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The Wall Street Sun and Storm Report™

Your daily warning system whether markets turn UP or DOWN!

Market Update as of 12-01-10: Got the Bounce.

Read the intraday mail if you have not already done so. We have exited the dollar trade. Some of you may not have if you are using a wider stop and that is fine. Just be sure to protect some reasonable portion of your profits. Currency related profits are ephemeral!

The stock markets rallied as it seemed they would, so everything is happening on cue. The cue deliverer today was Trichet in the morning and the IMF rumors following that.

On 11-29-2010 I wrote: So IF we see the US dollar index hit 82 and drop while the SP500 and CRB heads UP, then we could have a short term reversal on our hands. A close of the US dollar index above 81.78 will generate a long term buy signal, but we also need the short term signal of a **close over 82.03, so we'll use that second number to track our "second" US dollar index buy point.**

The dollar did not get that high so far at least, but the SP500 is over 1200 at 1206.07. Commodities did move up under oil's power. Oil is back up near resistance, so we have to see how it behaves here or toward the prior high.

The VIX dropped below the 50 day moving average and then bounced above it. It may be finding support there and could rally tomorrow, bringing down stocks.

The AAll numbers just came out at midnight and reveal 49.7% Bulls and 26.2% Bears. The Bull number is Bearish, but the Bear number would have more impact at about 20 or so than at 26ish. So sentiment is leaning to BEARISH somewhat, but it's not quite bearish enough yet to prevent more of a rally.

Slow Signal Review:

Right now the only long term sell signals are: BKX, DRG, HGX, 30 year Treasury Bond, and the US dollar.

Others that are getting close to triggering a longer term SELL are: BTK, DRG, OIH, UTY, PIN, AORD, and Oil.

NOTE: (from 11-26-2010) This is in "beta" testing so to speak. The "slow" signal, so will not trigger as easily OR as early as the short to intermediate term signals that you are used to. That means, if you follow the long term signal instead of the short-

intermediate signals, you may lose more before a SELL kicks in or not enter as quickly when a BUY kicks in based on the short-intermediate signals.

In terms of added risk from “slow signal methods,” you would have completely missed the 1987 crash using such slow signals. The crash would have been over before the signal went off. You would have gotten out near the bottom and then missed about half the recovery in the markets back to the pre-crash peak. So there are negatives to using such slow signals.

But one possible use of the signal is when it complements the short-intermediate signals. For example, you would not want to go long when faced with double negative signals in both the short-intermediate and slow signal systems. In the case of indices that were a slow signal SELL and a short-intermediate term BUY, you would be trading those positions while being careful to take profits rather than riding your profits back down. Those are some possible ways to use the information.

The rest is in the MTT below.

All the best!

David

<http://www.SunAndStormInvesting.com/>

See the Market Trend Table (MTT) below for further details.

Potential Bearish Targets for S&P 500 (SPX): these are just theoretical targets at this point. I want you to be aware of the possible risks, even though many of these seem extreme.

Mid-July low: 1056.88

Flash Crash Early May low: 1040.78

Early July low: 1027.37

50% retracement: 943.29

3rd wave down: 892.57 (remember if there is a 3rd wave the 5th wave can take you lower than the end of the 3rd wave down)

100% retracement: 666.89

CURRENT INTRADAY COMMENTS PAGE PASSWORD: mt

MARKET TREND TABLE

Eight Stage Market Ranking System		4 Stages each BULL-BEAR	B/S/H	COMMENTS
MAJOR INDICES				R = Resistance S= Support Dates in Month/Year format

				<p>12-01 Interestingly closed JUST below the April high on decreasing volume. 11-29 Still testing support so has not yet broken down. 11-26 Testing support. 11-18 Bounced from logical support. A rally back to the April high or even the Nov. high is possible. The dollar would have to break down again though. 11-17 Hold does not mean buy. Hold means there is a “danger of a bounce.” 11-16 At a bit of support now. 11-11 Another retest and survived so far. 11-10 Retested the breakout point and moved up! See comment →11-09 May retest the breakout and then move up, but it could fail there. 11-03 Testing the top. 10-25 Made a marginal new high below intraday high from 2 days ago. 10-21 Tested the April high area today and pulled back. 10-20 Buy close over April high. R @ 11851, 13080, 14198 (2007 high). S @ 10920.27, 10720, 10586, 10546, 10257, 9937 (Aug. low). BUY close over 11452. 11-04-10 bought close over 11258.01, 10-06 BUY 3: close over 10834. BUY 2 = close over 10720. SELL close below 10978 for tight stop on 2nd sell. 11-12: you may have already sold failure at breakout point.</p>
Dow Jones Industrials		Bull 3 from Bear 2	HOLD	
S&P 500 (SPX)		Bull 3	BUY-C	<p>12-01 Big bounce from support. As I said, the reaction off support was positive including high volume yesterday. 11-30 Back down to support. 11-29 Bounced from support and survived thus far. Positive reaction at support. Must follow through immediately though and clear 1200 in one day preferably. 11-24 Back up to R. 11-23 At some support. Could go either way. 11-19 An inside day. Did not make higher high or lower low than prior day. 11-18 Bounce from support with increasing volume. 11-17 At a bit of support. 11-12 Failed breakout after 3 days above the prior high. 11-11 Waffling back and forth at top. 11-10 managed to close back slightly above the prior breakout point by a point and a fraction! 11-09 You can use a stop or sell here and rebuy higher as needed, your choice. If you are Bull fundamentally, just use a wider stop. If you are a Bear, sell here and rebuy higher. 11-04 Over April high now. 11-03 Day 1 over prior high. You can buy for a lay-up to the April high, and then we'll see. 11-02 Retesting the last high. 11-01 Significant FAILURE today to make new high after the a.m. rally. 10-29 Admittedly could go either way. R @ 1219.80, 1227.08, 1313.15. S @ 1166, 1131.23, 1123.43, 1117.60, May - Sept. lows. BUY close over 1227.08. 10-13 bought close over 1173.57. 10-05 bought close over: 1157.16. SELL 2nd sell on close below 1173. Said sell and rebuy new high or SELL close below 1173 or 1131.23 if you want a wide stop. 11-12: sell at 1199.21.</p>
NASDAQ 100	NDX	Bull 3	HOLD	12-01 Closed below 11-24 high. A bit weaker than

				<p>desired. 11-29 May as well wait for close over 2201.06 at least. 11-26 Risky due to dollar rally and that rest of markets are weaker. 11-24 Risky trading buy because US dollar is still rallying. 11-22 Could be spot for a bounce. Buying here carries some risk due to R fairly close overhead. 11-18 Wait for new high. 11-12 First stop 2047. The last lower high at a significant top resulted in a major retracement. 11-11 Fell a bit and has formed the start of a lower high below the 2007 high. 11-03 You can buy here with a tight stop, but risk is growing every day for correction. 11-02 Buy close over 2239.23. If you want to try to eek out a few points between here and there, go ahead, but the risk has gone up. 10-27 Retesting the top. R @ 2007 highs. S @ 2055.63, 2038, 1940 (weak), 1919 (weak), May, June, July, and Aug. lows. BUY close over 2201.06. 11-24 bought close over 2151. Watch for reversal. 10-15 Bought close over 2060 SELL close. 11-16 Sold close below 2105</p>
NASDAQ		Bull 3	BUY-C	<p>12-01 Stronger than NDX; now over 11-24 high. Overhead R. 11-26 Overhead R. Just barely below the April intraday high. 11-24 Risky trading buy. 11-18 Up to R @ 235.28. 11-12 Reversal from false breakout. 11-11 Retested breakout today and survived so far. 11-04 Breakout. 11-02 Retesting April high and has not gone over. 11-01 Tested April high and failed. 10-27 Retesting the top. 10-25 New high. 10-14 Barely over May high. 10-08 Retesting the top. 10-07 Forming a top, but lower than NDX due to financial component that is not included in NDX. R @ 2551.47, 2593, 2007 highs. S @ 2435, 2416, 2341, 2307, 2156, June and Aug. lows. BUY close over 2535.28 (April high). 11-24 bought close over 2532.02. 11-04 bought close over 2551.47. 11-03 bought close over 2535.28 (note nearby resistance). 10-13 bought close over 2434.29. 9-17 BUY 3 = close over 2310 but R @ 2341. BUY 2 = close over 2229. BUY 1 was close over 2154.99. SELL close below 2435.</p>
S&P Midcap 400		Bull 4 from Bull 3	BUY-C	<p>12-01 Not any more; succeeded at breakout. 11-30 Failed breakout. Won't call it sell yet, but could sell here and rebuy higher close. 11-26 Could be forming a double top. 11-12 Sell signal. Failed breakout at important top. 11-10 Back above the breakout today. Could have been a waffle yesterday. Won't know until 2 days have passed! 11-09 Reversal at major top. Has to close above the recent high to reverse this signal. 10-27 Retesting breakout point. 10-25 Marginal new high. 10-20 Barely above May high. R @ 897.37, 924.07, 926.67. S @ 785.02, 777.47, 72.-06, May through Aug. lows. BUY 12-01 bought close over 864.02. 11-04: bought</p>

				close over 852.90. 10-13 bought close over 819.75. BUY 2: Close over: 785.02. SELL close below 826.80.
Russell 2000		Bull 3	HOLD	11-26 Could be a double top. 11-24 Back up at R. 11-12 Sell here. Rebuy new high. Double topped at April high. 11-10 Back up testing the high. 11-09 Not a good sign. Failure at a major top. Has to close above the recent high to reverse this signal. 11-02 Retesting the top. 11-01 Dropping down toward base of consolidation of last few days. 10-25 Failed to make new high. 10-18 Lower high than May high. SELL-C and rebuy lower. 10-15 Approaching the May high. 10-05 Breakout. Day 1 despite pullback yesterday. 10-04 Sell here or scale out. Failed breakout at top. R @ 745.95. S @ 689, 677.15, 672.16, May to Aug. lows. BUY close over 745.95. Bought close over 719.70 w overhead R at April high. 10-05 bought close over: 677.15. SELL close below 701.43. 9-23 Here or below 643.05.
Russell 2000 Growth	IWO	Bull 4 from Bull 3	BUY-C	12-01 Now breakout succeeds! 11-30 Failed breakout. See SELL block below. 11-29 Retesting the high. 11-18 Bouncing. 11-12 Has not yet reversed. 11-11 Could be forming a lower high but has not broken down yet. 11-02 Retesting the 2008 top. 10-19 Turned back from MAY high. 10-08 Near R. 10-04 Sell close below 73.64. 9-24 At R but above breakout point, so just needs to clear 74.23. 9-23 Clearly reversed at top. 9-22 The SELL-C here is aggressive, so you can use a stop if you prefer. Reversed from top. 9-21 Reversed at top. Not a great sign. 9-20 Close was < 1 point above our BUY, so you might want to wait another day R @ 82.39, 82.68. S @ 75.85, 74.49, 73.64, 72.54, 70.24, 68.77, June, July, Aug. lows. BUY close over 82.68. 11-03 bought close over 79.32. 10-13 bought close over 76.97. 9-28-10: BOUGHT close over 74.23 SELL close below 77 for wider stop. 11-30 Could sell here and rebuy higher given failed breakout. May NOT fail of course. 11-16 sold close below 79.47.
Russell 2000 Value	IWN	Bull 3	HOLD	11-18 Bouncing from support. 11-12 The signal change is arguable, but there is a lower high vs. the May high. 11-10 Testing May high. 11-04 Ran a bit far for one day. May pull back a bit. 11-02 Retesting the top. 11-01 Very weak. Closed below lows of prior thirteen days. 10-28 Staying a bit above June high for now. 10-21 In danger of slipping below the breakout. 10-12 Barely over so wait one day; buy intraday with stop if you like, because could reverse. 10-08 Ready to challenge resistance. 10-07 The small cap value but not growth has FAILED to make a high above the June high. 10-04 Failed

				breakout! 9-30 Failed breakout. Set your stops. 9-24 At R. 9-21 Reversed at top today. R @ 68.58, 71.27. S @ 65.69, 63.84, 63.44, 62.03, 60.29, July, Aug lows. BUY close over 68.58. 11-04 Bought close over 65.69. 10-13 bought close over 63.84. BUY 2 = close over 60.16 SELL close below 63.44 for slightly wider stop. 11-16 sold close or move below 65.60 for recent buys
BONDS				
10 year Treas. Note		Bear 3 from Bear 2	SELL-C	12-01 Tricky SELL here because it closed 0.01 above the target yield. 11-29 Rallying a bit and could continue. 30 year is now rallying a bit too. 11-26 Support is still holding thus far, but not for the 30 year. 11-24 Down to support. 11-23 Rally may go further. 11-22 Rallied from support a bit today. 11-18 Bounced off same support. 11-16 just bounced from some support. Has not changed directions yet though. 11-10 Failed breakdown today at support of 2.720% yield, but the yield change from the prior day was not much. 11-05 CAUTION: the 30 year is headed the other way into Bear territory. 10-29 If the 30 year bond drops below a yield of 3.958%, the 10 year could follow. 10-26 The weakness is significant. May be signaling an important trend. Catching up with the 30 year Treasury. Yield R 2.885, 2.960 Yield S @ @ 2.728, 2.720, 2.619 BUY close below 2.802% yield. 10-06 BUY close below 2.419 yield. 9-20 bought close below 2.665% yield. SELL 12-01 sold close ABOVE: 2.963% yield. 10-12 sold close of yield above 2.419%.
30 year Treas. Bond		Bear 3	HOLD	12-01 Close to Bear 4 signal now. 11-29 Rallied a bit. 11-24 Stocks rallied; bonds fell. 11-23 Rally may go further. 11-06 The Federal Reserve is winning the battle and losing the war it seems. 11-03 Sell again on close through 4.075 yield. 11-02 Closed below the Sept. high so now a HOLD. That move today could signify a trend reversal which would be Bullish for stocks. 10-19 Treasuries did rally somewhat along with dollar strength. Yields could fall again to Aug. lows. May not, but it's not out of the question. 10-08 The possibility of a sell-off continuing looks better with the 30 yr than the 10 yr. 0-06 Has not followed the 10 year so far. Maybe thinking out 30 years at such low rates is more than the market can do! Yield R @ 4.402. Yield S @ 4.013% and 3.982% yield. BUY close BELOW 3.958% yield. SELL close above. 4.298% yield. Sold close above 4.075% yield. 10-12 sold close above 3.770%yield.
Corporate Bonds	LQD	Bear 2	SELL	11-11 Looks like it could fall to 107.88. 11-10 Support is @111.58. 10-28 On a bit of support. If breaks here,

				<p>could fall to 107.63. 10-14 Could be a correction or something more. 10-11 Bonds are very stretched so this is a trading buy only. 9-23 Back to double top. Buy breakout above 112.58. 9-16 Pulling back again and may break to next level. 9-1 Trend would be about 110 or even as low as 107.59. 8-27 Could fall back to trend. Lighten up on your bond positions if you are out of balance in your portfolio. 8-16 Stretched went to much more stretched. Risk higher now. R @ 2003-2004 levels S @ 108.02, 107.88 BUY close over 113.25 SELL 11-24 sold close below 110.32 (SELL 2) 10-14 Sell 1.</p>
Junk Bonds	HYG	Bear 2	HOLD	<p>11-23 Broke support. 11-18 Bounced from support. Corporates have not followed. Not yet. 11-10 88.91 is next downside target. 10-11 A bit stretched. 9-10 This will clearly not work if the stock market does not follow HYG up. 9-1 That was a good buying point. 8-24 NOTE: Junk bonds will not do well if the sell-off becomes very deep. See my Twits from today. R @ 92. S @ 85.60 and August low. BUY Bought close over 87.85. Bought near S. SELL 11-16 sold close below 88.91.</p>
				Check premium/discount of ETFs before buying
SECTORS				
Amex Biotech	BTK	Bear 2	HOLD	<p>11-30 At base of consolidation but broke below ALL the low closes of the consolidation. 11-29 Waffle once and you could waffle several times! Bounced off the recent support today. At some point it may give way BUT a breakout should be bought. 11-24 Waffled back up. 11-23 Back to trend line support. In any dramatic market move, biotech will not be immune to correction. 11-18 Waffled back up. These are not true signals. See below. 11-16 Waffled back down. Waffles are often NOT good buys! 11-15 Waffled back up. Could break down with market. Consider BUY parameters below. 11-12 Sitting on some support. 11-10 Bounced a bit off of support. 11-09 On some support. 11-04 One of the weaker markets today. 11-03 Going back to retest the high at least. 10-29 Coming down again on daily chart. 10-28 Failed breakout. R @ May and April highs. S @ 1128, 1123, 1038, 1002, and 975 (July low). BUY close over 1192.25 and 1260.62. 10-18 bought close over 1175. 10-05 Bought close over 1170.98, May and March highs. BUY 2: close over 1153.36. SELL Three possible stops: 1. 1151.79, 1147, 1136.25, and 1109.</p>
Amex Pharma	DRG	Bear 2 from Bear 3	BUY-C	12-01 Broke back above support. Could rally from here so trading buy. Use stop though. 11-30 Broke

				<p>MORE support. Investors have now given up about 50% of the gains from the June low!!! 11-24 Below trend line now. 11-18 Bounce off base of channel. If entire market goes down, drugs will too though so have a stop. 11-16 On trend line support now. 11-12 Keeps falling. 11-09 The market is just saying no to drugs. Since the election and even before the drugs began underperforming due to the perceived risk of having part of the health bill reversed. 11-05 Buy close over 314.59. 10-27 Could easily pull back to 305 to start with. 10-21 Falling into channel. Vulnerable. R @ 311.64, Jan high. S @ 293, Aug, June and July lows. BUY: close over 314.59. 10-12 bought close over 313.50. BUY 2 = 269.02 SELL sell close below 298.45, but close was 298.13 which is a bit too close. Wait one more day. 11-11 sold close below 302 for tight stop or 292 for a looser one.</p>
Amex Gold Bugs	HUI	Bull 3	HOLD	<p>11-30 Must close above 555.00. 11-23 Shows that gold stocks will often move down with market in flight to safety. Gold was UP while HUI was lower today. 11-22 May go back to old high at least. 11-18 Blip up in downtrend so far. 11-16 About to challenge the breakout point of 519.68. Could go somewhat through there intraday and then bounce tomorrow. That bounce may not stick. 11-15 Closed below closes of past seven closes. Is on a bit of intraday support, but it could give way to about 517 and then we see. 11-10 Retraced about half of the fall from yesterday. Can still move down of course. 50% retracements occur commonly. A new closing high may bring fresh intraday highs. 11-09 Was a key reversal day with a higher high and a lower low, and closing down for the day (I prefer near the low for the day, which it did.). 1st support is at breakout of 536.88. 11-08 Stretched. Caution. R @ 588.15. S @ 544.77, 536.88 (breakout), 525, 514, 490.37, 476, 448.59, 443, then July lows. BUY Scale in over time. Big jump up today, so could ease back a bit. 11-04-10 bought close over 536.07. 10-13 bought close over 533.14. You can buy for 1st time too right here, but realize it may reverse. 10-05 BUY close over 555.00 but watch it at 567.91 and behavior at intraday high of 588.15. SELL close below 525 if want tight stop and/or 490.37 and consider averaging out here.</p>
Amex Oil	XOI	Bull 3	HOLD	<p>12-01 Now going somewhere - up to retest. 11-29 Bounced from support but went no where. Oil was stronger today though. 11-23 Back to some support. 11-18 Some strength but stick to numbers below. 11-16 As usual, sometimes selling the top is cleaner than selling after the market starts to crack. 11-12 Wait for new high. Failed breakout. 11-11 Scale in. Day 1. 11-</p>

				<p>10 Oil itself is now one day over the top, so the XOI can break out too if oil does not hesitate and reverse course. 11-09 Reversing at high. 11-03 Retesting high. Oil went through the Oct. high and is headed to the April high. 10-19 Could sell here and rebuy on support or a bounce from support. 10-12 Oil made marginal new high R @ June and Aug highs. S @ 1103.46, 1058.57, 1011. May through Aug. lows. BUY close over 1142.46. 11-11 bought close over April high of 1134.91. Already past the 1103.46. Buy 3 = close over 1047.22. Buy 2 = Close over 1029.20 SELL close below 1060 if you have not sold yet. Took some profits at the retest of the April high and rebuy higher if necessary.</p>
Natural Gas	XNG	Bull 3	HOLD	<p>12-01 Headed up for retest. 11-26 Sell here or on close below 546. 11-12 Sell close below 567. Lower high formed. Buy new high only. 11-10 Pulled off April top. Could still go through, but it's a point where you could take profits and buy higher as needed. 11-03 Testing recent high. 11-02 Could now head to April high. 10-29 Moving up to retest the June high. 10-28 Between June and July highs. Still looks like it could come down some more though. 10-19 Did fail for now. 10-14 Could fail right here. Must close over 553.55. 10-08 Rose above Aug. high, now challenging the June high. 10-07 Failed breakout. If it does not make a new high tomorrow, it will be a trading SELL based on that failed breakout. 10-06 Just over Aug. high. R @ 553.55 though. R @ 568.73 and 584.86. S @ 556, 546, 531, 518, 505, May, July, Aug. lows. BUY close over 584.86. 11-04 bought close over 559.50. 10-18 Bought close over 553.55. 10-06 bought close over 538.94 (note overhead R at 553.55) BUY 2 on close over 519.16 SELL 11-26 sold close below 560.79. 11-23 sold close below 567 or sell close below 545 if you want a wider stop.</p>
Oil Service (Philly)	OSX	Bull 4 from Bull 3	BUY-C	<p>12-01 Clear Day 1 breakout. 11-18 Retesting the high. 11-12 Lower high, just under April high. Does not yet mean will fail but risk shot up! From past pullbacks, I would say that if tomorrow is another significant down day (not a 0.01 point fall for ex.), the index should pull back to around 202.27 to start with. 11-10 Retesting top. 11-09 Failed breakout today. 11-08 Stretched. 11-01 Still above mid-Oct. high. 10-29 Could be a double top. 10-28 Could be a waffle, but pulled back below last breakout. 10-27 Broke out again! 10-22 Back above channel line. 10-21 Broke back below channel top. R @ 229.25. S @ 202.27, 190, 193, 191.49, 189, 188, 180.59, 168.68, Aug., June and July lows. BUY 12-01 bought close over 229.62. 11-04 bought</p>

				close over 218.66 11-01 bought close over 210.35. 10-12 bought close over 201.71. BOUGHT close over 191.49. SELL close below 214.93 if you have not sold. 11-16 Sold close below 220.
DJ Transports	DJT	Bull 4 from Bull 3	BUY-C	12-01 Breakout. 11-24 Retesting high. 11-18 back above the April high. 11-15 Could easily break BUT it is above the breakout point as noted on 11-12. 11-12 Just above the closing high of 4806.01. So could wait for close below there. 11-10 Tested breakout and moved up. 11-09 Testing breakout point. 11-03 Breakout to new high. 11-02 Now a few points over the prior high in April. Could reverse, so you might want to wait a day. 10-25 Failed breakout. 10-19 Sell if you will rebuy higher high. 10-13 Back at R. R @ 5200, 5487, 5536. S @ 4525, 4417, 4261, 4054, 4011 BUY new recent high over 4957.21. 11-02 bought close over 4813. 10-08 bought close over 4614 if you have not bought. BUY 1= close over 4350.12 SELL close below 4678 or 4525 for wide stop. 11-16 Sold close below of 4806.01 for tight stop if you are willing to rebuy
Utility Index (Philly)	UTY	Bear 2	BUY-C	12-01 Buy bounce. 11-29 Some support around 410. 11-12 Could head to 409. 11-05 A bit above support. 11-02 Bounced from support today. 10-28 Holding up on a bit of support. 10-18 Breakout is still intact. 10-11 Almost at top of 12-2009. 9-23 Utilities index correlates with SPX, so if you are trading part or all of your position, it would be better to sell at this top and rebuy higher if needed. 9-7 Reversed breakout. May pull back or could be retest of breakout area. Decide on your stop. 9-1 Stopped right at R today. R @ Dec. and July highs S @ 409.75, major lows from Nov – August. BUY close over 435.65. Buy here with overhead R @ 435.65. 10-18 Bought close over 429.89. Bought close over 421.74, w R at Dec. high. SELL close below 414.87 for older trading positions. 11-16 2 nd sell on close below 420.18. Said: sell near Oct or Nov high and rebuy higher w/ trading positions. Consider 403.42 stop if you want a wider stop. Has been swinging UP and DOWN over and over.
BANKING/REAL ESTATE				
BKX (KBW Banking)	BKX	BULL-1 from Bear 4	BUY-C	12-01 Trading buy. Survived the Oct. lows. 11-29 Rally today did not take the index back above the low closes for Oct. to Nov. That is WEAK despite the strength. A close above 45.12 would be the start of a reversal. 11-23 Breach of support makes the August low most likely target. 11-22 If you did not sell close below 45.43, you could wait until a close below 44.66 for a

				<p>wider stop. 11-18 Repelled from resistance. 11-16 More downside it appears. 44.66 may hold this move down initially at least. 11-12 Could easily fall to October lows. 11-11 Pulled back below Sept and Oct. highs. 11-10 Stronger today, but back up at R and could go either way. 11-08 Weak. Back below Sept. and Oct. highs. 11-03 Came off the bottom with QE2. More free money for banking. 11-02 New recent closing low. Not a positive for the overall stock market. 10-26 Close to breaking down to Aug. low but cannot exclude bounce from this support level. 10-19 If you have not sold, sell close below 45.43. 10-18 Back above the mid-Sept. low. R @ 50.33, 51.16, May and April highs. S @ 46.69, 45.43, 44.66, 42.70 BUY close over 49.65. BUY 2 = close above down trend line. SELL here or on close below recent low of 44.48. 11-26 sold close below 44.66. 11-22 Sold close below 45.43 10-07 Sell HERE or on close below 45.43.</p>
MSCI US REIT		Bear 2	HOLD	<p>12-01 Could just be a laggard or a sign of a change in sentiment toward commercial real estate. Did not move in synch with market today. Underperformed. 11-24 Turned up with the market. Back up to R, but not over it. 11-23 Could turn either way. 11-18 Bouncing from support. 11-16 Near support at about 703. 11-12 On initial support now. Next stop: 704.23 before or after a bounce. 11-11 Fell back below trend line. 11-10 Below the prior breakout still but back slightly above the up trend line and above the low of 10-28-10. Could go either way at this point. 11-08 Look at feed article from today. Broke up trend line and closed below prior breakout point. 11-04 Breakout. 11-01 Holding above breakout area for now. R @ 916, 960, 1080, 1238. S @ 741.04, 740.59, 704.23, 703, 658.73 (Aug low), 642, May - July lows, BUY close over 748.91. 11-22 Buy here and stop of 703.63. 11-04 bought close over 771.05. 10-13 bought close over 748.91. SELL: close below 697. If you are using a wider stop, but we'll record that we sold here: 11-15: sold close below 740.59 or 704.23 if you want a wider stop. Can sell near top on close below 745.44 and rebuy if needed or use a wider stop.</p>
US Housing (Philly)	HGX	Bull 3 from Bull 1	HOLD	<p>12-01 Very strong and could at least retop. 11-12 Could hold support at 96.93ish. 11-10 Waffling (see def. below) 11-04 Buy close over 103.99. 11-02 Sudden enthusiastic move today back into prior consolidation area, now acting as resistance. 10-29 Close was not coincidentally 93.80, just 0.01 below the breakdown point. 10-28 Housing is slipping quietly downward ahead o the rest of the market. 10-27 Day 1 of SELL signal. It</p>

				<p>is still above the recent intraday low, but it looks vulnerable to sell-off to Aug. low. 10-26 Waffling back and forth. R @ 103.99. S @ 94.70, 93.00, 92.27, 87.57, July low. BUY close over 104.29. 11-04 BUY 1: buy close over 98.94. SELL if you have not sold, sell close below 95. Sold 11-12: due to close below closes of past 6 days</p>
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FOREIGN MARKETS				R = Resistance S= Support Dates in Month/Year format
Australia	AORD	Bear 2	HOLD	<p>11-29 On some support. 11-22 Could be a waffle back and forth. 11-15 Falling in channel. 10-26 Failed breakout. 10-18 Weakening at this top. 10-14 Buy close over 4773.50. 10-08 Buy close over 4743.30. 10-07 Barely over so I'd prefer waiting a day. Check overnight and am US market reaction before jumping in. 10-06 At R. Will be buy over the top. R @ 4897.50, 4981.20, 5048.60. S @ 4706, 4616, 4598, May thru Aug. lows. BUY close over 4783 and then over 4897.50. 11-04 bought close over 4794.50. 10-11 bought close over 4743.30. BUY 3 on close over 4710.50. BUY 2 close over 4641.30; BUY 1 was close over 4524 SELL close below 4641.30 (breakout point) or 4616 if you want a wider stop.</p>
Canada	TSX	Bull 4 from Bull 3	BUY-C	<p>12-01 Big Oh Canada! Breakout. 11-23 Could sell here and rebuy higher high or use stop noted below. 11-16 Bounced from initial support. 11-16 Bounced a bit off of support at 12497. 11-12 12482-12505 is next most likely. 11-10 Looks like it might drop a bit at least and retest 12759.06. 11-09 Looks stretched and had key reversal day today. Negative short term. 11-04 Breakout for Oh Canada! R @ around 13650ish. S @ 12482-12505, 12487, 12005, 11926, numerous lows from May to Aug. BUY 12-01 bought close over 13114.05. 11-04 Bought close over 12710.19. BUY 2 = close over 12322. BUY 1 = 11878.36 SELL Sell close below 12501. 10-04: Retesting breakout point. Sell close below 12321.76. 9-23 Sell here; scale out if you like and rebuy close over April high. For BUY 2 sell reversal of breakout above 12081. Scale out further on close below 11997.</p>
China	FXI	Bear 2	HOLD	<p>12-01 Could be one day bounce or reversal. 11-26 Dropping fast. 11-22 Testing support and may hold. 11-19 Sitting on support now. 11-18 Went slightly through support on prior 2 days and bounced today. 11-10 Retested breakout and survived today. Must now</p>

				<p>close at new daily high. 11-09 Retesting 46.66 breakout. 11-03 Breakout with Hang Seng. 11-02 Up on lower volume which is Bearish but may retest the top. 11-01 Closed gap but weak. R @ 55.00, 65.93, 73.19. S @ 44.65, 44.39, 42.75, 42.00, 40.97, Feb. to Aug. lows. BUY AGAIN if you haven't on close over 45.34. 11-03 bought close over 46.66. 10-12 bought close over 44.60. BUY 2 = close over 42.53 (BUY 2) w R close above. SELL 11-23 sold close below 43.85. 11-15 SELL here or sell close below 44.39 or 40.49 depending on how tight a stop you prefer.</p>
Europe	VGK	Bear 2	HOLD	<p>12-01 Big bounce and could go farther, but I'd stay clear. More surprises likely. 11-24 Stay away from Europe for a while. 11-23 Sell. 11-22 On support. 11-11 Europe feels more dangerous lately. I'd lighten up. Euro falling and stocks falling together. 11-09 Could sell here and rebuy new high or set stop below. 11-08 Pulling back from last high. 11-02 Just below high of 51.96. 10-19 A bit close to the breakout point of 50.17. Could wait one more day R @ 49.74, 47.94 and April highs S @ 47.94, 47.72, 47.16, 45.97, May – Aug. lows. BUY close over 51.96. R @ last high. 10-13 Bought close over 51.11. 9-20 BUY 2 over 47.94 w overhead R at April high. BUY 1 was close over 46.04 SELL 11-23 sold close below 49.74. 10-19 sold close below breakout. Failed breakout. 9-23 SELL here on reversal of breakout on close below (10-04) 47.94 if you want a wider stop.</p>
Hang Seng	HSI	Bear 2	HOLD	<p>12-01 Check overnight. 11-23 Failed support. Admit is a tricky sell point because there is some support at the 10-29-10 low of 22880. 11-18 Bouncing from support. Could go further. Trading buy on close over 23866.87. 11-12 Quite stretched and can come down to 22918 and still be in a Bull move. 11-02 Could make a new high in the overnight market. Would be another BUY point. 11-01 So far WAS a waffle as it moved back up above the breakout. Now don't rebuy until it makes a brand new high. 10-29 Sell at the top or use a stop lower than this if you like. Now it is just barely below the breakout, so you could wait one more day to be sure it's not a "waffle" around a retest point. R @ 22880.68, 24988, 26387, 29962, 31897. S @ 22389, 21789, 21470, 21388, 21102, 20774, 20536. BUY close over 23867. BUY 5: 10-12 bought close over 23100. 10-06 BUY 4 Bought close over 22672. 10-04 Buy 3 close over 22389 but w overhead R. 9-17 BUY 2 close over 21806. BUY 1: was close over 20958. SELL close below 23076.</p>

India	PIN	Bear 2 from Bear 3	BUY-C	<p>12-01 Was finding support and found it and jumped up. Could bounce. Risk is inherent due to huge bounce. 11-30 Looks like it is trying to find support here. 23.07 is your get out point if you want to risk an entry here. Now down 12% from high. 11-26 Could bounce soon, but no guarantee. 11-18 23.62 was the breakout point. Came down to 23.99. Was that it for the pullback? 23.23 is the next downside target. 11-16 In multi-day crash essentially. The crash may stop though once the stretch has been taken out of the chart. 23.62 may stop it for a bit. 11-15 Table should have said Bear 2 SELL yesterday. 11-12 Support has been broken (Oct. lows). 11-03 This may be a buying point. Buy close over 26.03 with R @ 26.52 though. R @ 27.28. S @ 23.62, 23.03, 21.97 BUY close over 27.28. Bought close over 23.62 (new INTRADAY high) SELL close below 23.07. 11-15 sold close below 25.10</p>
Nikkei 225	Nikkei	Bull 3	HOLD	<p>11-30 Double top until proven by breakout above recent high. 11-26 Could be a double top. 11-18 Strengthening by falling yen. 11-15 Being helped by falling yen. But won't hold up forever if rest of markets start to slide. 11-04 Buy EWJ on close over 10.28. 10-27 Sitting on support. Could break down OR bounce, but will likely follow US markets. 10-15 Weakening within consolidation. 10-14 Finally building some sort of base. 9-30 Very weak and could easily fall again to prior lows. 9-22 Stopped at R. 9-18 Buy EWJ over 9.94. 9-14 Rallying in overnight market due to BOJ intervention in yen trade. R @ 10252, 10767, 10910, 11408. S @ 9717, 9456, 9332.19, 9124, 8998, 8796, then no support until distant 2009 lows believe it or not! BUY close over 10251.90. 11-18 new high close over 9885.37. 11-10: Bought close over 9808. Could buy as early as close over 9705. BUY 2 = close over 9379. If you bought close over 9231, HOLD and use tight stop. Could be a fakeout area, so can use a tight stop up there. Risk due to fact that down trend is among the "sickest" in the world. SELL close below 9716.</p>
Emerging Markets	VWO	Bull 3 from Bear 2	HOLD	<p>11-26 Sell intraday move or close below 46.46. 11-24 Waffled back up. It could rally, but not likely if the US dollar remains strong. Although it DOES help the competitiveness of foreign economies to have a weak US dollar. 11-22 May have found some support and could rally. Some risk obviously if dollar keeps going up. 11-18 Bouncing from support. Could be trading buy. Depends on the US dollar. 11-17 Sitting on some support. 11-16 Just above my sell point. 11-12 Correcting (see below for sell signal) 11-02 Another</p>

			<p>breakout! Day 1. 11-01 Retesting top. 10-22 Buy close over 46.79. 10-08. If you have not bought, buy close over 46.98. 10-05 Stretched and may pull back, but very strong. 10-04 Vulnerable. Good short candidate as mentioned intraday. 10-01 Extremely strong and ahead of US markets. Is a bit stretched now. R @ 54.16 S @ 45.77, 42.36, 40.06, Feb – July lows. BUY close over 47.69 with R @ 49.33. BUY 5: 11-02 bought close over 47.69. 10-13 bought close over 47.04 if you have not bought yet. THEN buy close over 54.16. BUY 3 =close over 43.98. BUY 2 = close over 43.04. BUY 1 = close over 42.30. It's not the best buy because it's stretched now. SELL 11-29 sold intraday move or close below 46.46. 11-23 sold close below 45.77 or 43.98 depending on how tight a stop you would like.</p>
US DOLLAR INDEX		Bull 2	<p>12-01 Closed just above low for yesterday. So was not miserably weak, just weak. 11-30 Easy money has been made. Now we'll have to see how bad Europe gets. Protect your profits. I would not give up over 50% of them at most. Perhaps 25%. It's like "free money" since you will be holding US dollars after selling either the EUO or UUP or closing your short in FXE. 11-29 The question concerning the dollar index trade is what to do once it hits the initial target of 82. I expect resistance to show up at 82 to 83.56, the high in August. 11-26 Should move to about 82 in this move. Then we see. 11-23 Stay with the dollar. Looks like 82ish is next stop. 11-19 On brink of breaking support. 11-18 Pulled back but not lethal yet. I would really not like to see it move/close below 78.41. Sometimes these numbers are challenged to trip off stops and then the market will move up again, so a close in NY would be more definite than an intraday swoon unless severe. The fall of the yen is helping to ward off effects of Euro strength on the index. See website for Euro numbers. They will be there by the am. 11-16 Was a buy yesterday. Further gains today. 82.07 should be reachable. Then we see. Expect some pullbacks on the way up. 11-12 Should break out on move intraday through 78.48 or with close over 78.36. Was a false intraday breakout over 78.36 the other day and it got to that 78.48 level. 11-10 Retest 11-09 Buy close over 78.36. Could then trade back to the Aug low. 11-08 Close over 76.98 is positive for rally. Buy close over 78.36. Follow the dollar index on MarketWatch. http://www.marketwatch.com/investing/index/DXY 10-14 Bounced from long term up trend line coming up from 2008 and 2009 lows. 10-12 Attempting to find a bottom. Brave buyers can get a head start, then scale in. Or wait for more strength first. R @ 76.14, 78.28, 79.23, 82.27.</p>

				<p>S @ 74.23, 70.70. BUY 11-16 Second buy signal. 11-15 bought close over 78.36. SELL close below 76.71. 11-04 sold close below 76.14. Close below SELL 2 = 80.08. ; SELL 1 = 82.62</p>
				<p>R = Resistance S= Support Dates in Month/Year format</p>
COMMODITIES				
Except GLD based on near month futures prices				
CRB Index		Bull 4	BUY-C	<p>12-01 Oil is approaching R, but did rally supporting the lift in commodities. 11-30 I have mixed feelings about commodities as in the CRB index due to its oil weighting. With oil coming off a high and a failed breakout. 11-29 Essentially has held support since the last comment on 11-17 and now is just barely over the consolidation of the past 7 trading days. Trading buy only with tight stop. 11-17 Could bounce from here as there is some support. Downside is likely not over though. 11-16 Moving down to at least test the breakout at 293.75. 11-15 Buy new high only. Correcting. 11-12 On a bit of support, but the correction probably has more to go. First target would be 293.75, the prior breakout. The stretch SNAPPED on Friday and the silver rout the other day was the hint it was about to do so. 11-11 Stretched so go slow on scale in. Could pull back quite a bit and still be in up trend. 11-10 Oil broke out so CRB could now continue its climb. 11-09 Oil is topy, so CRB may pull back tomorrow. 11-08 Getting a bit stretched R @ 325, 361, 466. S @ 270, 269.47 (weak support), 268, May - July lows. BUY: close over 301.83. 10-08 bought close over 293.75. Bought close over 270.98. and then 280.69. SELL 10-07: Sell HERE OR ON close below 280.69</p>
Gold	GLD	Bull 3	BUY-C	<p>12-01 Gold looks a bit hesitant here. Hanging out just above the Oct. high. Could be a sloppy head and shoulders, but have to favor the breakout until it reverses. 11-30 Gap could be filled to downside. 133.75 is the target. It could retest the high before then however. 11-29 Gold was actually very weak today because it tested the gap at 133.74 going to 133.75 and pulled down from there. It has found some support, but the bounce is muted thus far. 11-26 Gold moved down with an up dollar Friday. Scenario is Dollar up Gold down Stocks down for now. Can sell here or wait for a stop to trip (See below). 11-23 Close over 134.46 is next buying point. 11-18 Bouncing from support. 11-17 Could bounce a bit from support. Won't though if the dollar is too strong. 11-16 Found a bit of support and can bounce a bit. It won't necessarily bounce, but could. I believe GLD may pull back to 123.56 in this move (prior breakout). R @ No resistance on a</p>

			historical basis since new high. That does not mean it can't pullback when stretched. S @ 128.72, 123.56, 122, 119.54, 113.08. BUY close over 135.07. 9-14-10 bought close over 123.56. SELL 11-26 or sell close below 131.34, 129.83, or 128.72 depending on the stop you prefer. 11-15 Sold trading positions on close below 134.85.
Light Sweet Crude Oil	Bull 3	HOLD	12-01 At R. 11-30 Sell off today was brisk and below prior high which was subject to a false breakout in the first half of Nov. 11-22 Sitting on support. 11-18 Need close over 82.97 to show strength. 11-12 False breakout has just broken down. Failed new high after TWO days over prior high. CLASSIC failed breakout. Trading sell. Rebuy new recent high. 80.46 first target. 11-11 Staying above the April high. Scale in. 11-10 Day 1 over top. 11-09 Very close to top. No sense in buying here. Wait for new high. 11-03 Through the Oct. high headed to 87.15. 11-02 Back retesting intraday highs from early October. 11-01 Retesting high again. 10-15 Forming massive head and shoulders that if culminated will bring oil back to the low 50's. R @ 87.15 S @ 79.00, 78.04, May through Aug. lows. BUY close over 84.53. 10-06 bought close over 82.97. BUY 2 close over 75.59 SELL close below 79.25. 10-14 Sold coming off double top below 82.97.
			R = Resistance S= Support Dates in Month/Year format

Check premium/discount of ETFs before buying

R = Resistance S= Support

BUY-C = Conditional BUY. Check comments for correct set-up for BUY.

SELL-C = Conditional SELL. Check comments for correct set-up for SELL.

Low or high: refer to intraday low or intraday high, respectively, unless otherwise specified.

Waffle: Price moving back and forth between two signals at least once.

Commas separate distinct values as in "S @ 42.34, May low." Both 42.34 AND May low = support levels.

NOTE:

It's important to always check the premium/discount of a fund from net asset value prior to buying. Some funds may be priced as much as 60% above their value. It would greatly increase your risk to buy at such a premium as the fund could return to the value of its assets over a period of time. Remember that just because a market is listed as a BUY, SELL, or HOLD does not mean that you should take that action. Your plan may be to buy on the way down for example despite of the trend. Please make your own decisions. Also realize that signals may reverse 1 or 2 days following their occurrence. Breakouts and apparent breakdowns may reverse course even after 3 days above/below the break point, so remain alert! Consider scaling in and out of markets rather than selling or buying an entire position on one day. Realize that ETFs that are supposed to mimic the indices may sometimes anticipate a market move ahead of the index, so you may want to check to see if the ETF is over the same resistance or has closed below the same support on the chart as the index itself before buying or selling, respectively. The "flash crash" lows of May 6, 2010 showed how far an ETF can deviate from an index over a short period of time. Finally, **SPX** is not a stock/ETF symbol; it's an abbreviation normally used with S&P 500 index options. Due to its ability to be typed quickly, I'll be using "SPX" often as a shorthand to the cumbersome S&P 500!

Further Comments: Realize the support levels cited do not represent numbers that you have to or even should necessarily use as stops. You may be able to afford a wider stop because of where you bought the given index for example. You may be buying a breakout and may then use the breakout point as your stop should the price close below it. In other words, use your judgment as usual for both buying and selling.

Buying points vary in their reward: risk setup as I discuss often. You should attempt to judge how far away resistance is to your buying point and how far below support is. The reward should always be double or more than the risk when you set up your stop in advance. If not, find something else to invest in! Do not force an investment or trade to work when it doesn't. There is more on this on my "Buying Checklist" page on the website.

I will often move an index to a "HOLD" if it is too close to important resistance (R), because what is the point of buying an index if it is about to fall from that resistance level? So when a resistance level is very close, it's best to make the "index" prove itself by moving above resistance, while being alert to possible false breakouts. The same thing goes for breaches of support. One or two days below a key level does not mean there will be a failure necessarily, which is why scaling out of a downturn or scaling into a rally is often more sensible than jumping in one move. The bottom line is that "HOLD" does not mean SELL. It could mean that we've bought earlier, but there is overhead resistance for example. And some BUYS are better BUYS than others especially if resistance is just overhead.

Standard Disclaimer: It's your money and your decision as to how to invest it. The contents of the website, the newsletter (including all reports and emails sent pre-market, intraday, and those following the close) and the Market Trend Table are our opinion only and should not be taken as investment advice. Given your personal investment plan, it may be better for you to buy when others are selling or sell when others are buying. The information we provide should not be construed as telling you what to do or what to believe. You are invited to make up your own mind. The ETFs discussed in the newsletter text and noted in the MTT are just used to follow a given index and are not the vehicles that you should necessarily use to trade or invest in the given market. They are used simply to track a given market's behavior, so pick the best ETF or mutual fund yourself as your chosen vehicle or consult an advisor. We may buy or sell an index based on the previous recommendations in the Market Trend Table comments or newsletter text before the market closes, or we may act based on an intraday email prior to a close, the latter being far less common, in compliance with government rules. We do not recommend ETFs with low trading volume to avoid movement of the market from the recommendations of this newsletter, but we cannot guarantee this won't happen if a major investor reads this newsletter, so never chase an ETF as you may sustain rapid losses in share value on a pullback after the buying is exhausted. The same is true of sudden high selling volume in any ETF. When the selling is exhausted, the ETF may rebound strongly. The data may not be accurate, although it is our intention to be accurate. We may send intraday emails to alert you of certain market information when possible, but this is a daily newsletter, so do not expect comments before the market close as a rule, as we may not be able to provide alerts on a pre-market or intra-market day basis. We may have overlooked important issues in our analysis, although we would not plan on doing so, and you and/or your investment advisor should check all facts, numbers, symbols, and strategies prior to investing. In the end, we all must take responsibility for our investment decisions regardless of how helpful an outside source may be. This newsletter may help give you an independent view to test against your own opinions about how to invest, but cannot guarantee any particular results. Past results do not guarantee future results. We are not certified financial advisers, planners, or brokers, so you should consult one if you feel you need to prior to making any investments, and in any case take 100% responsibility for your investment decisions. By agreeing to receive this e-newsletter, emails, and/or by using the website SunandStormInvesting.com, you are in full acceptance of this disclaimer in its entirety. If you no longer wish to receive this newsletter, please notify us by email. Your receipt of this newsletter does not imply any right to receive it in the future. We reserve the right to cancel this newsletter without notice or cause with a prorated refund of any remaining paid subscription value. We also reserve the right to raise the price of the subscription or change the terms with prior notification of you, although this is not anticipated. If we miss updates due to technical or other matters beyond our control, we will update you as soon as possible and give you a prorated credit against your next billing period if two or more days are missed, for the second and successive days issues that are missed. This policy is based on what appears to be the industry standard. We wish you the best with all of your investments! Thank you.

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