

August 12, 2008

The Positive Sentiment on Wall Street Remains

US indices started the first session of the week in a negative territory and until midday there were no fundamental news that could move the market. The focus was on the crude oil price and the concerns about its possible rise because of the military conflict in Georgia that threatened the supplies from the region. The optimism returned quickly at noon, after a retreat of the commodity to nearly \$113 a barrel. This supported the US indices and they managed to recover into a positive territory. Moods worsened for a while as the crude oil price partially recovered and Fed said that over the past three months the financial institutions have tightened their lending requirements.

The telecommunication sector was among the best performers after news that Verizon Communicationa Inc reached a labor agreement with two unions that represent 65,000 employees, which prevented a potential strike. Shares of Verizon rose by 2.1% and those of AT&T Inc by 2.8%.

The most advancing Dow components were General Motors Corp and Home Depot Inc as their stocks added 6.6% and 4.3% to their values.

Shares of Amazon.com Inc surged by 9.4% after Citigroup said sales of Amazon's electronic book reader, Kindle, appear to be much stronger than expected.

In a volatile big trading volume session all the three indices closed in green.

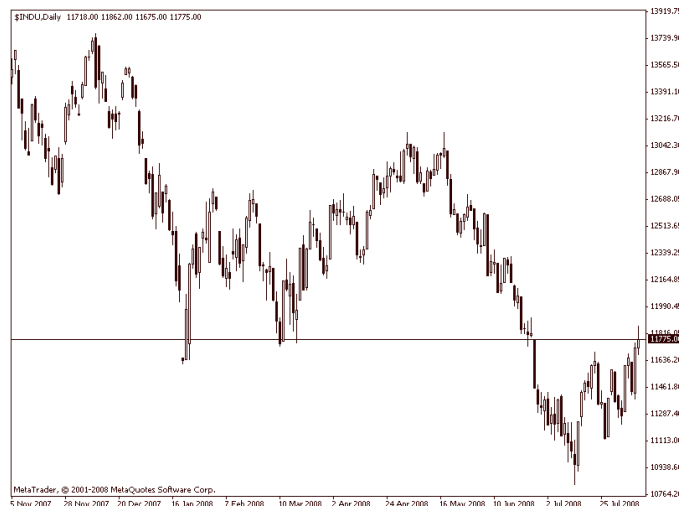
Dow Jones Industrial Average rose by 0.4% to 11782.35, S&P500 advanced by 0.7% to 1305.32 and Nasdaq Composite was up by 1.1% to 2439.95.

Trading volume on NYSE was 1.3 billion shares, with a ratio advancers/decliners 5 to 3,

and volume on Nasdaq was 2.3 billion shares, with a ratio advancers/decliners 5 to 2.

TECHNICAL OVERVIEW

The positive trend remains but the momentum is fading as Dow approached near the psychological level at 12000. If broken successfully, next targets will be the resistances at 12160 and 12350. On the downside, support is seen at 11620, followed by 11400 and 11215.



Support	11 620	11 400	11 215
Resistance	12 000	12 160	12 350

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