



2010 Year in Review

As we enter 2011, it becomes time to reflect on the previous year. 2010, like any other year, had its share of ups and downs in the world of finance. It was a year with events like the "Flash Crash," the BP oil spill, a major turnover in Congress, and increased geopolitical tensions. TimingLeader.com was not immune to this bumpy ride, but overall, 2010 proved to be a very successful year!

Opening the Year...

We opened trading for the year on Christmas Eve, 2009 with a long position that started out very promising as we quickly picked up nearly twenty points in its first week of trading. NDX hit resistance and pulled back considerably, turning our profitable trade into a near 6% leveraged loss. Our model got us out of the position before any serious losses, but nonetheless, it was not the preferred way to kick off a New Year. After our short was issued, the market continued to drop, now at an even faster rate, allowing us to recoup all of what was lost in the first trade and then some in a mere two weeks. We were able to exit the short within four days and seventeen points from the bottom.

A Perfectly Timed Trade...

From mid-February to late April, it seemed all NDX could do was go up and we rode the wave with it. Throughout the fifty-four trading days of our long position, the index posted only twelve down days and, at one point, went thirteen straight days without a losing session. Our model once again recognized a reversal right at the opportune time, this time missing the top by just twelve points. Our third trade of the year was timed nearly perfect from entry to exit, closing out with a win of 35%.

The Flash Crash...

When we exited the long on April 29th, NDX was trading just off its highest levels since May of 2008; what we didn't know as we went short was that one of the most historic down days in market history was imminent. On May 6th, 2010, the fifth day of our short, at 2:32 PM, a large mutual fund complex initiated a sell order of 75,000 S&P 500 E-Mini contracts, thus starting what would come to be hailed as the "Flash Crash." Over the next thirteen minutes computerized trading platforms executed trades that had markets spiraling downward; NDX had shed over 200 points (10%) at the day's low. At 2:45:28, CME circuit breakers triggered a five-second

pause on the E-Mini. This stabilized trading and buying interest picked up and, by 3:00 PM, equity markets had normalized and the "Flash Crash" was officially over. NDX finished the day with a loss of over 3%. Markets seesawed until mid-June; our short netted just over 17%.

Summer Slump...

As the first half of the year was coming to a close it seemed as if we were printing our own money, but the summer months were not as kind. In just over a month we issued a long and a short which both ended up being on the wrong side of the index; losing almost 7% between the two trades. Our back-to-back losses were offset with a long that caught the tail end of the July rally and getting back just shy of 3%. On August 6th, we entered a short position that appeared as perfectly timed as some of our earlier trades. NDX did almost nothing but drop, by the end of the month the index had shed 138 points (7.2%). Buyers finally stepped back in on September 1st and the recovery was just as fast as the fall. It was only nine days before we issued a long, but those nine days ate up all of our profit, turning a huge win into a flat trade.

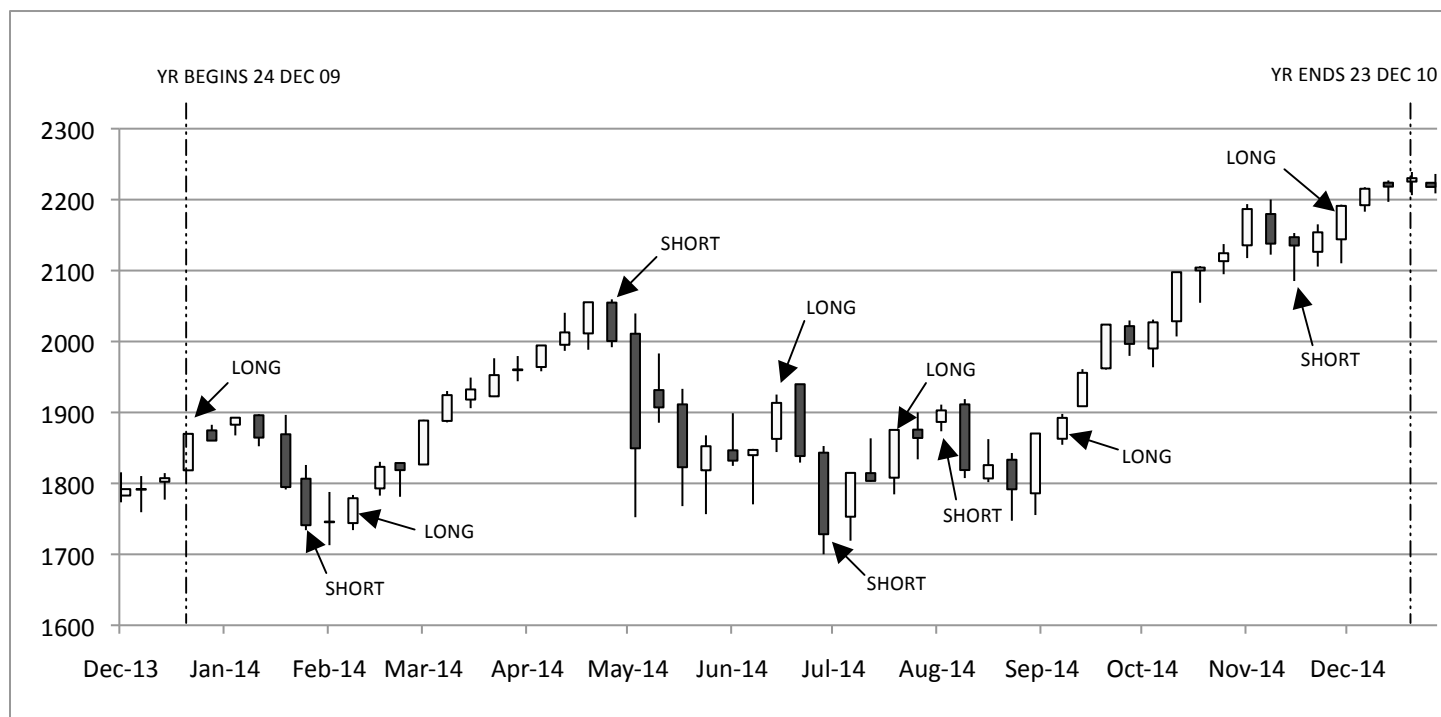
Finishing the Year Stong...

For the rest of the year NDX continued to climb. We rode the rally for the rest of September, throughout all of October, and into the first half of November; during this time NDX racked up over 200 points. We exited the position on November 17th, this long effectively got us out of the slump we had been in throughout the summer; we picked up over 22% on the trade and were closing in on 100% for the year. Unfortunately, the rally did not end when we went short; in the fifteen days that we were in position, the market pushed up another 4%. We went long again and for the next three weeks we were able get back 4% closing out a very successful year.

Our long that ended on December 23rd turned out to be our final trade of 2010. Throughout the year we had eleven trades, six winners and five losses with a cumulative return of 78.85%. Additionally, TimingLeader.com was rated by the independent trade verification service, TimerTrac, as the top market timer out of 88 strategies being tracked using NDX leveraged funds. As we enter 2011, we look to continue with this standard of excellence and to provide the best market timing services available!



2010 Trade History Weekly Bars



Trade by Trade Performance

SIGNAL	ENTRY	EXIT	NDX	NON-LEVERAGED	2x LEVERAGED
LONG	12/24/2009	1/27/2010	-2.72%	-2.77%	-5.87%
SHORT	1/27/2010	2/10/2010	-3.80%	3.67%	7.11%
LONG	2/10/2010	4/29/2010	16.75%	16.65%	35.71%
SHORT	4/29/2010	6/14/2010	-9.66%	9.03%	17.04%
LONG	6/14/2010	6/28/2010	-0.51%	-0.58%	-1.25%
SHORT	6/28/2010	7/23/2010	2.14%	-2.67%	-5.65%
LONG	7/23/2010	8/6/2010	1.47%	1.47%	2.88%
SHORT	8/6/2010	9/10/2010	-0.51%	-0.07%	-0.32%
LONG	9/10/2010	11/17/2010	10.97%	10.83%	22.39%
SHORT	11/17/2010	12/2/2010	4.06%	-4.15%	-8.20%
LONG	12/2/2010	12/23/2010	2.06%	2.03%	4.04%

Metrics

NDX YTD (%)	19.28	Buy & Hold QQQQ (%)	19.94
	Non-Lev / 2x Lev		Non-Lev / 2x Lev
TL Total Returns (%)	33.45 / 67.87	TL Cumulative Returns (%)	36.35 / 78.85
Average Trade (%)	3.04 / 6.17	Winning / Losing Trades (Total)	6 / 5
Average Winning Trade (%)	7.28 / 14.86	Average Losing Trade (%)	-2.05 / -4.26
Average Long (%)	4.61 / 9.65	Average Short (%)	1.16 / 2.00
Average Length of Trades (Days)	33	Longest Trade (Days)	78
Time Long / Short (Days)	229 / 135	Shortest Trade (Days)	14