

STOCK MARKET DAILY REVIEW

October 31, 2008

US Stock Started Climbing Again

U.S. stocks climbed on Thursday, after the government reported the economy shrank less than forecasted. Third quarter GDP contracted by 0.3%, better than the consensus estimate, which called for a 0.5% decline. The fresh hopes that interest-rate cuts by the central banks around the world will curb the global economic slowdown supported the optimism, too.

Intel Corp., Home and Hewlett-Packard Co. climbed more than 7% due to the economic report. Intel closed the day with 8.2% gain at \$16.15 while HP added 6.5% to \$37.70.

Corporate earnings announcements have generally been better than expected. Colgate-Palmolive Co. said third-quarter profit rose 19% on overseas sales and higher prices. The world's largest toothpaste maker gained 7% to \$64.25. Deutsche Bank AG rallied 24% for the biggest intraday gain in seven years. Germany's biggest bank reported a surprise third-quarter profit after new accounting rules eased requirements for marking down investments. The company also said it doesn't need to raise capital. Deutsche Bank shares closed the trading with 18.9% gain at \$37.55 per share.

Exxon Mobil Corp. slumped as crude futures fell more than 8%. Exxon declined 1.4 percent to \$73.62 even after reporting third-quarter profit before one-time items that was the highest ever for a U.S. corporation. The world's biggest energy company netted \$14.8 billion, up 58% from a year earlier.

The major indexes were bouncing between 3% gain and neutral levels. After all Dow Jones Industrial Average finished with 2.1% gain at 9180. S&P500 rose with 2.6% to 954, while Nasdaq Composite closed with 2.5% gain at 1698.

TECHNICAL OVERVIEW

S&P 500 – USA

The wide index continued its volatile and choppy trading, but after all it marked second gain for this week. Today test for the upside movement is seen at 985 and if this level gets broken, next targets will be 1020 and 1080, which is 61.8% retracement of the 768-1576 rise. On the opposite direction first support is expected at the boarder at 900 points, followed by the midterm bottom at 835.



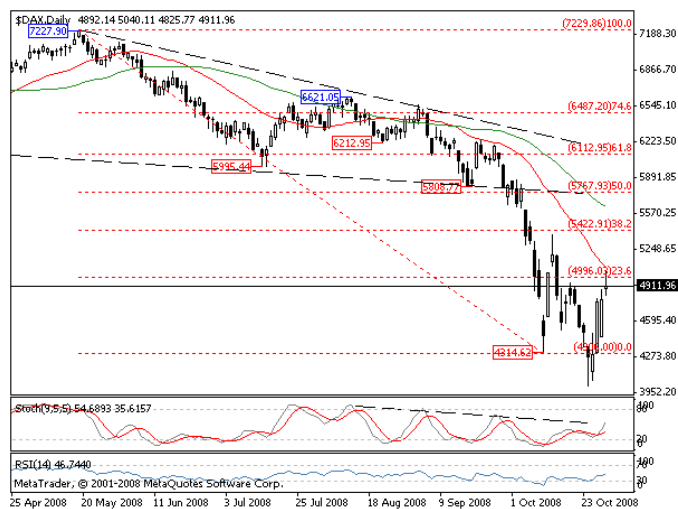
Support	900	835	800
Resistance	985	1020	1080

DAX 30 – Germany

The German index tested the resistance at 4990, but it didn't manage to hold above it closing at 4910. Today break upon 4990, will move the target to 5410, which is 38.2% retracement of the 7229-4306 drop. The last boarder below the psychological level at 6000 is expected at 5760, which is 50.0% retracement of the mentioned movement. On the opposite direction the support at 4500 remains, as break below it will move the target to the midterm bottom at 4300.

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Support	4500	4300	4140
Resistance	4990	5410	5760

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