

## Morning Comments April 13, 2010

### East Bound and Down

On January 25 I began recommending that 8306 be accumulated; prices are currently breaking up and longs should be pressed here. I find strength in a number of other names in the group which are now equally as compelling, and it's time for me to build out a proper basket to take a meaningful position in the space. The strength in the Japanese financials reflects a natural extension of our positions in domestic banks for a number of reasons, the least of which is not technical or general equity market strength, but more importantly specific sector strength in the customer base. We see the renewed strength in lesser cap Japanese stocks as key to a bullish argument here – not unlike what was the case in many US banks, specifically the big regionals. At any rate, we will begin accumulating to build out our basket with the additions of 8308 and 8316 building onto our 8306 position. I am putting 8331, 8332, 8404 and 8604 in the on-deck circle pending a bit more clarity that likely comes in the next couple of weeks.



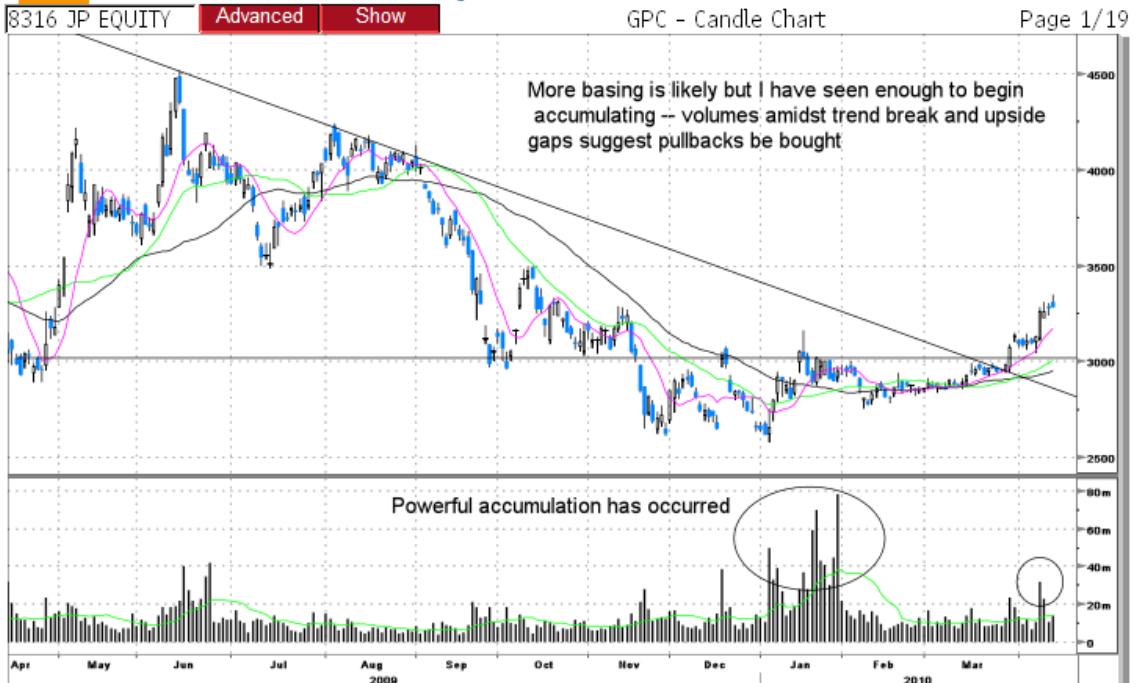
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M8308 JP ¥ s ↑ 1205 -17 T 200s  
 DELAY 20:27 Vol 544,500 Op 1220 T Hi 1222 T Lo 1203 T ValTrd 661.551m



EquityGPC

M8316 JP ¥ s Market 3290/3295 134500x109700 Prev 3285



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