

8 A.M., ET March 12, 2010

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U S MARKETS	LAST	Net	% CHG	% CHG YTD	% CHG vs. HIGH	50 Day M.A.	200 Day M.A.	P / E Ratio*
Dow Jones	10611.84	44.51	0.42%	1.76%	-25.26%	10381	9715	
Dow Jones Transports	4320.38	24.66	0.57%	5.38%	-21.26%	4082	3791	
Dow Jones Utilities	378.79	1.34	0.36%	-4.83%	-31.76%	383	374	
S&P 500	1150.24	4.63	0.40%	3.15%	-27.02%	1112	1044	14.5
S&P 400 Midcap	782.51	3.71	0.48%	7.68%	-15.56%	736	674	*First Call 12 mos. forward est.
S&P 600 Smallcap	358.87	1.08	0.30%	7.89%	-19.49%	335	309	
NASDAQ	2368.46	9.51	0.40%	4.38%	-53.85%	2250	2082	
NASDAQ 100	1923.81	6.46	0.34%	3.41%	-60.06%	1832	1692	
Russell 2000 (Smallcaps)	677.22	2.29	0.34%	8.29%	-20.93%	630	584	
BKX (Banking)	50.92	0.86	1.72%	19.22%	-57.97%	46	43	
BTK (Biotech)	1231.23	0.52	0.04%	30.69%	26.59%	1016	884	
OSX (Oil Service)	210.79	-0.60	-0.28%	8.14%	-42.13%	203	187	
SOXX (Semiconductor)	356.52	-1.52	-0.42%	-0.94%	-73.82%	344	314	
XAU (Gold/Silver)	166.90	1.07	0.65%	-0.80%	-20.25%	164	161	
	<b>NYSE</b>	<b>NASDAQ</b>						
VOLUME	982,540,800.00	2,162,344,192.00						
ADV/DEC VOLUME	2.6	1.7						
ADV/DEC ISSUES	1.5	1.3						
						Treasury Yield Curve		
						90 Day T-Bill	10 Yr. T-Note	30 Yr. T-Bond
						0.15%	3.72%	4.66%

### STRONGEST/WEAKEST GROUPS Yesterday

Strongest Groups	Weakest Groups
Office-Equip & Automatin	Food-Flour & Grain
Internet-E Commerce	Metal Prds-Distributor
Medical-Hlth Maint Org	Chemicals-Fertilizers
Finance-Mrtg&Rel Svc	Trucks & Parts-Hvy Duty
Medical-Genetics	Leisure-Products
Banks-Super Regional	Machinery-Farm
Retail-Consumer Elec	Bldg-Resident/Comml
Elec-Parts Distributors	Bldg-Hand Tools
Banks-Midwest	Comml Svcs-Printing
Metal Ores-Gold/Silver	Diversified Operations

KEY COMMODITY PRICES		Net Chg
CRB Index	273.39	-1.23
US DOLLAR INDEX	80.31	-0.15
CRUDE OIL (WTI)/BBL	82.69	0.58
NATURAL GAS/MMBTU	4.44	0.00
GOLD/OZ.	1116.50	8.30
COPPER ¢/LB	339.75	2.05
COTTON #2 (USD/lb.)	79.21	0.44

FOREIGN MARKETS	LAST	NET CHG	% CHG
UK: FTSE	5631.26	14.00	0.3%
GER: DAX	5972.27	43.64	0.7%
FRANCE: CAC 40	3949.15	20.20	0.5%
JAPAN: Nikkei 225	10751.26	86.31	0.8%
HK Hang Seng	21209.74	-18.46	-0.1%

INDICATORS		
% of Stocks Above 200-day M.A.	NYSE 83%	NASDAQ 57%
Rydex Ratio (Bears/Bulls)	52%	10-day m.a.
CBOE Put/Call Ratio	93%	87%
S&P 500 vs. 10 Yr. T-Note	Severely Undervalued	46.2%
S&P 500 vs. 30 Yr. T-Bond	Severely Undervalued	
Arms Index - Last Close	0.58	
Arms Index-10 Day Moving Avg.	0.84	
CBOE OEX Volatility Index-VXO	17.51	
McClellan Oscillator	67.33	

### THE DAWN PATROL

Futures have been modestly higher all morning following yesterday's rally off the morning lows when the bears failed to take control. Stocks quickly rebounded and then went sideways before rallying sharply in the last hour when stocks came under accumulation. The S&P 500 broke above a two day trading channel as volume came in late in the day and managed to close at its highest level since the beginning of October 2008. We believe it would be very unlikely at this point to see this rally stop shy of 1200 on the S&P 500.

Our Tennessee Senator, Bob Corker, who has truly made an effort to work in a bi-partisan way with his counterpart, Senator Chris Dodd, got a severe lesson in advanced politics yesterday as he had the microphone jerked away right as it appeared that a bi-partisan bill on financial reform might be imminent. We'll probably be hearing more about this as Bob is one of the more financially savvy and well-spoken politicians in Washington, D.C. and a favorite of the business commentators for a good reason. He was a very successful businessman prior to going to Washington.

The Bank Stocks continue to look good technically, and should trade higher. No change on our positive bias toward Biotech/Genetic stocks and Semiconductors.

This morning's report on Retail Sales was an upside surprise as the consensus was looking for -0.2%. The number came in at 0.3% and ex-autos was a whopping 0.8% versus expectations of flat. The futures responded by moving up, so we should get a nicely positive tone to the open. Have a good weekend.

### ANNOUNCEMENTS THIS WEEK

Monday	
Tuesday	
Wednesday	EIA Petroleum Status Rpt; Treasury Budget; Tim Geithner speaks
Thursday	International Trade; Jobless Claims; EIA Natural Gas Rpt
Friday	Retail Sales; Consumer Sentiment; Business Inventories; Tim Geithner speaks

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