



***We wish you and your family a healthy, happy and prosperous New Year.***

We ended the year on a very positive note with all of the EZTracker portfolios up nicely for the month.

The Core Portfolios had a very good year especially given the short list of options available in the PDAP 401k. Both the Aggressive and Moderate model portfolios outperformed the overall market.

Our Expanded Portfolios had a difficult year. Two factors held the portfolio back: a difficult start to the year with poor performance in January and the May market gyrations including the "Flash Crash." As part of our ongoing efforts to improve performance, we've increased the importance for volatility and portfolio diversification. We're confident these refinements will result in healthy benefits for our subscribers.

**Portfolio Changes for January**

**Core Portfolio: No Changes for the coming month.**



**Expanded Portfolio:** In all portfolios sell Market Vectors Gold Miners (GDX), Claymore Alpha China Small Cap (HAO), SPRD S&P Retail (XRT) and JP Morgan Alerian MLP Index (AMJ). While all of these funds, except HAO, had positive returns for the month, we are upgrading to better performers for January.

With the proceeds of the sales and any cash balance you may have, purchase equal dollar amounts of iShares Russell MicroCap (IWC), Energy Select SPDR (XLE), Vanguard S&P MidCap Growth (VOT), and Materials Select SPDR (XLB).

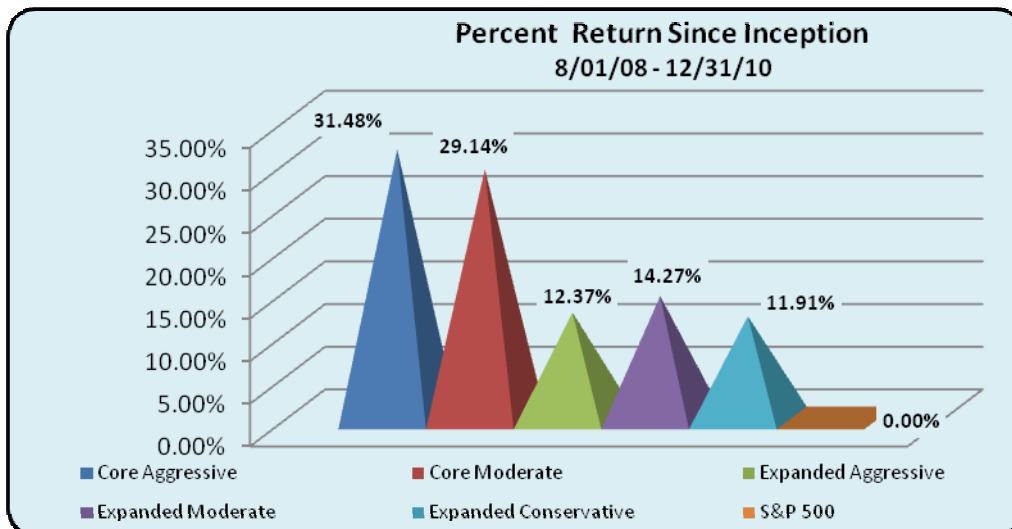
All Future Contributions for the Expanded Portfolios should be going to the Money Market Fund and then transferred to your Schwab account and allocated to new ETF purchases made in future months. See page 5 for more details.

**Results**

The value of any investment strategy are **results over time, not one-week results, not one-month results, not even one-year results.** EZTracker began publishing the newsletter for United pilots August 1, 2008. Since that time we've seen historic market declines and advances. The EZTracker strategy has delivered in both the downward phase and the recovery phase. All of our portfolios significantly outperform the market.

While past performance is no guarantee of future performance our track record, in good markets and bad markets, demonstrates our ability to outperform the key market indices.

The S&P 500 finished 2010 right where it was when we began publishing in 2008 at 1257. In 29-months the market has gone nowhere.



## Spread the Word

If you like how EZTracker has helped you manage your 401k and delivered market-beating results, please help us spread the word by telling other United pilots about us. Many of them are missing the benefits of EZTracker. They may be doing nothing to manage their 401k or confused about what to do. Help them take a step toward a better retirement.

Send us their name and e-mail address and we'll send them the current newsletter. No cost, no obligation. When they subscribe ask them to put your name in the "Referred By" box on the subscription form. **You'll get an extra month added to your subscription for your help.** Contact us at [contact@eztracker401k.com](mailto:contact@eztracker401k.com) or 609-513-8623.

## Help for your IRA or other investments.

Our ETF newsletter is for investments beyond your 401k. If you have an IRA or other investment account that could use some EZTracker help, this is a great alternative. In addition to our long-running Aggressive and Moderate model portfolios, we've added three new portfolios – Fidelity ETF, Vanguard ETF and AmeriTrade ETF which all are based on ETFs that trade commission-free.

ETFs provide the perfect vehicle for creating a low-cost, diversified portfolio by taking advantage of sector or industry trends, while diversifying away from individual company stocks. ETFs don't have the onerous trading restrictions of mutual funds, and we believe they are a much better alternative for most investors. To subscribe: [www.eztracker401k.com](http://www.eztracker401k.com). **If you're not already a subscriber to EZTrackerETF and would like to see this month's newsletter, e-mail us at [contact@eztracker401k.com](mailto:contact@eztracker401k.com) or call at 609-513-8623.**

## Market update, the news you can use.

Each month we post our market update and comments on the EZTracker website. This month you'll find a brief recap for 2010 and what the experts are saying for 2011. **Here's the direct link: [News You Can Use](#).**

### The Free Help Hotline

New Subscriber getting started? Current Subscriber who needs help? Call the EZTracker Help Hotline.  
609-602-5071 (9-5 PST until December 5, EST after that)

### New Subscribers

See the Current Model Portfolios on page 3 to set up your portfolio. See the information on page 4 and 5 for an introduction to using EZTracker.

## UAL Stock

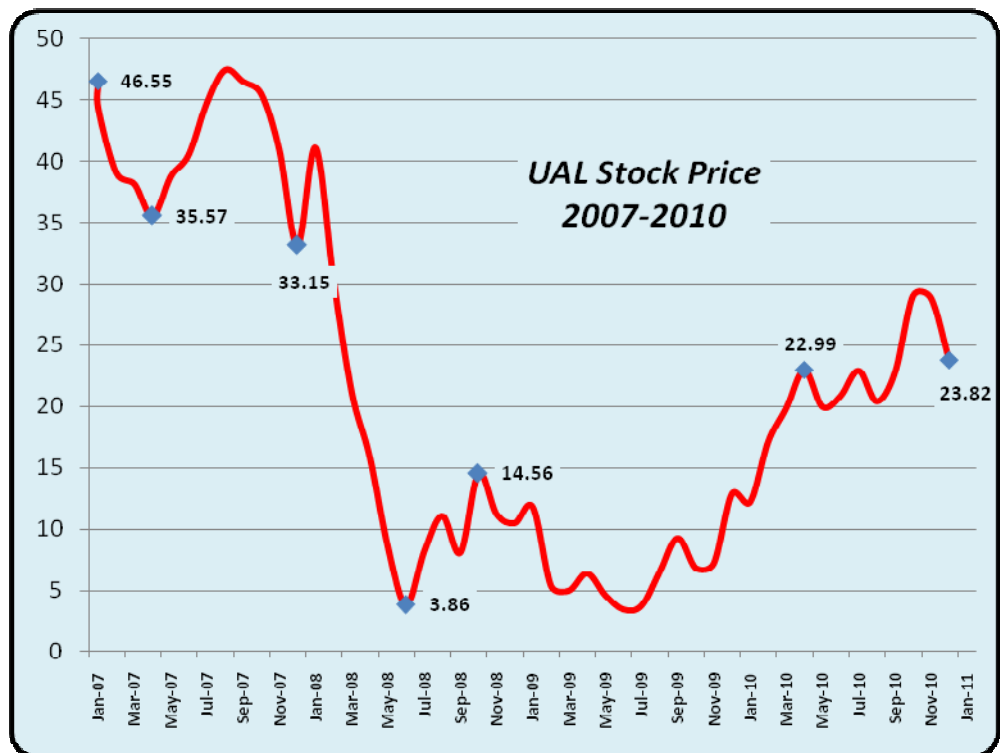
UAL stock closed the year at \$23.82, down 17.5% since our last newsletter. Total returns for the stock are:

1-year: +84.51%  
3-year: -28.58%

Morningstar gives the stock its mid-level three star rating.

Other current analyst ratings are: unchanged from last month.

- Market Edge: Avoid (down from Long)
- Ford Equity Research: Hold
- The Street: Hold
- Standard & Poor's: 4 Stars





## Model Portfolios –January 1, 2011 – All Portfolios

EZTracker provides five model portfolios. Each is designed for different investment needs and styles as well as level of risk. You may want to move between investment styles based on market conditions.

### STEP 1: Update Current Investments

- In all portfolios: Using the chart below, rebalance your portfolio to the model portfolio you want to follow.
  - Go to the Pilot Directed Account Plan site: <http://resources.hewitt.com/pdap/> and log-in.
  - Go to “Transfer Money”
  - New Subscribers:** If you are following one of the Core Portfolios, select “Reallocate Money Among Funds” to change your investment mix to the portfolio you are following. Use the chart below.
  - New Subscribers:** If you are following one of the Expanded Portfolios, select “Transfer Money to Individual Funds” and transfer money to the Money Market Fund and the Schwab IBA. (It may take two days for the funds to be available at Schwab.)
  - When funds are available at Schwab, purchase the ETFs listed in the chart below.
- Each month we update the model portfolios based on the Tracker Average and ETF data (pages 6 and 7) and provide steps to update your portfolio.


Keep in mind that you are allowed a maximum of 12 free transfers during the year for your current investments. Money moved to Schwab is not considered a transfer if it is transferred from the Russell Money Market.

The Updated Model Portfolios Funds available in the 401k plan.  ETFs available through Schwab 	Core Portfolios Use only funds in the United 401k plan		Expanded Portfolios Use funds in the United 401k plan + ETFs available through the Brokerage Link with Schwab.*		
	Aggressive	Moderate	Aggressive	Moderate	Conservative
Small Cap Equity	33%	25%			
PDAP 2050	33%	25%			
Growth Equity	33%	25%			
PDAP Retirement		25%			
Diversified Bond			10%	15%	25%
Money Market				15%	25%
iShares Russell 2000 Growth (IWO)			16%	11%	9%
Market Vectors Agribusiness (MOO)			14%	11%	9%
iShares Russell MicroCap Index (IWC)			15%	12%	8%
Energy Select SPDR (XLE)			15%	12%	8%
Vanguard S&P MidCap Growth (VOT)			15%	12%	8%
Materials Select SPDR (XLB)			15%	12%	8%

\*There are incremental costs for using the Schwab BrokerageLink. Each trade costs \$8.95.

### STEP 2: Update Future Contributions

This is the money coming out of your paycheck going into your 401k. Under “Change Investments” on the Russell Pilot Directed Account Plan site, select “Contributions” and modify your future contributions from the chart below based on the portfolio you are following.

The Updated Model Portfolios Funds available in the 401k plan. 	Core Portfolios Use only funds in the United 401k plan		Expanded Portfolios Use funds in the United 401k plan + ETFs available through the Brokerage Link with Schwab.
	Aggressive	Moderate	
Small Cap Equity	33%	25%	All Future Contributions should go to the Money Market Fund and then transferred to your Schwab account and used in making future purchases.
PDAP 2050	33%	25%	
Growth Equity	33%	25%	
PDAP Retirement		25%	

## Performance

**EZTracker** portfolios invest in the best performing funds. Past performance provides validation of this long-term investing philosophy. As with any long-term investing strategy, you should not expect dramatic short-term results to offset past investment losses.

EZTracker began publishing the newsletter for United pilots with the August 2008 issue. Prior to the first issue, EZTracker back-tested its methodology. This is the same methodology it has used for portfolios for American, Southwest and JetBlue airlines starting in 2002.

Portfolio Performance December 31, 2010	Back Test Period 1/1/2006- 7/31/2008	2008 8/1/2008- 12/31/2008	2009	2010
<b>Core Aggressive</b>	<b>20.57%</b>	<b>-1.85%</b>	<b>15.74%</b>	<b>15.75%</b>
<b>Core Moderate</b>	<b>18.72%</b>	<b>-1.18%</b>	<b>14.11%</b>	<b>14.52%</b>
<b>Expanded Aggressive</b>	<b>32.22%</b>	<b>-9.10%</b>	<b>21.86%</b>	<b>1.44%</b>
<b>Expanded Moderate</b>	<b>26.69%</b>	<b>-6.45%</b>	<b>20.98%</b>	<b>.96%</b>
<b>Expanded Conservative</b>	<b>21.68%</b>	<b>-5.35%</b>	<b>16.06%</b>	<b>1.87%</b>
<b>S&amp;P 500</b>	<b>4.77%</b>	<b>-28.15%</b>	<b>26.46%</b>	<b>12.78%</b>

### Starting Your EZTracker Portfolio

Use the Model Portfolios on page 3 to help you set up your 401k to match the EZTracker portfolio you want to follow. Each month we will update these portfolios and provide directions to adjust and upgrade your portfolio.

The Model Portfolios are constructed by identifying the top performing funds using the “Tracker Average” (see the Monthly Data Sheets). The Tracker Average is a weighted average of one, three, six and twelve month performance. We weight performance to give more value to the more recent months.

### EZTracker Model Portfolios

We have constructed and back-tested five model portfolios for the United Pilots’ 401k. Check out the results of our back-test above. Two of the model portfolios are built using the alternatives in the Pilot Directed Account Plan managed by Russell Funds.

We’ve identified these two model portfolios as “Core” Portfolios. Each month we update the performance for all choices in the 401k plan. (See the monthly data on page 6).

- The **Core Aggressive** Portfolio: Always fully invested in the best performing funds within the 401k plan. We select the top three performing funds for this portfolio.
- The **Core Moderate** Portfolio: 75% allocated to the three best performing funds within the 401k plan; 25% to the best performing bond fund (either the Short-Term Bond or the Diversified Bond) or Money Market fund.

In addition to these two Core portfolios, three “Expanded” model portfolios will actively use the Schwab IBA in addition to some of the alternatives in the Pilot Directed Account Plan.

- The Expanded **Aggressive** Portfolio: 10% allocated to the best performing bond (Short-Term Bond or the Diversified Bond) or Money Market fund in the Pilot Directed Account Plan; 90% to the top performing ETFs purchased through the Schwab IBA.
- The Expanded **Moderate** Portfolio: 15% allocated to the Money Market Fund; 15% allocated to the best performing bond fund in the Pilot Directed Account Plan (either the Short-Term Bond or the Diversified Bond); 70% invested in the top performing ETFs purchased through the Schwab IBA.
- The Expanded **Conservative Portfolio**: 25% allocated to the Money Market Fund; 25% allocated to the best performing bond fund in the Pilot Directed Account Plan (either the Short-Term Bond or the Diversified Bond); 50% invested in top performing ETFs purchased through the Schwab IBA

In addition to updating the performance for all of the funds in the 401k plan, we also give you the most current information on the 50 top performing ETFs we consider for the Expanded model portfolios (see page 7). ***If you are not familiar with ETFs, see the last page of the newsletter for more information.***

## Which Portfolio is Right for You?

Because we're not investment advisors, we can't offer recommendations on which portfolio would be best suited for your situation. Only you can decide. This will vary based on age, income, lifestyle, other investment assets and your tolerance for risk. You must be comfortable with your investment strategy. You may want to check out a couple of investment risk questionnaires. Check out Vanguard (<https://personal.vanguard.com/us/FundsInvQuestionnaire>) and MSN's Money Market Central ([http://moneycentral.msn.com/investor/calcs/n\\_riskq/main.asp](http://moneycentral.msn.com/investor/calcs/n_riskq/main.asp)) both offer good versions of risk quizzes. If you're taking on too much risk (or not enough) for your goals, consider changing your asset mix. If you're taking on the appropriate amount of risk, just sit tight. Then decide if you're an Aggressive, Moderate or Conservative investor

Which portfolio to follow:

- The Core Portfolios are the easiest to follow because of the limited number of alternatives.
- The Expanded Portfolios involve additional charges for commissions and management fees. To minimize the impact of these costs, you should have a minimum of \$100,000 in your 401k account.
- Past performance is not a guarantee of future results.

## How to Use the Newsletter

The **EZTracker** newsletter is published on the last Sunday of each month and posted to our web site. We will send you an e-mail with a link so you can easily access the new information. There are many ways to use the data and information in the **EZTracker** Newsletter. Most subscribers follow one of these styles:

1. Some select the EZTracker model portfolio which best represents their investment style and risk tolerance and adjust their 401k holdings by following the model portfolio.
2. Some select the EZTracker model portfolio which best represents their investment style and risk tolerance and then use their own market analysis to adjust the portfolio, expanding or shortening the list of funds in the model portfolios.
3. Some use the EZTracker model portfolios for a portion of their 401k investments. These investors usually identify some current holdings they want to maintain as fixed portions of their retirement plans and use the EZTracker model portfolio for the balance.
4. Some leave a fixed percentage in their 401k and use the brokerage link for the balance of their 401k portfolio.
5. Some use the data provided on pages 8 and 9 of the newsletter to construct their own portfolio.

## Putting Cash to Work in the Expanded Portfolios

If you are adding cash to your portfolio, put it to work. Rather than adding to positions you already hold and incurring additional commission charges, consider putting this cash to work when you are buying new positions. Here's an approach we've used:

- When adding one new position, add 50% of your cash balance to the proceeds of the ETF you are selling.
- When adding two new positions, add 80% of your cash balance to the proceeds of the ETFs you are selling and split the dollar total equally in purchasing the two new ETFs.
- When adding three or more new positions, add your entire cash balance to the proceeds of the ETFs you are selling and split the dollar total equally in purchasing the new ETFs.

While this process will lead to a wider variance from our model portfolios, you will have put your cash to work in the top performing market sectors.

## **EZTracker** News

- **Help Line:** For questions about fund-to-fund transfers or rebalancing for new subscribers: 609-602-5071 (9 –5 EDT).
- **401k Limits for 2010:** These remain unchanged from 2009. Those under 50 can now contribute \$16,500 to their 401k. Those 50 and older can contribute an additional \$5,500 for a total of \$22,000.
- **Publishing:** The **EZTracker** newsletter is published on the last Sunday of each month. The December 2010 issue will be published on Sunday, November 28.
- **Profile Changes:** Need to change your e-mail, password or any of your contact information? Log-in to the EZTracker website and click on "My Profile."

## Privacy

We never share any subscriber information. We guarantee your privacy is protected.

## Questions, Comments, Problems

Questions? Suggestions? We're just a click away: [contact@eztracker401k.com](mailto:contact@eztracker401k.com). **EZTracker** customer service line: 609-513-8623

## Monthly Fund Data

The following represents all funds in the United Pilot's 401k plan for the period ending November 28, 2010. The funds included in the **EZTracker** model portfolios are highlighted.

December		1 MO	3 MO	6 MO	12 MO	Tracker Average
Retirement	PDAP09	1.24%	2.54%	7.56%	10.02%	11.65%
Auto PDAP 2015	PDAP15	1.83%	3.49%	9.52%	11.14%	14.17%
Auto PDAP 2020	PDAP20	2.60%	4.60%	11.40%	12.04%	16.72%
Auto PDAP 2025	PDAP25	3.56%	5.82%	13.63%	12.99%	19.63%
Auto PDAP 2030	PDAP30	4.65%	7.50%	16.33%	13.98%	23.16%
Auto PDAP 2035	PDAP35	5.08%	8.28%	17.38%	14.02%	24.41%
Auto PDAP 2040	PDAP40	5.08%	8.20%	17.39%	14.03%	24.38%
Auto PDAP 2045	PDAP45	5.09%	8.30%	17.41%	14.04%	24.46%
Auto PDAP 2050	PDAP50	5.08%	8.25%	17.46%	14.15%	24.51%
Money Market	PDAP01	0.01%	0.03%	0.07%	1.00%	0.61%
Diversified Bond	PDAP03	-0.71%	-0.43%	2.91%	8.47%	5.58%
Value Equity	PDAP04	7.43%	10.14%	16.52%	15.88%	27.26%
Growth Equity	PDAP05	4.90%	12.75%	22.38%	16.08%	30.60%
S&P 500 Index	PDAP08	5.90%	9.96%	17.81%	14.69%	26.37%
Small Cap Equity	PDAP06	6.29%	16.16%	23.16%	28.21%	40.27%
International	PDAP07	5.00%	6.81%	20.59%	9.37%	22.79%

### Who are We?

**EZTracker** is a publishing company founded to meet the growing demand for expert, reliable, objective information about the 401k choices offered to participants in the United Pilot's 401k plan. The goal of EZTracker is to take the guesswork out of 401k choices and to help every subscriber manage his or her own 401k plan with confidence and in an informed way. EZTracker is not a financial advisor nor is it financial manager. It is a provider of information about the various funds within the United Pilot's 401k plan. By reporting the performance of each fund in a straightforward and easy to understand manner, we hope each subscriber, from the financial neophyte to the sophisticated investor will make informed choices to best fit their retirement goals and needs. EZTracker is not endorsed by or affiliated with UAL, United or any of funds within the United Pilot's 401k plan.

The information and data contained herein are compiled from sources and procedures believed reliable but accuracy cannot be guaranteed. EZTracker 401k monitors fund performance and publishes a monthly newsletter. The publisher and owners disclaim any and all liability for losses that may be sustained as a result of using the data presented herein. Past performance is no assurance of future results. All investments involve risk. You should invest only after careful examination of fund prospectuses.

EZTracker 401k is monthly newsletter monitoring the 401k investment alternatives available to participants in the United Pilot's 401k plan. Published by EZ Tracker LLC, P.O. Box 654, Ocean City, NJ 08226. Contact us at [contact.eztracker401k.com](mailto:contact.eztracker401k.com).

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## Monthly ETF Data

EZTracker monitors the performance of 200+ Exchange Traded funds. Some of these are key components in the United Expanded Portfolios. All of these are available through the Schwab Brokeragelink. Each month we include data on the top 25 performing ETFs that we track. The highlighted ETFs are currently included in the United Expanded Portfolios.

December 31, 2010		1 Mo.	3Mo.	6Mo.	12 Mo.	Tracker
Ticker	ETF					Avg.
SLV	iShares Silver Trust	8.52%	39.74%	40.20%	54.35%	77.90%
XME	SPDR S&P Metals & Mining	9.37%	24.95%	46.52%	29.94%	60.43%
XRT	SPDR S&P Retail	1.89%	14.78%	34.89%	35.57%	47.53%
MOO	Market Vectors Agribusiness ETF	6.44%	14.14%	44.46%	19.52%	46.12%
IWC	iShares Russell Microcap Index	7.72%	17.80%	26.95%	27.44%	43.59%
XLE	Energy Select Sector SPDR	6.17%	18.76%	34.62%	17.85%	42.22%
IWO	iShares Russell 2000 Growth Index	5.15%	14.58%	29.01%	26.39%	40.99%
XLB	Materials Select Sector SPDR	7.12%	14.99%	35.55%	17.10%	40.78%
VOT	Vanguard S&P MidCap Growth	4.16%	13.34%	30.08%	25.84%	40.05%
GWX	SPDR S&P International Small Cap	9.02%	10.07%	30.15%	22.53%	39.15%
EWD	iShares MSCI Sweden Index Fund	6.44%	4.23%	32.26%	28.49%	38.96%
AMJ	JP Morgan Alerian MLP Index ETN	1.99%	9.32%	20.97%	34.96%	36.68%
IWP	iShares Russell Midcap Growth Index	3.85%	11.47%	27.67%	23.26%	36.14%
IWN	iShares Russell 2000 Value Index	6.09%	13.06%	23.96%	22.13%	35.59%
SCZ	iShares MSCI EAFE Small Cap Index	8.57%	9.57%	29.32%	17.44%	35.40%
MDY	MidCap SPDRs	4.35%	11.08%	25.20%	23.09%	34.76%
XLI	Industrial SPDR	4.78%	9.24%	25.20%	24.20%	34.59%
GDX	Market Vectors Gold Miners ETF	2.66%	9.20%	17.55%	32.18%	33.60%
IWS	iShares Russell Midcap Value Index	5.39%	10.01%	23.30%	22.05%	33.13%
VNQ	Vanguard REIT Index	3.95%	6.86%	20.77%	27.64%	32.30%
GLD	SPDR Gold Shares	2.47%	8.48%	14.05%	29.32%	29.63%
EPP	iShares MSCI Pacific ex-Japan	4.98%	5.43%	30.69%	12.90%	29.46%
QQQQ	PowerShares QQQ	2.59%	8.87%	25.08%	17.13%	29.27%
EWC	iShares MSCI Canada Index Fund	4.29%	9.13%	23.00%	16.18%	28.69%
ILF	iShares S&P Latin America 40 Index	4.11%	5.29%	28.47%	13.29%	27.91%

### ETFs Instead of Mutual Funds

The Expanded model portfolios use Exchange Traded Funds (ETFs) rather than mutual funds because of their flexibility and absence of trading restrictions. ETFs are like mutual funds -- baskets of securities that offer diversified exposure. They are designed to mirror the performance of a particular market index. Because ETFs are composed of multiple holdings, they offer investors an easy way to diversify with a single purchase. But unlike mutual funds, ETFs can be bought and sold throughout the trading day like stocks. They can be purchased on margin, sold short, or limit and stop loss orders can be used. ETFs have been available for more than 10 years but the number of different ETFs was limited until about four years ago. The major advantages of ETFs over mutual funds are improved liquidity, lower costs and NO trading restrictions.

ETF information is widely available. **We encourage you to do some investigation on your own.** You should never invest in anything you don't understand or that makes you uncomfortable with the degree of risk involved. Ask Schwab for information. You can do a quick web search for instant facts or you can go to [www.morningstar.com](http://www.morningstar.com) for valuable background on the pros and cons of Exchange Traded Funds. Please let us know if you have specific questions about ETFs or would like us to recommend some information about this investment alternative. E-mail us at [contact@eztracker401k.com](mailto:contact@eztracker401k.com).

### Why Do We Use ETFs in our Portfolios And should they be a Part of Your Portfolio?

ETF's offer advantages, particularly over mutual funds:

- Lower costs - ETFs generally have lower costs than other investment products because most ETFs are not actively managed and because ETFs are insulated from the costs of having to buy and sell securities to accommodate shareholder purchases and redemptions.
- Buying and selling flexibility - ETFs can be bought and sold at current market prices at any time during the trading day, unlike mutual funds and unit investment trusts, which can only be traded at the end of the trading day.
- Tax efficiency - ETFs generally generate relatively low capital gains, because they typically have low turnover of their portfolio securities.
- Market exposure and diversification - ETFs provide an economical way to rebalance portfolio. An index ETF inherently provides diversification across an entire index. ETFs offer exposure to a diverse variety of markets, including broad-based indexes, broad-based international and country-specific indexes, industry sector-specific indexes, bond indexes, and commodities.
- Transparency - ETFs, whether index funds or actively managed, have transparent portfolios and are priced at frequent intervals throughout the trading day.