

The FRED Report – Mid Week Update

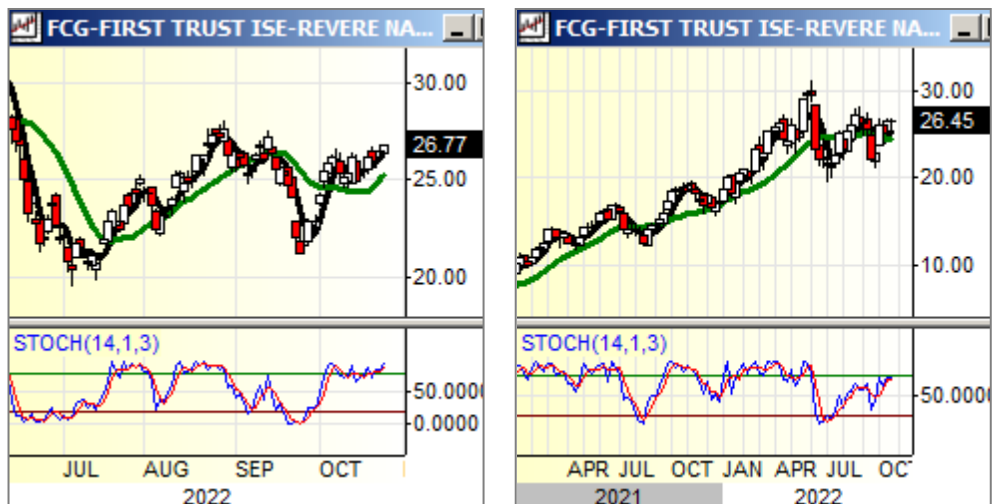
Update of Market View

Special points of interest:

- The stock indexes have showed enough follow through to suggest this rally should continue here, and SPY has targets of 390 to 400. QQQ has targets of 295 to 300.

The stock indexes have showed enough follow through to suggest this rally should continue here, and SPY has targets of 390 to 400. QQQ has targets of 295 to 300. We will look at these markets once again if they hit those levels. Note, this is happening at the time we have been looking for – close to but before the Midterms. We have buy recycles on the weekly stochastics and will look at the stock indexes when these indicators become overbought. For now – enjoy this rally.

We have had some questions on UNG (US Natural Gas ETF) VS. FCG (First Trust ISE Revere Natural Gas Fund). UNG is based on the Futures markets, while FCG is based on stocks pertaining to Natural Gas. The question was which of these ETFs look stronger, and our answer is right now we would use FCG and not UNG. We think the reason for this is twofold – first the stock market should rally and carry these stocks along for the ride, and second, oil in particular, should rally and many of these stocks produce oil as well. We show daily and weekly charts, below.



THE FRED REPORT

4514 Chamblee-
Dunwoody Road

Suite 112

Dunwoody, GA 30338

Phone:

(404) 875-FRED

Website:

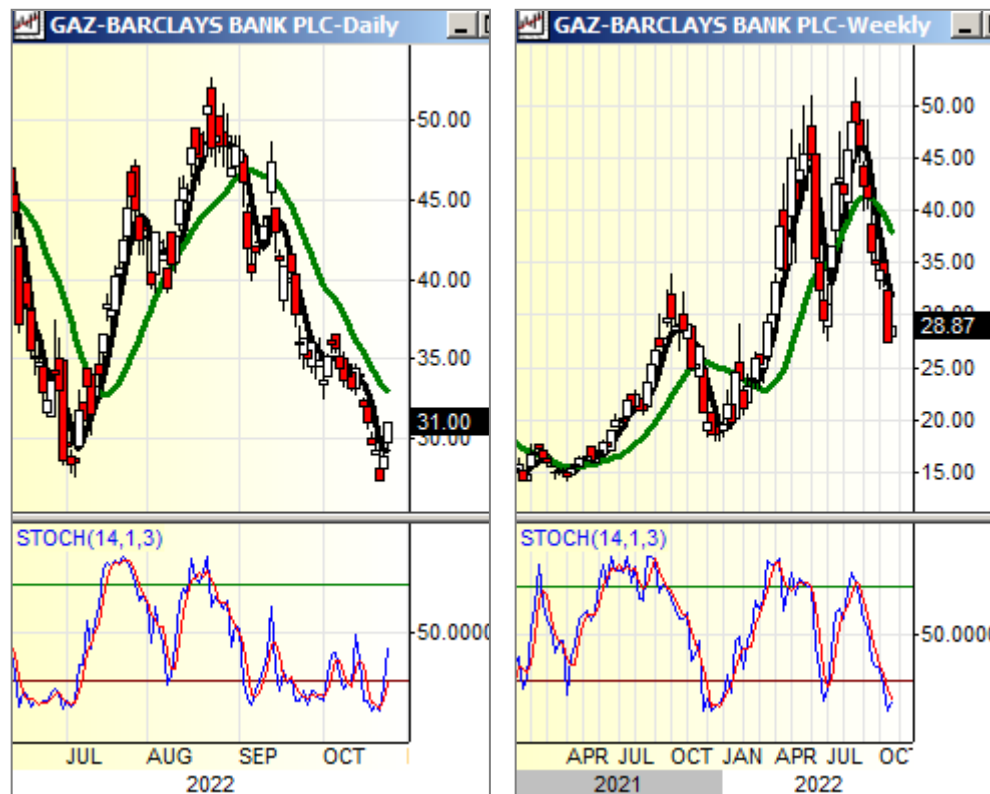
www.theFREDreport.com

E-Mail:

fred@thefredreport.com

Other Points of Interest

There is another Natural Gas ETP: GAZ (iPath Total Return natural Gas ETN). We thought we should show this, but we note that (a) most clients cannot use it, and (b) the chart is pretty much the same as UNG in any event. We show daily and weekly 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.