

Untapped Wealth

November 2010 Edition

There's no question that our economy remains fragile, unpredictable and in some cases questionable. That being said, I want to at least for November issue a recommendation that doesn't really take all of that into account.

For November, I want to remove a majority of the risk and send you to a place that not only is strong economically speaking, but has the potential to bring in some very strong profits.

For November we'll be investing in Latin America, a place that has seen sustained and strong growth and will continue this pattern.

With this recommendation, it's unlike any I have ever issued, in specific regards to is 3x's the performance of an index. That's right, a 300% performance over an index..

Let's get right into it.

Latin America, a region with many cultures and economies, is a large emerging market that offers businesses in various industries significant growth opportunities.

It is also a region where economic rewards and growth can be hindered by political uncertainty. However, there are multinational companies who are thriving in this region and it is because of that and the fact that the region is an "up and comer" that in my eyes, the risk is outweighed by reward, specifically for the long term.

I want to cover the stock at hand, or I should say, the ETF. The ETF is Direxion Daily Latin America 3x, ticker LBJ: \$36.57*.

From the ETF's prospectus:

"The Fund, under normal circumstances, creates long positions by investing at least 80% of its net assets in the equity securities that comprise the Index and/or: financial instruments (as defined below) that provide leveraged and unleveraged exposure to the Index.

These financial instruments include: futures contracts; options on securities, indices and futures contracts; equity caps, collars and floors; swap agreements; forward contracts; short positions, reverse repurchase agreements; exchange-traded funds ("ETFs"); and other financial instruments.

On a day-to-day basis, the Fund also holds short-term debt instruments that have terms-to-maturity of less than 397 days and exhibit high quality credit profiles, including U.S. government securities and repurchase agreements.

Latin America is considered an "emerging market." The term "emerging market" refers to an economy that is in the initial stages of industrialization and has been historically marked by low per capita income and lack of capital market transparency, but appears to be implementing political and/or market reforms resulting in greater capital market transparency, increased access for foreign investors and generally improved economic conditions.

Emerging markets have the potential for significantly higher or lower rates of return and carry greater risks than more developed economies.

The Index is an equity index drawn from four major Latin American markets: Argentina, Brazil, Chile, and Mexico. It is designed for investors seeking broad market exposure through an index that is efficient to replicate.

The index constituents are leading, large, liquid, blue chip companies from the Latin American markets, capturing 70% of their total market capitalization. The index constituents are leading, large, liquid companies from the Latin American markets with a total market capitalization of \$412.18 billion and a median market capitalization of \$5.30 billion as of February 24, 2010."

In The End

In the end, I expect that LBJ will do extremely well as the global economy rises and gets stronger.

By this time next year, I would expect to see shares of LBJ, if not tripled in price, quadrupled.

Why so much? Well when you have a 300% ETF on a region that has huge potential, fireworks happen.

Have a great month.

Tim Fields

*Indicates initial recommended price