

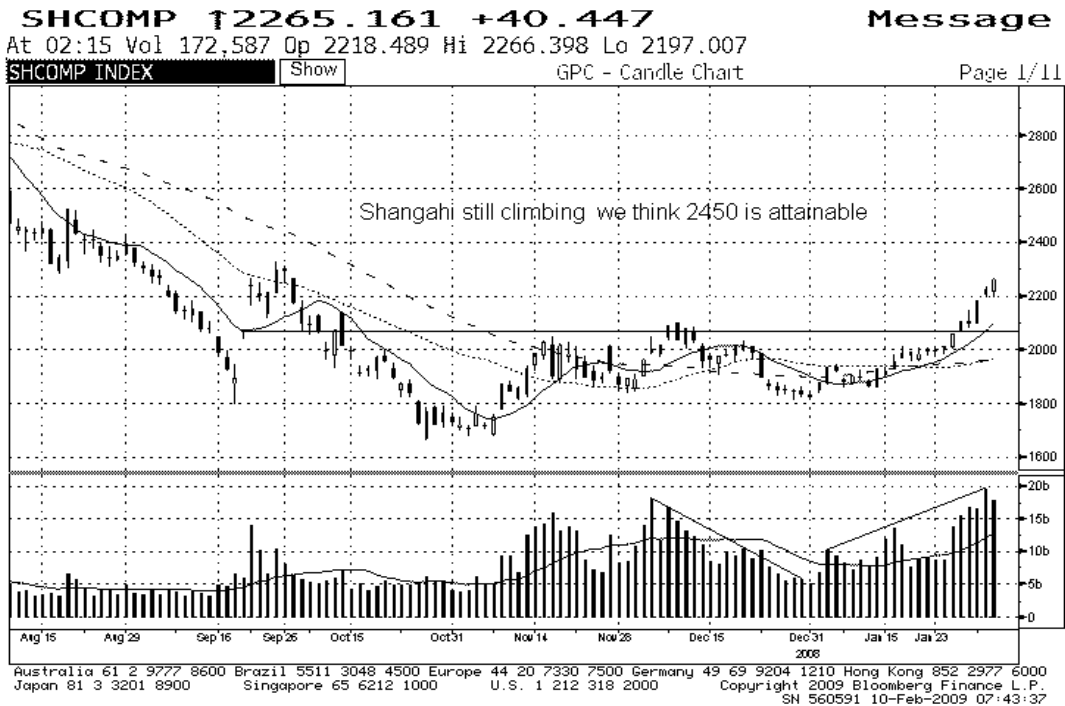
Equity Index Update February 10, 2009

The market was expecting stimulus and a plan to deal with bank asset troubles and has bid for that. If the looked for advice is not quickly forthcoming we suspect buyers will tire quickly. Our short term trading stops were elected on Friday and so we are waiting a bit from a trading perspective to get back involved and need to see decisive weakness closing back down through 857 or prices moving nearer the 900 level to get short. The house call remains firmly in favor of lower prices and please see our recent update with respect to this.

We have been and remain short of gold while spot is contained by 932 but we may get more trading oriented now if prices can pick up that lower channel line.

USO has been a frustrating long owing to the amount of time it is taking having vastly overshoot our expectations but that just makes it sweeter (if it works!?) A nice little 3 day reversal pattern has developed and thankfully drawn a clear line in the sand in terms of stops. We almost always wait for closing prices to elect stops but I have had enough here and wont tolerate any further intraday violation of recent lows.

Tech has been taking money for a couple of weeks now and yesterday was the first day we saw buyers on strike. Tech is the home of the earnings driven gap up on volume and we will be looking for reasons to buy as prices drift in.



The results presented should not and cannot be viewed as an indicator of future performance.
 Charts courtesy of Bloomberg Finance L.P.

GOLDS ↓ **900.02** +5.47 ANON 899.54/900.5 ANON
 At 7:39 Op 894.5 Hi 900.6 Lo 891.2 Prev 894.55 Comdty**GPC**

GOLDS COMDTY Show GPC - Candle Chart Page 1/11



Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2009 Bloomberg Finance L.P.
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USO US \$ Market T 28.89/28.92 T 20x1 Vol 113,390 Prev 28.25

USO US EQUITY Show GPC - Candle Chart Page 1/11



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