

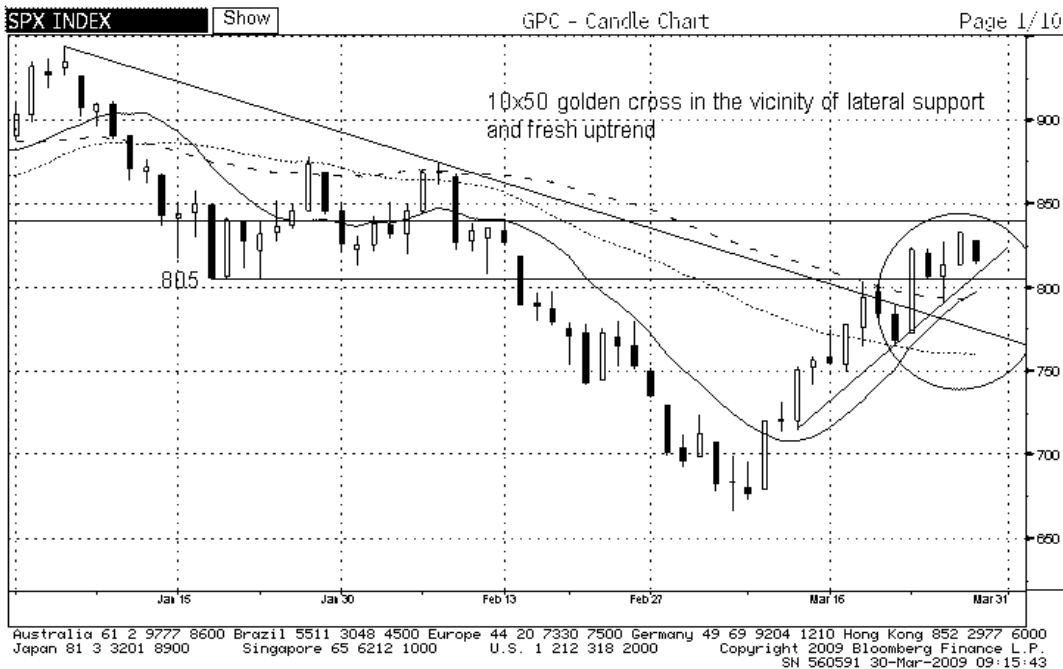
## Morning Comments March 30, 2009

SPX prices reacted sharply when in the vicinity of the 10/10 climax lows as should be expected. Building value and closing above the ~805 level keeps prices up on the shelf closing a large bear trap and we are bullish in this context with stops underneath this pivotal level. Building value and closing below the SPX ~805 pivot level opens the door to ~770 initially. The calendar is volatile with quarter end and FASB mark to market rule changes being voted 4/2 on top of the G20 meeting this week.

All eyes are on the G20 meeting statements and we believe that retreating prices into this event are more bullish than not given the gravity of the situation. Central bankers and policy makers are nearly out of cards in our view and any mistake in communicating clearly with global investors here is ill advised. We believe this point is not wasted on G20 representatives thus our opinion that fading prices into the meeting are likely to be following a more bullish scenario. Reinvigorating shorts with poorly coordinated policy talk or outright gaff is potentially deadly and in no ones interest. Conversations with customers lead us to believe expectations for the meeting are low.

We will be watching DXY prices carefully now as the recent strength here has once again been indicative of risk aversion leading to weaker SPX prices and inverse correlation between the two remains robust year to date. DXY prices are moving back to an area which should supply buyers near the mid 86 level and this dovetails with our thinking on SPX prices fading into the G20 as a bullish scenario.

SPX 815.94Y as of close 3/27 Msg:R.LYONS



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

**DXY** ↑ **85.696** +.558 Y /  
 At 9:05 Op 85.331 Hi 85.812 Lo 85.229 Prev 85.138

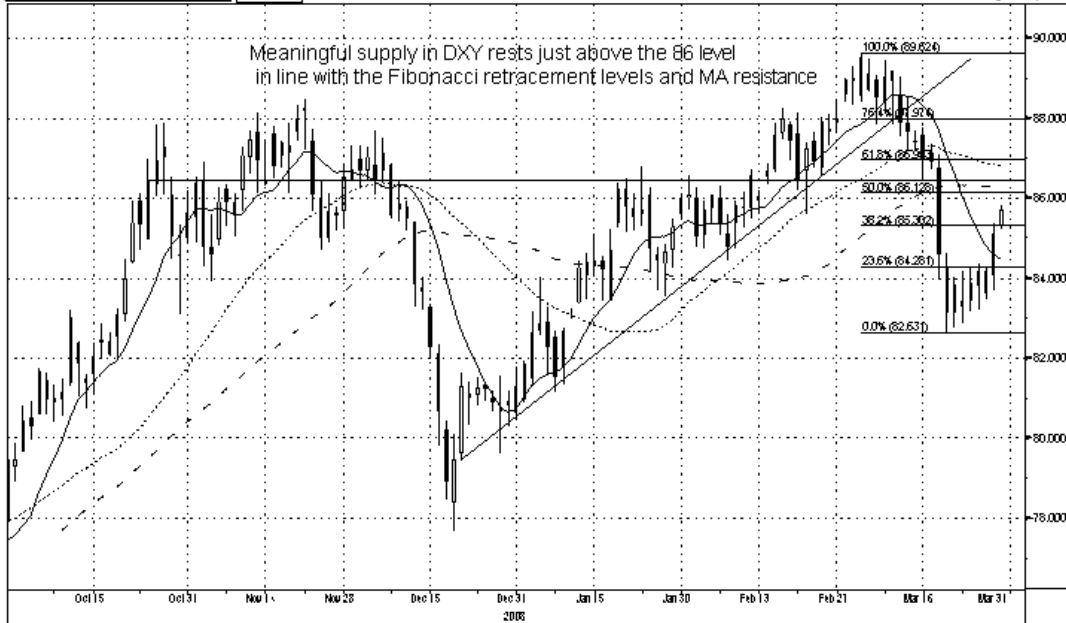
Msg:R.LYONS

**DXY CURRENCY**

Show

GPC - Candle Chart

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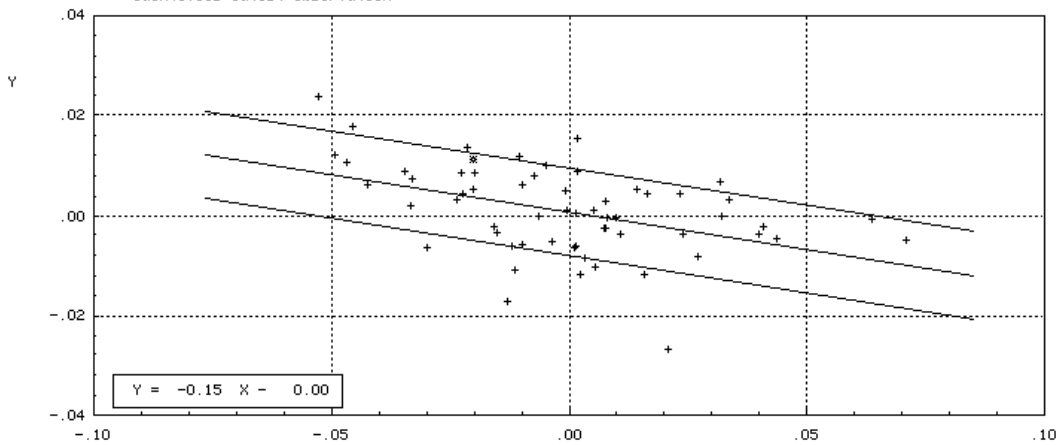
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Equity**MRA**

<PAGE> for historical data, <MENU> to Update Matrix.

<b>HISTORICAL</b>		Name :DXY/SPX		Page 1of 5	
<b>REGRESSION ANALYSIS</b>		Set # 2			
RANGE	12/31/08 TO 3/27/09	Correlation	R2	Standard Error	Observations
PERIOD	D (D-W-M-Q-Y)	-0.44723	0.20002	0.00796	60
Y =	DXY -- DOLLAR INDEXUSD	Slope	Intercept	t-Test	Coefficient Error
X =	SPX -- S&P 500 INDEUSD	-0.14967	0.00072	-3.80811	0.03930

\*Identifies latest observation



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