

US STOCK MARKET DAILY REVIEW – 17th of June, 2008

Negative start of the week at the U.S. stock market

On Monday, the major indices opened on a low note. The selling interest was fueled by a brokerage downgrade of General Electric, record crude prices, and a worse than expected regional manufacturing survey.

The New York Fed's general economic index dropped to minus 8.7 from minus 3.2 a month earlier, the bank said today. Readings less than zero signal contraction. The crude oil futures with delivery in June reached \$139.70 per barrel, which was a new all-time high.

On the other hand General Electric Co., AT&T Inc. and Verizon Communications Inc. retreated as analysts said a weakening economy may hurt profits.

Dow Jones Industrial Average and Standard & Poor's 500 closed on the negative side. The blue chip index lost 0.3% and closed at 12 270 points. The wide S&P 500 also dropped 0.3% finishing at 1 356. The technology-laden Nasdaq Composite Index gained 0.4% and closed the session at 2 463.

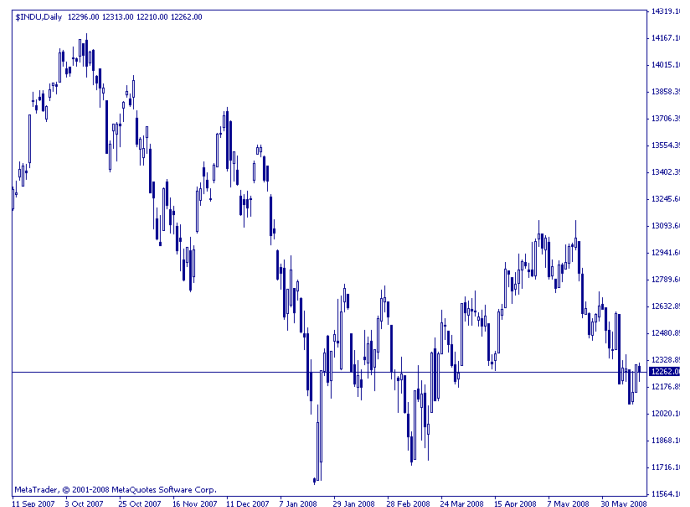
On corporate level Citigroup Inc. led the blue chip gains, adding 2.8% to \$21.05. American International Group Inc, another Dow stock, fell with 0.6% to \$33.97. On Sunday, the world's largest insurer said that Martin Sullivan was leaving as chief executive, with Chairman Robert Willumstad replacing him. Lehman Brothers gained 6% to \$27.35, after the company reported second-quarter loss of \$2.8 billion, confirming preliminary results announced last week when the company fired two top executives and raised \$6 billion in new capital.

General Electric Co. finished with 0.35% drop at \$29.45 per share. Apple gained 2.4% to %176.50, after it was loosing more than 1% in the beginning of the session. The maker of Blackberry devices Research In Motion also supported the tech sector, and gained 5.7% to %140.55 per share.

TECHNICAL OVERVIEW

DOW JONES

Yesterday Dow Jones started the session with almost 100 points drop, but till the end it managed to recover and limited the loss to 35 points. Today if the index extend the correction, it will expect support at 12 225, 12 075, 11 750. On the opposite direction, first resistance is seen at 12 350, followed by 12 600 and 12 750.



Support	12 225	12 075	11 750
Resistance	12 350	12 600	12 750

The data in this daily analysis is collected from different sources and should serve only for informative purpose. Bulbrokers shall not be held responsible for the validity of the presented information. No part of this analysis recommends the purchase or sale any financial instrument.

Contact phone number: + 359 2 4893 715, 359 2 4893 716
e-mail: research@stsfinance.bg