



MARKET SEMIOTICS

By WOODY DORSEY

Publishing Since 1985 Castleton, Vermont

MARKET SUMMARY for March 8th

COMMENTS ON FINANCIAL CULTURE: The Market Architecture continues to argue **for a major top in the making**. The Fed has manipulated paper markets but Weather & Geopoliticals inevitably trump HumanHubris. The Re-Pricing of the Planet is Pandemic. The **Great Reflation** is copulating with the **Great Sobriety Society**. **The MuddleEastMess** dovetails with both Inflation and Sobriety. Food Inflation from the **FARMageddon** will persist for years. There is a significant **degree of the difficulty** in the wind. A Tightening Gestalt is spreading. QE will end. Stocks smell an endgame but are **not yet taken with the scent**. Investors want to keep on playing, “Musical Shares.” Ben said (on 3/11): “We don’t know when markets are going to change their minds.” Is SocialNetworking paralleling SocialProtesting? The future is ominous and obvious but may not yet be imminent. Pundits will keep fawning over each other’s prognostications. No one knows what is going to happen but, it is going to happen. Corrective Churning. **Sell in May, all the way, and go away.**

EQUITY STRATEGY: Liquidity will be trumped by Tightening and Geopoliticals. Corrections into March continue. This, now in process, corrective process, is due to be followed by another divergent **upside try into May.**

EQUITY TACTICS: Preference was for a puke. A bit more is due.

GLOBAL EQUITIES: are in nominal corrective episodes.

FIXED INCOME: Treasuries bounced. Low due 3/20ish. Failure into Q3. ✓

FOREX: Dollar remains now notably weak. **Inferring an eventual crash?**

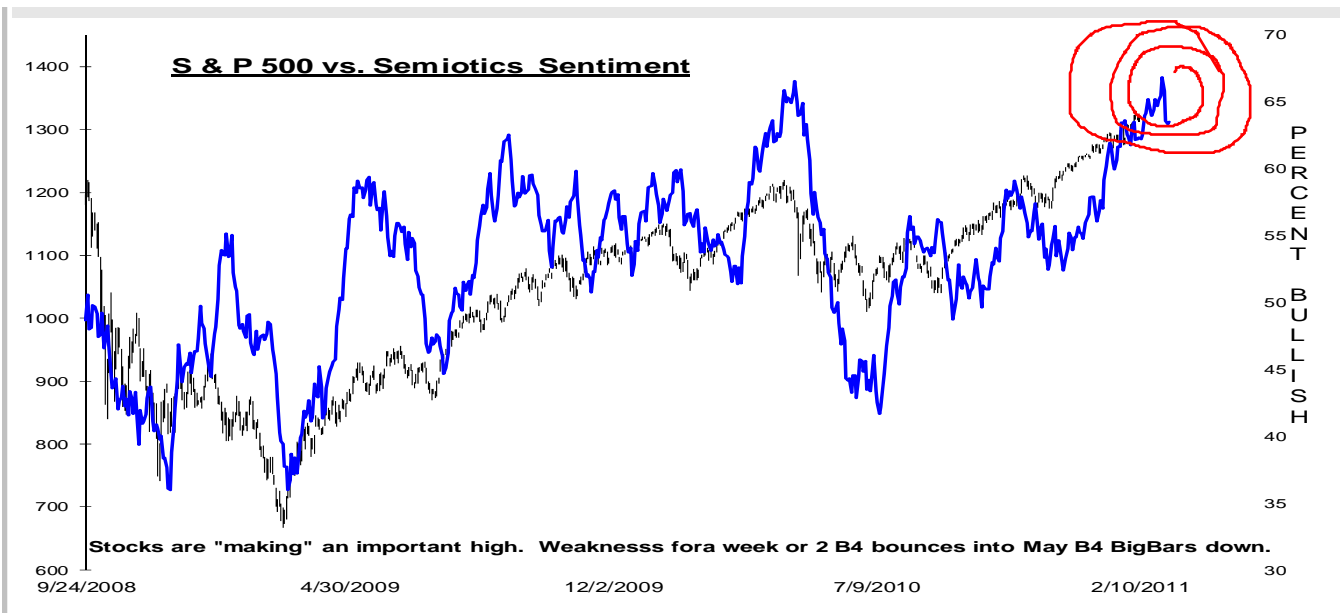
COMMODITIES: The **“Repricing of the Planet”** is the **GREATEST BULL MARKET** in History. Grains remain a bit mixed, as expected. **Gold & Crude** remain in real **breakouts but can and will rest from their labors.**

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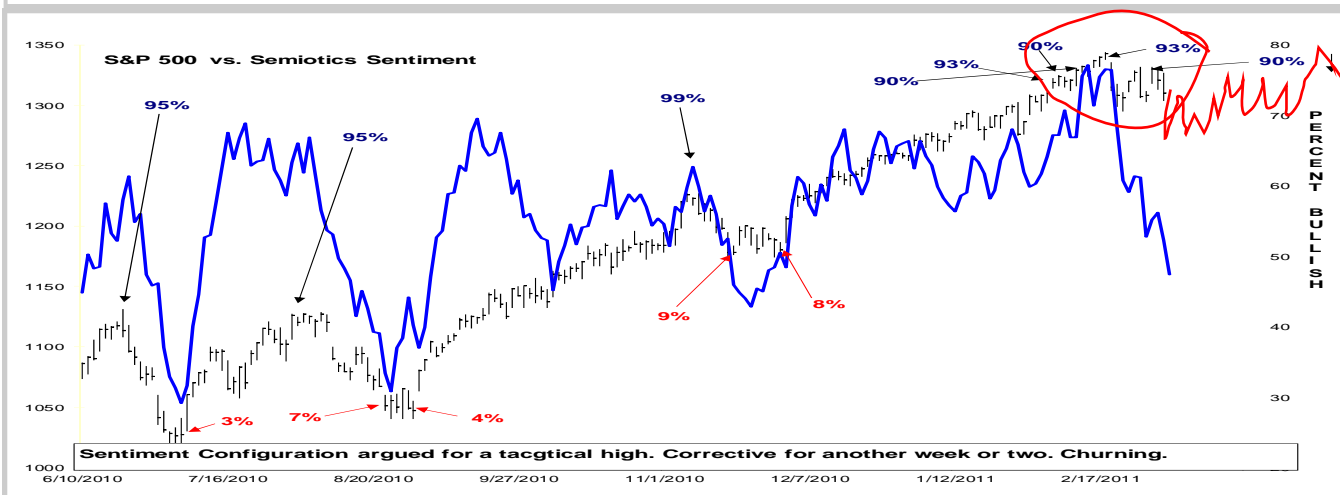
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Stocks Ended their Easy Upside. Volatile Churning or, Broken?

EQUITY STRATEGY: Stocks were boringly simple: Ben has manipulated equities. Stocks are constructing an important, albeit potentially, “complex interim high.” Recent behavior is confirming of at least a momentum high. The “Kill Zone” now seems to be aligning with early May. But don’t be bullish.

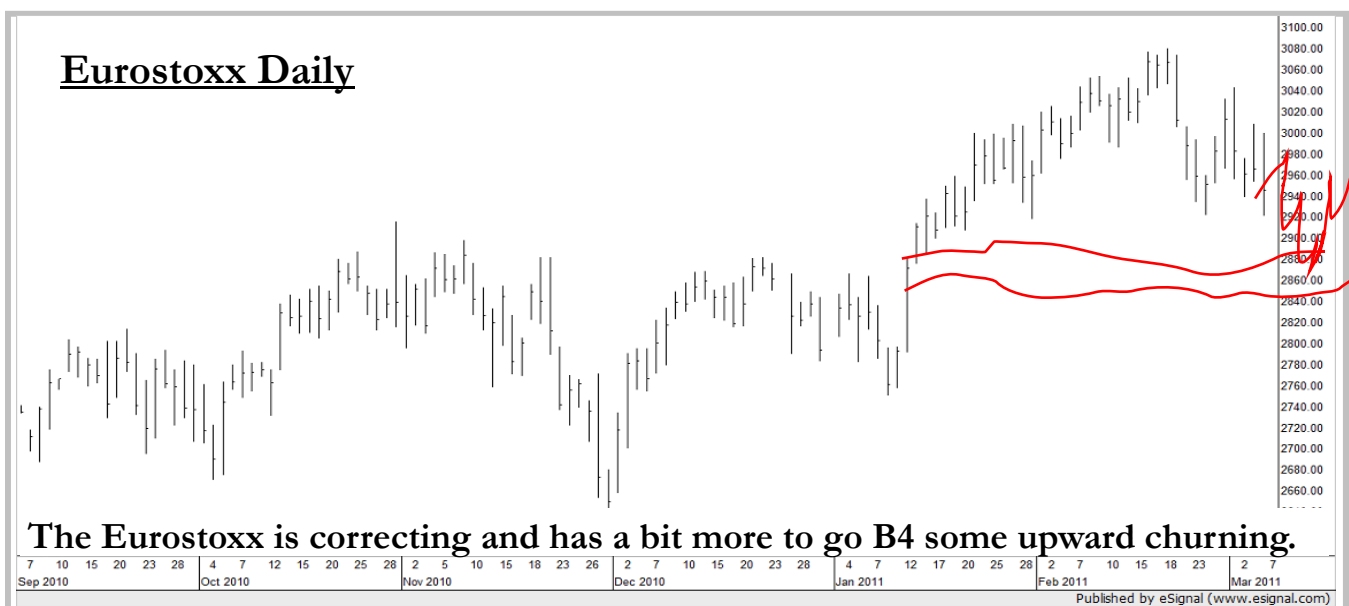


EQUITY TACTICS: The reversal of 2/18 remains cogent. It is at least a momentum high. The preferred pattern is for a tactical low over the next week or so. The “Day of Rage” scheduled for 3/11 could be a timely and convenient price purge? It will be interesting to see the degree of downside into there.

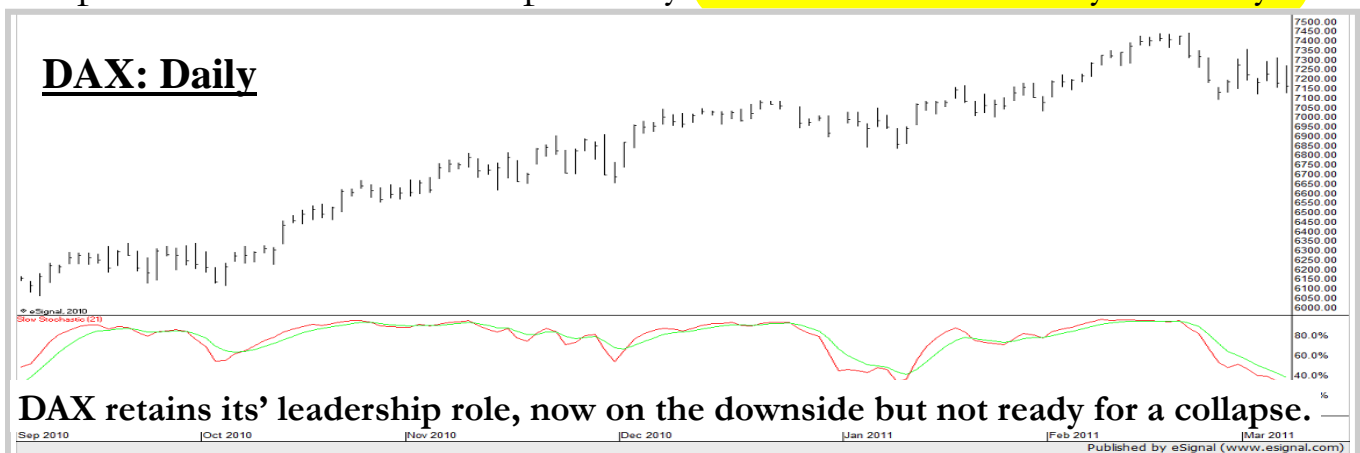


Global Equities Topped but Tactical bottom next Week?

GLOBAL EQUITIES: European Equities are now in an overt and potentially maturing corrective episode. The overall price pattern remains ultimately bearish but the topping process could still take some more time. **Let us see how the downside unfolds into next week.**

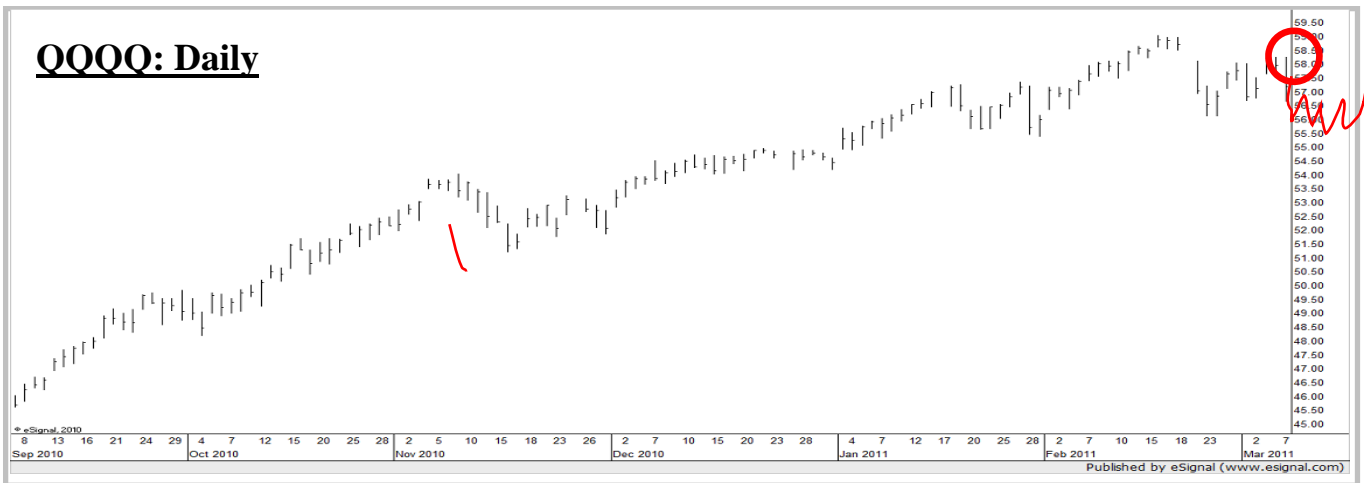


DAX STRATEGY: The DAX has been a leader and is now relatively weak. However, again, the weekly pattern for the Dax still suggests an incipient low B4 a further upside try. **The Dax looked “way too easy.”**

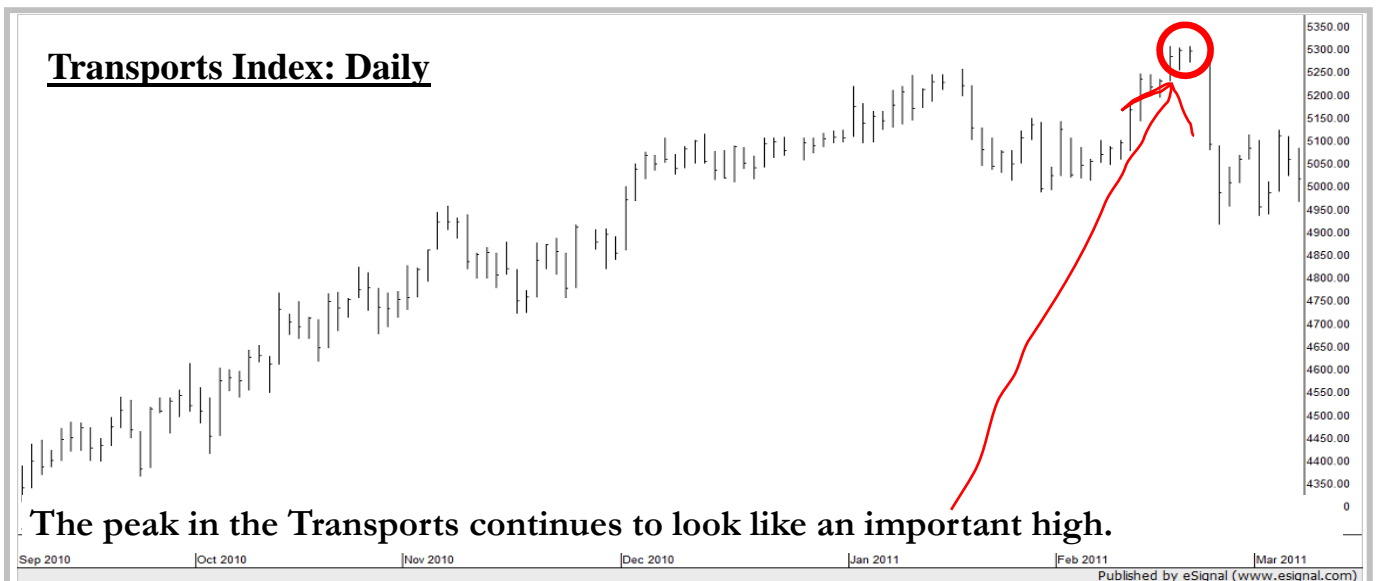


“Risk Appetite” Turned from Eerily Ebullient to Expectation.

SECTOR TACTICS: The Technology area has noticeably broke down yesterday. This is another signal of developing vulnerability. But a trading low due in say 8 days could keep in churning up into May.

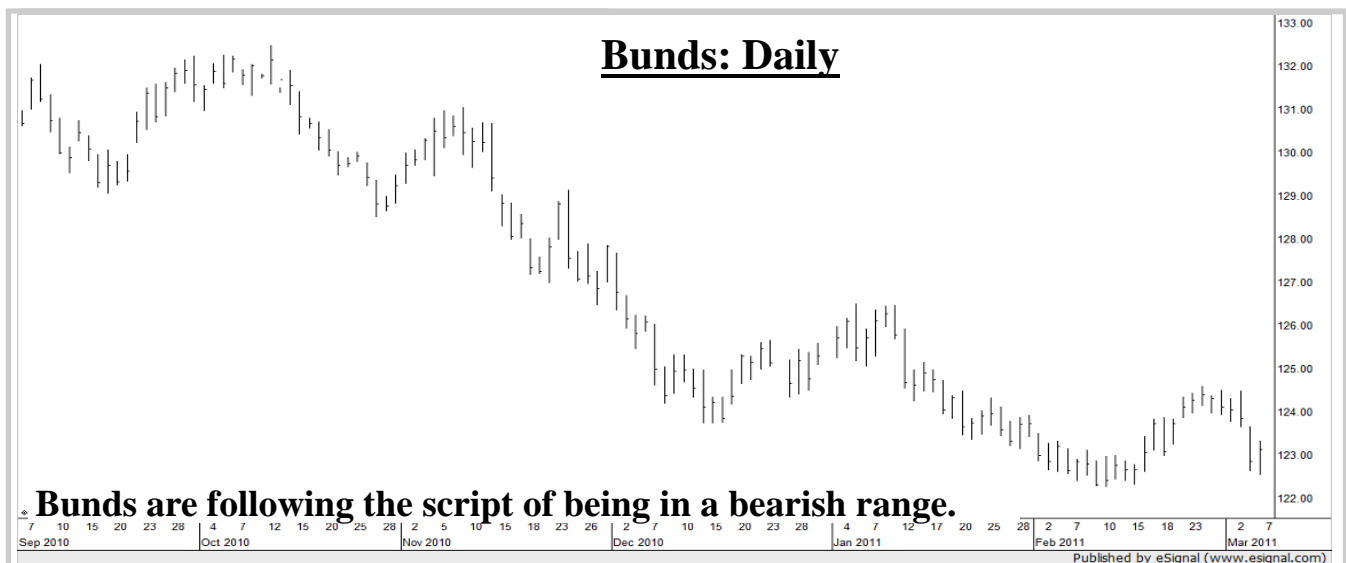
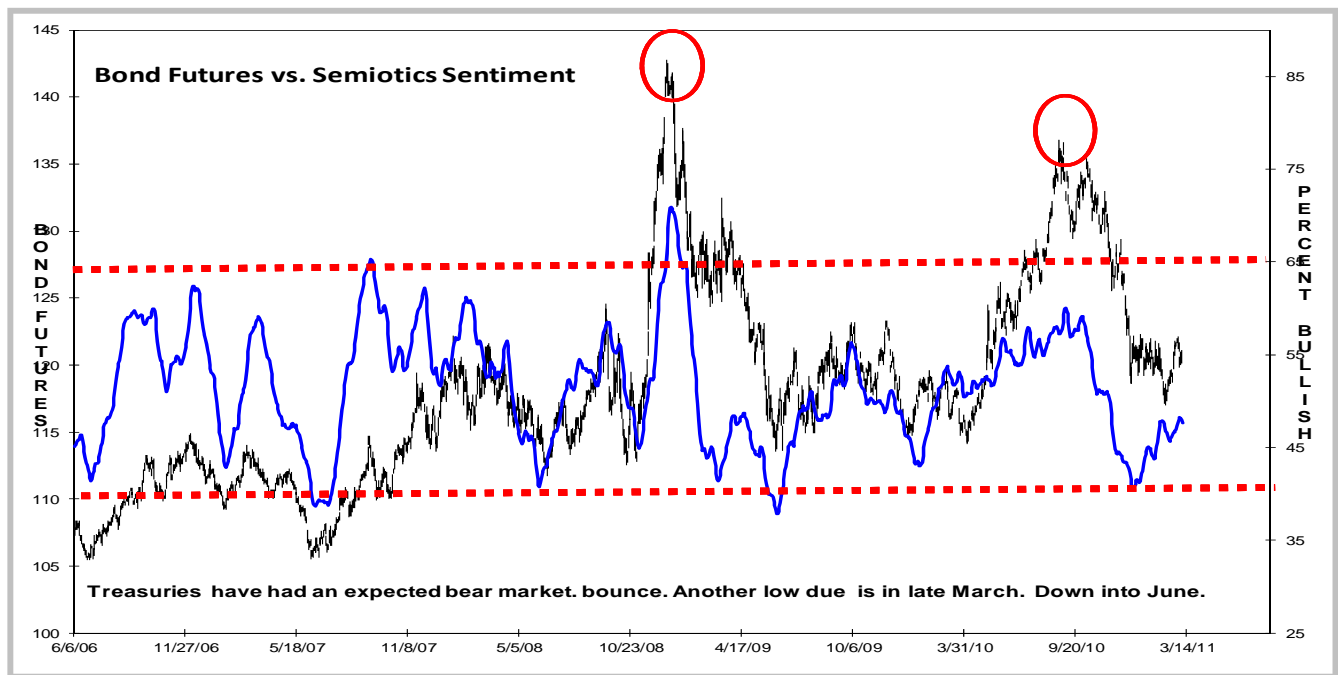


SECTOR TACTICS: The Transportation index continues to demonstrate an important high in place. We will all look back at this behavior as a tell. Still it can bounce but cannot win against the Crude profile.



Treasuries Bounce as Expected. Going Nowhere in Their Bear.

FIXED INCOME: Investors are aware of **RatesRises**. But they are not prepared for an *acceleration* later this year. Expected bounces are part of a **range process B4 eventual breakdown into Q3.**



MARKET SEMIOTICS FOREX- COMMODITIES

BEHAVIORAL MARKET DIAGNOSIS by WOODY DORSEY

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Dollar: Faltering, Commodities: Rising, Energy: Bullish.

FOREX: The Capitulation low last Fall has resulted in what now seems to be a thinly disguised bear market rally. It would be typical for more of a range to be fleshed out B4 a panic move down in Summer?



COMMODITIES: Commodities are in the “Greatest Bull Market in History.” The profile allows **simmering Grains and congesting Stuff.**

ENERGY: Strength into Q3. Strategic High: Q1, 2012. Profile allowed: “churning into 2/18-21 B4 breaking Topside.” Upside is still open.

