

Shares on Wall Street gained after confidence rose higher

U.S. stocks started the session higher in light volume on Tuesday, as energy shares fronted limited gains and after mixed data on the housing front and a better-than-forecast rise in consumer confidence.

Crude oil futures with delivery in October gained to \$117.70, on a forecast showing that Hurricane Gustav may enter the Gulf of Mexico, home to a fifth of U.S. oil production and about 14% of gas output.

New home-sales increased 2.4% to a 515000 annual pace in July after a downwardly revised 503000 rate in June, the Commerce Department said yesterday. The number of unsold homes on the market fell 5.2%, the most since November 1963, to a 416000 pace.

Home prices in the U.S. fell at a slower pace in the second quarter, signaling the worst housing slump in more than 25 years may be starting to stabilize, a private survey showed yesterday.

On corporate level Fannie Mae jumped 62 cents to \$5.81 and Freddie Mac advanced 70 cents to \$4.00 for the top gains in the S&P 500. Freddie will have \$12.7 billion of capital above the minimum requirement, according to slides provided by Citigroup for a conference call with investors. Washington-based Fannie will have \$20.3 billion above the minimum.

After it Monday loss, yesterday American International Group Inc. added 2.7% to \$19.30 per share. J.P. Morgan also started the session with a gain above 2%, but till the end of the trading day it limited the profit to 1% and closed at \$36.45.

EOG Resources Inc. rose more than 5% to \$108 per share, after the prices of oil and gas get higher.

The major indexes registered very changeable session, but at the end they managed to close on the positive side. Dow Jones Industrial Average gained 0.5% to 11430. S&P 500 added 0.4% to 1271, while Nasdaq Composite finished the day unchanged at 2362.

Trading volume on NYSE was 856 million shares, with ratio decliners/advancers almost 2 to 1, and volume on Nasdaq was 1.4 billion shares, with a ratio decliners/advancers 5 to 4.

TECHNICAL OVERVIEW

Dow Jones started the week with a huge drop of 240 points, which almost erased the last 3 day gain. Today first support of the index is expected at 11 370, as break below it could move the target under 11 000. Short-term support is seen at 11 200, before the key levels at 11 100 and 10 950. On the opposite direction resistance is seen at 11 600, followed by 11 700 and 11 865, as the second one is 38.2% Fibon retracement of the 13 130- 10 827 movement.



Support	11 370	11 200	10 100
Resistance	11 600	11 700	11 865

US STOCK MARKET DAILY REVIEW

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