



MARKET SEMIOTICS

By WOODY DORSEY

Publishing Since 1985 Castleton, Vermont

MARKET SUMMARY for March 10th

COMMENTS ON FINANCIAL CULTURE: The **Great Bear Market** continues. Obama's BrightBoys were expected to solve the Economic Enigma. They haven't, but investors have given up **HOPE** that they will! **Catharsis?** The Great Presidential **HOPE** may just resolve into: Print More Money. The Double Scandal (Stanford/Madoff) is running out of media attention. The Tawdry Talk Therapy in Financial Culture has about exhausted its degree of negative rant. Global markets have cohered into a Capitulation which is actually quite clarifying! **Equities finally just gave up their upside Hope for Good. Thus a Good Purgation is occurring.**

EQUITY STRATEGY: From 2008: "Investors will eventually find themselves *"too long"* of stocks in the *"long run."* The recent weakness is close to ending. **Basing over next few weeks B4 durable strength into July.**

EQUITY TACTICS: The degree of oversold and now in the leading edge for a timing low allow that an extreme could be in. Potential pressure into early April. **Limited downside but another Up/Down can occur.**

GLOBAL EQUITIES: Global equities spiraled lower. The profile allowed for another push down. There is limited downside but more time.

STOCK SECTORS: Risk Appetite is close to being washed out. This is symptomatic to a Purgation. **Investors will be attracted back into stocks.**

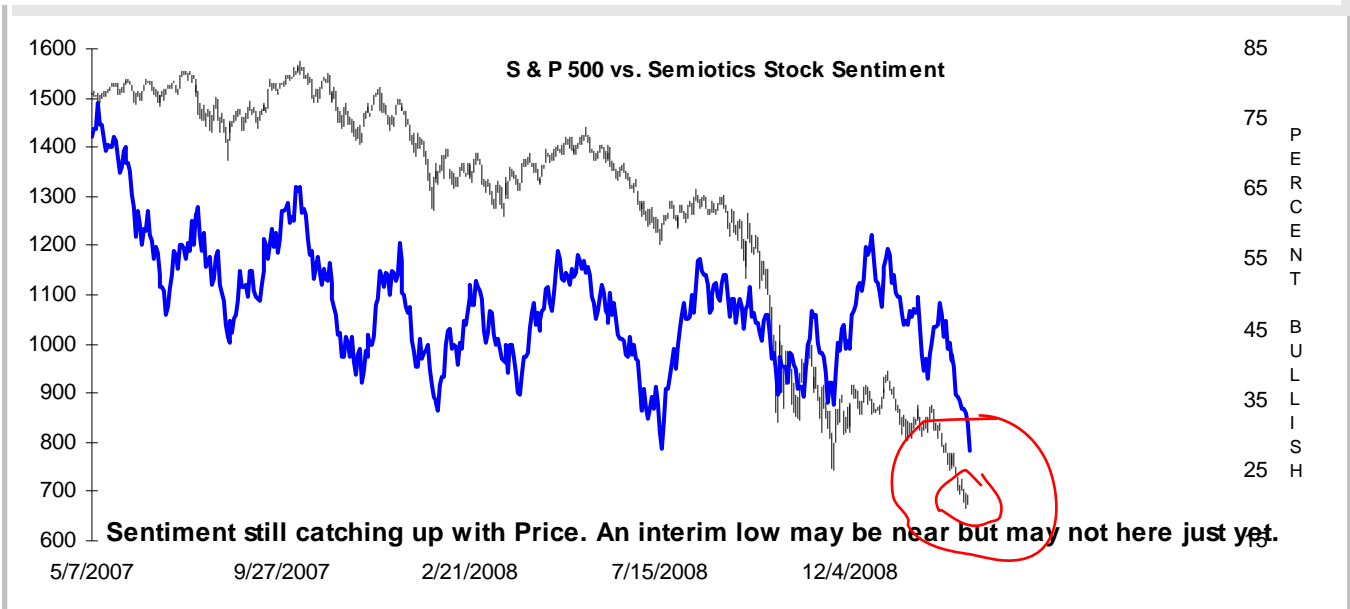
FIXED INCOME: Bounces on economic woes but, **SUPPLY Rules.**

FOREX: Dollar looks Rangy at best and due for substantive setbacks.

COMMODITIES: The **"Repricing of the Planet"** is Recycling back up. There is a buying accumulation. Energy markets are re-asserting themselves. **The HeavyHand is slowly lifting. Buy Breaks in Hard Assets.**

Mr. Market is Very Tired of Pressing Down with His Heavy Hand

HERD ON THE STREET™ The Credit Market, Housing & Hedge Fund **Bubbles** all aligned to Fatally Fracture Financial Culture. The divergence between sentiment & price is being successfully resolved by more equity weakness. The Decline is quite mature but still some downside déjà vu to do next 2-3 weeks.

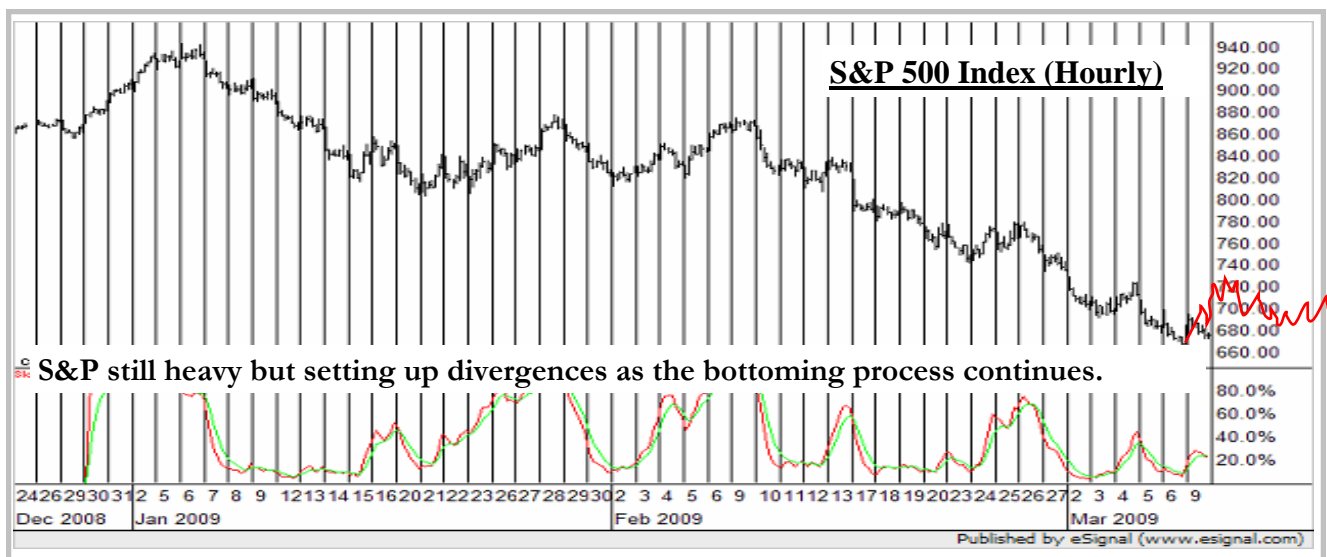
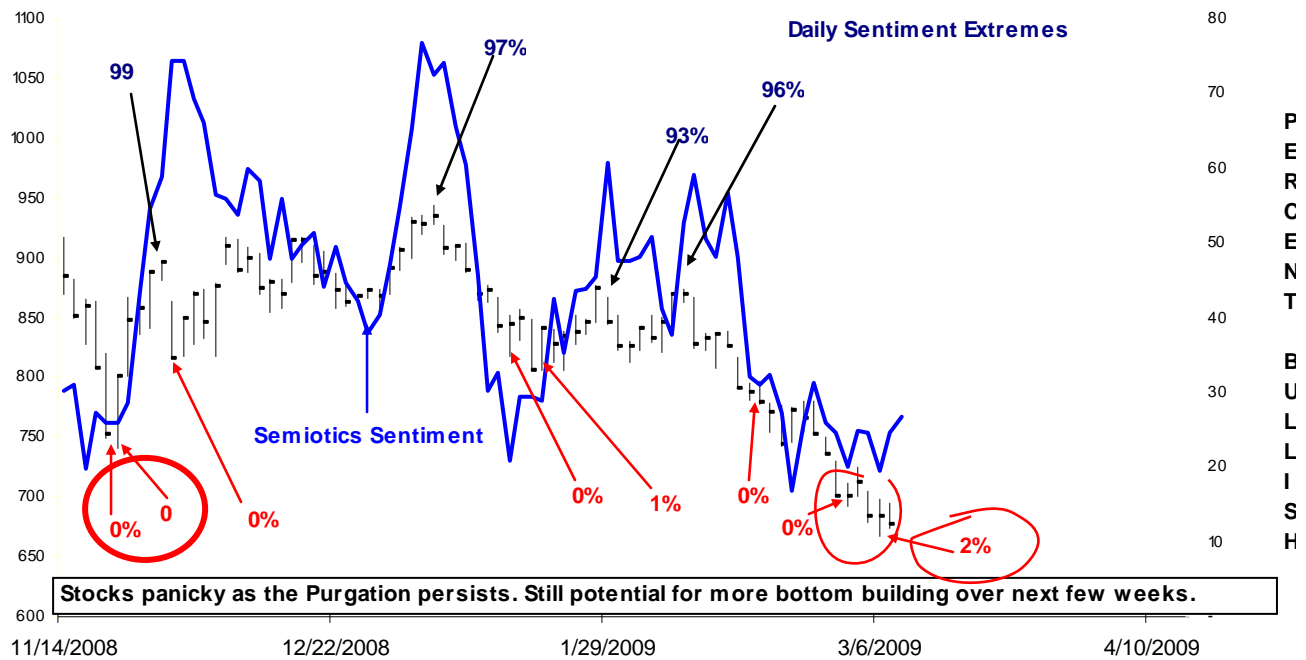


MARKET SEMIOTICS MEMETICS & GENETICS: The weekly profile has argued for a 4/1ish low. Daily trend duration suggested 3/14th. Cycles and stochastics suggested 4/3ish. There are also *seasonals* for March lows. There is still time for one more Up/Down(3/23) sequence. This, once completed correction, will lead to a rally into 7/1. We are close, closer...even there? Still more time.



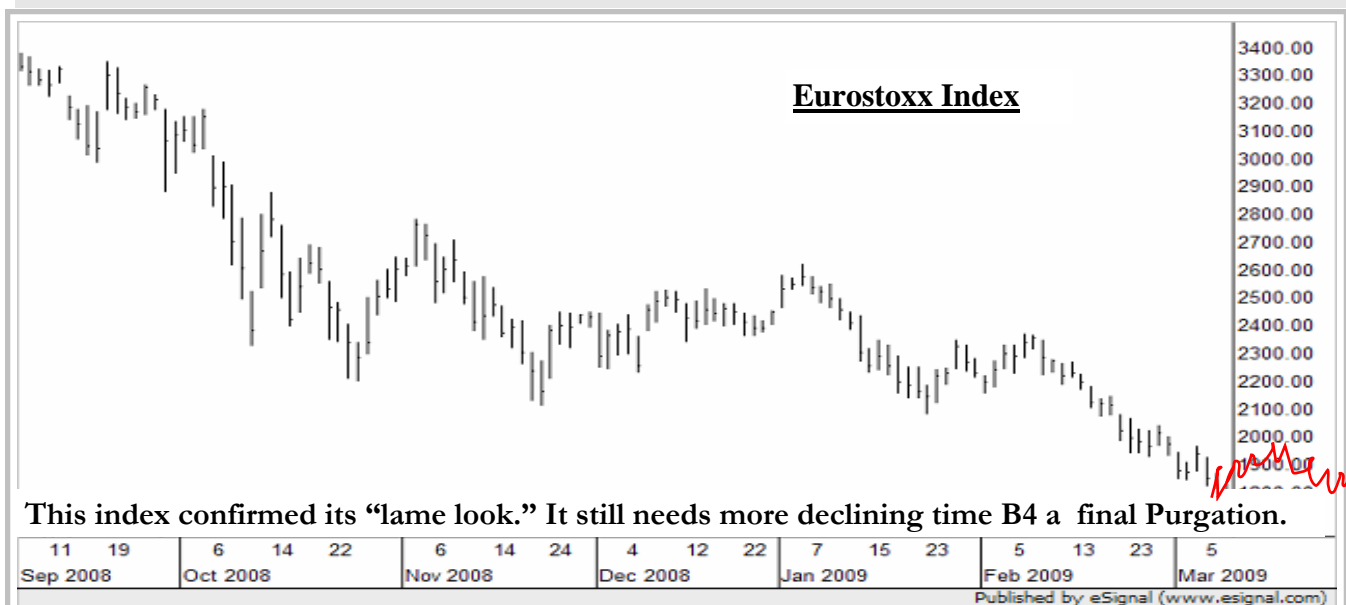
Stocks remain in the latter stages of a Purgation. Patience.

HERD ON THE STREET™ The November lows gave way to what looks like a Purgation finale. Once this over, a durable rally will occur. **Stocks are in the zone for a low but one more up/down sequence may occur B4 confirmation.**



Global Equities Remain in a Tailspin Finale

HERD ON THE STREET™ Global Equities continue to conform to an overall Strategic Bearish Diagnosis which may last into 2010 or beyond. The Relieve phase has segued into a Purgation Liquidation. Investors should remain patient amidst all the mayhem and miasma and wait a bit longer to try to buy.



TACTICAL PROFILE: The DAX pattern remains synchronistic with the other European equity indices and all of Global Financial Culture. As noted, the profile is still negative over the next 2-4 weeks before strength upside into 7/1ish.



“Risk Appetite” Remains Panicky. Traders are Hiding on the Sidelines.

FINANCIALS: Still making “new lows” More downside before a bottom but, relatively limited.

BROKER DEALER: Have followed the Financials down as expected. More to go.

RETAIL: Should be targeting the November lows to be in sync with other sectors.

BIOTECH: Had been a relative performer but gave up its good will a bit too easily.

DRUGS: The sideways technical pattern has broken down along with everything else.

SEMICONDUCTORS: Chips have had another stealth relative performance but may stay heavy.



XAU INDEX: The profile suggested a rally into Mid-March. They should have done better. Corrective.

OIL: Energy Equities keep trying to rally but have trouble getting a robust follow through.

CYCLICALS: Still deeply probing new lows. There is no sign of a defined bottom pattern yet.

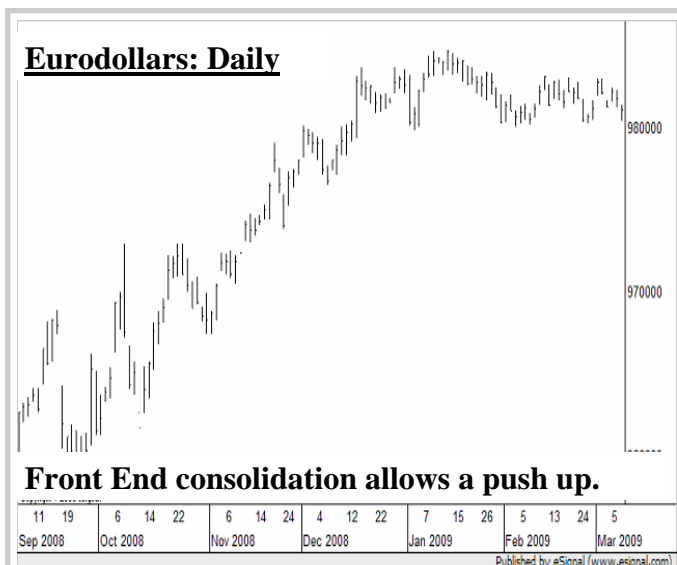
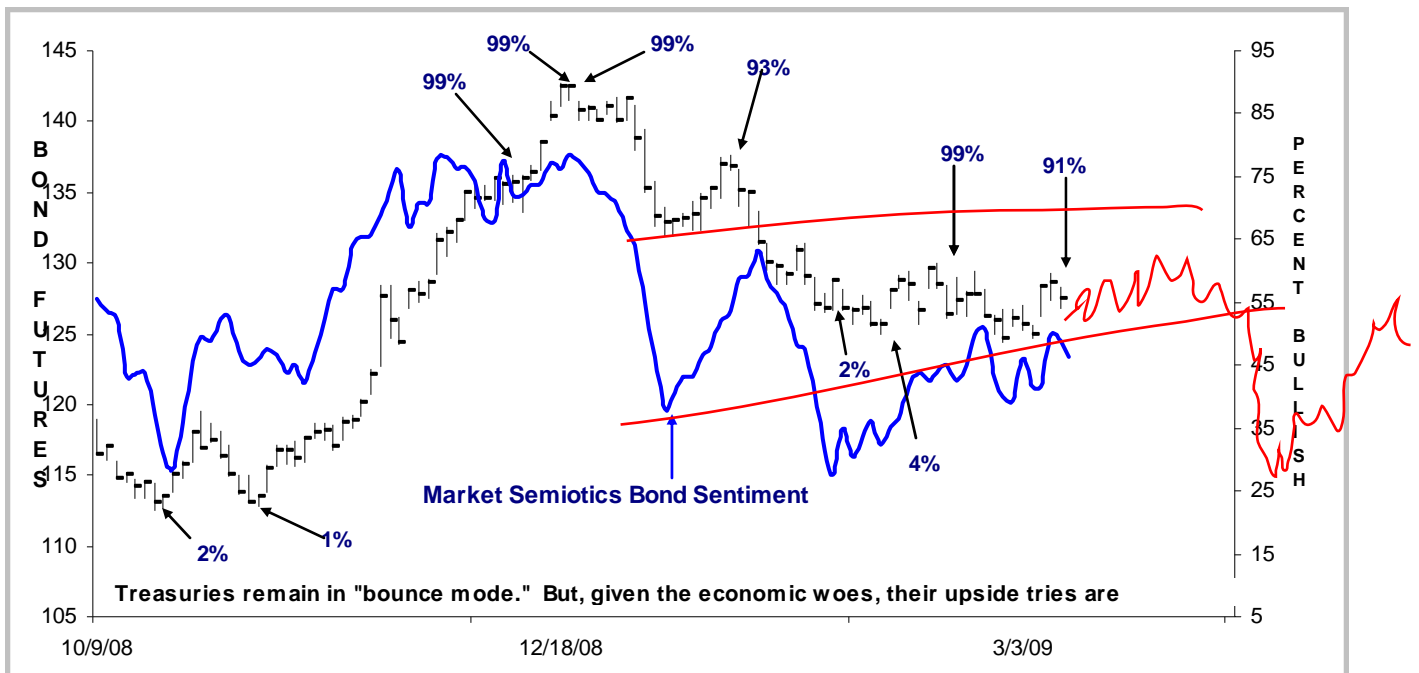
TRANSPORTS: Still troubled and in a free fall. Wait for the real reversal which will come...in time.

UTILITIES: Broke down from their sideways pattern and joined the generic negative chorus.



The Acme of Ebullience is Over. Limited Upside Bounces

HERD ON THE STREET: Treasuries achieved a rare acme of ebullience. The **BondBubble** has burst. The Global **DeficitDilemma** is inescapable. The Obama Boys haven't figured out the **EconomicEnigma**. No matter what, it will be Supply from Here to Eternity. Expected bounces but going nowhere.



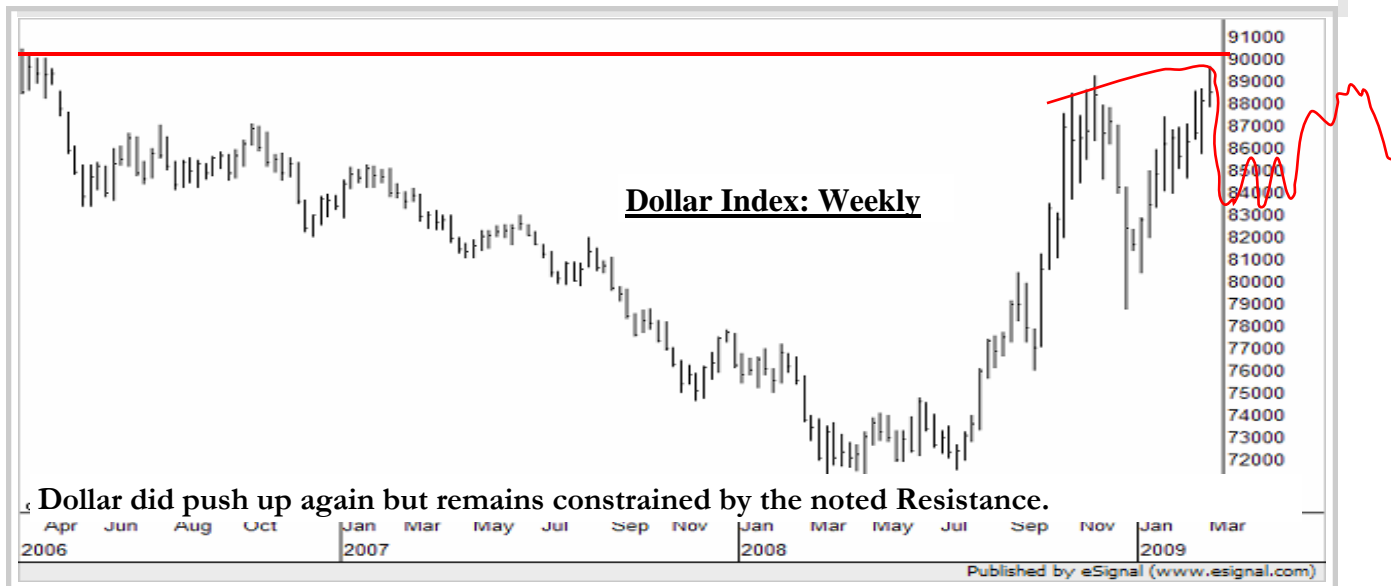
MARKET SEMIOTICS FOREX- COMMODITIES

BEHAVIORAL MARKET DIAGNOSIS by WOODY DORSEY

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Dollar: Range Highs, CRB: Consolidating, Energy: Rebounding

HERD ON THE STREET: The Dollar has been in a Reprieve Rally. The price pattern allowed further upside towards key weekly resistance. The existing Gestalt of Dollar strength and concomitant equity weakness is quite mature. Look for a reversal.



Commodities: Reflation is coming but still doesn't have robust traction, as yet. This area still looks a bit sloppy but is definitely undergoing an **Accumulation. Slowly Buy.**

Energy: Energy seems to have ended its bottoming process. The **HeavyHand** may still swat Energy about but note Gasoline breakout confirmation. **Seasonals are up into May.**

