

“STIMULUS”

What we currently have is a very bad recession, brought on by the collapse of financial overreach, rather than the usual mild consumer retrenchment and inventory buildup. We also have a government (actually, most governments in the industrialized world) which has done most everything wrong in an attempt to bail us out of recession and which seems determined to turn this thing into a depression. They'll probably succeed.

You have only to look at the misbegotten \$787 billion “stimulus” package to see how damaging the government’s efforts are. Of course, any clear-headed person recognizes that there is no stimulus provided; the plan is merely a transfer from private capital (borrowed, of course) and/or an injection of newly-printed money to a less efficient government-directed spending plan. And you know the government isn’t serious when only a small part of the funds goes toward tax relief for individuals, and the great bulk of it is a liberal’s wet dream fulfilled. If the Feds were really serious they would have adopted “Nick’s stimulus plan”, in which *all* of the money would have gone to reducing or eliminating the income-tax bite in people’s paychecks. That would amount to about \$5K per household per year; and this might really be enough to perk people up and improve the collective public mood and pull us out of recession so we could eventually pay back the borrowed “stimulus” money.

But you already knew this wasn’t about you, didn’t you? You (along with everybody else) figured out

that nobody’s going to help you; you’ll just have to get through these turbulent times as best you can on your own. And that’s why consumer spending has collapsed and people are saving again.... all of the traditional forms of “saving” (home equity and retirement plans) have died, and nothing being done - or attempted - is improving the situation. A Fed promise made, with no meaningful delivery (indeed, with harm being done) is more damaging to the public psyche than if the promise had never been made in the first place.

Let’s see, US taxpayers are now on the hook for \$3 trillion, with the ever-helpful Federal Reserve recently announcing it will be printing up about \$1 trillion of that. All of this to prevent “financial failure”

Which leads to the question.... exactly what is “financial failure”?

Would the farms and factories (what’s left of them) disappear? No. Would people stop eating, sleeping, working hard (if they still have jobs) or would they eschew entertainment? Probably not. Would kids cease going to school? No.

Would lending collapse? Oops.... already happened. Would bank and other loans become worthless? Oops.... already happened. Would stocks crash? Oops.... already happened. Would spending on consumer goods nosedive and/or be deferred until really necessary? Oops... already happened. Would insurance companies run into trouble? Oops....

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already happened. Would there be “Hooverilles” (Bushvilles? Obamavilles?)? Oops.... already happened. Would people start saving money, out of necessity and because their dollars are increasing in purchasing power? Oops.... already happened. Would unemployment soar to near-20% depression-type levels? Oops.... already happened (as reported by third-party statistics, but not by the government’s politically-distorted “official” figures).

Memo to Washington: We *had* the financial failure. We’re only talking here about a matter of degree and timing.... whether we should suffer the consequences all at once, allow everything that’s really bankrupt to go bankrupt, and get it over with in a few months; or whether, through government efforts, we should drag this mess out for a decade or two, as the Japanese have done. The politicians are giving us their answer, complete with bloviating comic sideshows (AIG bonuses). In the process they are destroying the country, and there doesn’t seem to be any way to get them to stop.

What we taxpayers are subsidizing is a giant game of *pretend*.... pretend that the big banks are too big to fail, even though the world banking system as a whole is insolvent many times over and the money being poured down the banking rathole, never to be seen again, is an effort to paper over the problem and pretend it isn’t there.

Foolish you, you thought that your Congresscritters represented you. That isn’t the way the system

works. The way it works is: The “special interests”, such as big financial firms, lobby and contribute to the campaign chests of politicians, who turn around and spend it on their campaigns, at a cost of \$1 to \$3 per voter, to bribe you into voting for them by promising you goodies from the public treasury. But when push comes to shove, it’s the people supplying the political slush money, not you, who need to be rewarded. That’s why the boneheads in DC make promises to you, but are actually delivering meaningful sustenance only to the banks and their surrogates.

Of course this political flaw has existed since the founding of the republic, but it is worse now because the Congresscritters and bureaucrats have lost their moral bearings and because we, as voters, have lost ours, too, because we *want* to believe in the free lunch. (Or at least did, until things blew up.)

Second memo to Washington: The public has figured out that nobody is going to help them except themselves, and so they are beginning to rebuild on their own. This is a generational sea-change in psychology, similar to that which occurred in the Great Depression, and it is a healthy thing as it forms the base for a future economic recovery. But you, dear politicians, are trying to get people to return to the borrow-and-spend behavior which got us into trouble in the first place. (Classic definition of insanity.... repeating what doesn’t work and expecting a different outcome.) You are actually retarding the recovery. For the future of America, please, please stop.

“BEST BUY” WASN’T

When my wife and I were in Florida in February, she decided she wanted a second DVD player/VCR recorder-player unit identical to the one we’d bought a year ago at Circuit City. Our first impulse was to go to Circuit City quick, before they shut down the stores for good in their liquidation; but by the time we got around to it the local stores had been pretty well cleaned out.

So our next choice was to go to the competition, Best Buy. What we discovered was that the inexorable advance of technology had made what we wanted obsolete. All they sold were units which recorded on both DVD and videotape (at \$120 more per device). Now, my wife has zero interest in burning DVDs.

She is an analog person, and is perfectly happy recording on tape (we already have a lifetime supply of videotape for the day when they stop making it).

Well, she mused, she would consider buying one of these units, in spite of the added expense, and use only the VCR side for recording, as long as the menu was as easy to run as the unit we got a year ago for which we were trying to find a duplicate.

Now mind you, in the store what you see is, literally, a row of black boxes on metal shelves, with price tags in front. Maybe, if you’re lucky, a summary of the important features of a model (in technical talk, of course) appears with its price.

So my wife snagged a salesperson and asked if it would be possible to see one or more of these working so she could see how it ran.... if it would be easy to use like the one we already own. No, none of them can be hooked up and demonstrated, he said.

Well, I asked, how about a manual? What did you do with the manuals when you put the units out on the shelves? They usually get thrown away, he said.

A remote? Can we see a remote - that might give us a clue how the unit works? No, the remotes are out back and they tend to get lost.

So my wife asked for a manager, to see if we could get one of the sealed boxes opened up so we could find out how it worked. The manager said, no, he couldn't open up a box for us to look at because then he'd have to sell it as an open-box item at a cut price.

OK, I said, do you have an Internet connection? How about looking for the manual on the Internet?

While the sales type was trying to navigate through Best Buy's store menus on his sales terminal to connect to the outside world, my wife asked if these devices could record off the TV. No, the salesperson said, none of them can record directly from a TV set (BNC RF connector); they only work with cable

boxes (video and stereo audio RCA connectors). That wasn't what she was looking for.... we weren't planning to get a second cable box for Florida when we're there, just so we could record stuff.... so that ended our visit to Best Buy.

Now my point is: If you have to research on the Internet ahead of time all you need to know about a piece of electronics before you go out and buy it, what's the point of buying it in a store which is providing a warehousing operation and little else? You might as well also buy it on the Internet, cheaper of course, because you're not paying for the store's overhead and know-little salespeople. Which is what my wife did - she found the exact duplicate model she was looking for (now no longer made, of course) and bought two of them; one for use and one as a backup (to add to our "lifetime supply" of things).

The whole point of going to an electronics store (other than immediate gratification) is to get assistance beyond what you can do for yourself from somebody who knows what they're talking about, and maybe even to see how the stuff works before you buy. A store which can't or won't provide this extra customer service is merely competing with the Internet on price, and that's a business model which is ultimately doomed to fail.

QUOTES FOR THE MONTH

We witnessed the collapse of the financial system. It was placed on life support, and it's still on life support. There's no sign that we are anywhere near a bottom. - George Soros

In poker terms, the Treasury and the Fed have gone "all in." Economic medicine that was previously meted out by the cupful has recently been dispensed by the barrel. - Warren Buffett

This is Banana Republic-type stuff! And I'm not talking about the clothing store. Printing money out of thin air at the central bank, only to turn around and buy debt securities issued by your Treasury, is the kind of practice you typically see in emerging market regimes. We're essentially monetizing our country's debt and deliberately devaluing our country's currency. We're also screwing over our foreign creditors - a dangerous path to tread considering we're a net debtor nation that's trying to borrow tens of billions of dollars a month to fund our massive deficits.... We've gone off the edges of the map now, and in a way that I think will ultimately end badly. - Mike Larson

The ability of the United States Federal Reserve and the United States Department of the Treasury to administer the national currency and bank account is being severely undermined by policy moves that erode the faith of international holders of U.S. debt. The situation is exacerbated by the disingenuous attempts by these same offices to obscure the severity of the dilutive effects of unbridled money fabrication in press release language that is blatantly dissembling. George Orwell should be slapping himself on the back in congratula-

tions for the foresight with which he predicted the advent of DoubleSpeak, whereby the government pretends that negatives are positives. Assisted in large part by broadcast media, who lend the appearance of legitimacy by debating the pros and cons of the sundry policy machinations in all seriousness, the rest of the world is not so easily fooled.... the dividend for such a strategy will likely push the United States economy the rest of the way off of the cliff, where, like Wile E. Coyote in the Roadrunner, realization of the doomed plan will occur at a point where it is too late to offset the inevitable. Many believe that point has already been passed, and we now just wait for the inexorable approach of complete U.S. economic destruction. The world's population is firmly and distinctly divided into two camps at this point. There are the (mostly) journalist types and market participants of superficial comprehension of monetary system mechanics who echo the governments around the world in forecasting a short duration for the current recession, and the eyes wide open majority who can see the fundamental fallacies in the government's laughable posturing, like the poor rube who thinks the crowd is laughing with him when they are really laughing at him. Little Timmy Geithner and his polished President Barack Obama are oblivious to the erosion in confidence now underway in their administration, their economy, and their currency.... Barack Obama now runs the risk of becoming a laughingstock for a growing number of reasons, not least of which is his election to address the public through the agencies of late night talk shows like *The Tonight Show*. He really needs to stop looking so admiringly at his reflection and tend to the fire threatening to consume the entire nation. Its not too late. Or is it? - James West

At the very center of our economic near-depression is a credit bubble, a housing collapse and a systemic failure of the entire banking system. One can come up with a host of causes: Fannie Mae and Freddie Mac pushed by Washington (and greed) into improvident loans, corrupted bond-ratings agencies, insufficient regulation of new and exotic debt instruments, the easy money policy of Alan Greenspan's Fed, irresponsible bankers pushing (and then unloading in packaged loan instruments) highly dubious mortgages, greedy house-flippers, deceitful homebuyers. The list is long. But the list of causes of the collapse of the financial system does not include the absence of universal health care, let alone of computerized medical records. Nor the absence of an industry-killing cap-and-trade carbon levy. Nor the lack of college graduates. Indeed, one could perversely make the case that, if anything, the proliferation of overeducated, Gucci-wearing, smart-ass MBAs inventing ever more sophisticated and opaque mathematical models and debt instruments helped get us into this credit catastrophe in the first place. And yet with our financial house on fire, Obama makes clear both in his speech and his budget that the essence of his presidency will be the transformation of health care, education and energy. Four months after winning the election, six weeks after his swearing in, Obama has yet to unveil a plan to deal with the banking crisis. What's going on? "You never want a serious crisis to go to waste," said Chief of Staff Rahm Emanuel. "This crisis provides the opportunity for us to do things that you could not do before." - Charles Krauthammer

No amount of blustering by Obama and his media groupies can alter the fact that the markets have publicly tried him for economic incompetence and found him guilty. And he has been president for little more than a month. His comments on spending, taxes, salaries and investment have rightly persuaded markets that he is a complete economic ignoramus. It can be argued -- and rightly so -- that this is par for the course when it comes to American presidents. But Obama is different in that he has successfully conveyed the impression that he either thinks economics is complete bunk or that he doesn't give a damn about economic laws. Either way, his attitude -- unless he changes it -- poses a grave threat to the economic welfare of the United States. - Gerard Jackson

Fiscal policy is the wild card the market can't predict, but the market sure is telling us it doesn't like what it has been hearing from this administration.... I think investors are tired of rhetoric and they need to see action - and that doesn't mean frothy stimulus packages with earmarks for lobbyist agendas or projects in the legislator's home state. - Ryan Puplava

So I get out the calculator and figure the Obama spending plans (not counting the trillions at Treasury and the Fed) will mean the federal budget hole will be \$5,833 deeper this year for everyone sucking air. Of course,

those folks won't all be paying for it - only the nongovernment workers will, and there's only what, three of us left? Well, it's not really that bad. But close. The latest Labor Department Employment Situation Report shows that in January there are only 20,245,000 workers in the workforce of 153,716,000 workers. The rest? Services, farmers, and government. So follow this: We have 20,245,000 people who actually make things and the whole country is fed by the 19,135,000 people who are in farming & farm-related employment. That adds up to 39,380,000 people left who actually make things. SOooo: Mr. Ure - armchair economist/people's economist extraordinaire - figures that all of this additional \$1.75-trillion will actually be paid for by the primary producers and this will further suck down money available from primary producers to buy services from the services sector, which means (ta-dah!) that the economy is not going to get better with this kind of heavy spending anytime soon.... Let's refigure this: We've got an additional \$1.75 trillion divided by 39,380,00 real primary-goods and farm producers. CONGRATULATIONS! If you're a primary producer you're going to get to fund an additional \$45,595 worth of deficits this year and that's on top of the financial train wreck left over by the republicorps/Bushiecrats. Wowzer.... Repeat after me: BOHICA. - George Ure [Nick's comment: Money-borrowing, followed by money-printing.]

If Obama's oratory was matched with economic wisdom leavened with a sound knowledge of economic history, Americans would have nothing to worry about. Unfortunately Obama is a profoundly ignorant man who shares the statist's contempt for economics, an attitude that will have fearful consequences for the US economy. His ideological mindset is exemplified by his supreme indifference to the state of the markets. The Dow had its worst February since 1933.... and this happened after he had given the public another oratorical masterpiece, proving that though you can fool a large number of people for a long time you cannot fool the markets. They listened and then they sold him short. So what did the markets evidently understand that millions of Americans don't? For starters, his spending package is a monstrous piece of legislation that will do grave damage to the US economy. Furthermore, it is not even a stimulatory program in any meaningful economic sense. It is loaded with pork designed to advance the interests of the Democrats.... and future generations be damned. - Gerard Jackson

There are many problems with the handling of AIG but it all starts with the initial decision to do something as opposed to nothing. Government has no business bailing out anyone and the decision is made all the more galling by making everything a secret. Note that the Fed is picking winners and losers. There are other creditors of AIG who might have a better claim on its assets than whom the Fed is picking. Remember that the Fed promised transparency. Instead, we have gotten nothing but lies and secrecy from Bernanke, Paulson, and Geithner every step of the way. Words cannot begin to express my disgust of the lies and secret shenanigans of the Fed and Treasury. - Mike "Mish" Shedlock

Thus far President Obama has gone along with those who think that the mortgage mess, economic recession verging on depression, and social insecurity can be fixed if enough trillions of dollars are expended. Even if this were the right policy - and Vice President Joseph Biden concedes that this policy has at least 30 percent chance of failing - it requires spending astronomical sums of money we do not have. With interest added, the Obama administration is already proposing to beg, borrow, or tax away more than \$13 trillion, an amount so large that our children and their children will be paying for it, yea unto the third and fourth generations and beyond. It is a burden that will hobble and cripple the United States for decades, perhaps even centuries, to come. - Lowell Ponte

The U.S. government - and its counterparts overseas - are responding very aggressively with bailouts, bank rescues, interest rate cuts, and rampant money printing. Many advocates of these policies would have you believe there will be no consequences from these actions. But the market is sending a different message. Indeed, all of the largesse is starting to have a real impact on the perceived credit quality of the countries involved. In other words, forget about PRIVATE credit quality. SOVEREIGN credit quality is coming into question.... It now costs professional bond investors 98 basis points to buy [insurance against a U.S. government debt default in the Credit Default Swap market], up 14-fold from just 7 basis points in late 2007.

That translates into \$9,800 per \$1 million of U.S. debt versus \$700 previously. Granted, that's pocket change when compared to the cost of insuring the 10-year debt of troubled corporate borrowers, like a General Motors. But again, it's the trend that matters - and the trend here is decidedly bearish.... Rising default insurance costs were LEADING indicators of last fall's stock market meltdown. And if default insurance costs continue to rise, I suspect it'll be bearish for long-term U.S. Treasury prices and bearish for stocks as well. - Mike Larson

Although it may sound harsh, it would be far better for all involved if our foreign friends simply cut us off. Since their loans are merely fueling the growth of our government and artificially pumping up consumer spending, their savings will not only be lost but their sacrifice will severely exacerbate our problems as well. Just as homebuyers did earlier in this decade, the U.S. government will borrow as much money as the world is foolish enough to lend, and it will use those funds to smother the life out of our economy. At this point government is growing like a cancer, feeding mainly off the funds it borrows from abroad. In the process, it is placing a horrific debt burden on its people, committing them to either a lifetime of crippling interest payments or run-away inflation. - Peter Schiff

Yet once again, the Obama plan does not attack this problem head on. The Fannie-Freddie refinance part of the program only allows people to refinance if they are in the 80 percent to 105 percent loan-to-value "bucket." Given the magnitude of the price declines.... that's going to exclude a sizable chunk of homeowners. The modification portion of the program will also follow what's known as a "waterfall" structure. It spells out the steps a servicer has to go through, one by one, to get the borrower's monthly payments down to 31% of their income. The first step? Lower the interest rate to as little as 2 percent. If that doesn't work, you move on to the second step: Extend the amortization or term of the loan to as long as 40 years. Third? Forbear principal. That means you would no longer have to pay interest on a portion of the loan principal, but it wouldn't be eliminated. You would still have to pay it back as a balloon payment when you sell the home or refinance. At no point in the process is the cramming down of principal stressed. The program doesn't PREVENT a servicer from doing it. But they've been extremely reluctant to do so to date.... Throw in the fact the latest Obama program emphasizes steps other than principal reductions and I seriously doubt lenders will make widespread cuts. And therein lies the problem ... All this will lead to more "Jingle Mail". When borrowers are upside down, a sense of futility and hopelessness can set in: They wonder why the heck they're making monthly mortgage payments when their houses are continuing to depreciate!Unless and until you give borrowers an incentive to stick around ... to ride out the tough times ... by reducing their principal balances to levels that actually reflect some semblance of reality, you're going to see many of these loan modifications fail. And that means many of the foreclosures the latest plans aim to prevent will just be postponed. - Mike Larson

The problem with housing down 20% to 25% is that the people.... are now essentially forced to default. You know, those responsible people that didn't lie on their applications, saved and made 20% down payments, and borrowed to buy their houses with a nice fixed monthly payment they could afford. The reality is that there are just as many, if not more, of these nice responsible people now defaulting than there were subprime mortgages defaulting at the peak of the subprime meltdown last year. How can that be, you ask? Simple, really. There are literally millions of those good credit responsible borrowers that have to sell their houses because of normal life events every year. You know, death in the family, lost job, divorce, new job in another city, whatever. That can happen to 5% to 10% of families every year. Sadly, now they can't sell their houses without writing a five-figure or six-figure check to the mortgage company at the closing table. So what do they do? Hang on as long as they can, and then default, that's what! With the Ure Memorial Layoff Festival really cranking up now, we could see as many as 5 million of these formerly excellent credit borrowers head down Foreclosure Road this year and again next year. That's the real reason Fannie Mae and Freddie Mac are insolvent.... not the subprime mortgages. It's the prime mortgages with conservative underwriting that are going to kill them. - George Ure

In the fine print, Obama's plan provides no relief for any homeowner whose mortgage exceeds the total value of his home. But these folks are the ones who have been conned into taking sub-prime mortgages so loaded with brokerage commissions, interest rate subsidies, bank fees and lawyer and title-company charges that the amount of the mortgage has ballooned. These high mortgage amounts, coupled with declining property values, have turned about 20 percent of American mortgages upside down, so that the debt exceeds the value of the property.... But it is not only the over-mortgaged whom Obama will ignore, but those who have lost their jobs!If your income has dropped to a point where your monthly payments on your loan consume a greater part of your earnings than 31 percent, you are stuck. So we have Obama rushing to the aid of those who have been hurt in this bad economy, but exempting from his proposed relief anyone who has lost his job and seen a cut in income or whose property values have dropped below the amount of his mortgage. In other words, he'll help anyone but those most in need. - Dick Morris

The tendency to break a promise, word or commitment is like a rapidly growing cancer that is eating away at our national fiber. You don't like the value of your home? Hold your banker hostage, threaten to walk away and the government will immediately provide you with a bailout. You don't like the rate you agreed to pay? Break your word, stop paying and they will give you a new one. Then the bill will be sent to the 92 percent of Americans who do honor their word - people who believe not fulfilling a commitment is not an option.... If there is no consequence for bad behavior, then it will continue. In 1989 we built a home that 18 months later was worth half. I was upside down, and it made me lose sleep. My wife and I didn't call the bank and tell them we wanted a lower interest rate or a reduction of the principal. We worked hard, made the payments and paid the taxes. Why? We signed a piece of paper that memorialized we would. End of issue. If we hadn't been able to pay for it, guess what? We would have been forced to sell it, incur a loss and work for years paying it off. Not anymore. Not in Obama's America. You can just break your word, and the taxpayers will be forced to pay for it.... Last Monday, after he signed the \$787 billion stimulus bill, Obama stated, "This is the beginning of the end." If we continue down this road, he is absolutely right. It won't be the end of the recession. It will be the end of America as we know it. - Craig R. Smith

We think that it won't be long before the Eastern Europe economic and financial distress will be a major topic on the front pages and cable news. What's happening is that the economies of the Eastern European nations and ex-Soviet republics are crumbling at a time when they owe vast sums to European banks... Eastern European countries.... borrowed \$1.7 trillion from foreign countries, with \$1.3 trillion of it from European banks. They must pay back or roll over \$400 billion this year, an amount equivalent to one-third of the group's GDP. With credit markets frozen, however, this is an impossible task, and without a massive bailout, these countries will blow up. Especially vulnerable are banks in Austria, Sweden, Greece, Italy and Belgium. Austrian banks alone have exposure of \$280 billion to emerging Europe, an amount equal to 64% of its GDP. - Minter & Weiner

The reason stocks have rallied in China is because money supply and loans have grown. This money hadn't gone into production but into the stock market. - Marc Faber

China is already in a massive overcapacity real estate bubble. They are building three apartments for everyone that is lived in. Most apartments are empty and those that are rented do not come close to paying the interest on the loan. There are huge department stores with products loaded on the shelves and staff everywhere and no one is shopping! Staff outnumbers customers five to one. It's surreal. They are ready, waiting for a great wave of shopping to come, but no wave is coming. Eventually this "borrow and build" economy will be a pop heard round the world. China runs on construction, build build build, but there is no reason for that many places and spaces and big mall businesses with no consumers. - Bill Hopen

Obama and Hillary want to give "the Palestinians" \$900 million to rebuild Gaza. This is beyond the pale. Even the most faithful Kool-Aid drinkers of the left took pause at this astonishing announcement, for they rightly understood that Israel had just fought another bloody war with Hamas, which is still firing rockets at

Israel right now.... Of course most reasonable people understand that virtually every dollar of the \$900 million in foreign assistance Obama wants to give the Palestinians will go directly to the coffers of Hamas, which will then buy new and better rockets and WMDs from Egypt, Syria and Iran to terrorize our "friend and ally" Israel. The election of conservative Benjamin Netanyahu as Israel's new prime minister hopefully will be an obstruction in Obama's Hitler-like plans to reward Hamas for killing Jews. - Ellis Washington

STOCK MARKET OUTLOOK

In the January issue I noted that I surmised stocks were putting in a major intermediate-term bottom which would likely be reached in mid-February.... mid-March at the latest. The markets reached my mid-March outside target, in my opinion largely because the incoming Obama administration, faced with very serious problem A (financial meltdown), seemed more focused on solving supposed problems B, C and D (medical care, cap-and-trade energy tax, and educational opportunities).... and pushed their "solutions" (which they're not, they're actually quite damaging as proposed) as the solution to problem A. With the government not really minding the store, it's no wonder investors continued to lose confidence.

About a month ago, a friend asked me how low I thought stocks would go. I told him that I thought, in today's dollars, the stock market would bottom out somewhere between Dow 2500 and Dow 4000 in eight to ten years' time. The bad news is, the *nominal* bottom might be at Dow 23,000.

Now I have no doubt that we're in a killer bear market that will wipe out a generation of investors. I do have a problem with arriving at that destination in a straight line, which is the way things appeared to be going between September 2008 and early March 2009. Stocks had gotten terribly oversold and were due for a good bounce, as pretty much the end of the world had been discounted and we're nowhere near that point.... yet.

I see three major cyclical events operating here. The first is the financial collapse, which turned out to be much worse than most anybody anticipated.... except for a few of us. The second stage is where the collapse subsides, people start adjusting to the new reality and things begin to be repaired. That's the stage we're entering now, and with world governments goosing their money supplies and thus putting a floor under real asset prices, things will appear to be looking up for awhile due to the inflationary bias, and the public mood will improve somewhat. I expect the rally in stocks will be at least a one-third, up to maybe a two-thirds recovery.... which is to say, Dow 9200 to Dow 11,800, over the next few months to possibly as long as a year. The best performers will be real-asset stocks such as oil and gas, gold, minerals, timber.... you know, things that retain their value with the money printing-presses turned on. Bank stocks will also do well, now that the government has announced that the banks will be bailed out at any price.

After awhile, the damaging things the government is now planning to do will start to cut in, confidence will erode again, interest rates will rise in response to the money-printing, and both the economy and stocks will return to the dumpster. My best guess for this is sometime in 2010; no later than 2011.

In the meantime, enjoy the rally.... upward in fits and starts for awhile. Use it to (a) recover from the damage of the past few months, and (b) protect yourself against the dismal distant future.

PORTFOLIO REVIEW

Prices shown are as of March 23, 2009.

A. "Inheritance" - real (normalized) "dividend and interest distribution" portfolio:

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
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50	Advanced Micro Devices Inc.		[AMD/nyse]	13Nov08			135.95	3.02	151.00
150	Advantage Energy Income Fnd 1.22		[AAV/nyse]	3Jan08			1475.44	2.29	343.50
350	Advantage Energy Income Fnd 1.22		[AAV/nyse]	15Jan08			3327.92	2.29	801.50
100	Advantage Energy Income Fnd 1.22		[AAV/nyse]	16Jan08			938.94	2.29	229.00
10	Bank of New York Mellon Corp. .96		[BK/nyse]	11Dec08			279.20	27.73	277.30
10	Bank of New York Mellon Corp. .96		[BK/nyse]	29Dec08			265.00	27.73	277.30
50	Barclays PLC		[BCS/nyse]	5Nov08			639.45	7.30	365.00
50	Barclays PLC		[BCS/nyse]	12Nov08			547.95	7.30	365.00
50	Barclays PLC		[BCS/nyse]	19Nov08			394.50	7.30	365.00
30	BHP Billiton Ltd. 1.64		[BHP/nyse]	12Nov08			996.45	48.08	1,442.40
20	BHP Billiton Ltd. 1.64		[BHP/nyse]	18Nov08			627.74	48.08	961.60
20	BHP Billiton Ltd. 1.64		[BHP/nyse]	19Nov08			589.19	48.08	961.60
25	Citigroup Inc. .04		[C/nyse]	21Nov08			101.25	3.13	78.25
200	Coates International		[COTE/otc]	14Jan09			66.00	.375	75.00
200	Coeur d'Alène Mines		[CDE/nyse]	23Oct08			140.95	.95	190.00
50	Deswell Industries Inc. .32		[DSWL/otc]	12Nov08			125.95	1.62	81.00
50	Deswell Industries Inc. .32		[DSWL/otc]	12Dec08			71.00	1.62	81.00
15	EnCana Corp. 1.60		[ECA/nyse]	13Nov08			644.55	45.26	678.90
15	EnCana Corp. 1.60		[ECA/nyse]	20Nov08			527.00	45.26	678.90
200	Enerplus Resources 4.28		[ERF/nyse]	5Jan07			8141.95	18.23	3,646.00
25	Enerplus Resources 4.28		[ERF/nyse]	9Jan07			1012.20	18.23	455.75
55	Enerplus Resources 4.28		[ERF/nyse]	5Dec07			2164.30	18.23	1,002.65
100	Entrée Gold		[EGI/ase]	28Feb07			154.73	.89	89.00
100	Entrée Gold		[EGI/ase]	28Oct08			56.94	.89	89.00
100	Fairpoint Communications Inc. 1.04		[FRP/nyse]	28Oct08			357.73	.40	40.00
100	Fairpoint Communications Inc. 1.04		[FRP/nyse]	30Oct08			358.73	.40	40.00
50	Fairpoint Communications Inc. 1.04		[FRP/nyse]	17Nov08			139.45	.40	20.00
50	Fairpoint Communications Inc. 1.04		[FRP/nyse]	1Dec08			122.00	.40	20.00
100	FelCor Lodging Trust		[FCH/nyse]	12Nov08			198.87	1.55	155.00
100	FelCor Lodging Trust		[FCH/nyse]	18Nov08			115.95	1.55	155.00
50	First Marblehead Corp.		[FMD/nyse]	12Nov08			62.95	1.45	72.50

50	First Marblehead Corp.		[FMD/nyse]	23Dec08			68.00	1.45	72.50
10	FPL Group	1.64	[FPL/nyse]	9Nov05			419.60	50.90	509.00
50	Freeport-McMoRan Cop&Gold	2.00	[FCX/nyse]	12Nov08			1170.45	41.87	2,093.50
40	Frontier Communications	1.00	[FTR/nyse]	20Jan06			493.19	6.92	276.80
60	Frontier Communications	1.00	[FTR/nyse]	11Feb08			662.14	6.92	415.20
100	FrontierCommunications	1.00	[FTR/nyse]	15Apr08			1012.86	6.92	692.00
50	FrontierCommunications	1.00	[FTR/nyse]	21Nov08			326.00	6.92	346.00
100	Gammon Gold		[GRS/nyse]	22Oct08			414.75	7.78	778.00
50	Gammon Gold		[GRS/nyse]	31Oct08			174.95	7.78	389.00
50	Gammon Gold		[GRS/nyse]	5Dec08			123.00	7.78	389.00
100	Gladstone Capital Corp.	1.68	[GLAD/otc]	14Feb08			1713.94	7.45	745.00
200	Gladstone Capital Corp.	1.68	[GLAD/otc]	3Mar08			3319.94	7.45	1,490.00
100	Gladstone Capital Corp.	1.68	[GLAD/otc]	25Nov08			537.00	7.45	745.00
200	Gladstone Commercial Corp.	.96	[GOOD/otc]	4Mar08			3409.75	8.36	1,672.00
300	Gladstone Investment Corp.	1.50	[GAIN/otc]	4Mar08			3138.92	4.55	1,365.00
100	Gladstone Investment Corp.	1.50	[GAIN/otc]	17Nov08			363.90	4.55	455.00
350	Harvest Energy Trust	3.06	[HTE/nyse]	16Jun08			8801.92	4.08	1,428.00
40	Iowa Telecom	1.62	[IWA/nyse]	18Jan06			652.99	11.97	478.80
60	Iowa Telecom	1.62	[IWA/nyse]	25Jan08			931.54	11.97	718.20
50	Iowa Telecom	1.62	[IWA/nyse]	30Oct08			737.60	11.97	598.50
15	Integrys Energy	2.64	[TEG/nyse]	11Apr06			658.35	27.47	412.05
35	Integrys Energy	2.64	[TEG/nyse]	25Jan08			1686.80	27.47	961.45
50	Integrys Energy	2.64	[TEG/nyse]	3Mar08			2293.42	27.47	1,373.50
40	Intel Corp.	.56	[INTC/otc]	13Nov08			544.53	15.52	620.80
30	Intel Corp.	.56	[INTC/otc]	20Nov08			375.80	15.52	465.60
15	L-3 Communications	1.00	[LLL/nyse]	15May03			672.97	66.78	1,001.70
50	Macquarie Infrastructure Co.	.80	[MIC/nyse]	12Nov08			216.92	1.25	62.50
50	Macquarie Infrastructure Co.	.80	[MIC/nyse]	13Nov08			181.95	1.25	62.50
50	Macquarie Infrastructure Co.	.80	[MIC/nyse]	20Nov08			135.47	1.25	62.50
50	Maine & Maritimes Corp.	.20	[MAM/ase]	15May06			717.47	33.98	1,699.00
100	Manas Petroleum Corp.		[MNAP/otc]	26Feb08			214.95	.15	15.00

100	Manas Petroleum Corp.		[MNAP/otc]	12Jun08			119.95	.15	15.00
200	Manas Petroleum Corp.		[MNAP/otc]	8Dec08			60.00	.15	30.00
50	Market Vectors Gold Miners ETF	.12	[GDX/ase]	20Oct08			1486.95	37.71	1,885.50
30	Market Vectors Gold Miners ETF	.12	[GDX/ase]	6Oct08			775.83	37.71	1,131.30
20	Market Vectors Gold Miners ETF	.12	[GDX/ase]	13Oct08			538.95	37.71	754.20
25	Market Vectors Gold Miners ETF	.12	[GDX/ase]	31Oct08			545.20	37.71	942.75
100	Medical Properties Trust Inc.	1.08	[MPW/nyse]	23Oct08			681.73	4.21	421.00
50	Medical Properties Trust Inc.	1.08	[MPW/nyse]	21Nov08			193.00	4.21	210.50
25	Microsoft Corp.	.52	[MSFT/otc]	13Nov08			506.20	18.33	458.25
25	Microsoft Corp.	.52	[MSFT/otc]	20Nov08			452.25	18.33	458.25
50	Newmont Mining	.40	[NEM/nyse]	25May07			1989.95	44.67	2,233.50
10	Newmont Mining	.40	[NEM/nyse]	20Mar08			469.34	44.67	446.70
20	Newmont Mining	.40	[NEM/nyse]	24Oct08			445.95	44.67	893.40
200	NGP Capital Resources Co.	2.06	[NGPC/otc]	3Mar08			3291.93	5.80	1,160.00
100	Nicor Inc.	1.86	[GAS/nyse]	3Mar08			3409.86	34.35	3,435.00
150	Penn West Energy Trust	3.47	[PWE/nyse]	10Oct07			4724.30	11.15	1,672.50
150	Penn West Energy Trust	3.47	[PWE/nyse]	5Dec07			3959.44	11.15	1,672.50
25	Peoples United Bancorp CT	.60	[PBCT/otc]	19Nov08			435.50	17.81	445.25
15	Peoples United Bancorp CT	.60	[PBCT/otc]	23Dec08			265.10	17.81	267.15
200	PNM Resources Inc.	.92	[PNM/nyse]	7Mar08			1885.93	8.93	1,786.00
200	Precision Drilling Trust	1.37	[PDS/nyse]	11Jan07			4565.95	2.60	520.00
200	Precision Drilling Trust	1.37	[PDS/nyse]	15Oct08			1790.95	2.60	520.00
50	Progress Energy Inc	2.46	[PGN/nyse]	17Mar08			2036.95	36.24	1,812.00
50	Proshares Ultra Financials	.40	[YUG/nyse]	28Oct08			390.95	2.94	147.00
50	Proshares Ultra Financials	.40	[YUG/nyse]	6Nov08			419.45	2.94	147.00
50	Proshares Ultra Financials	.40	[YUG/nyse]	12Nov08			356.95	2.94	147.00
50	Proshares Ultra Financials	.40	[YUG/nyse]	13Nov08			326.45	2.94	147.00
50	Proshares Ultra Financials	.40	[YUG/nyse]	18Nov08			286.45	2.94	147.00
50	Proshares Ultra Financials	.40	[YUG/nyse]	19Nov08			261.50	2.94	147.00
100	Proshares Ultra Financials	.40	[YUG/nyse]	20Nov08			384.00	2.94	294.00
50	Proshares Ultra Financials	.40	[YUG/nyse]	21Nov08			176.50	2.94	147.00

500	Provident Energy Trust	1.22	[PVX/nyse]	26Mar07			5534.95	3.92	1,960.00
350	Provident Energy Trust	1.22	[PVX/nyse]	8Aug07			3831.95	3.92	1,372.00
20	R.R. Donnelley & Sons		[RRD/nyse]	5Dec08			244.39	8.10	266.80
200	Rubicon Minerals Corp.		[RBY/ase]	4Jun08			269.33	1.51	302.00
100	Rubicon Minerals Corp.		[RBY/ase]	13Oct08			124.94	1.51	151.00
100	Southwest Water Co.	.24	[SWWC/otc]	6Jun08			1051.94	4.31	431.00
50	Southwest Water Co.	.24	[SWWC/otc]	14Nov08			221.45	4.31	215.50
50	Southwest Water Co.	.24	[SWWC/otc]	1Dec08			196.00	4.31	215.50
50	Southwest Water Co.	.24	[SWWC/otc]	8Dec08			196.50	4.31	215.50
50	Southwest Water Co.	.24	[SWWC/otc]	15Dec08			163.00	4.31	215.50
50	Southwest Water Co.	.24	[SWWC/otc]	29Dec08			163.00	4.31	215.50
30	Teekay Corp.	1.26	[TK/nyse]	6Nov08			507.45	16.63	498.90
45	Teekay Corp.	1.26	[TK/nyse]	14Nov08			680.10	16.63	748.35
400	Tortoise Capital Resources		[TTO/nyse]	10Oct08			2270.95	6.80	2,720.00
100	Tortoise North American Enrgy	1.48	[TYN/nyse]	10Oct08			895.95	13.34	1,334.00
150	Tortoise North American Enrgy	1.48	[TYN/nyse]	15Oct08			1638.45	13.34	2,001.00
100	US Gold Corporation		[UXG/ase]	17Dec07			306.94	2.25	225.00
100	US Gold Corporation		[UXG/ase]	20Mar08			250.94	2.25	225.00
100	US Gold Corporation		[UXG/ase]	9Jun08			213.94	2.25	225.00
25	Vimpel Communications	.47	[VIP/nyse]	12Nov08			257.20	7.43	185.75
50	Vimpel Communications	.47	[VIP/nyse]	19Nov08			413.00	7.43	371.50
25	Vimpel Communications	.47	[VIP/nyse]	22Dec08			190.00	7.43	185.75
40	Windstream	1.00	[WIN/nyse]	20Jan06			476.79	8.36	334.40
60	Windstream	1.00	[WIN/nyse]	25Jan08			673.54	8.36	501.60
50	Windstream	1.00	[WIN/nyse]	30Oct08			353.92	8.36	418.00
100	Crosstex Energy Inc.	1.28	[XTXI/otc]	13Nov08			526.40	1.88	188.00
100	Crosstex Energy Inc.	1.28	[XTXI/otc]	19Nov08			364.00	1.88	188.00
50	Crosstex Energy Inc.	1.28	[XTXI/otc]	5Dec08			153.00	1.88	94.00
100	Crosstex Energy Inc.	1.28	[XTXI/otc]	23Dec08			261.95	1.88	188.00
	CASH						3495.97		3,495.97

Totals						124,112.70		80,763.52
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SUMMARY - "Inheritance":

Original cost:	\$100,000.00 (normalized)
Present value:	\$ 80,763.52 (see below)
Increase/decrease:	\$-19,236.48 [-19.24%]

COMMENT on "Inheritance": I've made a few minor changes to this portfolio, but have not had time to enter them for this month. I will try to get them in place for next month.

The portfolio cost (normalized) is \$123,991.92 with \$3,495.97 currently in cash.

B. "Professors' Investment Group (PIG)" - investment club portfolio.

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
50	Barrick Gold	{ABX/nyse}	14Nov96			1466.01	33.18	1,659.00
100	Frontier Communications	[FTR/nyse]	20Jan06			1249.95	6.92	692.00
150	Evergreen Solar	[ESLR/otc]	4Feb05			774.68	1.60	240.00
200	GTC Biotherapeutics	[GTCB/otc]	7May04			408.55	..35	70.00
1000	GTC Biotherapeutics	[GTCB/otc]	7Jun06			1659.95	..35	350.00
100	Nokia OYJ ADR	[NOK/nyse]	14Jun01			2233.00	11.84	1,184.00
504.2	Prudent Bear Fund (504.169sh)	[BEARX]	10Oct02			3500.00	6.96	3,509.02
163.1	Prudent Bear Fund (163.144sh)	[BEARX]	5Dec07			1000.00	6.96	1,135.48
364.1	Prudent Global Income (364.085sh)	[PSAFX]	17Apr03			3200.00	11.87	4,321.69
	CASH & money market					5539.26		5,539.26
	Totals					21,031.40		18,700.45

SUMMARY - "PIG":

Original cost:	\$10,699.00
Present value:	\$18,700.45
Increase:	\$ 8,001.45 [+74.79%]

COMMENT on "PIG": There is no change from the last issue.

C. Roth IRAs - real portfolio:

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
2	T-notes (various maturities)	-	various			1941.94	109.957	2,199.14
215	Harvest Energy Trust	[HTE/nyse]	2007&8			5655.93	4.08	877.20

Shrs	Description	Symbol	Bought	Sold On	Sold At	Cost Was	Price	Curr Value
60	HRPT Properties Trust	[HRP/nyse]	2009			199.90	3.62	217.20
29	ING Global Equity Opportunity	[IGD/nyse]	2009			275.09	9.37	271.73
145	Marshall & Ilsley	[MI/nyse]	2008&9			2108.96	6.25	906.25
379	Penn West Energy Trust	[PWE/nyse]	2006			11716.10	11.15	4,225.85
370	Precision Drilling Trust	[PDS/nyse]	2007,8,9			5734.57	2.60	962.00
290	Prospect Capital Corp.	[PSEC/otc]	2007			5113.00	9.27	2,688.30
435	Tortoise Capital Resources	[TTO/nyse]	2007			5509.50	6.80	2,958.00
	CASH (CD & Fidelity money market)	[FDRXX}				5882.78		5,882.78
	Totals					44,137.77		21,188.45

SUMMARY - Roth IRAs:

Original cost: \$ 30,746.19
 Present value: \$ 21,188.45
 Increase/decrease: \$ -9,557.74 [-31.09%]

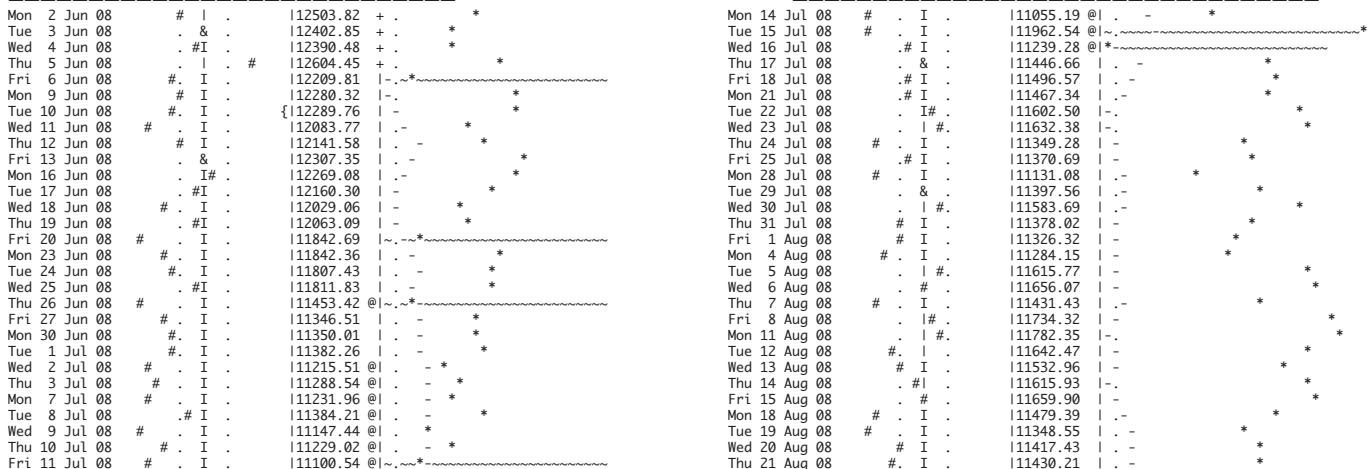
COMMENT on Roth IRAs: New to the Roth are HRPT Properties Trust and ING Global Equity Dividend and Premium Opportunity Fund (an ETF).

D. TIAA/CREF 403(b) and (non-Roth) IRA retirement plans: My TIAA-CREF is still in a state of flux, with the IRA currently in the process of being moved from TIAA-CREF to Fidelity (still!!), where I am investing the money in individual high-yield stocks. After this all settles down, the numbers that used to appear here will return.

TIAA-CREF values, 23Mar2009: stock, 145.93; equity-index, 57.19; MM, 25.53; bond, 85.29; inflation-indexed bond, 52.34; real estate, 257.54.

Comment on NYSE "Timer's Trend": We are currently on a BUY signal of March 18, 2009.

NYSE TIMER'S TREND



Fri 22 Aug 08	.	&	.		11628.06		.-	*
Mon 25 Aug 08	#	.	I	.		11386.25		.-
Tue 26 Aug 08	#	.	I	.		11412.87		.-
Wed 27 Aug 08	.	.	#	.		11502.51		.-
Thu 28 Aug 08	.	.	I	.		11715.18		.-
Fri 29 Aug 08	#	.	I	.		11543.55		.-
Tue 2 Sep 08	.	.	#	.		11516.92		.-
Wed 3 Sep 08	#	.	I	.		11532.88		.-
Thu 4 Sep 08	#	.	I	.		11188.23		.-
Fri 5 Sep 08	#	.	I	.		11220.96		.-
Mon 8 Sep 08	.	.	#	.		11510.74		.-
Tue 9 Sep 08	#	.	I	.		11230.73		.-
Wed 10 Sep 08	#	.	I	.		11268.92		.-
Thu 11 Sep 08	#	.	I	.		11433.71		.-
Fri 12 Sep 08	#	.	I	.		11421.99		.-
Mon 15 Sep 08	#	.	I	.		10917.51		.-
Tue 16 Sep 08	#	.	I	.		11059.02		.-
Wed 17 Sep 08	#	.	I	.		10609.66		.-
Thu 18 Sep 08	.	.	#	.		11019.69		.-
Fri 19 Sep 08	#	.	I	.		11388.44		.-
Mon 22 Sep 08	#	.	I	.		11015.69		.-
Tue 23 Sep 08	#	.	I	.		10854.17		.-
Wed 24 Sep 08	#	.	I	.		10825.17		.-
Thu 25 Sep 08	.	.	#	.		11022.06		.-
Fri 26 Sep 08	#	.	I	.		11143.13		.-
Mon 29 Sep 08	#	.	I	.		10365.45		.-
Tue 30 Sep 08	.	.	#	.		10850.66		.-
Wed 1 Oct 08	#	.	I	.		10831.07		.-
Thu 2 Oct 08	.	.	#	.		10482.85		.-
Fri 3 Oct 08	#	.	I	.		10325.38		.-
Mon 6 Oct 08	#	.	I	.		9955.50		.-
Tue 7 Oct 08	#	.	I	.		9447.11		.-
Wed 8 Oct 08	#	.	I	.		9258.10		.-
Thu 9 Oct 08	#	.	I	.		8579.19		.-
Fri 10 Oct 08	#	.	I	.		8451.19		.-
Mon 13 Oct 08	.	.	#	.		9387.61		.-
Tue 14 Oct 08	#	.	I	.		9310.99		.-
Wed 15 Oct 08	#	.	I	.		8577.91		.-
Thu 16 Oct 08	.	.	#	.		8979.26		.-
Fri 17 Oct 08	#	.	I	.		8852.22		.-
Mon 20 Oct 08	.	.	#	.		9265.43		.-
Tue 21 Oct 08	#	.	I	.		9033.66		.-
Wed 22 Oct 08	#	.	I	.		8519.21		.-
Thu 23 Oct 08	#	.	I	.		8691.25		.-
Fri 24 Oct 08	#	.	I	.		8378.96		.-
Mon 27 Oct 08	#	.	I	.		8175.77		.-
Tue 28 Oct 08	.	.	#	.		9065.12		.-
Wed 29 Oct 08	#	.	I	.		8990.96		.-
Thu 30 Oct 08	.	.	#	.		9180.69		.-
Fri 31 Oct 08	#	.	I	.		9325.01		.-
Mon 3 Nov 08	#	.	I	.		9319.18		.-
Tue 4 Nov 08	.	.	#	.		9625.28		.-
Wed 5 Nov 08	#	.	I	.		9139.27		.-
Thu 6 Nov 08	#	.	I	.		8695.79		.-
Fri 7 Nov 08	.	.	#	.		8943.81		.-
Mon 10 Nov 08	#	.	I	.		8870.54		.-
Tue 11 Nov 08	#	.	I	.		8693.96		.-
Wed 12 Nov 08	#	.	I	.		8282.66		.-
Thu 13 Nov 08	.	.	#	.		8835.25		.-
Fri 14 Nov 08	#	.	I	.		8497.31		.-
Mon 17 Nov 08	#	.	I	.		8273.58		.-
Tue 18 Nov 08	#	.	I	.		8424.75		.-
Wed 19 Nov 08	#	.	I	.		7997.28		.-
Thu 20 Nov 08	#	.	I	.		7552.29		.-
Fri 21 Nov 08	.	.	#	.		8046.42		.-
Mon 24 Nov 08	.	.	#	.		8443.39		.-
Tue 25 Nov 08	#	.	I	.		8479.47		.-
Wed 26 Nov 08	.	.	#	.		8726.61		.-
Fri 28 Nov 08	#	.	I	.		8829.04		.-
Mon 1 Dec 08	#	.	I	.		8149.09		.-
Tue 2 Dec 08	.	.	#	.		8419.09		.-
Wed 3 Dec 08	#	.	I	.		8591.69		.-
Thu 4 Dec 08	#	.	I	.		8376.24		.-
Fri 5 Dec 08	.	.	#	.		8635.42		.-
Mon 8 Dec 08	#	.	I	.		8934.14		.-
Tue 9 Dec 08	#	.	I	.		8961.33		.-
Wed 10 Dec 08	.	.	#	.		8761.42		.-
Thu 11 Dec 08	#	.	I	.		8565.09		.-
Fri 12 Dec 08	#	.	I	.		8629.68		.-
Mon 15 Dec 08	#	.	I	.		8564.83		.-
Tue 16 Dec 08	.	.	#	.		8924.14		.-
Wed 17 Dec 08	#	.	I	.		8824.34		.-
Thu 18 Dec 08	#	.	I	.		8604.19		.-
Fri 19 Dec 08	#	.	I	.		8578.11		.-
Mon 22 Dec 08	#	.	I	.		8519.77		.-
Tue 23 Dec 08	#	.	I	.		8419.49		.-
Wed 24 Dec 08	#	.	I	.		8468.48		.-
Fri 26 Dec 08	#	.	I	.		8515.55		.-
Mon 29 Dec 08	#	.	I	.		8493.93		.-
Tue 30 Dec 08	.	.	#	.		8668.39		.-
Wed 31 Dec 08	.	.	#	.		8776.39		.-
Fri 2 Jan 09	.	.	#	.		9034.69		.-
Mon 5 Jan 09	.	.	#	.		8952.89		.-
Tue 6 Jan 09	.	.	#	.		9015.10		.-
Wed 7 Jan 09	#	.	I	.		8769.70		.-
Thu 8 Jan 09	#	.	I	.		8742.46		.-
Fri 9 Jan 09	#	.	I	.		8599.18		.-
Mon 12 Jan 09	#	.	I	.		8473.97		.-
Tue 13 Jan 09	#	.	I	.		8448.56		.-
Wed 14 Jan 09	#	.	I	.		8200.14		.-
Thu 15 Jan 09	#	.	I	.		8212.49		.-
Fri 16 Jan 09	#	.	I	.		8261.22		.-
Tue 20 Jan 09	#	.	I	.		7949.09		.-
Wed 21 Jan 09	#	.	I	.		8228.10		.-
Thu 22 Jan 09	#	.	I	.		8122.80		.-
Fri 23 Jan 09	#	.	I	.		8077.56		.-
Mon 26 Jan 09	#	.	I	.		8116.03		.-
Tue 27 Jan 09	#	.	I	.		8174.73		.-
Wed 28 Jan 09	#	.	I	.		8375.45		.-
Thu 29 Jan 09	#	.	I	.		8149.01		.-
Fri 30 Jan 09	#	.	I	.		8000.86		.-
Mon 2 Feb 09	#	.	I	.		7936.83		.-
Tue 3 Feb 09	#	.	I	.		8078.66		.-
Wed 4 Feb 09	#	.	I	.		7956.66		.-
Thu 5 Feb 09	#	.	I	.		8063.07		.-
Fri 6 Feb 09	#	.	I	.		8280.59		.-
Mon 9 Feb 09	#	.	I	.		8270.87		.-
Tue 10 Feb 09	#	.	I	.		7888.88		.-
Wed 11 Feb 09	#	.	I	.		7939.53		.-
Thu 12 Feb 09	#	.	I	.		7932.76		.-
Fri 13 Feb 09	#	.	I	.		7850.41		.-
Tue 17 Feb 09	#	.	I	.		7552.60		.-
Wed 18 Feb 09	#	.	I	.		7555.63		.-
Thu 19 Feb 09	#	.	I	.		7465.95		.-
Fri 20 Feb 09	#	.	I	.		7365.67		.-
Mon 23 Feb 09	#	.	I	.		7114.78		.-
Tue 24 Feb 09	#	.	I	.		7350.94		.-
Wed 25 Feb 09	#	.	I	.		7270.89		.-
Thu 26 Feb 09	#	.	I	.		7182.08		.-
Fri 27 Feb 09	#	.	I	.		7062.93		.-
Mon 2 Mar 09	#	.	I	.		6763.29		.-
Tue 3 Mar 09	#	.	I	.		6726.02		.-
Wed 4 Mar 09	#	.	I	.		6875.84		.-
Thu 5 Mar 09	#	.	I	.		6594.44		.-
Fri 6 Mar 09	#	.	I	.		6626.94		.-
Mon 9 Mar 09	#	.	I	.		6547.05		.-
Tue 10 Mar 09	#	.	I	.		6926.49		.-
Wed 11 Mar 09	#	.	I	.		6930.40		.-
Thu 12 Mar 09	#	.	I	.		7170.06		.-
Fri 13 Mar 09	#	.	I	.		7223.98		.-
Mon 16 Mar 09	#	.	I	.		7216.97		.-
Tue 17 Mar 09	#	.	I	.		7395.70		.-
Wed 18 Mar 09	#	.	I	.		7486.58		.-
Thu 19 Mar 09	#	.	I	.		7400.80		.-
Fri 20 Mar 09	#	.	I	.		7278.38		.-

Comment on NASDAQ "Timer's Trend": We're on a SELL signal of January 12, 2009.

NASDAQ TIMER'S TREND

Mon 2 Jun 08	#	.	I	.		2491.53		.-	*
Tue 3 Jun 08	#	.	I	.		2480.48		.-	*
Wed 4 Jun 08	#	.	I	.		2503.14		.-	*
Thu 5 Jun 08	#	.	I	.		2549.94		.-	*
Fri 6 Jun 08	#	.	I	.		2474.56		.-	*
Mon 9 Jun 08	#	.	I	.		2459.46		.-	*
Tue 10 Jun 08	#	.	I	.		2448.94		.-	*
Wed 11 Jun 08	#	.	I	.		2394.01		.-	*
Thu 12 Jun 08	#	.	I	.		2404.35		.-	*
Fri 13 Jun 08	.	.	#	.		2454.50		.-	*
Mon 16 Jun 08	#	.	I	.		2474.78		.-	*
Tue 17 Jun 08	#	.	I	.		2457.73		.-	*
Wed 18 Jun 08	#	.	I	.		2429.71		.-	*
Thu 19 Jun 08	#	.	I	.		2462.06		.-	*
Fri 20 Jun 08	#	.	I	.		2406.09		.-	*
Mon 23 Jun 08	#	.	I	.		2385.74		.-	*
Tue 24 Jun 08	#	.	I	.		2368.28		.-	*
Wed 25 Jun 08	#	.	I	.		2401.26		.-	*
Thu 26 Jun 08	#	.	I	.		2321.37		.-	*
Fri 27 Jun 08	#	.	I	.		2315.63		.-	*
Mon 30 Jun 08	#	.	I	.		2292.98		.-	*
Tue 1 Jul 08	#	.	I	.		2304.97		.-	*
Wed 2 Jul 08	#	.	I	.		2251.46		.-	*
Thu 3 Jul 08	#	.	I	.		2245.38		.-	*
Mon 7 Jul 08	#	.	I	.		2243.32		.-	*
Tue 8 Jul 08	#	.	I	.		2294.44		.-	*
Wed 9 Jul 08	#	.	I	.		2234.89		.-	*
Thu 10 Jul 08	#	.	I	.		2257.85		.-	*
Fri 11 Jul 08	#	.	I	.		2239.08		.-	*
Mon 14 Jul 08	#	.	I	.		2212.87		.-	*
Tue 15 Jul 08	#	.	I	.		2215.71		.-	*
Wed 16 Jul 08	#	.	I	.		2284.85		.-	*
Thu 17 Jul 08	#	.	I	.		2312.30		.-	*
Fri 18 Jul 08	#	.	I	.		2282.78		.-	*
Mon 21 Jul 08	#	.	I	.		2279.53		.-	*
Tue 22 Jul 08	#	.	I	.		2303.96		.-	*
Wed 23 Jul 08	#	.	I	.		2325.88		.-	*
Thu 24 Jul 08	#	.	I	.		2280.11		.-	*

Fri 25 Jul 08	#	I#	2310.53	-	*	Thu 20 Nov 08	#	I	1316.12	@	.	-	*
Mon 28 Jul 08	#	I	2264.22	-	*	Fri 21 Nov 08	#	I	1384.35	@	.	-	*
Tue 29 Jul 08	#	I#	2319.62	-	*	Mon 24 Nov 08	#	&	1472.02	@	.	-	*
Wed 30 Jul 08	#	I#	2329.72	-	*	Tue 25 Nov 08	#	I	1464.73	@	.	-	*
Thu 31 Jul 08	#	I#	2325.55	-	*	Wed 26 Nov 08	#	I	1532.10	@	.	-	*
Fri 1 Aug 08	#	I	2310.96	-	*	Fri 28 Nov 08	#	I	1535.57	@	.	-	*
Mon 4 Aug 08	#	I	2285.56	-	*	Mon 1 Dec 08	#	I	1398.07	@	.	-	*
Tue 5 Aug 08	#	I	2349.83	-	*	Tue 2 Dec 08	#	I	1449.80	@	.	-	*
Wed 6 Aug 08	#	I#	2378.37	-	*	Wed 3 Dec 08	#	I	1492.38	@	.	-	*
Thu 7 Aug 08	#	I#	2355.73	-	*	Thu 4 Dec 08	#	I	1445.56	@	.	-	*
Fri 8 Aug 08	#	I#	2414.10	-	*	Fri 5 Dec 08	#	I	1509.31	@	.	-	*
Mon 11 Aug 08	#	I#	2439.95	-	*	Mon 8 Dec 08	#	I	1571.74	@	.	-	*
Tue 12 Aug 08	#	I#	2430.61	-	*	Tue 9 Dec 08	#	I	1547.34	@	.	-	*
Wed 13 Aug 08	#	I#	2428.62	-	*	Wed 10 Dec 08	#	I	1565.48	@	.	-	*
Thu 14 Aug 08	#	I#	2453.67	-	*	Thu 11 Dec 08	#	I	1507.88	@	.	-	*
Fri 15 Aug 08	#	I#	2452.52	-	*	Fri 12 Dec 08	#	I	1540.72	@	.	-	*
Mon 18 Aug 08	#	I#	2416.98	-	*	Mon 15 Dec 08	#	I	1508.32	@	.	-	*
Tue 19 Aug 08	#	I	2384.36	-	*	Tue 16 Dec 08	#	I	1589.89	@	.	-	*
Wed 20 Aug 08	#	I	2389.08	-	*	Wed 17 Dec 08	#	I	1579.31	@	.	-	*
Thu 21 Aug 08	#	I	2380.38	-	*	Thu 18 Dec 08	#	I	1552.32	@	.	-	*
Fri 22 Aug 08	#	I#	2414.71	-	*	Fri 19 Dec 08	#	I	1564.32	@	.	-	*
Mon 25 Aug 08	#	I	2365.59	-	*	Mon 22 Dec 08	#	I	1532.35	@	.	-	*
Tue 26 Aug 08	#	I	2361.97	-	*	Tue 23 Dec 08	#	I	1524.90	@	.	-	*
Wed 27 Aug 08	#	I#	2382.46	-	*	Wed 24 Dec 08	#	I	1524.90	@	.	-	*
Thu 28 Aug 08	#	I#	2411.64	-	*	Thu 26 Dec 08	#	I	1530.24	@	.	-	*
Fri 29 Aug 08	#	I#	2367.52	-	*	Mon 29 Dec 08	#	I	1510.32	@	.	-	*
Tue 2 Sep 08	#	I	2349.24	-	*	Tue 30 Dec 08	#	I	1550.70	@	.	-	*
Wed 3 Sep 08	#	I	2333.73	-	*	Wed 31 Dec 08	#	I	1577.03	@	.	-	*
Thu 4 Sep 08	#	I	2259.04	-	*	Fri 2 Jan 09	#	I	1632.21	@	.	-	*
Fri 5 Sep 08	#	I	2255.88	-	*	Mon 5 Jan 09	#	I	1628.03	@	.	-	*
Mon 8 Sep 08	#	I	2269.76	-	*	Mon 6 Jan 09	#	I	1652.38	@	.	-	*
Tue 9 Sep 08	#	I	2228.81	-	*	Wed 7 Jan 09	#	I	1599.06	@	.	-	*
Wed 10 Sep 08	#	I	2228.72	-	*	Thu 8 Jan 09	#	I	1617.03	@	.	-	*
Thu 11 Sep 08	#	I	2258.22	-	*	Fri 9 Jan 09	#	I	1571.53	@	.	-	*
Fri 12 Sep 08	#	I	2261.27	-	*	Mon 12 Jan 09	#	I	1538.79	@	.	-	*
Mon 15 Sep 08	#	I	2179.21	-	*	Tue 13 Jan 09	#	I	1546.46	@	.	-	*
Tue 16 Sep 08	#	I	2207.90	-	*	Wed 14 Jan 09	#	I	1489.64	@	.	-	*
Wed 17 Sep 08	#	I	2098.85	-	*	Thu 15 Jan 09	#	I	1511.84	@	.	-	*
Thu 18 Sep 08	#	I#	2199.10	-	*	Fri 16 Jan 09	#	I	1520.33	@	.	-	*
Fri 19 Sep 08	#	I	2273.90	-	*	Tue 20 Jan 09	#	I	1440.86	@	.	-	*
Mon 22 Sep 08	#	I	2178.98	-	*	Wed 21 Jan 09	#	I	1507.07	@	.	-	*
Tue 23 Sep 08	#	I	2153.34	-	*	Thu 22 Jan 09	#	I	1465.49	@	.	-	*
Wed 24 Sep 08	#	I	2155.68	-	*	Fri 23 Jan 09	#	I	1477.29	@	.	-	*
Thu 25 Sep 08	#	I	2186.57	-	*	Mon 26 Jan 09	#	I	1489.46	@	.	-	*
Fri 26 Sep 08	#	I	2183.34	-	*	Mon 27 Jan 09	#	I	1504.90	@	.	-	*
Mon 29 Sep 08	#	I	1983.73	-	*	Wed 28 Jan 09	#	I	1558.34	@	.	-	*
Tue 30 Sep 08	#	I	2091.88	-	*	Thu 29 Jan 09	#	I	1507.84	@	.	-	*
Wed 1 Oct 08	#	I	2068.40	-	*	Fri 30 Jan 09	#	I	1476.42	@	.	-	*
Thu 2 Oct 08	#	I	1976.72	-	*	Mon 2 Feb 09	#	I	1494.43	@	.	-	*
Fri 3 Oct 08	#	I	1947.39	-	*	Tue 3 Feb 09	#	I	1516.30	@	.	-	*
Mon 6 Oct 08	#	I	1862.96	-	*	Wed 4 Feb 09	#	I	1515.05	@	.	-	*
Tue 7 Oct 08	#	I	1754.88	-	*	Wed 5 Feb 09	#	I	1546.24	@	.	-	*
Wed 8 Oct 08	#	I	1740.33	-	*	Fri 6 Feb 09	#	I	1591.71	@	.	-	*
Thu 9 Oct 08	#	I	1645.12	-	*	Mon 9 Feb 09	#	I	1591.56	@	.	-	*
Fri 10 Oct 08	#	I	1649.51	-	*	Tue 10 Feb 09	#	I	1524.73	@	.	-	*
Mon 13 Oct 08	#	I	1844.21	-	*	Wed 11 Feb 09	#	I	1530.50	@	.	-	*
Tue 14 Oct 08	#	I	1779.01	-	*	Thu 12 Feb 09	#	I	1541.71	@	.	-	*
Wed 15 Oct 08	#	I	1628.33	-	*	Fri 13 Feb 09	#	I	1534.32	@	.	-	*
Thu 16 Oct 08	#	I	1717.71	-	*	Tue 17 Feb 09	#	I	1470.66	@	.	-	*
Fri 17 Oct 08	#	I	1711.29	-	*	Wed 18 Feb 09	#	I	1467.97	@	.	-	*
Mon 20 Oct 08	#	I	1770.03	-	*	Thu 19 Feb 09	#	I	1442.82	@	.	-	*
Tue 21 Oct 08	#	I	1696.68	-	*	Fri 20 Feb 09	#	I	1441.23	@	.	-	*
Wed 22 Oct 08	#	I	1615.75	-	*	Mon 23 Feb 09	#	I	1387.82	@	.	-	*
Thu 23 Oct 08	#	I	1603.91	-	*	Tue 24 Feb 09	#	I	1441.83	@	.	-	*
Fri 24 Oct 08	#	I	1552.03	-	*	Wed 25 Feb 09	#	I	1425.43	@	.	-	*
Mon 27 Oct 08	#	I	1505.90	-	*	Thu 26 Feb 09	#	I	1391.47	@	.	-	*
Tue 28 Oct 08	#	I	1649.47	-	*	Fri 27 Feb 09	#	I	1377.84	@	.	-	*
Wed 29 Oct 08	#	I	1657.21	-	*	Mon 2 Mar 09	#	I	1322.85	@	.	-	*
Thu 30 Oct 08	#	I	1698.52	-	*	Tue 3 Mar 09	#	I	1321.01	@	.	-	*
Fri 31 Oct 08	#	I	1720.92	-	*	Wed 4 Mar 09	#	I	1353.74	@	.	-	*
Mon 3 Nov 08	#	I	1726.33	-	*	Thu 5 Mar 09	#	I	1299.59	@	.	-	*
Tue 4 Nov 08	#	I	1780.12	-	*	Fri 6 Mar 09	#	I	1293.85	@	.	-	*
Wed 5 Nov 08	#	I	1681.64	-	*	Mon 9 Mar 09	#	I	1268.64	@	.	-	*
Thu 6 Nov 08	#	I	1608.70	-	*	Tue 10 Mar 09	#	I	1358.28	@	.	-	*
Fri 7 Nov 08	#	I	1647.40	-	*	Wed 11 Mar 09	#	I	1371.64	@	.	-	*
Mon 10 Nov 08	#	I	1616.74	-	*	Thu 12 Mar 09	#	I	1436.10	@	.	-	*
Tue 11 Nov 08	#	I	1580.90	-	*	Fri 13 Mar 09	#	I	1431.50	@	.	-	*
Wed 12 Nov 08	#	I	1499.21	-	*	Mon 16 Mar 09	#	I	1404.02	@	.	-	*
Thu 13 Nov 08	#	I	1596.70	-	*	Tue 17 Mar 09	#	I	1462.11	@	.	-	*
Fri 14 Nov 08	#	I	1516.85	-	*	Wed 18 Mar 09	#	I	1491.22	@	.	-	*
Mon 17 Nov 08	#	I	1482.05	-	*	Thu 19 Mar 09	#	I	1483.48	@	.	-	*
Tue 18 Nov 08	#	I	1483.27	-	*	Fri 20 Mar 09	#	I	1457.27	@	.	-	*
Wed 19 Nov 08	#	I	1386.42	-	*								

"Timer's Trend" is based on 4% and 10% exponential moving averages of the New York Stock Exchange or NASDAQ advance/decline lines (that is, the ratio of advancing to declining stocks). There are many symbols shown above, but the ones that count are the braces: {, } = "Timer's Trend" (4% exponential confirmed by 10% exponential) SELL ({) or BUY (}) signal.

NEXT ISSUE - should appear in April 2009. With the added work of getting a second house up and running, it is unlikely I will be able to get out 11 issues this year (July to June); but I will do my best.