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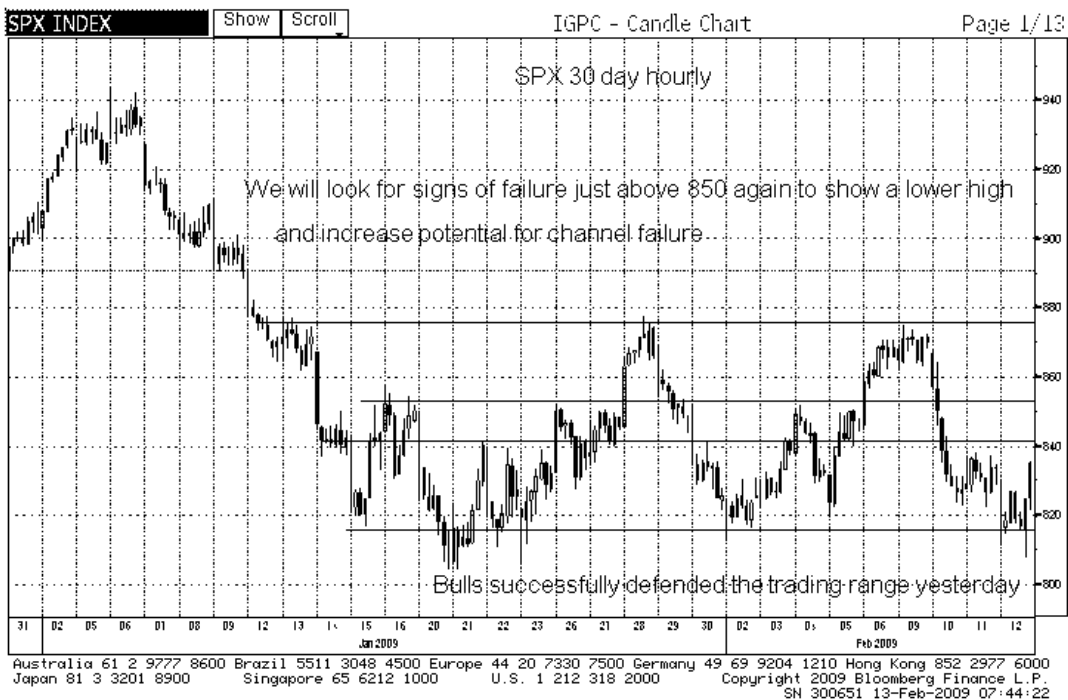
Morning Comments February 13, 2009

Guerilla bulls leapt from the weeds to beat back the shorts and defend their side of the trading range. Many of the big cap high price defensive names we have been using short to break the market have become a bit extended and are eligible for a bit of consolidation so things are generally progressing in line with our thinking thus far. We will look for prices to fail now just above the midpoint of the range in line with defensives clawing back their leading losses. We must also be cognizant of VIX prices which have now failed twice at the 50dMA and look to be trying to exert intermediate term bear trend qualities more earnestly through 40.

SHCOMP is a shining star and we think our bull targets will be seen in the very near term as volume drive prices higher. We can envision much higher prices but lets talk about this after prices take out minor resistance here at 2330 first. It's a pity we have only CAF and FXI to work with here and its making me angry so lets consider a few leading ADRs as prices take out resistance. I'm thinking financials.

SPX 835.19Y as of close 2/12

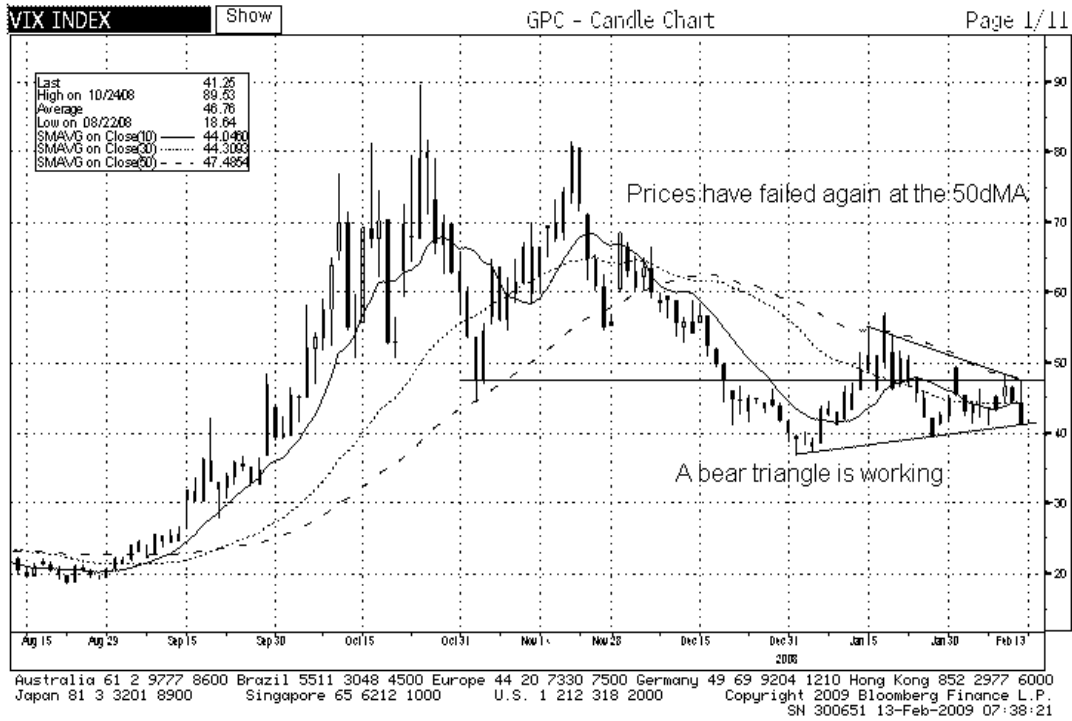
Index **IGPC**



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

VIX 41.25Y as of close 2/12

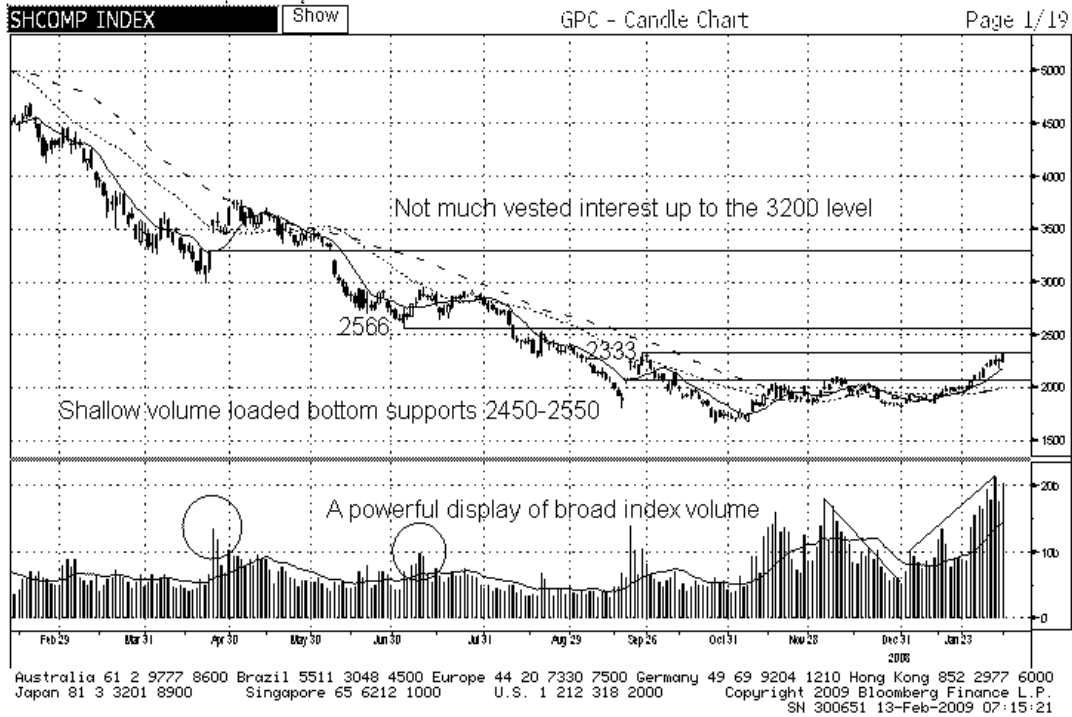
Index **GPC**



SHCOMP ↑2320.792 +72.701

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At 02:15 Vol 199,715 Op 2249.185 Hi 2323.120 Lo 2236.178



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SHCOMP INDEX Show

GPC - Candle Chart

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