



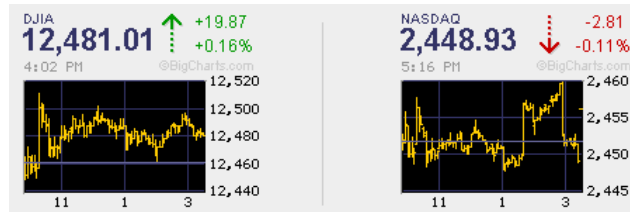
# STRATEGIC INVESTING

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## 3/23/2007 After the Close



### Closing the week higher on lower volume!

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	1,842 (55%)	696 (55%)	1,591 (50%)	732 (38%)
Declining Issues	1,362 (41%)	477 (38%)	1,428 (45%)	725 (37%)
Unchanged Issues	155 (5%)	90 (7%)	148 (5%)	479 (25%)
<b>Total Issues</b>	<b>3,359</b>	<b>1,263</b>	<b>3,167</b>	<b>1,936</b>
<b>New Highs</b>	<b>188</b>	<b>59</b>	<b>136</b>	<b>216</b>
<b>New Lows</b>	<b>13</b>	<b>19</b>	<b>32</b>	<b>207</b>
Up Volume	1,549,920,405 (59%)	343,671,665 (84%)	826,566,968 (49%)	381,657,919 (21%)
Down Volume	1,022,417,442 (39%)	57,904,473 (14%)	848,518,539 (50%)	901,216,120 (50%)
Unchanged Volume	52,483,236 (2%)	6,090,738 (1%)	24,818,721 (1%)	529,872,314 (29%)
<b>Total Volume</b>	<b>2,624,821,083<sup>1</sup></b>	<b>407,666,876<sup>1</sup></b>	<b>1,699,904,228<sup>1</sup></b>	<b>1,812,746,353<sup>1</sup></b>

Volume on the Big Board dropped by almost 17% as investors decided to take stock of their positions following this week's strong upward movement. For all intents and purposes, the major indices hardly showed any change as a result of today's market activity.

Today's upward move changed the STI indicators from negative to positive for the S&P 500 and the NASDAQ. However, with the economic condition being less than robust, prudent investors might want to wait a few days to see if the delta between the two indicators widens from the current small area.

Existing home sales showed an increase of 3.9% with New England being the major factor in the improvement. However, supply of homes for sale increased to 6.7 months vs. 6.6 in the previous two months.

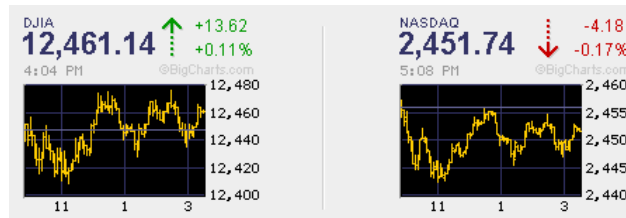
Copper continued to climb higher closing at 309.50. West Texas crude oil managed to close slightly higher also.





We made no changes in the portfolios today.

**3/22/2007 After the Close**



**A mixed day in the markets after the follow-through day!**

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	1,652 (49%)	657 (52%)	1,573 (50%)	760 (38%)
Declining Issues	1,588 (47%)	527 (41%)	1,441 (46%)	719 (36%)
Unchanged Issues	141 (4%)	88 (7%)	149 (5%)	508 (26%)
<b>Total Issues</b>	<b>3,381</b>	<b>1,272</b>	<b>3,163</b>	<b>1,987</b>
<b>New Highs</b>	<b>220</b>	<b>64</b>	<b>154</b>	<b>221</b>
<b>New Lows</b>	<b>16</b>	<b>19</b>	<b>33</b>	<b>214</b>
Up Volume	1,390,742,289 (45%)	242,104,049 (46%)	772,187,307 (39%)	254,279,071 (15%)
Down Volume	1,642,021,439 (54%)	282,728,748 (53%)	1,137,497,138 (58%)	742,129,881 (43%)
Unchanged Volume	24,652,164 (1%)	7,107,898 (1%)	46,633,086 (2%)	746,260,182 (43%)
<b>Total Volume</b>	<b>3,057,415,892<sup>1</sup></b>	<b>531,940,695<sup>1</sup></b>	<b>1,956,317,531<sup>1</sup></b>	<b>1,742,669,134<sup>1</sup></b>

Volume recedes to keep upside limited. To day, advancing issues on the NYSE were only 49% vs. yesterday's 79% level. On the NASDAQ, advancing issues were just 50% vs. yesterday's 71%. Clearly, the euphoria generated by the Fed announcement was not nearly as appetizing as it was yesterday.

The market indices have basically recovered to the levels prior to the February 27th meltdown. Personally, I wonder if the short duration and small correction of less than 4% for the major US indices qualifies as a correction. The Accumulation/Distribution ratings of the major indices remain as "D's". Perhaps, the next correction will be of greater intensity and longer duration. The STI indicators for both the S&P 500 and the NASDAQ remain negative but they are nearly ready to signal a change to a positive signal if tomorrow is another up day.



The economic reports today continued to show restraint. New jobless claims were slightly lower than last week at 316K, down 2K. The leading indicators continued to show that the economy is struggling ... down 0.5% in February increasingly higher than the 0.3% January decline. The old leading indicator, copper, continues to move ahead although its price increase is probably driven more by a lack of supply than by demand as seen in the London Warehouse stock level chart.



Weather improvements appeared to have helped natural gas to show an increase in storage levels. Yesterday, the crude oil inventory show an increase of 3.9M bbl's over the previous week. Still, natural gas and West Texas Crude were higher in today's trading.



In the Conservative portfolio, we purchased CYN0, BTJ and DWSN today. There were no other changes in the portfolios today.

### 3/21/2007 After the Close



### Fear of inflation brings the market to a boil!

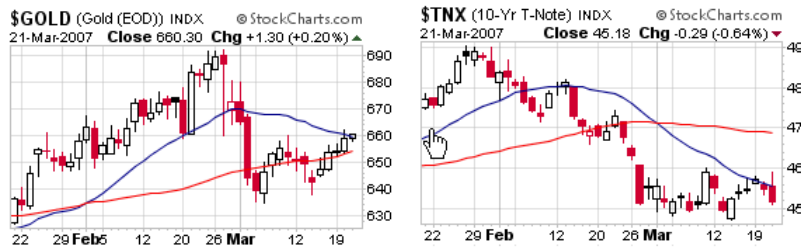
ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	2,679 (79%)	868 (67%)	2,257 (71%)	745 (37%)
Declining Issues	586 (17%)	350 (27%)	765 (24%)	752 (38%)
Unchanged Issues	130 (4%)	83 (6%)	142 (4%)	496 (25%)
<b>Total Issues</b>	<b>3,395</b>	<b>1,301</b>	<b>3,164</b>	<b>1,993</b>
<b>New Highs</b>	<b>247</b>	<b>62</b>	<b>133</b>	<b>238</b>
<b>New Lows</b>	<b>21</b>	<b>24</b>	<b>50</b>	<b>210</b>
Up Volume	2,885,190,841 (91%)	785,130,710 (92%)	1,950,573,948 (87%)	894,456,360 (45%)
Down Volume	288,167,603 (9%)	54,834,289 (6%)	269,149,749 (12%)	842,876,547 (42%)
Unchanged Volume	14,613,157 (0%)	13,759,100 (2%)	30,403,124 (1%)	256,705,972 (13%)
<b>Total Volume</b>	<b>3,187,971,601<sup>1</sup></b>	<b>853,724,099<sup>1</sup></b>	<b>2,250,126,821<sup>1</sup></b>	<b>1,994,038,879<sup>1</sup></b>

Monday and Tuesday were up days in the market. Today saw the market going nowhere until the Fed issued its communiqué and it took off on heavy volume. Last week, we saw the PPI and CPI numbers exceed expectations and the dollar start to falter.

The Fed's language that "future policy adjustments" will depend on inflation and growth saw investors believing that was code for a lowering of interest rates in the future. The Fed also saw no change in the economic outlook ... it still expects the economy will "continue to expand at a moderate pace."

With the gains and large volume, it would not be surprising to see that the rally resume its course following the recent correction. However, if that occurs, the next correction should be swift and dramatic. The NASDAQ rose over 2% today and created a follow-through day. Both the S&P 500 and the NYSE were also higher by over 1.7% as institutions started adding to their share positions.

Gold rose while interest on the 10 year note decreased today.



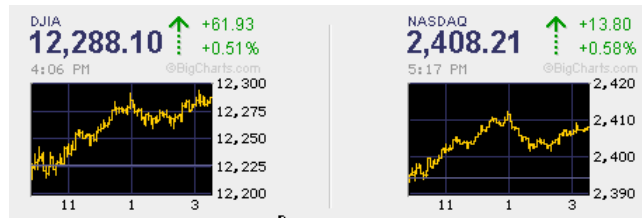
The U.S. dollar ended down but still near the support level that could usher in more selling if it is breached.



During the past few days, we saw the market move against our short positions and one of the basic rules is not to argue with the market's direction.

Early this morning, we decided to reverse the short positions in the **Aggressive** portfolio and also in the **ETF** portfolio. There were no other changes in the portfolios.

### 3/20/2007 After the Close



### Market up today on almost unchanged volume!

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	2,309 (68%)	790 (62%)	1,976 (63%)	706 (35%)
Declining Issues	949 (28%)	404 (32%)	1,030 (33%)	797 (40%)
Unchanged Issues	136 (4%)	71 (6%)	155 (5%)	486 (24%)
<b>Total Issues</b>	<b>3,394</b>	<b>1,265</b>	<b>3,161</b>	<b>1,989</b>
<b>New Highs</b>	<b>152</b>	<b>44</b>	<b>95</b>	<b>216</b>
<b>New Lows</b>	<b>18</b>	<b>24</b>	<b>64</b>	<b>221</b>
Up Volume	1,956,171,153 (71%)	332,652,645 (81%)	1,282,787,017 (73%)	462,508,469 (34%)
Down Volume	770,989,296 (28%)	74,712,646 (18%)	456,541,094 (26%)	509,068,840 (38%)
<b>Unchanged Volume</b>	<b>32,863,844 (1%)</b>	<b>3,528,200 (1%)</b>	<b>22,612,364 (1%)</b>	<b>382,360,822 (28%)</b>
<b>Total Volume</b>	<b>2,760,024,293<sup>1</sup></b>	<b>410,893,491<sup>1</sup></b>	<b>1,761,940,475<sup>1</sup></b>	<b>1,353,938,131<sup>1</sup></b>

The bulls continued to push the market higher in today's trading as investors wait for the FED to keep interest rates unchanged tomorrow. With CPI and PPI moving higher, could the FED possibly surprise us with another interest rate hike. That would be bullish for the dollar and negative for the stock market. The dollar was lower today against the yen but up slightly against the Euro. Interest rates dropped on the ten year Treasury note to 4.547%.



Yesterday, the housing index was bad. Today, housing starts were up 9% and people were cheering. Guess that they failed to see that housing permits were off also. Housing starts are more dependent upon weather whereas housing permits reflect actual demand. The Wall Street hacks need to take off their rose-colored glasses and get out in the field to see what is actually occurring.

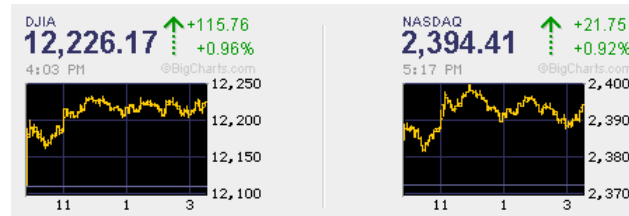
Gold after being sold down at the end of February appears to have made a nice double bottom and could be ready to move higher. Certainly, the fundamentals of supply/demand imbalance continue to point towards higher prices for the metals. Copper, meanwhile, has also moved back over the \$3 level.



Although crude prices were lower, we noticed that agricultural commodities are holding and moving to higher levels. As the prices of commodities get priced into retail levels, inflation will continue to become a factor which will cause the FED problems.

We made no changes in the portfolios today. We have arrived back in Dallas and should be here for the next two weeks.

**3/19/2007 After the Close**



**The Bulls were running today!**

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	2,456 (73%)	794 (63%)	2,035 (64%)	698 (36%)
Declining Issues	791 (23%)	388 (31%)	1,018 (32%)	775 (40%)
Unchanged Issues	137 (4%)	86 (7%)	123 (4%)	487 (25%)
<b>Total Issues</b>	<b>3,384</b>	<b>1,268</b>	<b>3,176</b>	<b>1,960</b>
<b>New Highs</b>	<b>112</b>	<b>39</b>	<b>97</b>	<b>223</b>
<b>New Lows</b>	<b>23</b>	<b>28</b>	<b>73</b>	<b>210</b>
Up Volume	2,332,413,355 (84%)	364,904,246 (85%)	1,065,591,918 (61%)	297,161,017 (21%)
Down Volume	422,259,377 (15%)	57,981,304 (14%)	634,772,923 (37%)	280,695,305 (20%)
Unchanged Volume	24,564,405 (1%)	5,713,600 (1%)	33,463,659 (2%)	822,824,232 (59%)
<b>Total Volume</b>	<b>2,779,237,137<sup>1</sup></b>	<b>428,599,150<sup>1</sup></b>	<b>1,733,828,500<sup>1</sup></b>	<b>1,400,680,554<sup>1</sup></b>

But where was the volume? Perhaps, it was light because of the almost 100% certainty that the FOMC will not raise rates this week?

You have to be a real optimist to believe that today's housing market index drop signals the bottom of the housing slump.

M&A activity, private buy-outs topped the market news ... it is just more hocus-pocus of financial engineering that won't generate long-lasting profits and leave the remaining corporate entity burdened with way too much debt but the financial guru's don't care ... they take their money off the top!

After driving a few hundred miles around Iowa, Nebraska and Kansas today, we are in Wichita at 10:30 pm. We made no changes in the portfolios today.

### 3/16/2007 After the Close



### Ending the Week on a down note!

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	1,243 (37%)	445 (36%)	1,177 (38%)	666 (35%)
Declining Issues	1,993 (59%)	688 (56%)	1,833 (58%)	731 (38%)
Unchanged Issues	139 (4%)	91 (7%)	126 (4%)	506 (27%)
<b>Total Issues</b>	<b>3,375</b>	<b>1,224</b>	<b>3,136</b>	<b>1,903</b>
<b>New Highs</b>	<b>86</b>	<b>28</b>	<b>62</b>	<b>201</b>
<b>New Lows</b>	<b>31</b>	<b>19</b>	<b>82</b>	<b>205</b>
Up Volume	1,059,371,910 (31%)	71,166,633 (15%)	896,033,436 (42%)	236,596,446 (23%)
Down Volume	2,246,143,474 (66%)	405,086,401 (84%)	1,195,793,182 (56%)	381,782,212 (37%)
Unchanged Volume	82,037,712 (2%)	5,379,507 (1%)	41,848,870 (2%)	407,090,977 (40%)
<b>Total Volume</b>	<b>3,387,553,096<sup>1</sup></b>	<b>481,632,541<sup>1</sup></b>	<b>2,133,675,488<sup>1</sup></b>	<b>1,025,469,635<sup>1</sup></b>

Today the market posted another distribution day for the NYSE and NASDAQ! It was not a good day for those bulls still hoping for a rally!

Before the open, the CPI came in higher than expectations posting a 0.4% increase, double January's 0.2% rate. Of course, the core CPI was lower ... but who lives by the core index? With the CPI moving higher, the chances of the Fed cutting rates next week have dropped to almost nil.

Industrial production was up slightly in February as utility usage increased because of the cold weather. And finally, consumer sentiment fell to 88.8 suggesting that consumers are becoming concerned about the economic outlook.

The dollar dropped to 3 month lows against the Euro and yen as foreign investors are showing concerns for the U.S. economic outlook. For some perspective on the problem facing the dollar, the following excerpt from the latest Halkin letter may be useful.

#### ASIAN CURRENCIES: BECKONING YEN

With sharp Yen moves attracting market attention, the 13 March edition of the *Financial Times* carried an article proposing that China shift foreign exchange reserves into the Japanese currency. In 'The yen beckons China's dollar billions', Fred Bergsten makes two observations that are hard to argue with. These are based on an underlying assumption that, unless China diversifies a large portion of its reserves out of the Dollar, it is "likely to sustain one of the largest capital losses in history". In turn, this is based on the belief that the Dollar will "inevitably" fall by "20 per cent or more... over the next few years to help correct the unsustainable current account deficits of the US".

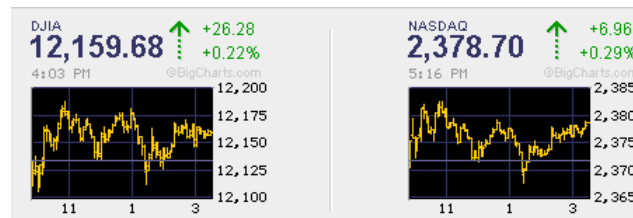
Point one is that it is the Yen which is substantially undervalued against all currencies (except the Renminbi itself). "Adjusted for inflation, the yen is weaker today than in 1998, when the US and Japan intervened jointly to reverse its precipitous decline, and in 1985, when the Plaza Agreement initiated intervention... to weaken the dollar". Significant Chinese purchases of the Yen would therefore help correct "one of the most important currency misalignments now contributing to the global imbalances".

Point two is that such diversification by China into the Yen would be beneficial not only from the point of view of systemic interests, but of Chinese interests also. Strengthening the Yen in an orderly manner would minimise capital losses for China because "the yen is one of the few currencies that needs to rise in value almost as much as the renminbi itself".

The devil lies in that phrase 'orderly manner'. I'll believe if you will that currencies will adjust smoothly – either in the desired direction, at the desired time or at the desired pace. The experience of the last three months is not exactly reassuring.

We made no changes in the portfolios today.

### 3/15/2007 After the Close

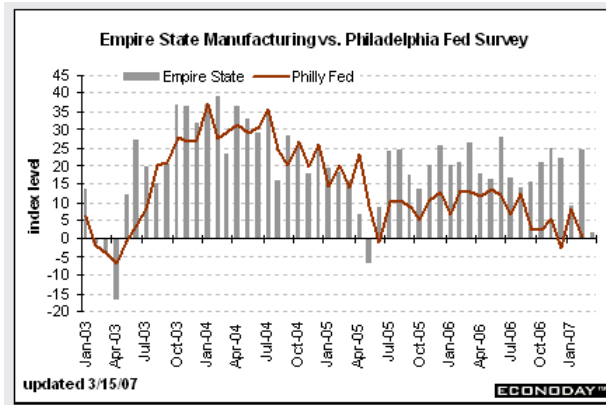


### Going up on lower volume again!

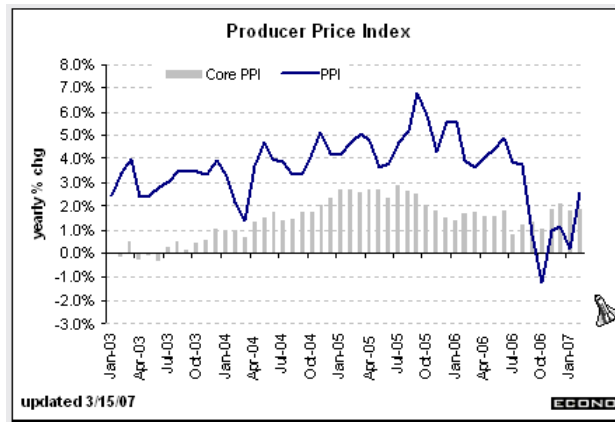
ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	2,307 (68%)	765 (62%)	1,883 (60%)	740 (38%)
Declining Issues	946 (28%)	387 (31%)	1,124 (36%)	727 (37%)
Unchanged Issues	124 (4%)	82 (7%)	144 (5%)	494 (25%)
<b>Total Issues</b>	<b>3,377</b>	<b>1,234</b>	<b>3,151</b>	<b>1,961</b>
<b>New Highs</b>	<b>84</b>	<b>29</b>	<b>70</b>	<b>214</b>
<b>New Lows</b>	<b>26</b>	<b>24</b>	<b>62</b>	<b>224</b>
Up Volume	2,039,161,127 (72%)	447,577,604 (88%)	998,312,198 (55%)	208,690,403 (18%)
Down Volume	751,641,042 (27%)	60,174,405 (12%)	780,038,793 (43%)	347,119,619 (30%)
<b>Unchanged Volume</b>	<b>32,064,688 (1%)</b>	<b>3,283,800 (1%)</b>	<b>36,572,109 (2%)</b>	<b>595,107,565 (52%)</b>
<b>Total Volume</b>	<b>2,822,866,857<sup>1</sup></b>	<b>511,035,809<sup>1</sup></b>	<b>1,814,923,100<sup>1</sup></b>	<b>1,150,917,587<sup>1</sup></b>

Today's market ended higher despite Easy Al's warning that the sub-prime problems could spread and help bring a recession. While advancing issues and volume clearly out-paced declining issues and volume, overall volume on the exchanges fell 24% on the NYSE and 21% on the NASDAQ today. Clearly, there were fewer bargain hunters in the market today.

The NY State Empire index at 1.1 almost went through the floor in March. February was 24.4. The report surprised many analysts who were expected something between 10-20. The Philly Fed index fell from a weak 0.6 in February to a weaker 0.2 in March. Clearly these numbers suggest that the economy is having trouble.



The Producer Price index took a major jump of 1.3% in February adding to the inflation pressures that the Federal Reserve fears. The jump in PPI should dampen hopes for an interest rate reduction at the upcoming FOMC meeting next week.



New jobless claims dropped 12,000 in the latest week although continuing claims continued to rise indicating that finding jobs is becoming more difficult.

Net purchases of US securities were \$97.4 B in January, a major improvement over the \$15.6 B in December. However, the majority of these purchases were in US corporate and agency bonds. Purchases of U.S. Treasury issues continued to fall.

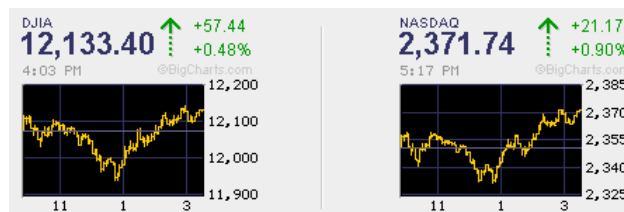
According to John Williams of Shadow Government Statistics, M3 is rising sharply.

The year-to-year change in the SGS estimation of Continuing M3 backed off slightly to 10.9% in February from 11.0% in January, with M3 up more than \$1.1 trillion in the last twelve months.

Is it any wonder that the Fed does not want the public to know that the printing presses are running 24/7 and there are more presses on order?

We made no changes in the portfolios today.

**3/14/2007 After the Close**



**The markets recovered a small amount of yesterday's losses.**

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	1,979 (58%)	604 (48%)	1,653 (52%)	655 (33%)
Declining Issues	1,291 (38%)	570 (45%)	1,372 (43%)	834 (42%)
Unchanged Issues	126 (4%)	85 (7%)	139 (4%)	501 (25%)
<b>Total Issues</b>	<b>3,396</b>	<b>1,259</b>	<b>3,164</b>	<b>1,990</b>
<b>New Highs</b>	<b>48</b>	<b>29</b>	<b>49</b>	<b>213</b>
<b>New Lows</b>	<b>94</b>	<b>50</b>	<b>174</b>	<b>224</b>
Up Volume	2,514,700,775 (67%)	681,344,756 (82%)	1,686,992,193 (73%)	208,590,091 (11%)
Down Volume	1,153,816,769 (31%)	142,989,810 (17%)	588,991,840 (26%)	679,660,264 (34%)
Unchanged Volume	57,500,342 (2%)	4,500,900 (1%)	25,652,673 (1%)	1,093,602,353 (55%)
<b>Total Volume</b>	<b>3,726,017,886<sup>1</sup></b>	<b>828,835,466<sup>1</sup></b>	<b>2,301,636,706<sup>1</sup></b>	<b>1,981,852,708<sup>1</sup></b>

It is simply amazing the reasons some give for the market moves. Today, the increases in the index were attributed to options expiration (triple witching on Friday), bargain hunters, overreaction yesterday to the sub-prime mess and an unwinding of the yen carry trade. While some of those might have had an impact for them all to mesh together about 12:45 p.m. EDT in NYC and for the market to then move higher to close positively after trading all morning in negative territory seems slightly a stretch for this old mind to encompass. Rather a series of futures buying in the pits at that time began the up move. It would be very interesting to see who bought those SPX futures.

The NASDAQ was down 20 points at 2331.57. It then turned around and move up to close 40 points higher. The S&P 500 was down 14 points at 13164.98 before heading up to close 23 points above the low at 1387.17. The DJIA was down from yesterday's close of 12075.95 by 136 points to a low of 11939.61 before recovering to its close of 12133.40, a swing of only 194 points in the afternoon. Simply amazing what those futures trades can generate.

However, when all was said and done, the markets were still below Tuesday's opening figures by a substantial margin. But with volatility like that generated in the markets, prudent investors should be very cautious. Still volume did increase from yesterday on the major exchanges suggesting that there were buyers willing to purchase stocks.

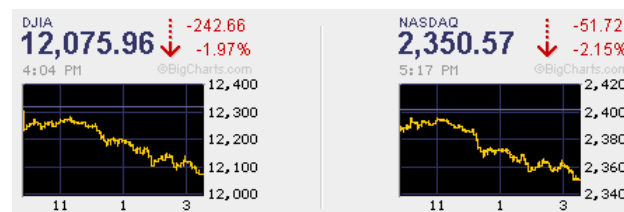
The Mortgage Brokers Association showed some improvement in its purchase application index and refinance index as spring is almost here and long-term mortgage rates are moving slightly lower in the latest report.

The current account deficit fell as foreign buyers were buyers of U.S. Treasuries in the 4th Qtr of 2006 to \$195.8B from \$229.4B in the previous quarter.

The slowdown in the U.S. appears to have helped keep import prices from rising significantly as they rose only 0.2% in February with petroleum causing most of the increase.

We made no changes in the portfolios today.

### 3/13/2007 After the Close



### A Bad Day for the Markets.

The miracles of the internet and the air-modem allowed me to watch the market opening this morning in Santa Rosa, NM as I ate breakfast in Denny's. As the overseas markets closed on a down note and the NASDAQ pre-market was not great, we entered a market order to reinstate our shorts in the Aggressive portfolio in LEH, GS and MS. Even former high-flyer LEND was adding to the woes in the sub-prime market. I tried to find some stock to short but was unable to do so. When the Mortgage Bankers Association reported delinquencies in the 4th Qtr were 13.3% in the sub-prime space, the markets moved into distribution. Even GS earnings report was unable to stop the carnage.

As we drove back to Dallas, we found that the markets were continuing to move lower. As we listened to the pundits on Bloomberg try to spin the mess in the sub-prime market, it became obvious that today would be difficult for many investors.

Retail sales did not help improve confidence in the markets. The STI indicators for both the NASDAQ and the S&P 500 remain negative. Prudent investors should be out of the market. **So much for the dead-cat bounce rally ... it is dead!**

### 3/12/2007 After the Close



**Will the sub-prime lending mess get worse?**

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	2,117 (62%)	713 (56%)	1,761 (56%)	653 (33%)
Declining Issues	1,143 (34%)	450 (36%)	1,273 (40%)	848 (42%)
Unchanged Issues	133 (4%)	99 (8%)	131 (4%)	503 (25%)
<b>Total Issues</b>	<b>3,393</b>	<b>1,262</b>	<b>3,165</b>	<b>2,004</b>
<b>New Highs</b>	<b>111</b>	<b>53</b>	<b>83</b>	<b>210</b>
<b>New Lows</b>	<b>32</b>	<b>20</b>	<b>65</b>	<b>200</b>
Up Volume	1,560,081,926 (57%)	274,383,341 (71%)	1,175,833,023 (71%)	325,666,733 (18%)
Down Volume	1,124,792,634 (41%)	91,387,220 (24%)	463,219,867 (28%)	760,873,198 (42%)
Unchanged Volume	38,358,200 (1%)	22,848,200 (6%)	25,043,863 (2%)	709,424,819 (40%)
<b>Total Volume</b>	<b>2,723,232,760<sup>1</sup></b>	<b>388,618,761<sup>1</sup></b>	<b>1,664,096,753<sup>1</sup></b>	<b>1,795,964,750<sup>1</sup></b>

In a word, YES! But since it is only fiat paper, Helicopter Ben will probably just order another printing press to paper over the hole in the finance picture. That will work until someone demands payment in something other than more paper!

Merger news where private equity companies borrow more paper using leverage to financial engineer deals seemed to help the market move higher today. However, the volume was not substantially different than on Friday.

Will the mortgage lenders find wholesaler's, Fannie Mae and Freddie Mac, able to continue to buy their loans. New Century is kaput. Most sub-prime loans have a clause that the lender has to rebuy the loan under certain conditions. It is that clause that should be worrying the finance industry.

We made no changes in the portfolios today as we were traveling back to Texas.

**3/9/2007 After the Close**



**Don't you love those Ministry of Truth numbers?**

ADVANCES & DECLINES				
	NYSE	AMEX	NASDAQ	BB
Advancing Issues	1,912 (57%)	658 (53%)	1,643 (53%)	716 (36%)
Declining Issues	1,303 (39%)	478 (39%)	1,330 (43%)	783 (39%)
Unchanged Issues	154 (5%)	103 (8%)	156 (5%)	492 (25%)
<b>Total Issues</b>	<b>3,369</b>	<b>1,239</b>	<b>3,129</b>	<b>1,991</b>
<b>New Highs</b>	<b>79</b>	<b>36</b>	<b>75</b>	<b>231</b>
<b>New Lows</b>	<b>28</b>	<b>17</b>	<b>75</b>	<b>210</b>
Up Volume	1,337,472,176 (51%)	363,619,293 (79%)	927,756,452 (47%)	867,513,808 (39%)
Down Volume	1,187,066,199 (45%)	89,382,710 (19%)	1,017,107,998 (52%)	951,737,470 (42%)
Unchanged Volume	102,254,352 (4%)	9,609,150 (2%)	21,249,117 (1%)	428,609,693 (19%)
<b>Total Volume</b>	<b>2,626,792,727<sup>1</sup></b>	<b>462,611,153<sup>1</sup></b>	<b>1,966,113,567<sup>1</sup></b>	<b>2,247,860,971<sup>1</sup></b>

The trade deficit improved a tad but the Unemployment report raised more questions than it answered. Even Lou Dobbs said that he no longer could believe the numbers reported by the green-shade minions at the Ministry of Truth. Maybe, the spin is getting so thin that people are beginning to see beyond the pale.

When it was all said and done, the major indices were almost unchanged today. It was another day where the market searched for a direction. We saw our hard stops in GS and MS get activated in the Aggressive portfolio while we were driving from Phoenix to Los Angeles.

The new website is now activated and while we may be adjusting the content in the next few days, we hope that you will like the new format.

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**Keep it Safe, Simple and Stay Focused!**  
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