

The FRED Report – Mid Week Update

Update of Market View

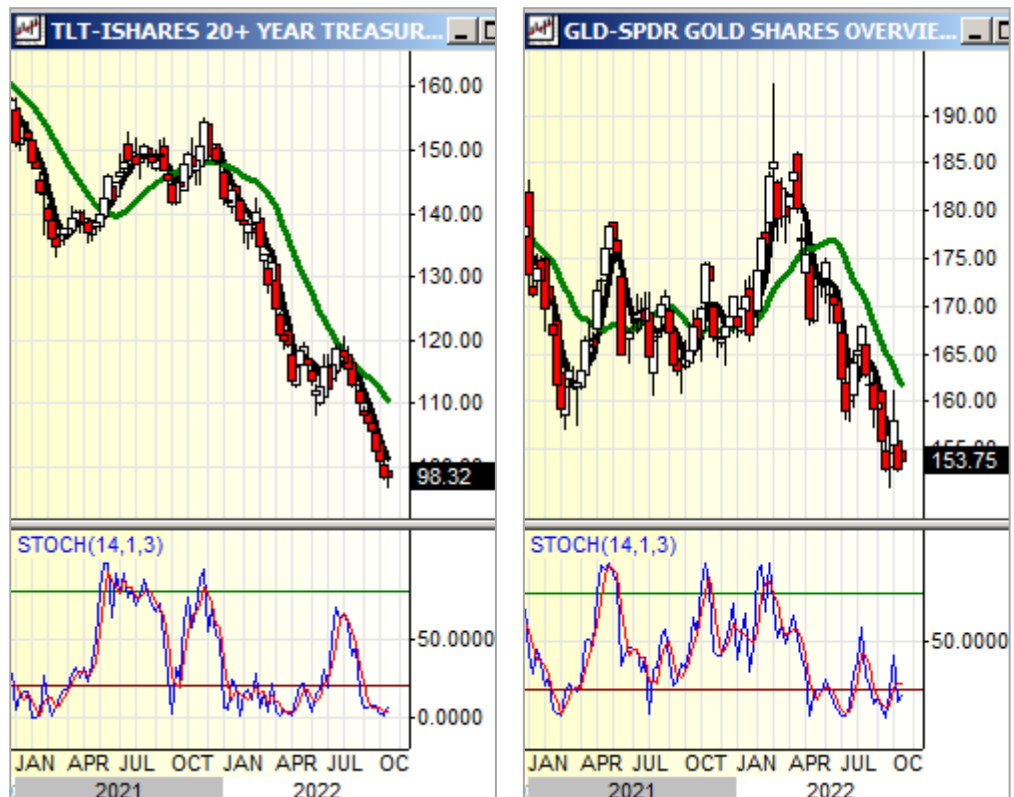
NOTE THIS IS THE 35TH ANNIVERSARY OF THE 1987 CRASH

Special points of interest:

- We would like to see continued choppy action.
- We think TLT can test the 94 to 92 area on the downside and exceeding 101 on the upside would suggest an intermediate bottom is in place.

Stocks have rallied off the favorable price formation we mentioned in the [Weekly Review](#). SPY has tested the resistance in the 375 to 376 area and pulled back. Since the weekly stochastic is just moving into buy mode, we will probably see some higher prices if we can get through 376. We would hold stocks here and add above 376. Our readings on the internal indicators will determine whether the bear market is ending. We would like to see continued choppy action.

We had some questions on TLT today. We think this can test the 94 to 92 area on the downside and exceeding 101 on the upside would suggest an intermediate bottom is in place. TLT closed at \$98.32. Stochastics are oversold so this should have a bit more upside. One area I did not look at much while away was GLD. We have no changes in our intermediate outlook. I just ran the Accumulation Model and it still looks pretty lousy. It should be lower into the end of the year. We show weekly charts of TLT and GLD, below.



THE FRED REPORT

4514 Chamblee-
Dunwoody Road

Suite 112

Dunwoody, GA 30338

Phone:

(404) 875-FRED

Website:

www.theFREDreport.com

E-Mail:

fred@thefredreport.com

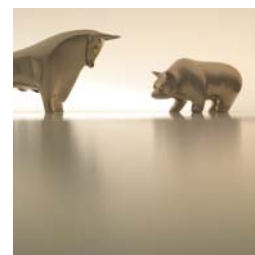
Other Points of Interest

We showed Bank of America (BAC) in the Weekly's Chart of Interest Section, but there is one pure brokerage stock that looks very strong – we thought about putting it in the Sector Review, and may, but want to highlight it here in any event. That is Raymond James Financial (RJF). This is very close to the high in the 120-area and should be a good stock to play into yearend as long as it can stay above 90. Hedge Funds may very well chase this name into yearend. We show charts, below.



About Our Organization

The FRED Report was started to provide Financial Advisors across firms and platforms access to unbiased market research. The President of The Fred Report, Fred Meissner, CMT has been practicing Technical Market Analysis since 1983 and has worked in the research departments of Merrill Lynch and Robinson – Humphrey /Smith Barney. In addition, he has served the public as a portfolio manager and financial advisor. We know the problems advisors face and have devoted our career to helping advisors find the best possible investments in all environments. We want to help you help your clients and grow your business.



Disclaimers:

Research used in this report does not purport to be comprehensive or to contain all the information which a prospective investor may need in order to make an investment decision. The information is based on publicly available information and sources, which the publisher believes to be reliable, but does not represent to be accurate or complete, and it should not be relied on as such. The publisher may update any research report as it determines appropriate, in its sole discretion. Each reader of this report must make its own investigation and assessment of the information presented herein. No representation, warranty or undertaking, express or implied, is or will be made or given and no responsibility or liability is or will be accepted by Fredco Holdings, Inc. or by any of its directors, officers, employees, agents or advisers, in relation to the accuracy or completeness of this presentation or any written or oral information made available in connection with the information presented herein. Any responsibility or liability for any such information is expressly disclaimed. Any person or entity who does rely on this report does so at his/her own risk and by doing so assumes all liability for any such loss, harm or other detriment.

The information contained herein was prepared by Fredco Holdings, which is solely responsible for the contents of this report.

All prices provided within this research report are a snapshot taken as soon as practicable prior to the release of the report. No representation is made as to the current prices of securities.