

Morning Comments March 2, 2009

SPX prices closed dead on our 735 mark Friday and we had recommended closing a portion of the shorts as prices traded to the target. We had anticipated the potential for getting a bounce that would eventually allow for reentry of closed positions at higher prices and quite possibly setup a nice little long trade as well. With the heavy losses across the boards in global equities this morning and the sweeping destruction of global currencies it would be heroic for prices to close well enough to keep this scenario alive but it is no foregone conclusion that prices must break. Thus, we will maintain our stance a bit longer despite this morning's grim outlook and give the market a chance to prove whether it has given up or not. Our feelings here are that a failure to recover early losses quickly today shows the way sooner rather than later towards our deeper 600 handle targets on the back of real liquidation but the onus remains on the bears to prove they can break it today.



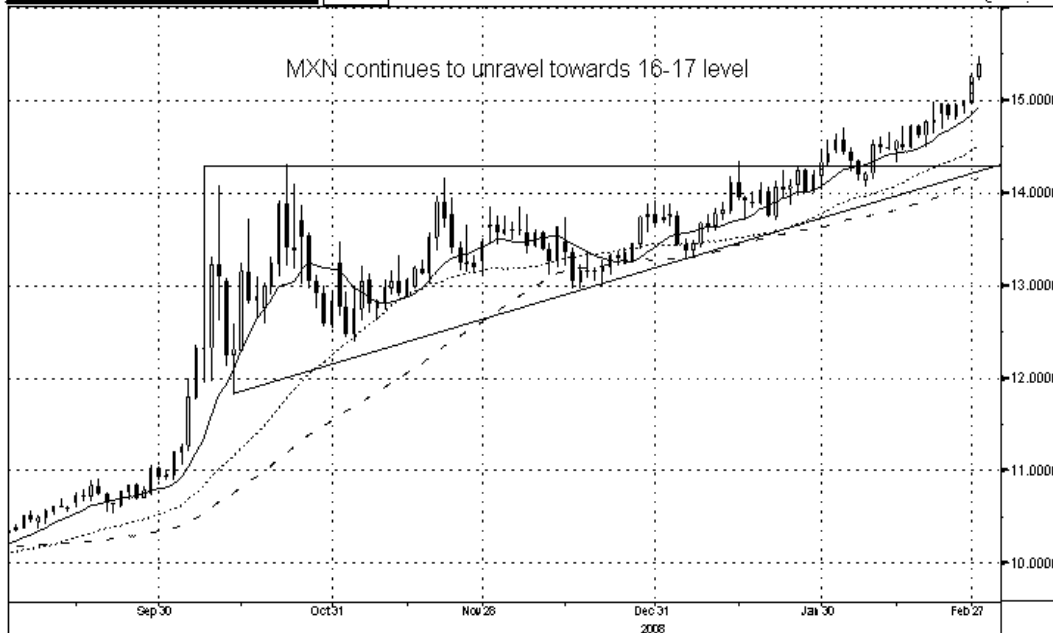
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 Charts courtesy of Bloomberg Finance L.P.

KRW 1570.65 +36.30 BGN 1570.20/1571.10 BGMsg:J.IVARONE
 At 01:00 Op 1535.95 Hi 1595.50 Lo 1535.22 Close 1534.35 Value 3/ 4/09
 KRW BGN CURRENCY Show GPC - Candle Chart Page 1/10



Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
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MXN ↑ 15.3868 +.1318 BGN 15.3800/15.3936 BG CurncyGPC
 At 8:06 Op 15.2505 Hi 15.4661 Lo 15.2156 Close 15.2550 Value 3/ 4/09
 MXN BGN CURRENCY Show GPC - Candle Chart Page 1/10



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