

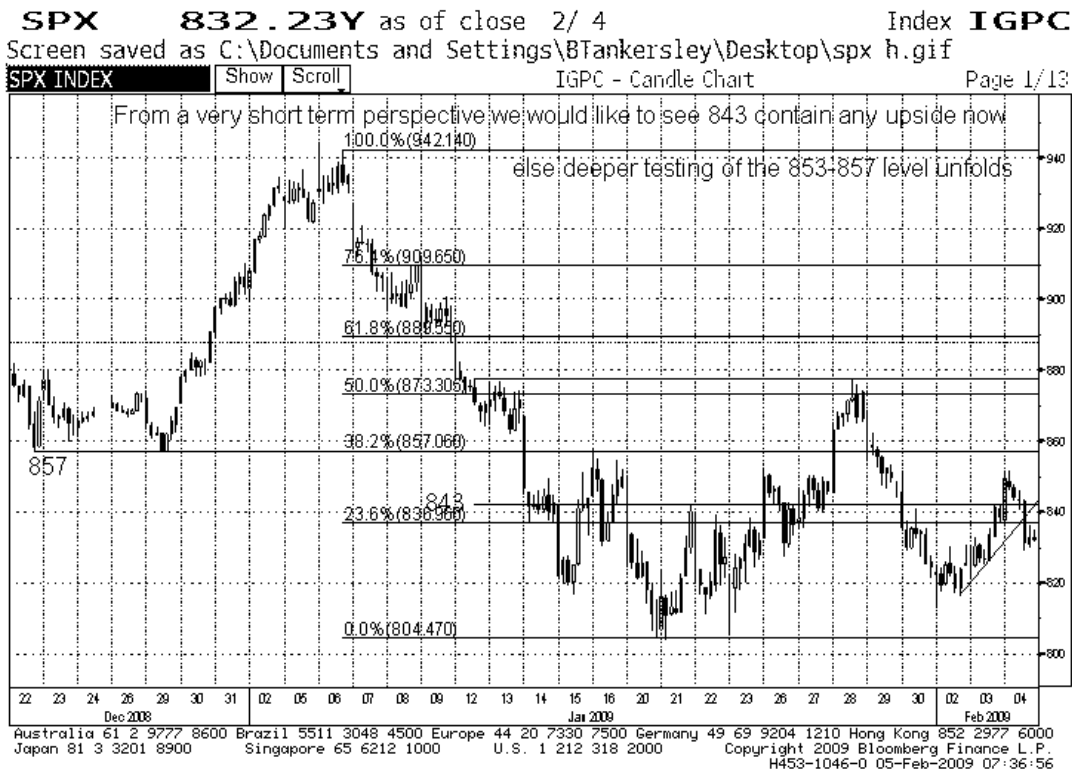
Morning Comments February 5, 2009

Big European indices have been full of fight last few sessions leading up to the rate decisions today and we would like to see poor closes support our negative SPX call. Keep an eye on this as you trade SPX.

INDU has been weak of late even as the big names here have not yet thrown in the towel and followed TRAN to post new lows. Dow theorists keep hopes of bullish non confirmation alive while INDU fails to confirm the action in TRAN. Our analysis shows the probability weighted towards an eventual confirmation and a nudge down through the 10/10 lows for INDU likely get that ball rolling in the near term. Watch 7882 and don't think those November lows matter because they don't.

We have battled that old relic but now its time to throw in hard stops at 932 in spot. I recall the simple old trading adage, "If you are fighting, you are on the wrong side." I'm close to the same in my oil long as well but both are still viable trades however close to the edge I may be.

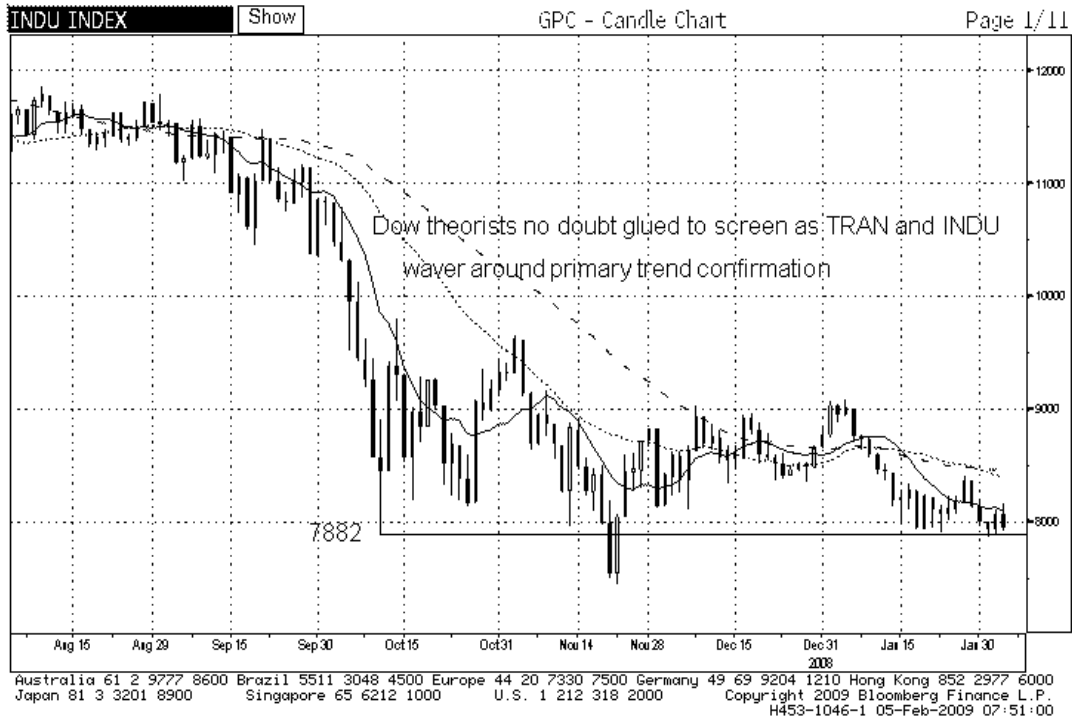
SHCOMP went Icarus last night as volume rose yet again so expect a little backing and filling as recent upside is consolidated.



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

INDU 7956.66Y as of close 2/ 4

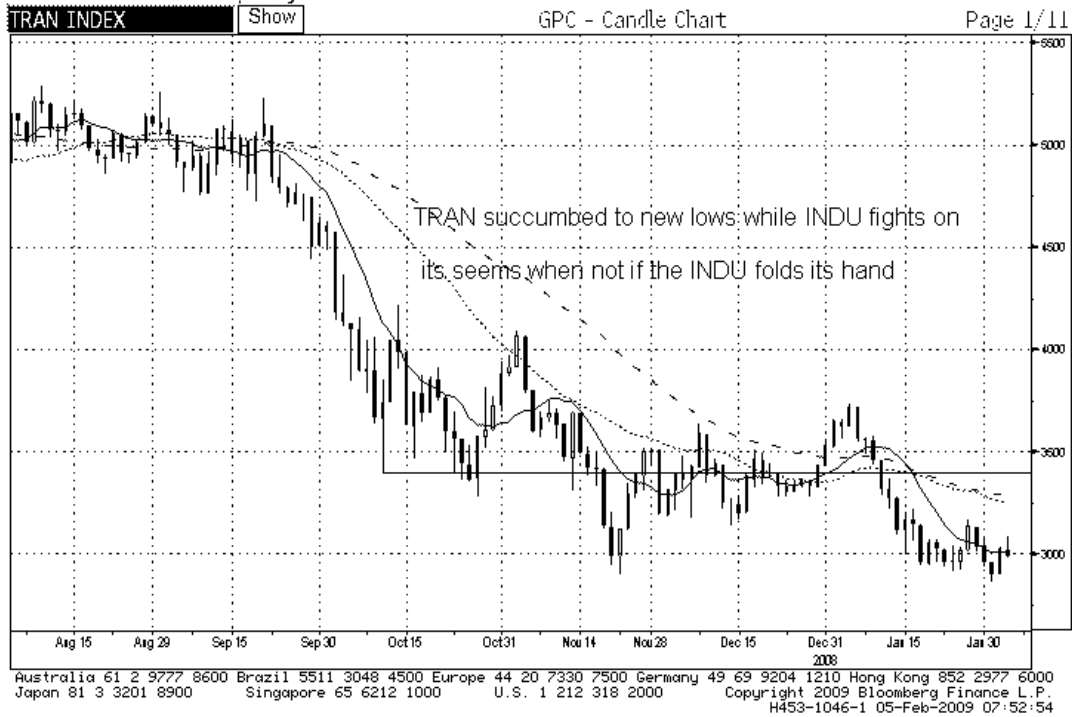
Index **GPC**



TRAN 2991.82Y as of close 2/ 4

Index **GPC**

Vol 27,537y



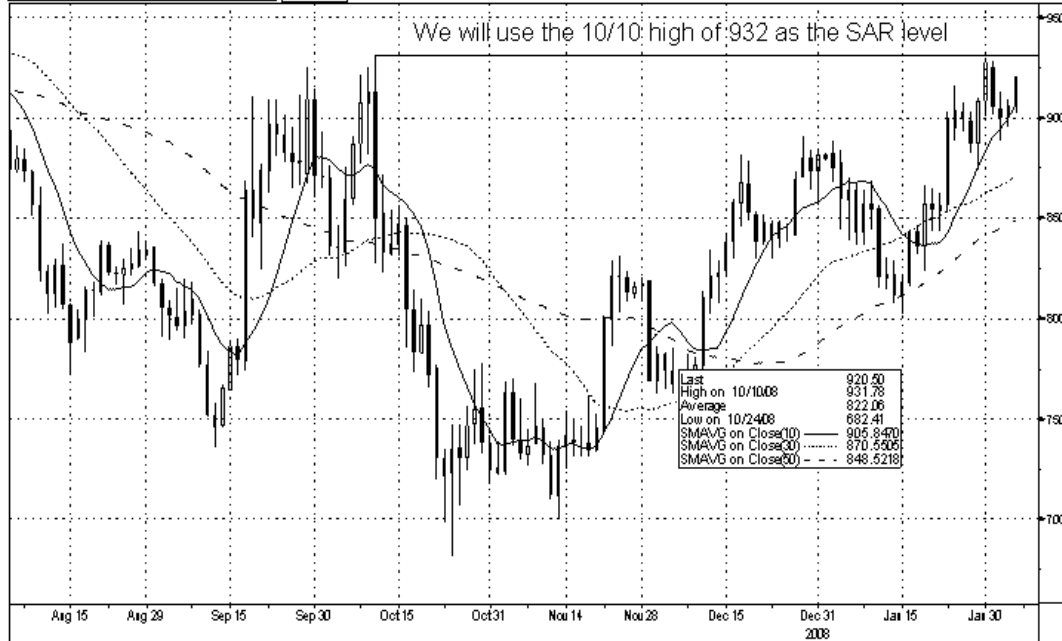
GOLDS ↑ **920.5** +14.75 ANON 920.13/920.88 ANON
 At 7:40 Op 905.8 Hi 920.5 Lo 902.34 Prev 905.75

Comdty**GPC**

GOLDS COMDTY Show

GPC - Candle Chart

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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.
 H453-1046-0 05-Feb-2009 07:40:32

SHCOMP ↑2098.018 -9.731

Msg:R.FRIEDLAND

At 02:15 Vol 165,352 Op 2106.835 Hi 2149.476 Lo 2082.596

SHCOMP INDEX Show

GPC - Candle Chart

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