

deGraaf's Daily

Silver was the big winner on Wednesday as gold broke to new nominal highs. The trend in gold is unquestionably positive, and sentiment has backed off to healthy levels over this consolidation. The "Devil's metal" (silver) mustered a 20-day high, as the consolidation since the parabolic move in the spring appears to be resolving itself to the upside. Silver's sentiment is sufficiently washed-out to be supportive, as other metals were also well bid on Wednesday, as a fresh round of money printing was suggested by Bernanke.

Seasonality turns against the bulls in the next few weeks, but even more consistent is the increase in volatility which tends to accompany Aug-Nov period. Back in the day, when money was fixed to gold, the season weakness in autumn could be linked to the drain of reserves and liquidity from east coast banks to mid-west banks to finance the harvest. As we've moved away from an agrarian dominated society, that's obviously less impactful today than it was 100 years ago, as too is the fact that money is no longer fixed and the Fed holds reserves.

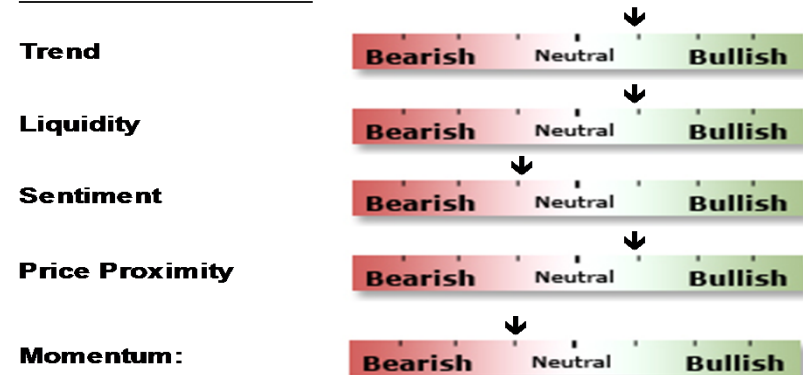
We are more inclined to sell overbought conditions into earnings, become more defensive for the end of the 3rd quarter, as volatility is likely to creep higher with peripheral signs of credit stress. 1250 is key support, as is the 200-day moving average at 1276.

Industry Group Technical Rankings

<u>Strongest</u>	<u>Weakest</u>
Marine	Construction Materials
Trading Companies & Distributors	Automobiles
Road & Rail	Thriffs & Mortgage Finance
Energy Equipment & Services	Airlines
Textiles, Apparel & Luxury Goods	Diversified Financial Services

Intermediate Term Barometer

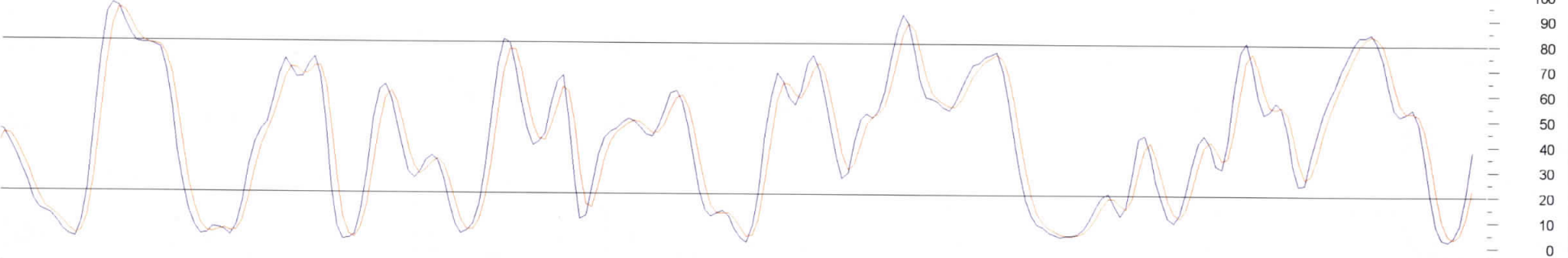
Conditional Elements



Is volatility bottoming?
Seasonally it tends to
here.



Stochastic Oscillator



MACD



9 26 2 9 16 23 30 7 13 20 27 4 11 18 25 1 8 15 22 29 6 13 20 27 3 10 18 24 31 7 14 22 28 7 14 21 28 4 11 18 25 2 9 16 23 31 6 13 20 27 5 11

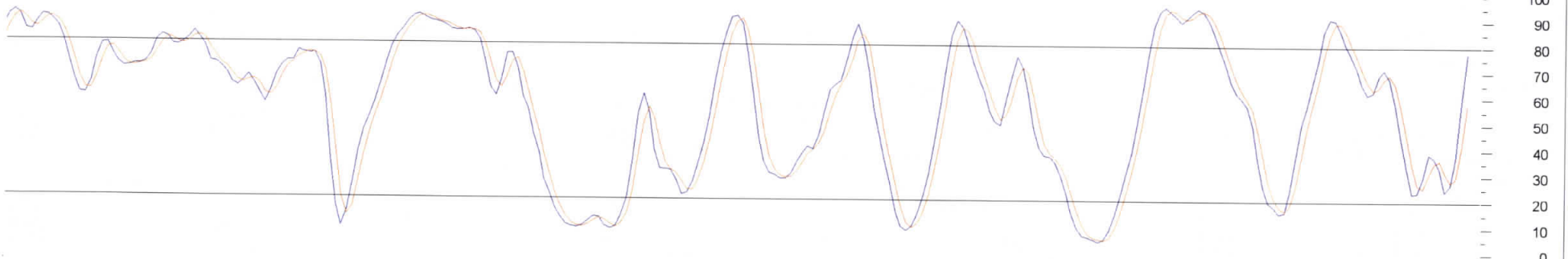
August September October November December 2011 February March April May June July

Japanese Yen Composite Continuous

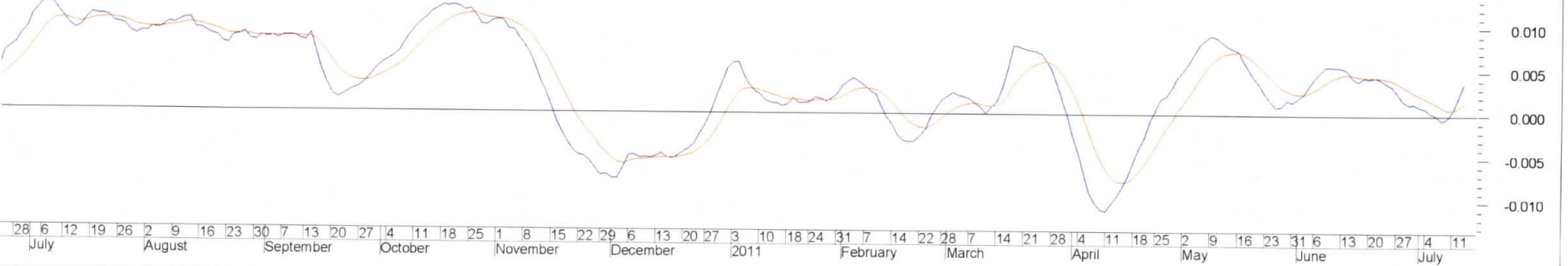


Yen quietly breaking out

Stochastic Oscillator

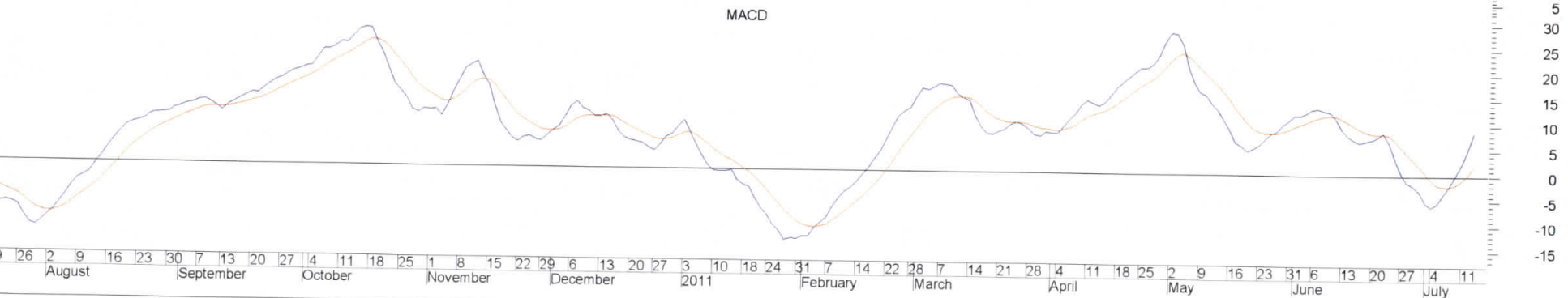
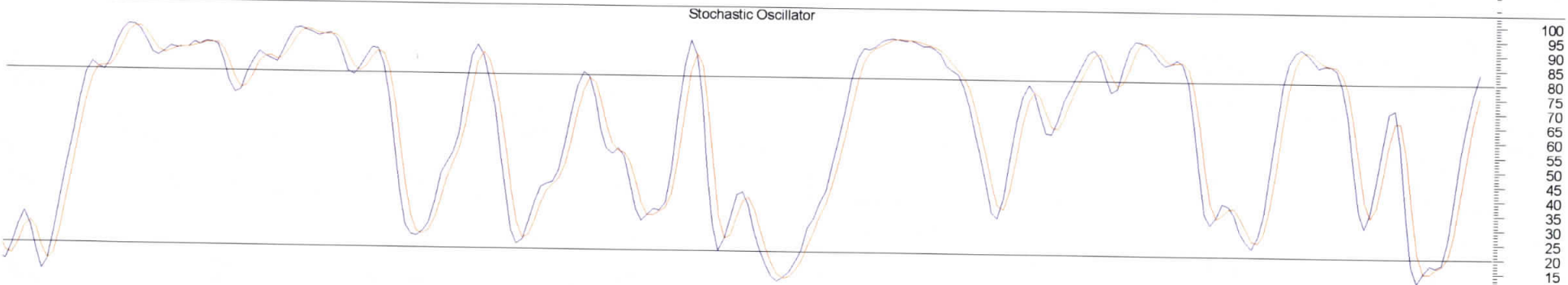


MACD



28 6 12 19 26 2 9 16 23 30 7 13 20 27 4 11 18 25 1 8 15 22 29 6 13 20 27 3 10 18 24 31 7 14 22 28 7 14 21 28 4 11 18 25 2 9 16 23 31 6 13 20 27 4 11
July August September October November December 2011 February March April May June July

Another leg higher in gold?

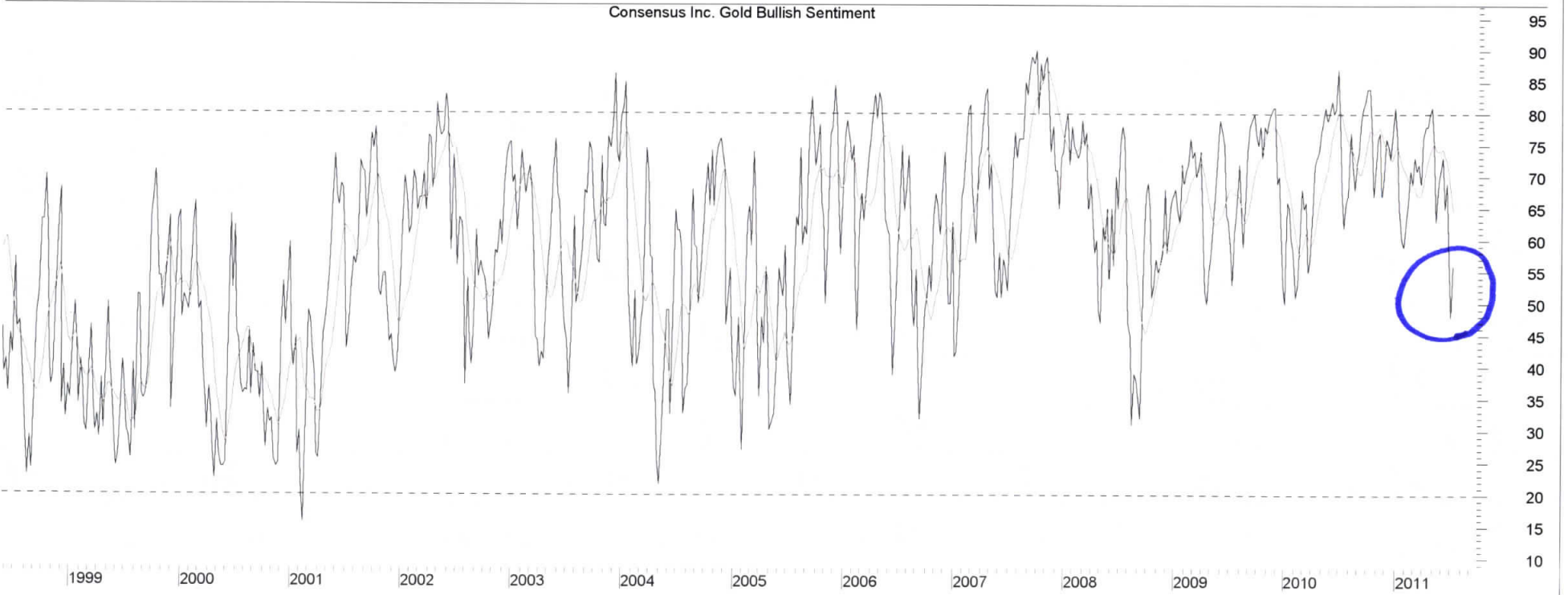


GOLD SPOT \$/OZ

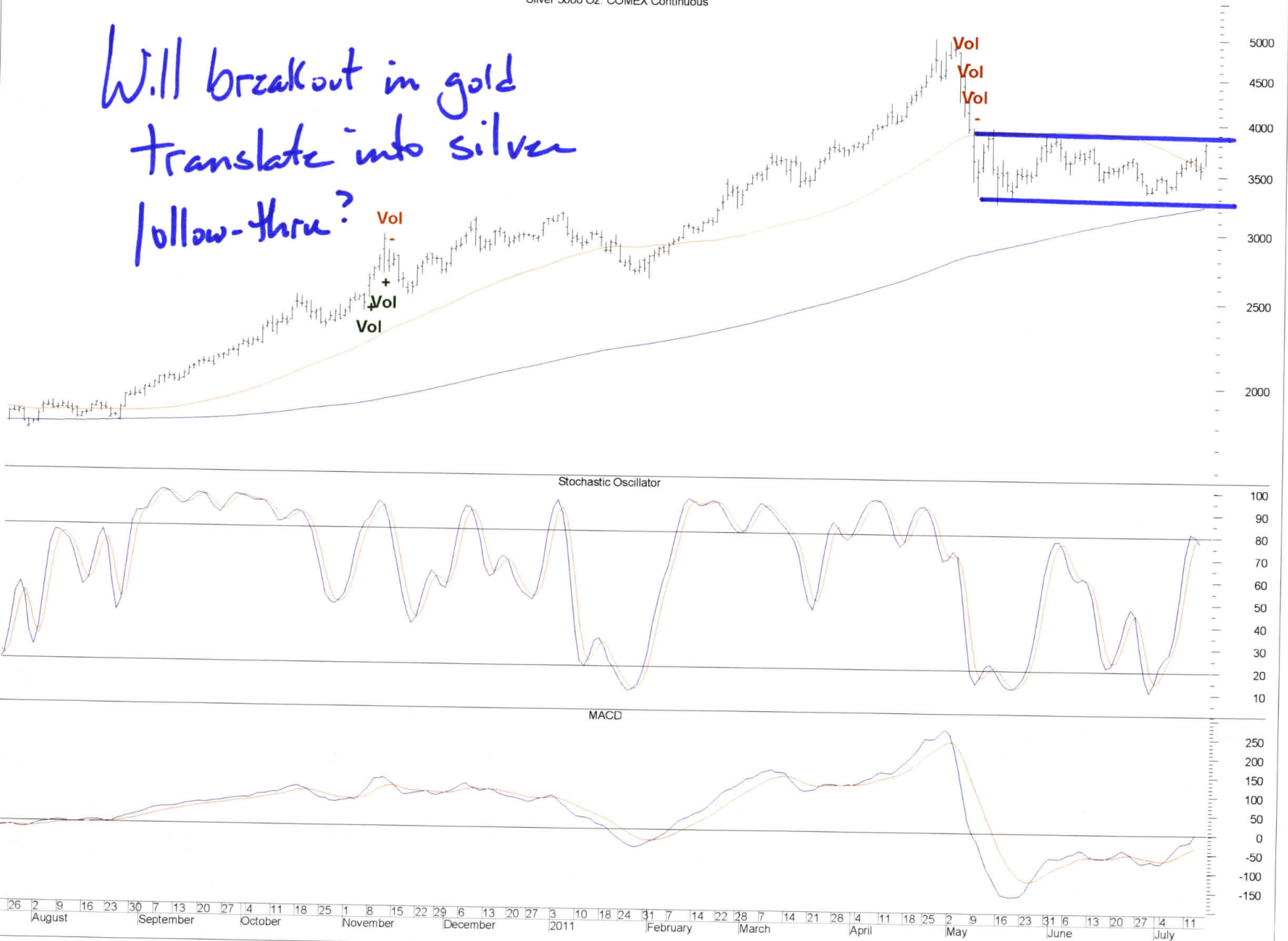
Sentiment has backed off in gold



Consensus Inc. Gold Bullish Sentiment



Will breakout in gold
translate into silver
follow-thru?

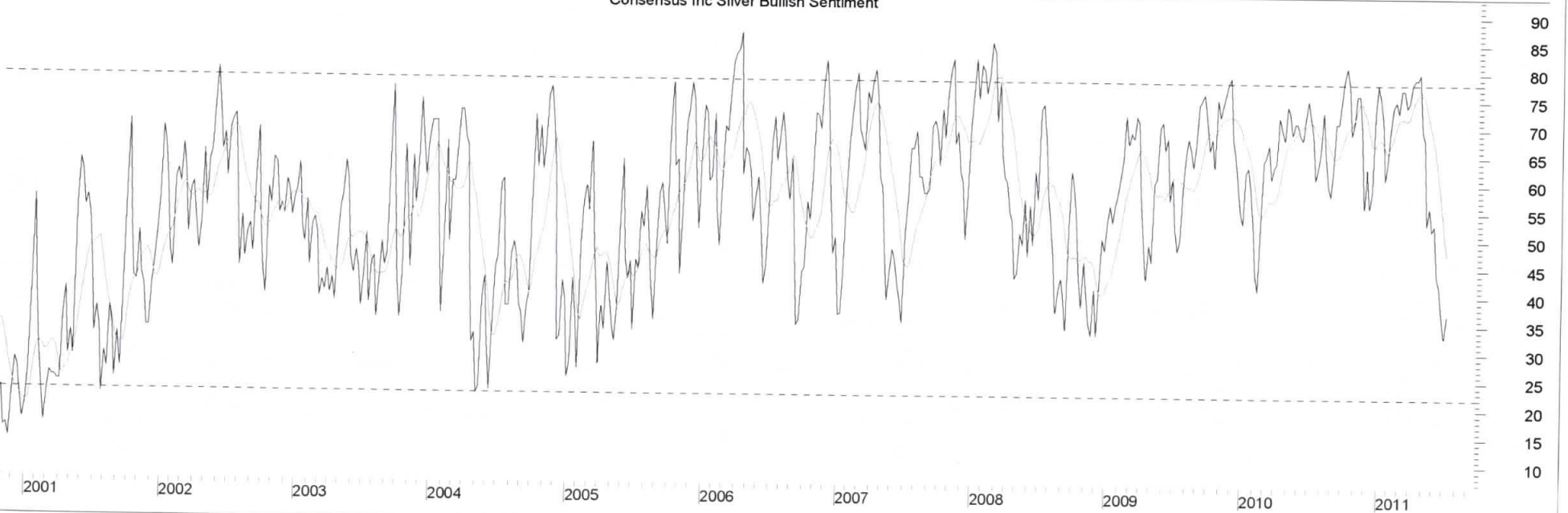


SILVER SPOT \$/OZ

Silver sentiment
even more supportive
of breakout



Consensus Inc Silver Bullish Sentiment



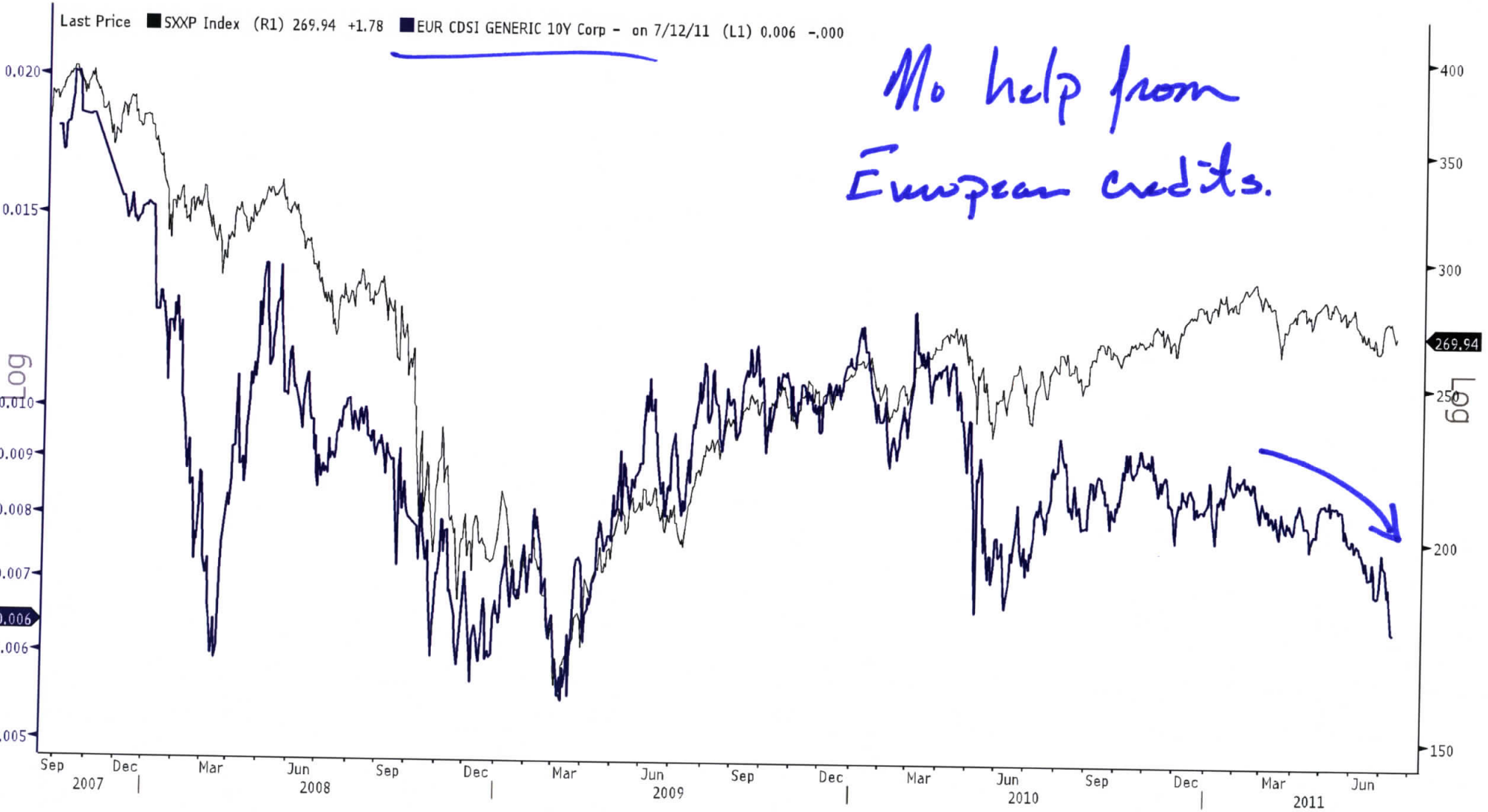
S&P 500 Index (1,314.45, 1,331.48, 1,314.45, 1,317.72, +4.07996)

*Growth vs Value
suggests econ slowing*

Growth vs Value (1.15349)



2008 Aug Sep Oct Nov Dec 2009 Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2010 Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2011 Mar Apr May Jun Jul



The format and content of this report may not be modified or altered (including, but not limited to, via deletion or addition) in any way. The BLOOMBERG PROFESSIONAL service, BLOOMBERG Data and BLOOMBERG ALPHA Enterprise Reporting (the "Services") are owned and distributed locally by Bloomberg Finance L.P. ("BFLP") and its subsidiaries in all jurisdictions other than Argentina, Bermuda, China, India, Japan and Korea (the "BLP Countries"). BFLP is a wholly-owned subsidiary of Bloomberg L.P. ("BLP"). BLP provides BFLP with all global marketing and operational support and services and distributes the Services either directly or through a non-BFLP subsidiary in the BLP Countries. BFLP, BLP and their affiliates do not provide investment advice or guarantee the accuracy of prices or information in the Services. Nothing on the Services shall constitute an offering of financial instruments by BFLP, BLP or their affiliates.

No idea what's going on here, need to look into it, but worth flagging

Shanghai Stock Exchange A Share Index - Last Price 2928.010 +42.713



SHIBOR Fixing 3M - CNY SWAP OIS Onshore 3MO	2.7602	-.231
Max(120)	3.8533	
Min(120)	1.1944	

Shibor spiky



The format and content of this report may not be modified or altered (including, but not limited to, via deletion or addition) in any way. The BLOOMBERG PROFESSIONAL service, BLOOMBERG Data and BLOOMBERG ALPHA Enterprise Reporting (the "Services") are owned and distributed locally by Bloomberg Finance L.P. ("BFLP") and its subsidiaries in all jurisdictions other than Argentina, Bermuda, China, India, Japan and Korea (the "BLP Countries"). BFLP is a wholly-owned subsidiary of Bloomberg L.P. ("BLP"). BLP provides BFLP with all global marketing and operational support and services and distributes the Services either directly or through a non-BFLP subsidiary in the BLP Countries. BFLP, BLP and their affiliates do not provide investment advice or guarantee the accuracy of prices or information in the Services. Nothing on the Services shall constitute an offering of financial instruments by BFLP, BLP or their affiliates.

Tuesday Morning Corp. (TUES-US)

Technical Ranking: 3

Last Price: \$4.18

General Merchandise Stores

UNITED STATES

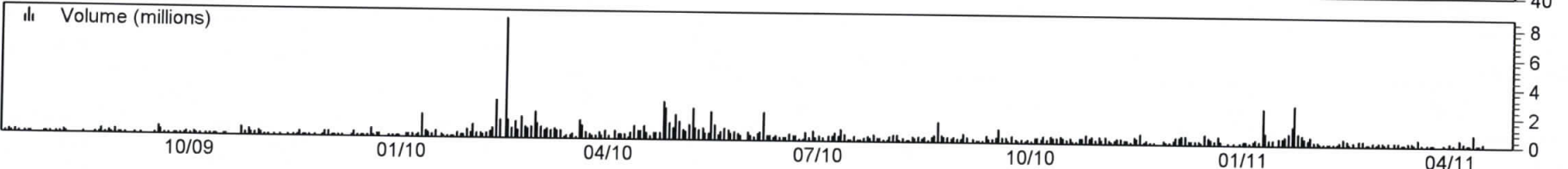
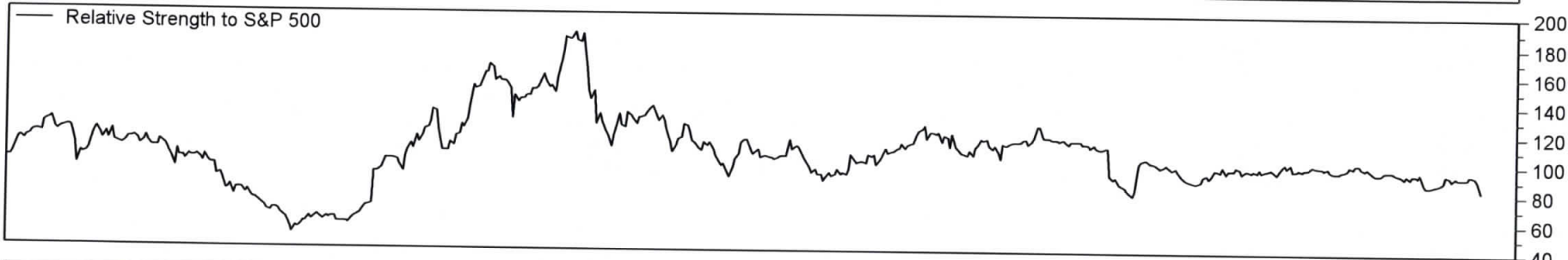
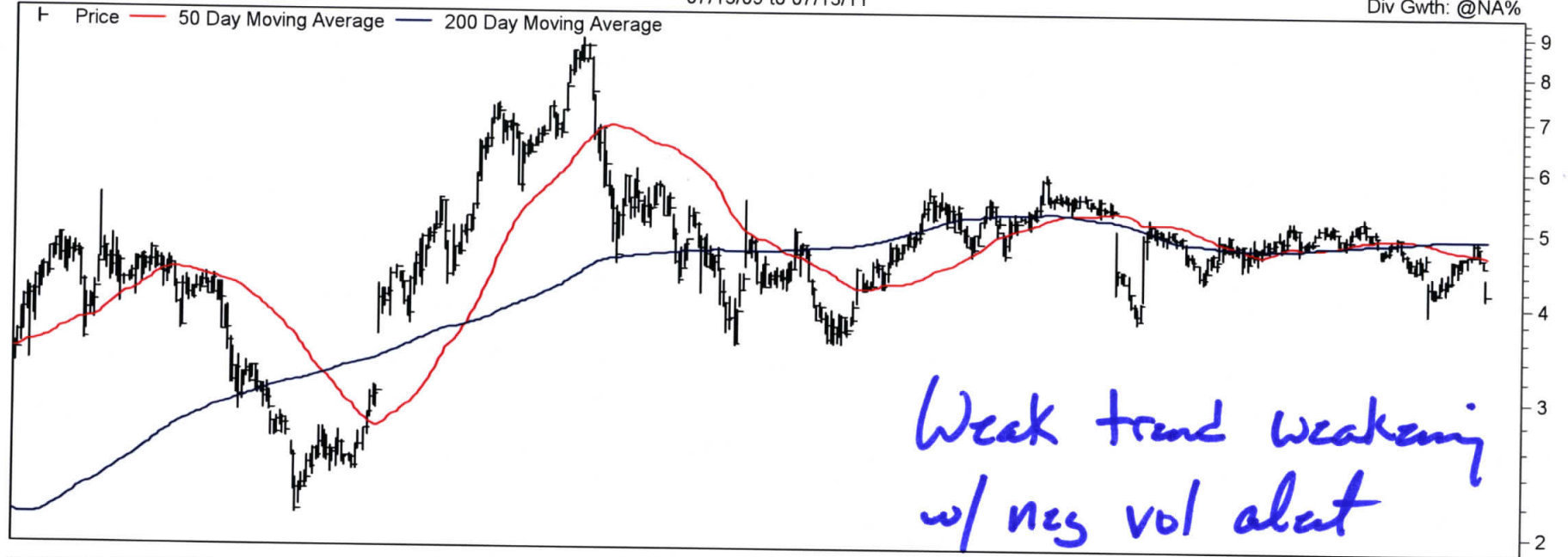
07/13/09 to 07/13/11

Neg Val alert

180.17

Div Yld: 0.00 %

Div Gwth: @NA%



P/E: 14.41x
P/B: 0.69
P/S: 0.21x

ROE: 4.35%
Debt/Equity: 0.00
Int Cov: 6.66x

Adtran Inc. (ADTN-US)

Technical Ranking: 3

Last Price: \$36.11

Communications Equipment

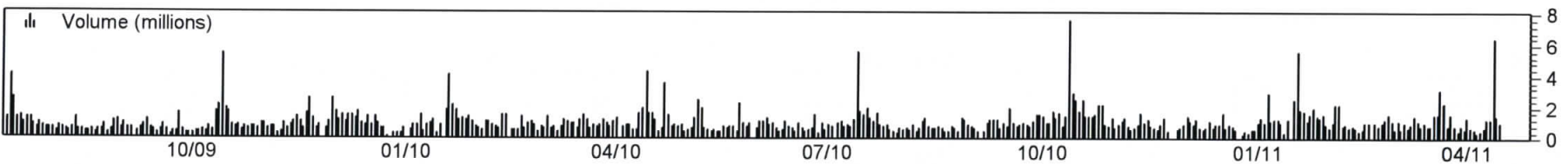
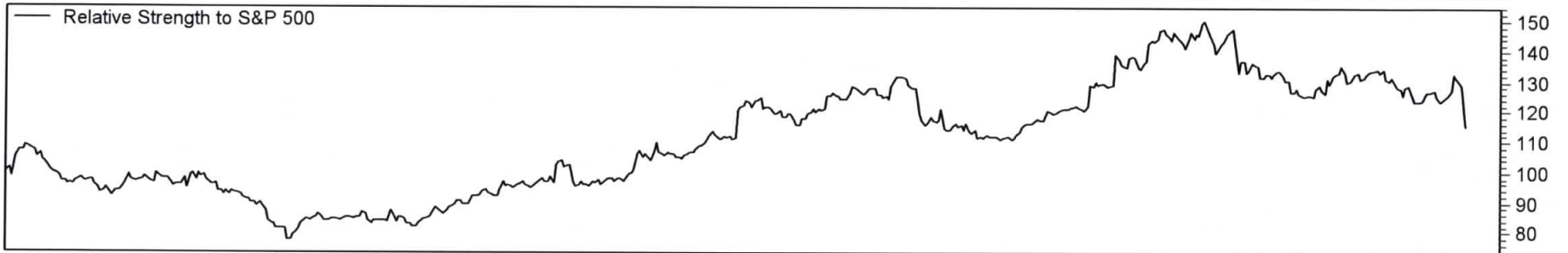
UNITED STATES

07/13/09 to 07/13/11

2335.23

Div Yld: 1.00 %

Div Gwth: 0.00%



P/E: 17.88x

P/B: 4.01

P/S: 3.81x

ROE: 22.25%

Debt/Equity: 8.30

Int Cov: 70.04x

Legal Disclaimer

Analyst Certification: The analyst(s) principally responsible for the preparation of this research report certify that the views expressed in this research report accurately reflect his/her (their) personal views about the subject security (ies) or issuer(s) and that his/her (their) compensation was not, is not, or will not be directly or indirectly related to the specific recommendations or views contained in this research report.

Analyst: The analyst does not serve as an officer, director, or advisory board member of the subject company.
The analyst or a member of the analyst's household does not have a long position in shares or derivatives of the subject company.
The analyst or a member of the analyst's household does not have a short position in shares or derivatives of the subject company.
Pulse has not acted as an investment banker for the company(s) mentioned in this report in the past or will solicit in the future.
The person(s) responsible for preparing this report regularly trade the constituents of the CRB index, currencies, fixed income securities and stock indices.

Receipt of Compensation: The research analyst responsible for preparation of this report has not received any compensation from the subject company in the past 12 months.
Pulse Trading, Inc., Member SIPC, FINRA, (the "Firm") does not make markets in securities. The firm does not perform or seek to perform investment-banking services for these companies in the future.
Analysts receive no direct compensation in connection with the firm's investment banking business. All Pulse employees, including the analyst(s) responsible for preparing this research report, may be eligible to receive non-product or service specific monetary bonus compensation that is based upon various factors, including total revenues of Pulse and its affiliates as well as a portion of the proceeds from a broad pool of investment vehicles consisting of components of the compensation generated by directors, analysts or employees and may effect transactions in and have long or short positions in the securities (options or warrants with respect thereto) mentioned herein. Analysts are not eligible for bonus compensation. Although the statements of fact in this report have been obtained from and are based upon recognized statistical services, issuer reports or communications, or other sources that the firm believes to be reliable, we cannot guarantee their accuracy. All opinions and estimates included constitute the analyst's judgment as of the date of this report and are subject to change without notice. The firm may effect transactions as agent in the securities mentioned herein. This report is offered for information purposes only, and does not constitute an offer or solicitation to buy or sell any securities discussed herein in any jurisdiction where such would be prohibited.

Additional information available upon request.

Additional Significant Risk Factors and Investment Considerations: The securities or trading strategies discussed in this report may not be suitable for some investors. Investors must independently evaluate each issuer, security, or instrument discussed in this report and consult independent advisors where necessary.

1. Past Performance is not indicative of future results.
2. Market Risk: Securities may decline in value due to factors affecting securities markets generally or particular industries. The value of a security may be worth less than the original investment.
3. Concentration risk: Investing a substantial portion of assets in securities within a single industry or sector of the economy may be subject to greater price volatility or adversely affected by the performance of securities in that particular sector or industry.
4. Leverage Risk: Fluctuations in interest rates on borrowings or the dividend rates on preferred shares as a result of changes in short-term interest rates may reduce the return to common shareholders or result in fluctuations in the dividends paid on the common shares. There is no assurance that a leverage strategy will be successful.
5. Foreign Investment Risk: Investment in foreign securities (both governmental and corporate) may involve a high degree of risk. In regards to debt securities, such risks may impair the timely payment of principal and/or interest.
6. Short selling involves an inordinate amount of risk including the theoretical potential for unlimited losses and losses that can greatly exceed the principal amount invested. In contrast, the potential gain from short selling is generally limited to the principal amount invested. Short sellers can have their stock called away by the lender of the shares shorted, subjecting the short seller to incremental risk. Short sellers by definition must borrow shares, subjecting short sellers to margin risk. The risks cited here with respect to short selling are not all inclusive and investors should consult with their independent advisors prior to engaging in any recommended short selling strategies, including, if applicable, the short sale recommended in this report.

The risks detailed above are not inclusive. Other significant risk factors not identified here may be equally or more important to any particular investor in terms of assessing the overall risks associated with these securities. The information contained herein is illustrative and is not intended to predict actual results, which may differ substantially from those reflected herein. Investors should consider this report as only a single factor in making their investment decision.

Copyright © Renaissance Research Group, LLC. 2009. All rights reserved. All material presented in this document, unless specifically indicated otherwise, is under copyright to Renaissance Research Group, LLC. None of the material, nor its content, nor any copy of it, may be altered in any way, or transmitted to or distributed to any other party, without the prior express written permission of Renaissance Research Group, LLC.