

STOCK MARKET DAILY REVIEW

March 05, 2009

Positive session on Wall Street

In the middle of the week U.S. stocks started the session higher and managed to keep the positive sentiment till the close bell. After the long negative tidings, yesterday the major indexes rose around the world on speculation China will broaden efforts to boost growth and U.S. lawmakers will reach agreement on a plan to stem mortgage defaults.

On the other hand participants have looked past another batch of gloomy economic data. The latest ADP Employment Report indicated 697,000 jobs were lost in February. The consensus estimate called for 630,000 job losses.

The ISM Services Index for February dipped to 41.6% from 42.9% in January. The reading was slightly ahead of the consensus estimate of 41.0%, but marks the fifth consecutive month of contraction for the services sector. Nevertheless, traders showed little surprise to the reports.

On corporate level energy stocks were trading higher, as crude oil futures with delivery in April rose nearly 10% to \$45.25 per barrel. Exxon Mobil gained 3% to \$65.85. Chevron Corporation added 4% to \$60,20, while ConocoPhillips advanced with more than 7% to \$37,70.

Strength was seen in large-cap tech names as well. Yahoo! rose with 5,5% to \$13,20. BlackBerry Research In Motion, gained 8% to \$40,90, while Apple added 4,3% to \$92,15 per share.

Google however, was lagging after its CEO stated the company is not immune to downbeat economic conditions. The internet search engine dropped 2% to \$318.

Big Lots Inc. rose the most in the Standard & Poor's 500 Index, climbing 18% to \$17.15. The largest U.S. seller of overstocked and discontinued items reported fourth-quarter earnings excluding some items of \$1, beating the average analyst estimate by 7.5%.

BJ's Wholesale Club Inc. gained 7% to \$29.45. The third-largest U.S. warehouse-club chain posted fourth-quarter profit excluding some items of 89 cents a share, beating the average analyst estimate by 3.7%.

Despite the positive sentiment, General Electric has fallen to new multiyear lows, losing nearly 5% to \$6.70 per share.

Dow Jones Industrial Average gained 2.3% to 6875, Nasdaq Composite added 2.5% to 1353 and S&P 500 rose with 2.4% to 712.

TECHNICAL OVERVIEW

S&P 500 – USA

S&P 500 managed to recover above 700 points, but still the short-term picture remains negative. The downside trend will likely renew in the next days if the index overcomes 700 again. If broken successfully next targets will be the supports at 600 and 570. On the upside, resistance is seen faraway at 800, followed by 855, and 940.



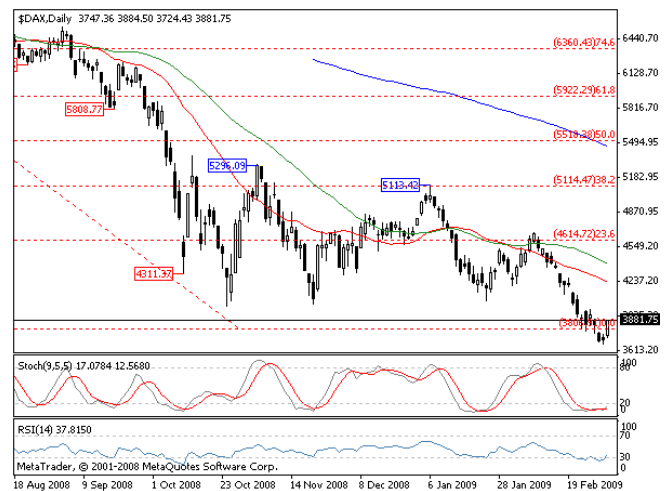
Support	650	600	570
Resistance	800	855	940

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DAX 30 – Germany

The short picture remains negative despite DAX's impressive gain of more than 5% . If the negative trading gets back through the next days the downward movement will be limited by the support around 3600. If broken successfully next targets will be the supports at 3500 and 3200. On the upside resistance is seen at the psychological level 4000, followed by 4600 which is 23.6% retracement of the 7230-3790 drop, and 5120. In the mid-term, as long as the index holds below the key 4000, the downside risk remains and we may witness new declines.



Support	3600	3500	3200
Resistance	4000	4600	5120

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