



Improving on Buy and Hold: Don't Buy Yet

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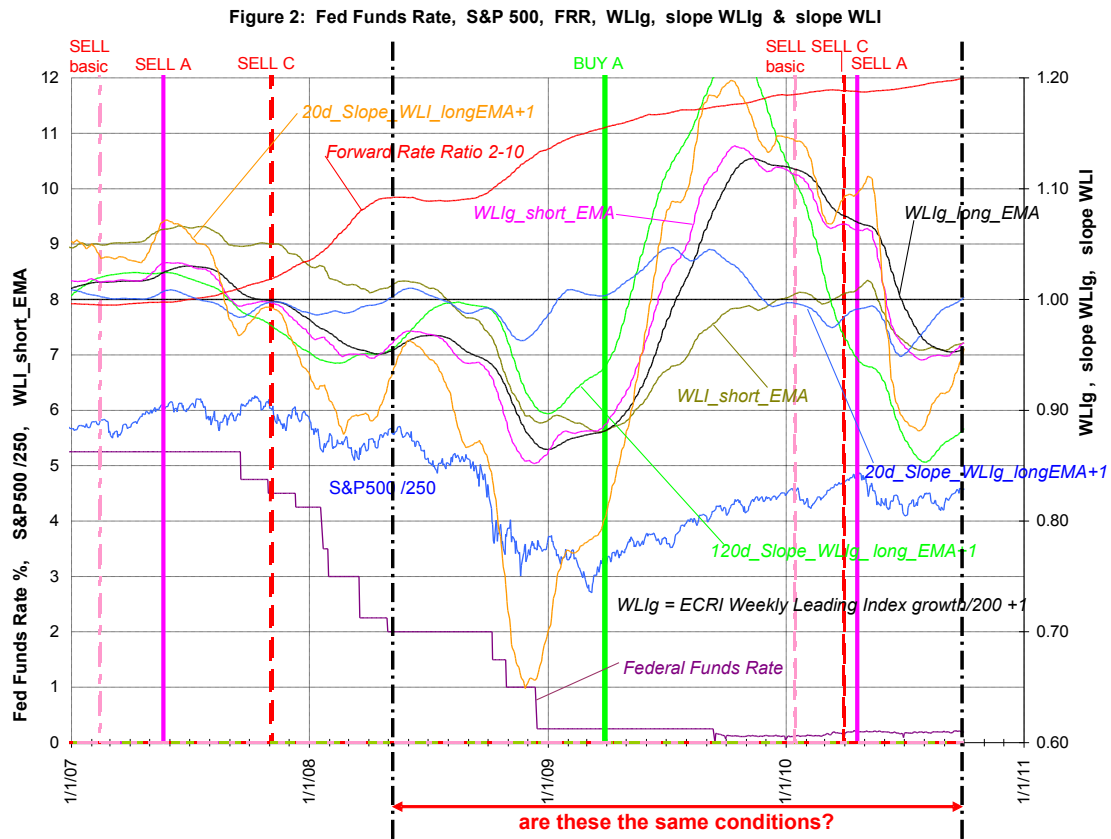
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I have updated the model described in my article [Improving on Buy and Hold: Asset Allocation using Economic Indicators](#). The ECRI U.S. Weekly Leading Index and its annualized growth rate published on October 1, 2010, together with the most recent values of the other indicators used, have been incorporated in the model.

Figure 2 shows the buy and sell signals obtained from the model for the time period 2007 to now. All conditions for a *type A buy signal* have not as yet been satisfied. Reviewing the spreadsheet calculations I found that exactly the same conditions exist now as those of 5/6/08.

The past is not an indicator of the future, but it would not have been a good decision to enter the market in May 2008.



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