



Technical Analysis & Strategy

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Morning Comments December 4, 2009

Waiting for the Number

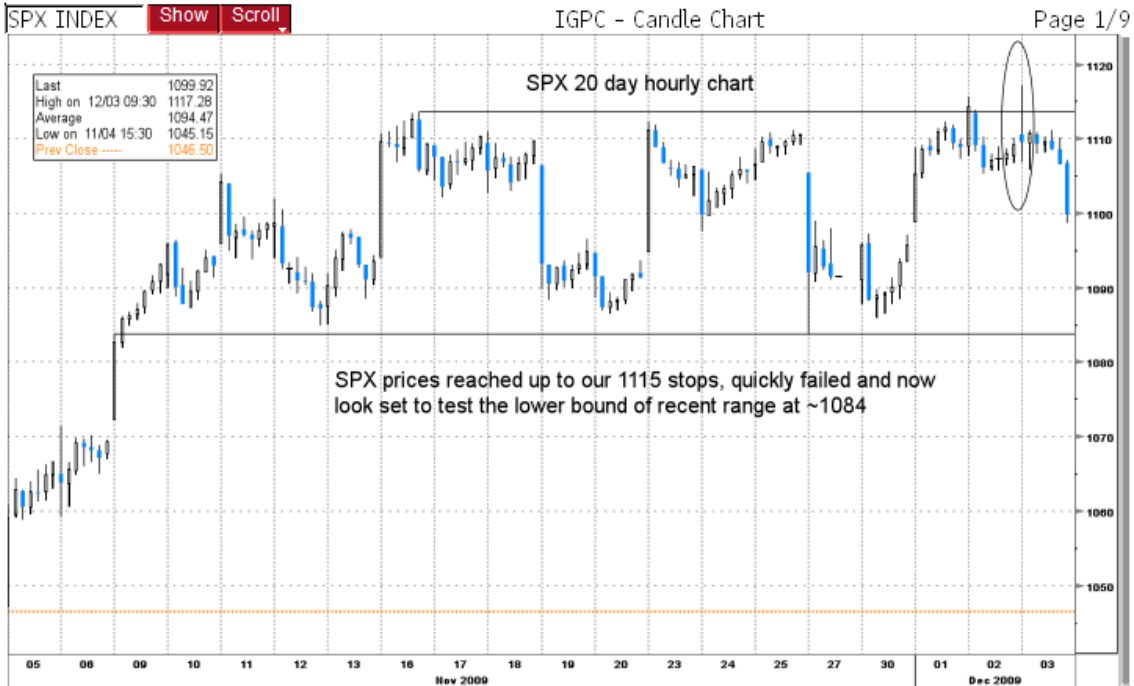
SPX prices reached my stops at 1115 and were immediately rejected, thus validating and increasing our conviction that this is the correct level to stop should prices manage to close above it. We will look to press should 1084 give way.

I also wanted to note that we see pronounced breakdowns in retail leaders. We think this bodes well for our net short position given the market-leading nature of these names over the current cycle, where we saw retail and restaurant leaders bottom and turn higher well ahead of SPX prices off of the March lows. Note how many stocks in these sectors have been weakening for some time. I will consider opening an RTH short provided the general economic numbers today don't cause an upside shock to SPX.

The market is very clearly focused on today's numbers so I believe our actions of this week and our overall positioning will be validated or rejected by the close of business today.

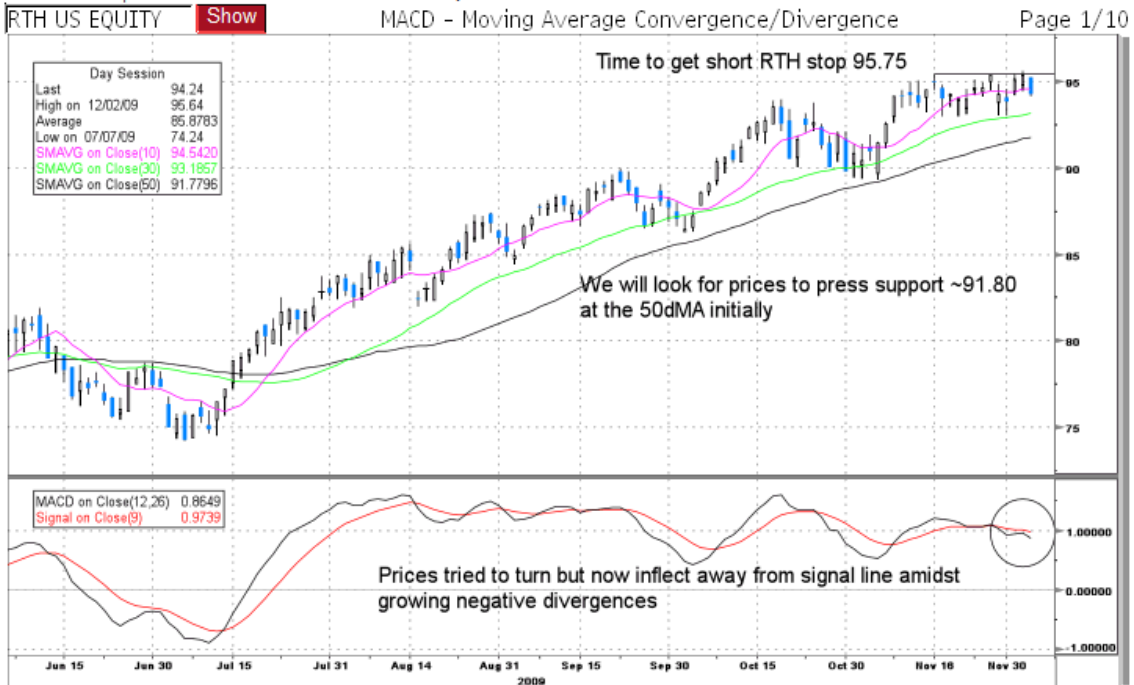
SPX 1099.92Y as of close 12/ 3

Index IGPC



EquityMACD

RTH US \$ Market P93.24/95.54P 1x1 Prev 94.24



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EquityGPC

ANF US \$ Market P36.21/36.59T 2x1 Prev 36.21
ANF US EQUITY Show GPC - Candle Chart Page 1/19



EquityGPC

ARO US \$ Mkt P29.00/29.00T 1x10 Vol 1,200 Prev 28.95
ARO US EQUITY Show GPC - Candle Chart Page 1/19





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