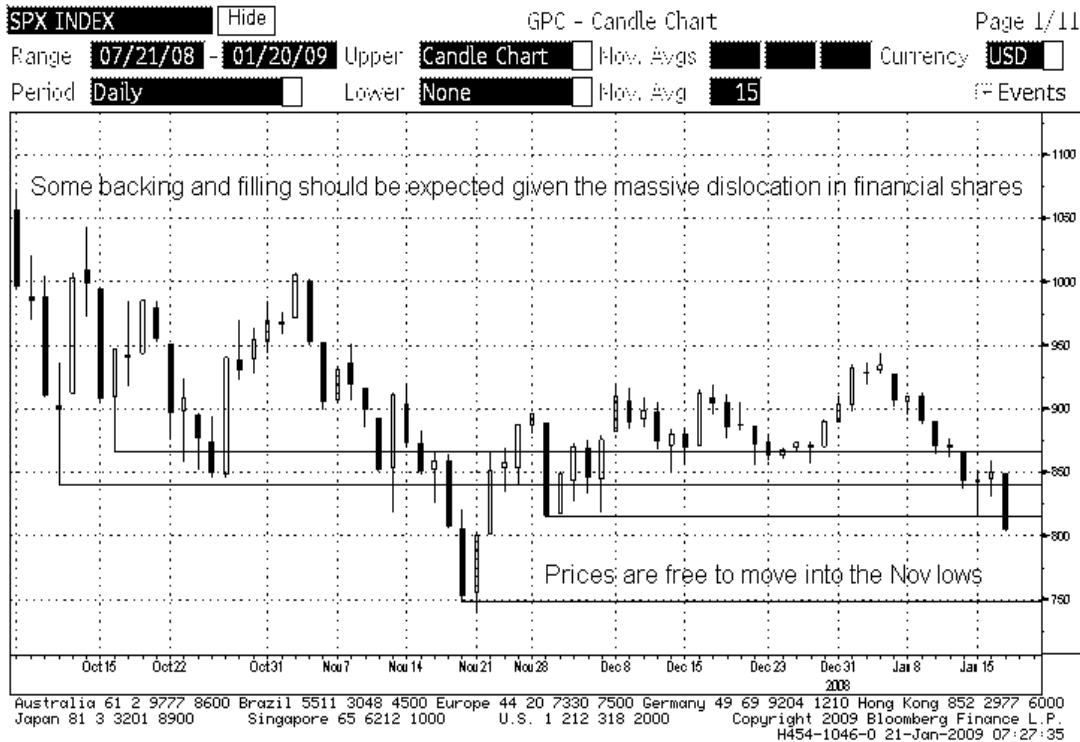


Morning Comments January 21, 2009

SPX prices took out support and seem quite willing to test November lows as financial shares crumbled into oblivion. Expect a bit of consolidation given the destruction ahead of a deeper move towards 700. Watch EUR Yen cross test the bottom of a bearish rectangular consolidation for clear clues on timing of a potential further breakdown in equity. Both VIX and high yield CDS have moved back to areas likely to bring out selling and this should serve as a limiting factor to immediate downside progress in SPX albeit in what seems like a delay of the inevitable at this point.

Crude continues to round out and with expiration past we will now look to put hard stops in under yesterdays lows. The overall price structure seems quite clear to us as a market attempting to halt its major downtrend in favor of consolidation. We fully expect a trading range to emerge at this point and a tradeable rally to be immediately forthcoming.

Index **GPC**



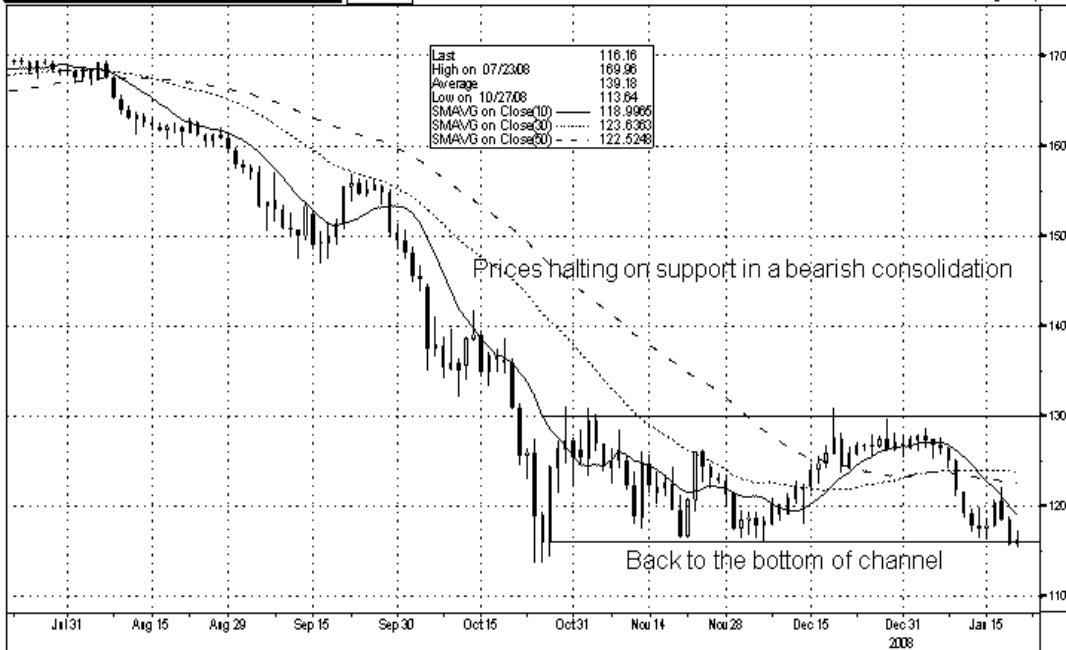
The results presented should not and cannot be viewed as an indicator of future performance.
 Charts courtesy of Bloomberg Finance L.P.

EURJPY ↓ **116.15** +.30 BGN 116.13/116.18 BGN CurrencyGPC
 At 7:39 Op 115.85 Hi 117.20 Lo 115.30 Close 115.85 Value 1/23/09

EURJPY BGN CURRENCY Show

GPC - Candle Chart

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