February settlement below 103.42 should yield 95.31 within several months, able to contain selling through 2016, quite possibly the balance of the decade. Upside, a February settlement above 108.20 indicates the 115.10-117.00 region within 1-2 months, able to contain 2016 highs, once tested the 95.31 formation attainable into later year. A settlement above 117.00 indicates a good long-term low, recovery then expected over the next 12-18 months into the 135.48-138.50 region where this ETF should top out on an annual, possibly multi-year, basis.

**Disclaimer:** You should fully understand the risks associated with trading futures, options, and ETF's before making any trades. Trading futures, options, ETF's and Forex involves substantial risk of loss and is not suitable for all investors. You should carefully consider whether trading is suitable for you in light of your circumstances, knowledge, and financial resources. You may lose all or more than your initial investment. Past performance is not necessarily indicative of future results.

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**SPY: SPDR SP-500**



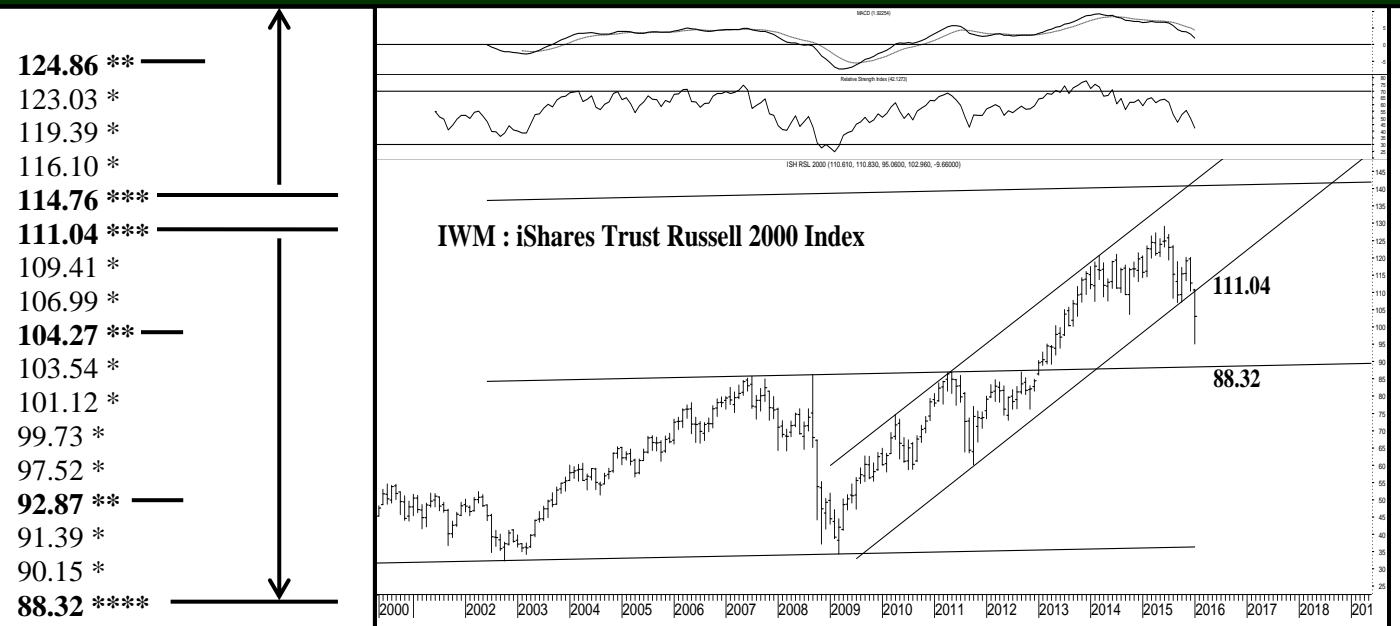
The 191.79 level can contain February selling pressures, above which 201.27 remains in intra-month target able to contain strength into March trade. A monthly settlement above 201.27 indicates a good Q1 low, 211.13-213.39 then expected in March, able to contain strength through Q2 and a meaningful upside tipping point into later 2016. Downside, a weekly settlement within the month below 191.79 allows 176.83 by the end of February, able to contain selling through 2016 and above which a constructive dynamic continues into later decade. A surprise February settlement below 176.83 tips the market into a 8-12 month bear market, 157.52 then expected within several months, 144.70 within 8-12 months, 121.71 attainable within 12-18 months - able to contain selling into next decade.

**DIA: SPDR Dow Jones**



The 153.48 long-term speed-line can contain selling through 2016, above which a constructive dynamic continues into later decade. Upside this month, 165.83 can contain February buying pressures, with a monthly settlement above 165.83 indicating 181.89 within several months, able to contain strength through Q2 and a meaningful upside continuation point into later 2016. Downside, a monthly settlement below 153.48 maintains a bearish dynamic into later year, the market then tipping into a 8-12 month bear trend, 138.06 than expected within 1-2 months, 109.20 attainable by the end of the year.

**IWM: iShares Trust Russell 2000**



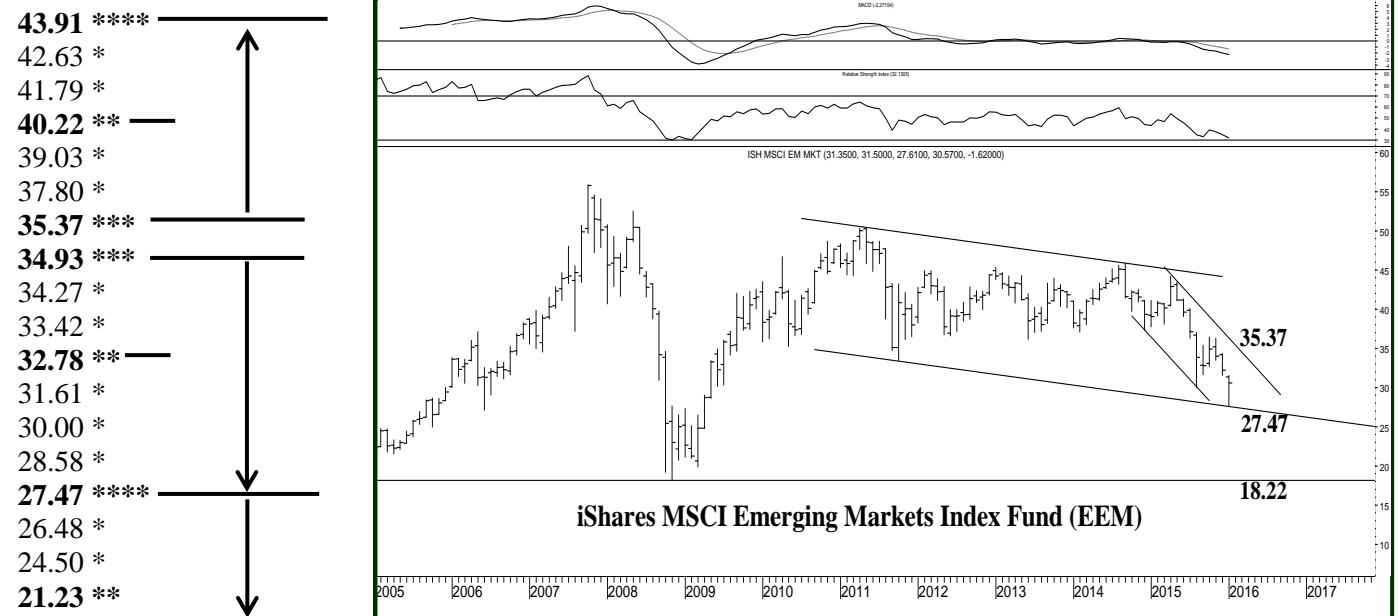
Last month's settlement below the 111.04 channel-bottom indicates the 88.32 horizontal formation within 5-8 months, possibly by the end of February given currently heightened volatility. Near-term, both 104.27 and 92.87 can contain monthly activity. A weekly settlement early in the month below 92.87 allows the targeted 88.32 by the end of February, able to contain selling through 2017 - once tested 111.04 attainable within 3-5 months, 140.33 within several years. Upside, a February settlement above 104.27 indicates the 111.04-114.76 region by the end of March, a narrowing range of resistance able to contain strength through Q2 and the region to settle above for indicating a good 2016 low, bullish continuation then expected into the 140.33 region over the following 5-8 months.

**QQQ: PowerShares Trust**



The 101.76 level can contain February selling pressures, above which 109.38 is attainable within the month, able to contain strength through March. Holding inside this region maintains a near-term, two-sided dynamic, with a February settlement below 101.76 tipping the market south within 1-2 months to long-term trend-defining support at 84.82 (given current volatility), able to contain selling through 2016 and above which a new-high dynamic continues into later decade. Upside, a February settlement above 109.38 indicates 120.50 within several months, likely to contain quarterly buying pressures when tested and a meaningful upside continuation point into 2017.

**EEM: iShares MSCI Emerging Markets**



The 32.78 level can contain February buying pressures, below which the market remains vulnerable to continued testing of the 27.47 channel-bottom, able to contain selling through 2016. Holding above 27.47 maintains a market posture poised for recovery over the next 8-12 months into the 43.91 region. On the other hand, a February settlement below 27.47 indicates a retest within 5-8 months of the 2008, 18.22 low, where this ETF can double-bottom into 2017. Upside, a February settlement above 32.78 indicates the 35.37 formation by the end of March, able to contain strength through Q2 and the region to settle above for indicating a good 2016 low, 43.91 then expected within 5-8 months, able to contain strength into 2017.

**EFA: iShares MSCI Europe, Australia, Asia, Far East**

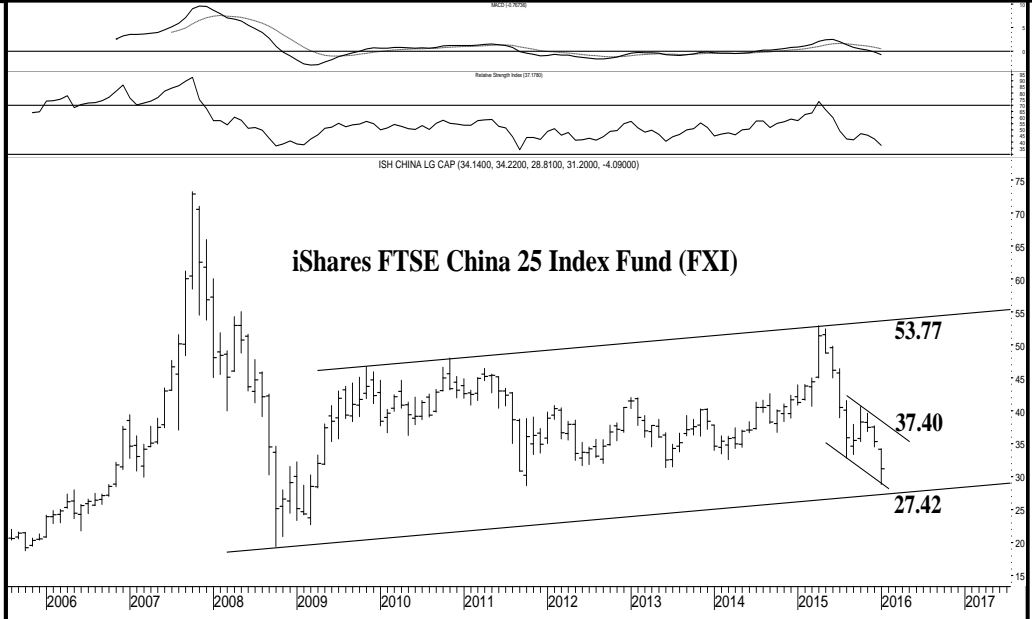


Despite January's negative slippage, the convergent channel bottoms in the 54.00 – 55.51 region can absorb selling through 2016, above which 64.26 remains a 5-8 month target. On that note, a February settlement above 59.14 indicates 64.26 within 2-3 months, likely to contain quarterly buying pressures when tested and a meaningful upside continuation point into 2017, 81.81 considered an 8-12 month target above 64.26. Downside, a February settlement below 54.18 signals 3-5 months bearish continuation into the 45.98 region where the EFA should have little trouble bottoming out into 2017.

**Containment Weighting Legend:** \* weekly \*\* monthly \*\*\* quarterly \*\*\*\* annual

**FXI: China Large-Cap**

- 41.55 \*\*
- 40.46 \*
- 39.50 \*
- 38.27 \*
- 37.40 \*\*\*
- 36.70 \*
- 35.33 \*
- 33.38 \*\*
- 31.97 \*
- 31.35 \*
- 30.54 \*
- 28.85 \*
- 27.42 \*\*\*\*
- 25.16 \*
- 24.31 \*
- 22.69 \*
- 20.90 \*
- 19.35 \*\*



The 33.38 level can contain February buying pressures, below which longer-term support at 27.42 remains a 1-2 month target able to contain selling through 2016. Holding above 27.42 channel-support maintains a stable to bullish dynamic into later decade. On the other hand, a February settlement below 27.42 sets off a continued collapse into the 19.35 region within 1-2 months, 12.74 attainable within 8-12 months. Upside, a February settlement above 33.38 indicates 37.40 in March, able to contain strength through Q2 and the region to settle above for indicating a good 2016 low, then signaling bullish continuation into the 45.19 region within 2-3 months, 53.77 attainable within 8-12 months.

**EWJ: MSCI JAPAN**

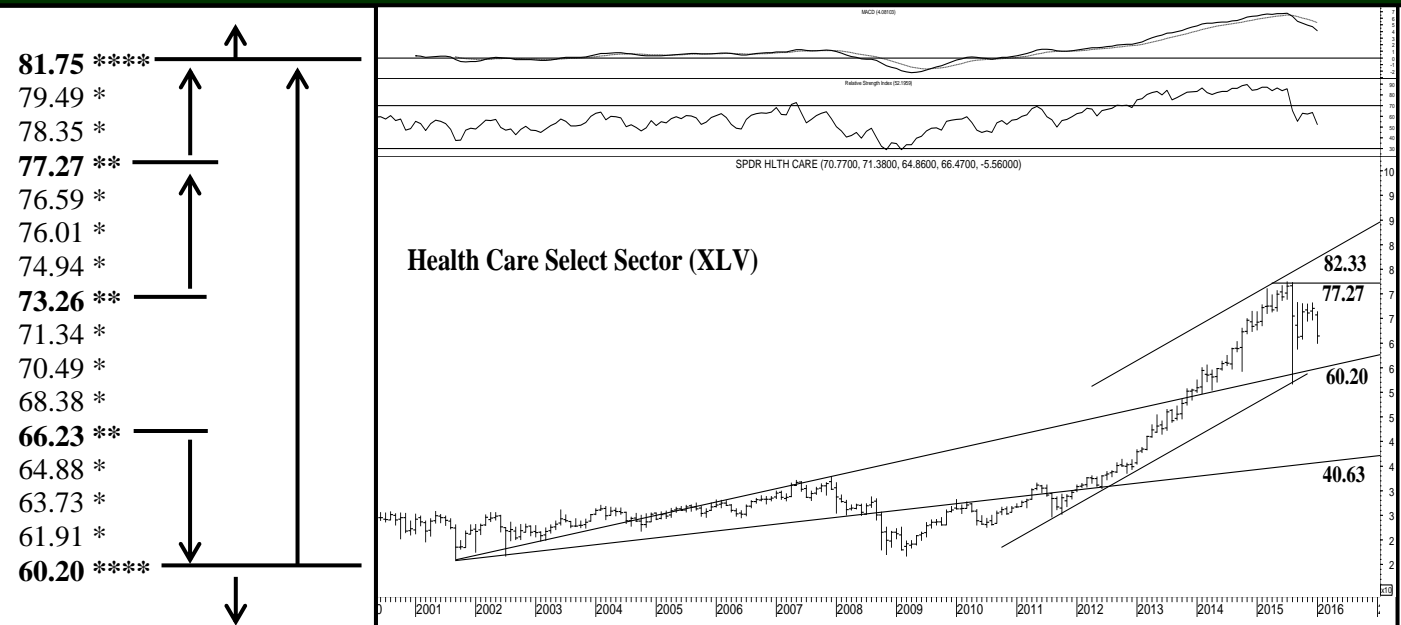


- 14.23 \*\*\*\*
- 13.71 \*
- 13.35 \*
- 13.05 \*\*
- 12.91 \*
- 12.65 \*
- 12.50 \*\*\*
- 12.38 \*
- 12.07 \*
- 11.78 \*
- 11.37 \*\*\*
- 10.73 \*
- 10.44 \*
- 10.09 \*
- 9.70 \*\*\*\*

Despite last month's excessive slippage, the 11.37 formations should still be respected for its ability to contain selling into Q2, above which 12.50 remains a 1-2 month target able to contain strength through Q2. A February settlement above 12.50 indicates a good 2016 low, 14.23 then expected within 5-8 months, able to contain strength well into 2017. Downside, a monthly settlement below 11.37 signals 9.70 within several months (given heightened volatility), able to contain selling into 2017 - possibly the balance of the decade.

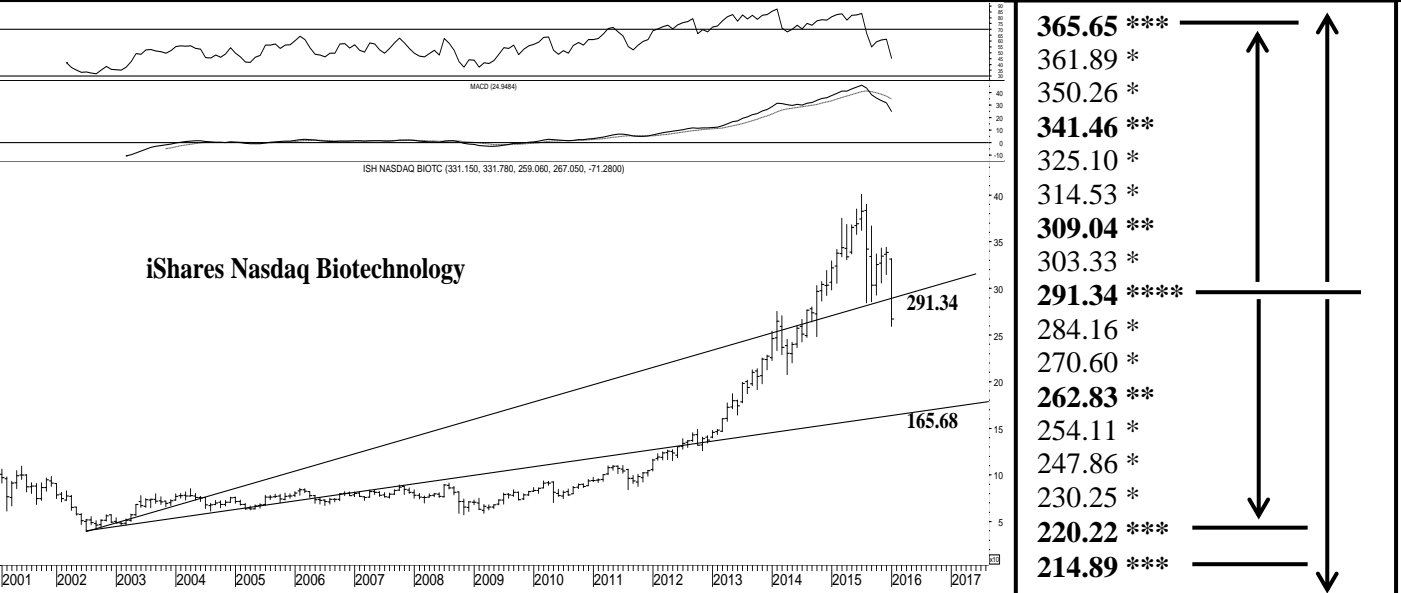
Containment Weighting Legend: \* weekly \*\* monthly \*\*\* quarterly \*\*\*\* annual

**XLV: Health Care Select Sector Fund**



Following last August's test of the long-term, 1/3 speed line currently at 60.20, the XLV remains poised for bullish continuation over the next 8-12 months into the 82.23 region - rising on a monthly basis. Along the way both 73.26 and 77.27 can contain monthly buying pressures, with a (surprise) February settlement above 77.27 indicating the targeted 82.23 formation within 2-3 months, able to contain strength through 2016 and a meaningful upside acceleration level into later decade. Downside, 66.23 can contain monthly selling pressures, with a February settlement below 66.23 indicating a retest in March of the 60.20 speedline, able to contain selling through 2016 and above which a bullish dynamic continues through the balance of the decade. A surprise Feb settlement below 60.20 indicates a good 2016 high, continued price erosion then expected over the next 8-12 months into the 40.63 region.

**IBB: iShares Nasdaq Biotechnology**



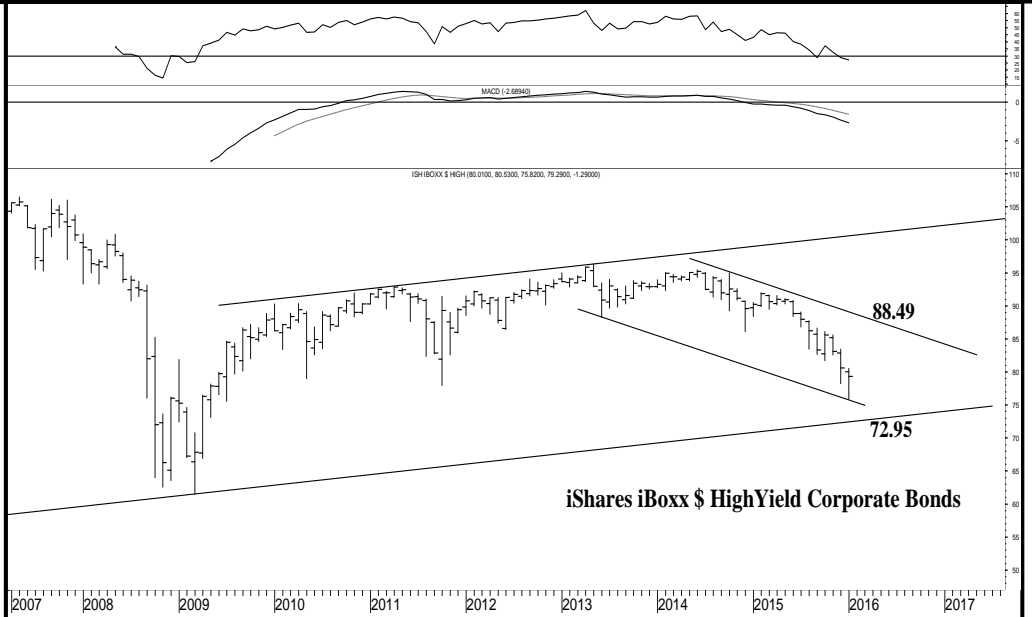
Last month's settlement below the long-term, 291.34 speed-line indicates a good high through 2016, 214.89 expected within 3-5 months, 165.68 within 12-18 months. Downside, 262.83 can contain February selling pressures, with a monthly settlement below expected to yield the 214.89-220.22 region within 2-3 months, able to contain selling through Q2 and a meaningful downside acceleration point into later year - the targeted 165.68 level considered a 5-8 month target below 214.89. Upside, a monthly settlement above 291.34 indicates a good 2016 low, 341.46 then expected within 1-2 months, 365.65 within 2-3 months, able to contain quarterly buying pressures when tested and a meaningful upside continuation point through the balance of 2016.



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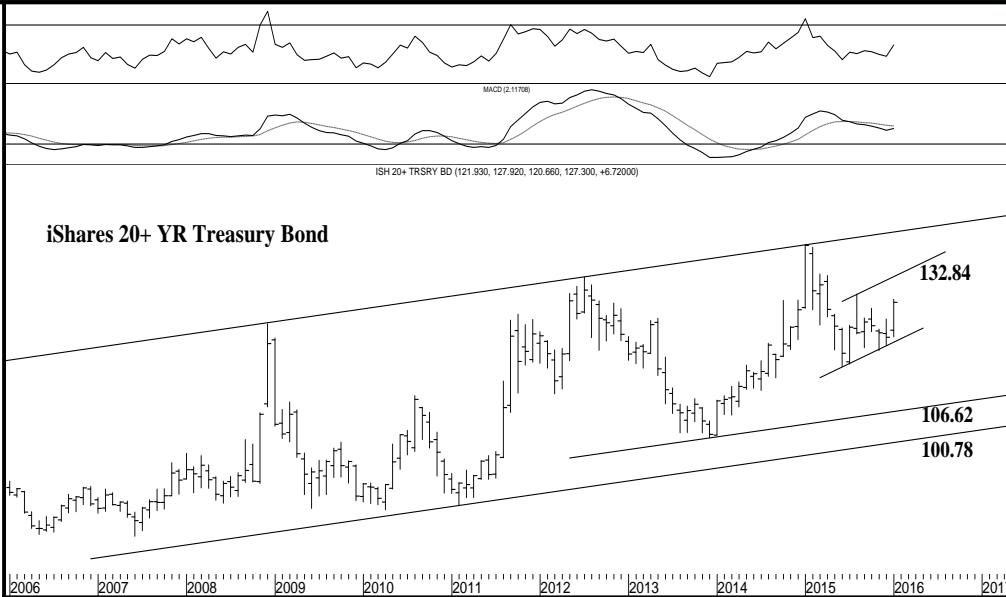
**HYG: iShares iBoxx \$ HighYield Corporate Bonds**

- 88.49 \*\*\*\*
- 87.78 \*
- 86.12 \*
- 85.08 \*\*
- 83.84 \*
- 81.66 \*
- 80.79 \*\*\*
- 78.86 \*
- 77.90 \*
- 75.83 \*
- 74.79 \*\*
- 74.01 \*
- 73.39 \*
- 72.95 \*\*\*\*



The 80.79 level can absorb buying into Q2, below which the 72.95 formation remains a 2-3 month target. Downside this month, 74.79 can contain February selling pressures, with a monthly settlement below indicating 72.95 in March, long-term support able to contain selling through 2016, once tested the HYG prone upward rotation into 2017. While not anticipated in 2016, a monthly settlement below 72.95 sustains a bearish dynamic through the year, 62.21 then expected within 5-8 more months, 50.57 attainable within 12-18 months. Upside, a February settlement above 80.79 indicates the 88.49 formation within 3-5 months, able to contain 2016 highs and a meaningful upside continuation point through the balance of the year.

**TLT: iShares 20+ YR Treasury Bond**

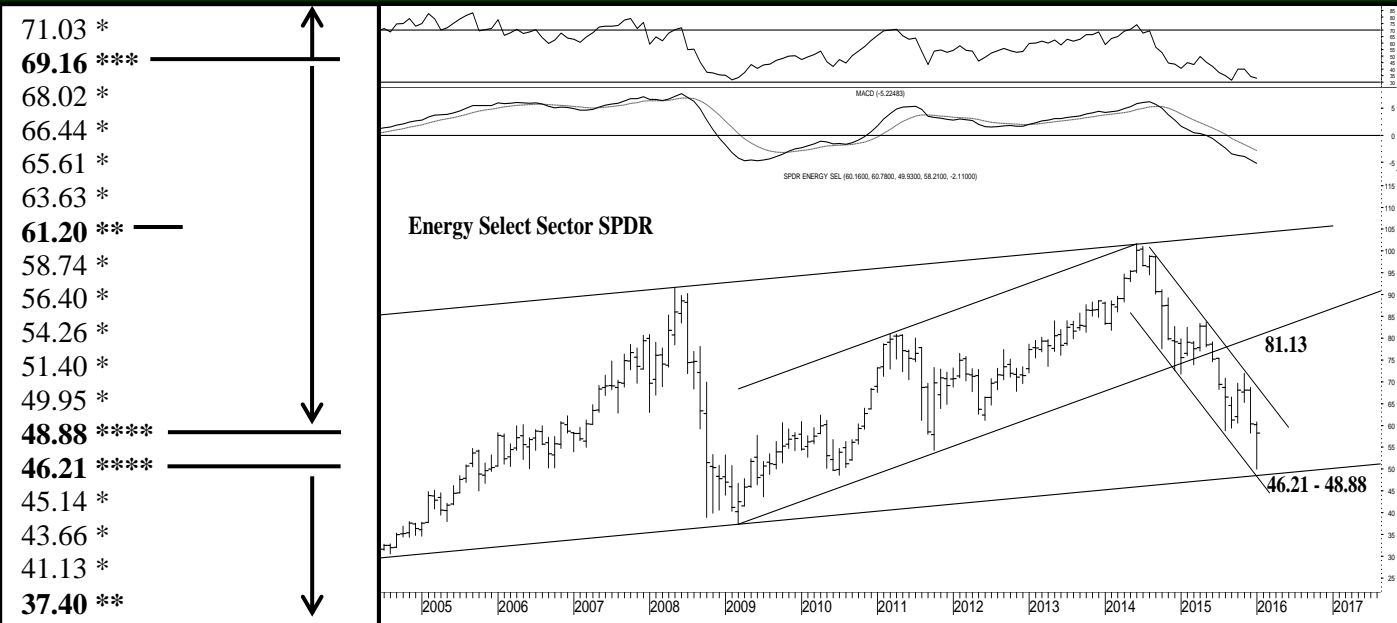


- 132.84 \*\*\*\*
- 130.41 \*
- 128.92 \*
- 127.27 \*
- 125.21 \*\*
- 123.54 \*
- 121.82 \*
- 119.96 \*
- 117.20 \*\*\*
- 116.14 \*
- 114.88 \*
- 113.04 \*\*
- 112.37 \*
- 110.75 \*
- 108.73 \*
- 106.62 \*\*\*\*
- 100.78 \*\*\*\*

The 125.21 level can contain February selling pressures, above which the 132.84 formation remains a 2-3 month target able to contain strength through 2016. Holding below 132.84 maintains a heavy dynamic into later year, the 100.78-106.62 region remaining a 8-12 month target, while a February settlement above 132.84 indicates 141.27 3-5 months, 148.88 attainable by the end of the year. Downside, a February settlement below 125.21 should yield 117.20 within 1-2 months, able to contain selling through Q2 and the level to settle below for indicating a good 2016 high, the 100.78-106.62 region then considered a 5-8 month target able to contain selling through the balance of the decade.

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**XLE: The Energy SPDR**



The 46.21-48.88 region had been targeted for many months, essentially tested last month and able to continue absorbing selling through 2016, possibly the balance of the decade. Holding above the 46.21-48.88 region should now yield 69.16 over the next 3-5 months, the 81.13 former channel-bottom attainable into later year. Upside in February, 61.20 can contain monthly buying pressures, with a monthly settlement above 61.20 indicating 69.16 within 1-2 months, able to contain strength through Q2 and the level to settle above for indicating the 81.13 formation within 3-5 more months, likely to contain strength through the balance of the year. Downside, a monthly settlement below 46.21 sustains a bearish dynamic into later 2016, 37.40 than expected by the end of March, 34.90 within several months, the next 12-18 months allowing 14.12.

**XLI: Industrial Select Sector SPDR**

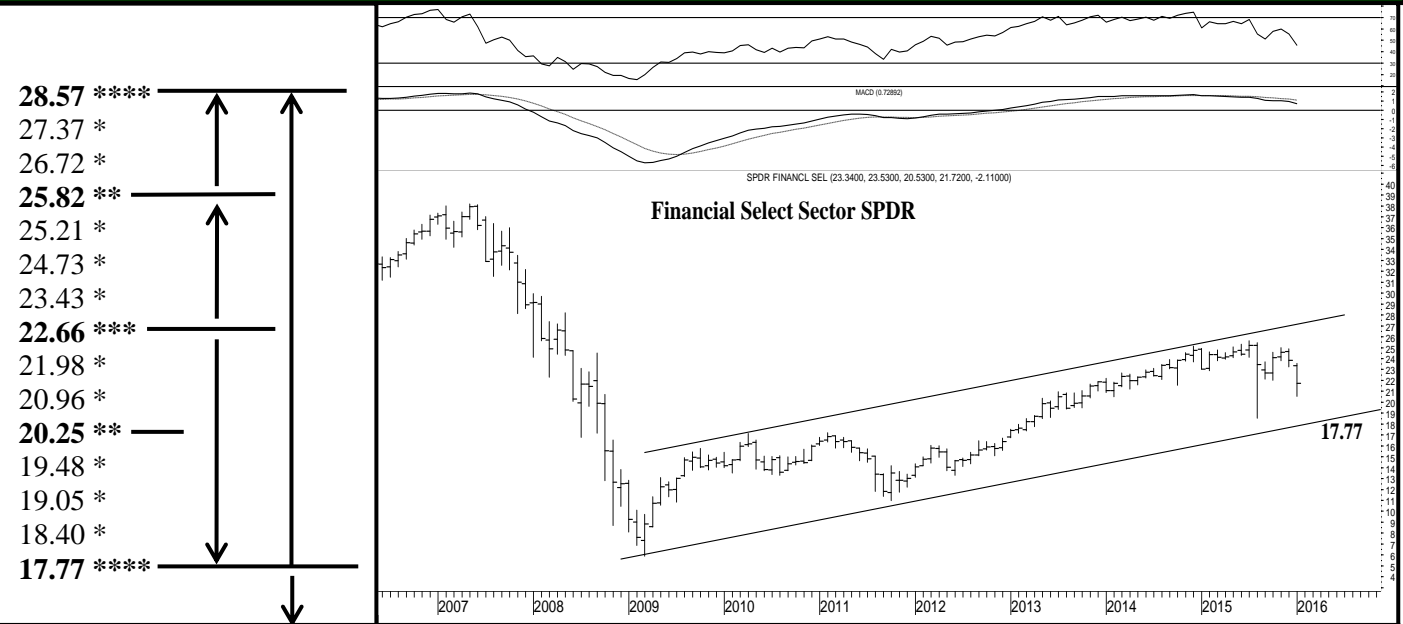


Long-term support at 48.74 can contain selling through 2016, above which 63.55 remains an 8-12 month target (rising monthly). Upside, 53.24 can contain February highs, with a monthly settlement above 53.24 signaling 56.36 in March, able to contain strength through Q2, once tested the market vulnerable to retesting long-term support at the 48.74 speed-line within 3-5 months. A monthly settlement above 56.36 indicates 63.55 within 3-5 months, able to contain strength through 2016 and a meaningful upside continuation point into 2017. Downside, a February settlement below 48.74 indicates a good high through 2016, 41.99 then expected within 3-5 months, 38.60 within 5-8 months, 31.96 attainable within 8-12 months, where the XLI should bottom out into next decade.



Containment Weighting Legend: \* weekly \*\* monthly \*\*\* quarterly \*\*\*\* annual

**XLFF: Financial Select Sector SPDR**



The 22.66 level can absorb buying pressures into March activity, below which the 17.77 formation now remains a 2-3 month target. On the way down, 20.25 can contain monthly selling pressures, with a February settlement below 20.25 likely to yield 17.77 by the end of March, targeted long-term support able to contain selling through 2016, once tested the 28.57 region attainable within 8-12 months. A surprise February settlement below 17.77 signals 5-8 more months of bearish continuation into the 13.08 region, ultra-long-term support able to contain selling through the balance of the decade. Upside, a February settlement above 22.66 signals 25.82 within several months, likely to contain monthly buying pressures when tested and the region to settle above for yielding the more meaningful 28.57 within another 2-3 months, where the XLF can place an annual high.

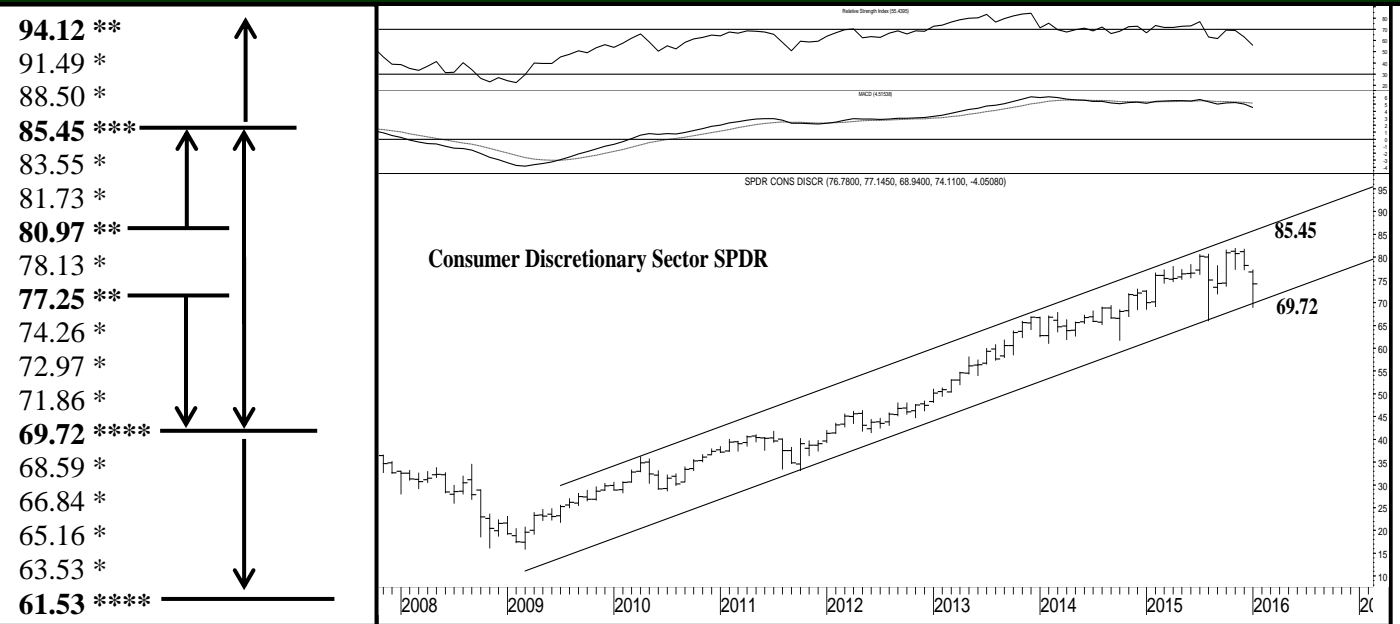
**GLD: Gold Shares SPDR**



The 104.21 level can contain February selling pressures, above which 111.41 remains a 1-2 month target able to contain strength through Q2, once tested the market prone to slipping back into the 94.48-52 region within 3-5 months. While not expected in February, a monthly settlement above 111.41 accelerates the bullish dynamic into Q2, the 123.72-126.50 region then considered a 3-5 month target likely to contain strength into 2017 and below which the 83.00-86.50 region remains a long-term, 12-18 month objective. Downside, a monthly settlement below 104.21 should yield the 94.48-52 formations within 1-2 months, able to contain selling through Q2 and the region to settle below for yielding the targeted 83.00-86.50 region within several more months.

**Containment Weighting Legend:** \* weekly \*\* monthly \*\*\* quarterly \*\*\*\* annual

**XLY: Consumer Discretionary Select Sector**



For February, the 69.72, 7-year channel-bottom can contain selling through Q2, above which the top of the same formation at 85.45 remains a 2016 target. Upside, 77.25 can contain strength into next month, with a February settlement above 77.25 signaling 80.97 in March, also likely to contain monthly buying pressures when tested and the level to settle above for yielding the targeted 85.45 formation within 1-2 more months, able to contain strength through the balance of 2016. Downside, a February settlement below 69.72 indicates 61.53 within 1-2 months, ultra-long-term support able to contain selling through the balance of the decade and a meaningful downside tipping point into later 2016.

**XLP: Consumer Staples Select Sector**



The 50.49 level can contain February selling pressures, above which the 54.46 seven-year channel-top remains a 2-3 month target able to contain strength through Q2, possibly the year itself. Downside, a weekly settlement early in the month below 50.49 allows 47.97 by the end of February, able to contain monthly selling pressures when tested and the level to settle below for yielding 44.26 within 1-2 months, able to contain selling through Q2. Holding above 44.26 should yield the 54.46 formation by the end of the year, while a February settlement below 44.26 indicates 40.63 within several months, longer-term support able to contain selling through the balance of the decade and above which the XLP maintains a constructive dynamic over this time horizon.

**Containment Weighting Legend:**

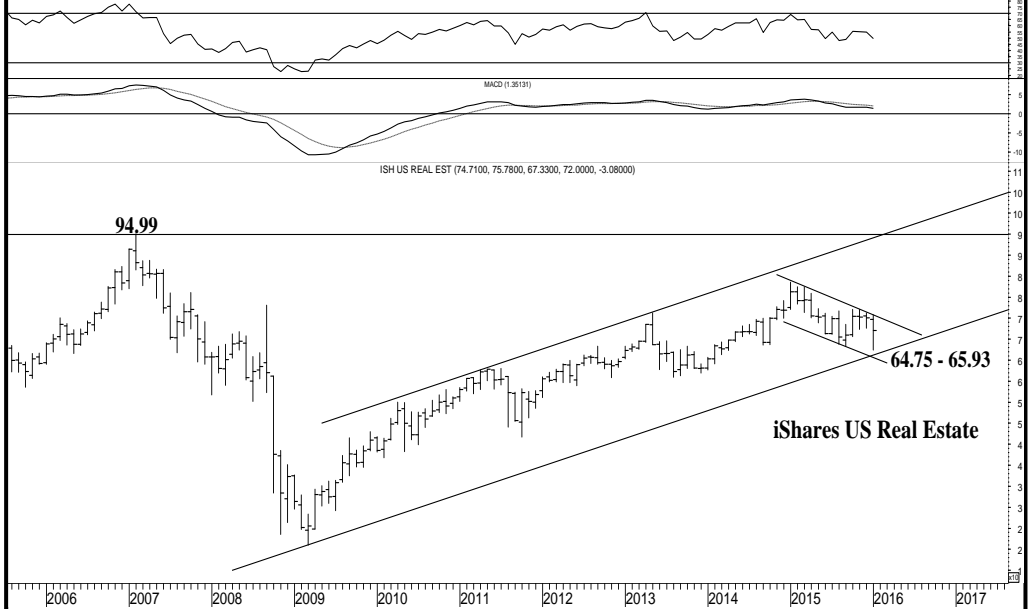
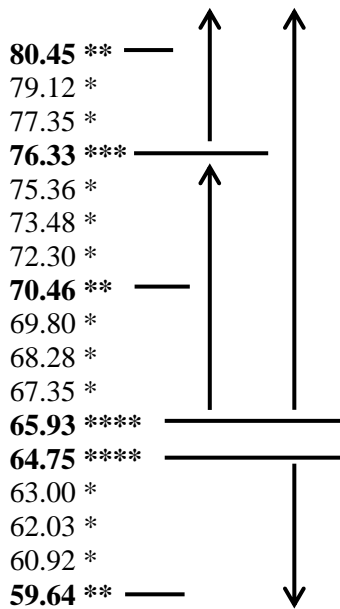
\* weekly

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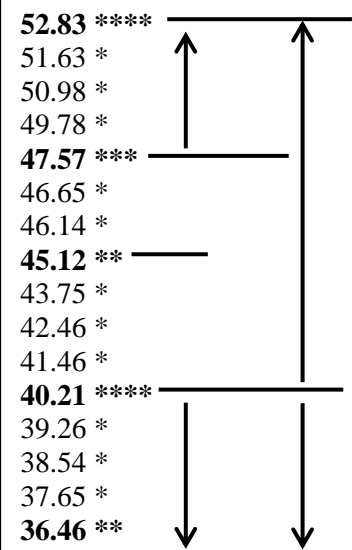
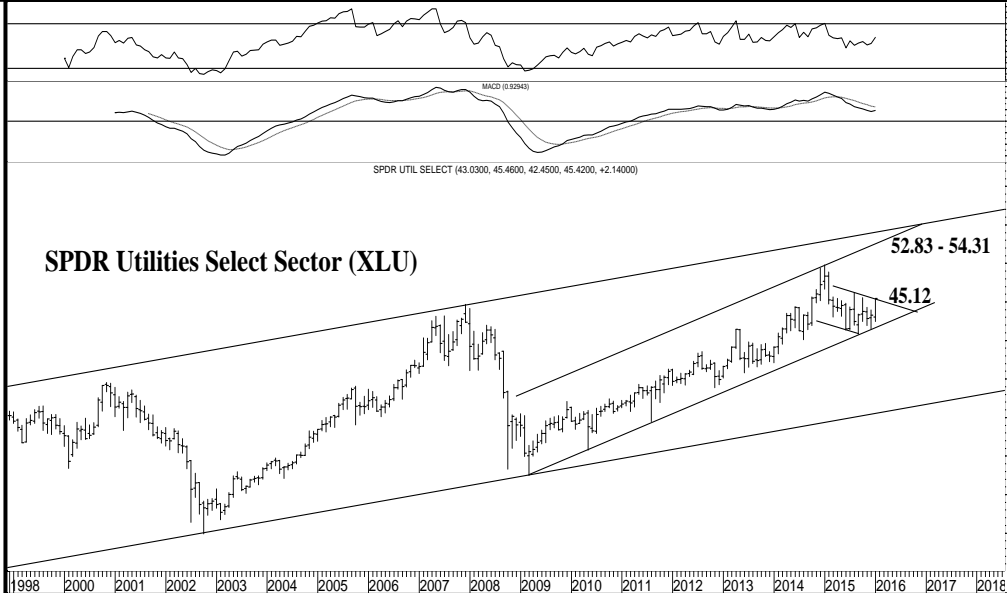
\*\*\*\* annual

**IYR: iShares US Real Estate**



The 64.75-65.93 channel formations can contain selling through 2016, above which a retest of the 94.99, 2007 high is expected over the next 12-18 months. For the month of February, 70.46 can contain monthly selling pressures, above which 76.33 is attainable and able to contain strength through March activity. A February settlement above 76.33 places the market on an accelerated bullish path into later year, 80.45 than expected in March, 86.41 within 3-5 months, the targeted 94.99 within 8-12 months where the market can double-top through 2017. Downside, a February settlement below 64.75 sets off bearish continuation through 2016, 52.26 then expected within 5-8 months, the 42.66 region considered a 12-18 month objective able to contain selling through the balance of the decade.

**XLU: Utilities Sector SPDR Fund**



The 45.12 formation can contain February selling pressures (settled last month just above this formation, then at 45.29), above which 47.57 remains a 1-2 month target able to contain strength through Q2. A February settlement above 47.57 sustains a bullish dynamic into later year, the 52.83-54.31 region then considered a 5-8 month target able to contain strength into 2017, possibly the next decade. Downside, a February settlement below 45.12 allows 40.21 within 1-2 months, able to contain selling through 2016 and above which the 52.83-54.31 region remains a 12-18 month target.