

Technical Timing

eResearch Corporation is pleased to provide regular technical opinions on the market by Don Vialoux of [Tech Talk: TimingTheMarket.ca](http://TechTalk:TimingTheMarket.ca).

Tech Talk: TimingTheMarket - Completely free. Professional and insightful opinions and viewpoints on the market from a technical perspective. Includes charts and commentary. Comments in Tech Talk reports are solely the opinion of Mr. Don Vialoux. Daily market letters are accessible though DVTechTalk.com and TimingTheMarket.ca (see links below).

Donald Vialoux, co-founder of Tech Talk, is a past president and director of the Canadian Society of Technical Analysts (CSTA). He holds the designation of Chartered Market Technician (CMT).

Mr. Vialoux has 45 years of experience in the investment industry, including prominent positions held at Richardson Greenshields and RBC Investments. He is the author of a daily letter on equity markets, which is available free at TimingTheMarket.ca.

The website has recently received an average of 200,000 hits per day from 130 countries.
Links: <http://www.timingthemarket.ca/techtalk/> AND <http://dvtechtalk.com/>

Mr. Vialoux is also the author of a weekly column published at GlobeAndMail.com that combines technical, fundamental, and seasonality analysis. He is a frequent presenter on Business News Network (BNN) Television. Mr. Vialoux also offers advice to the Horizons Seasonal Rotation ETF (HAC).

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Bob Weir, CFA: Director of Research

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Tech Talk: Timing The Market

Pre-opening Comments for Tuesday September 17th

U.S. equity index futures were mixed this morning. S&P 500 futures were unchanged in pre-opening trade. Investors are waiting for news from the Federal Reserve to be released tomorrow.

Index futures were virtually unchanged following release of August Consumer Prices. Consensus was an increase of 0.2% from July. Actual was a gain of 0.1%. Excluding food and energy, consensus was a gain of 0.1% from July. Actual was an increase of 0.1%

Kellogg (K \$60.94) is expected to open lower after JP Morgan downgraded the stock from Neutral to Underweight. Target was reduced from \$65 to \$60.

Valeant (VRX Cdn\$104.50) is expected to open higher after Goldman Sachs initiated coverage with a Conviction Buy rating. Target is \$130.

Verizon added \$0.20 to \$48.50 after RBC Capital upgraded the stock from Sector Perform to Outperform. Target is \$54.00.

Goldman Sachs adjusted its recommendations on U.S. regional banks. BB&T Banks and Comerica were upgraded. Fifth Third Banks, Everbank and National Bank were downgraded.

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Interesting Charts

Wild day following news that Larry Summers chose to withdraw consideration at the next Federal Reserve chairman:

U.S. equity prices opened strongly higher, but weakened after President Obama criticized the Republicans in the House for their unwillingness to increase the debt ceiling without compromise. Volume in equity markets was lower than usual.



The U.S. Dollar Index and its related ETF weakened, but recovered in late trading.



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Long term Treasury prices initially rose sharply, but closed lower.



Gold prices open strongly higher in overnight trading, but closed lower despite weakness in the U.S. Dollar Index



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The Russell 2000 Index briefly touched an all-time high in early trading, but could not hold it in late trading.



Fertilizer stocks moved higher on reports that Uralkali and Belerus are considering return to their previous agreement that allows for higher fertilizer prices.



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Keith Richards' Blog

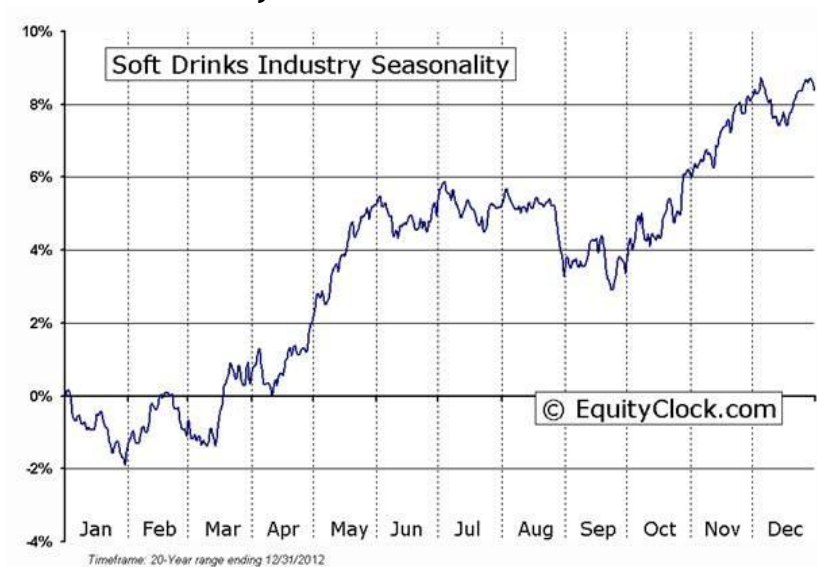
This Wednesday, US Federal Reserve Chairman Ben Bernanke may provide guidance regarding the future of its Quantitative Easing “QE” program. There’s been plenty of speculation regarding the outcome of this week’s Fed meeting. An old adage within the stock market says we should buy on rumor, sell on news. Will the market stay on its bullish track after Wednesday’s Fed speech, or should we sell on the news? Visit www.smartbounce.ca to review the current market technical profile and seasonal tendencies to help answer that question.

Special Free Services available through www.equityclock.com

Equityclock.com is offering free access to a data base showing seasonal studies on individual stocks and sectors. The data base holds seasonality studies on over 1000 big and moderate cap securities and indices. Notice that most of the seasonality charts have been updated recently. To login, simply go to <http://www.equityclock.com/charts/>

Following is an example:

Soft Drinks Industry Seasonal Chart



S5SOFD INDEX Relative to the S&P 500



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Security positions held or not held by Mr. Vialoux will be indicated at the end of each Tech Talk report.

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All charts in Tech Talk come from StockCharts.com. Stock Charts can be accessed at no cost through www.stockcharts.com.

About the Authors

Don Vialoux

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Jon Vialoux

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