



deGraaf's Weekly
Survival Guide to
the Markets
January 29, 2013

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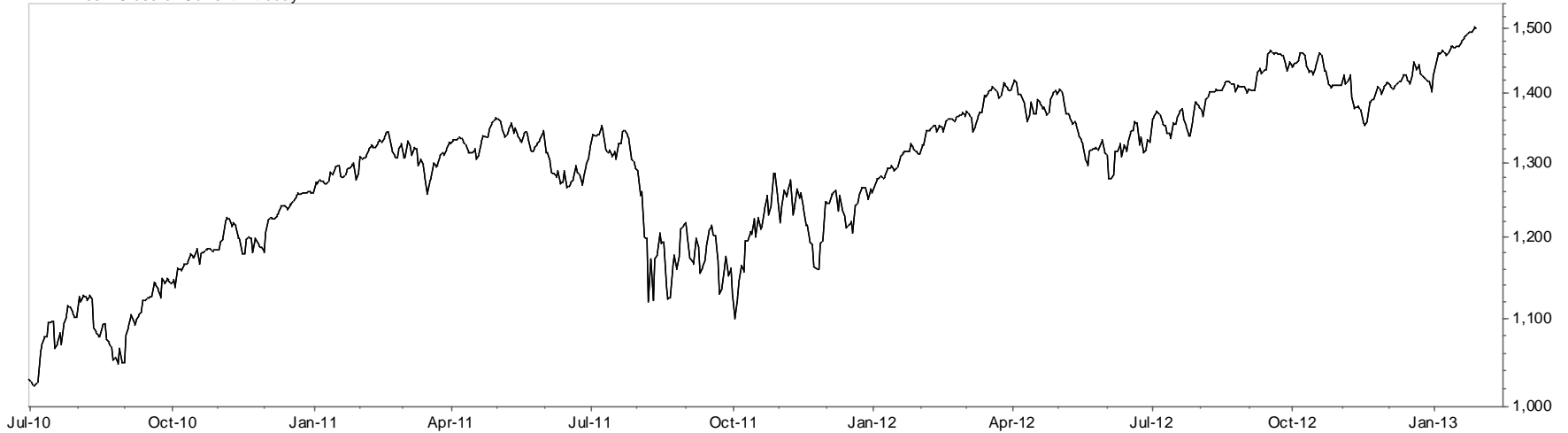
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Overbought, BUT!

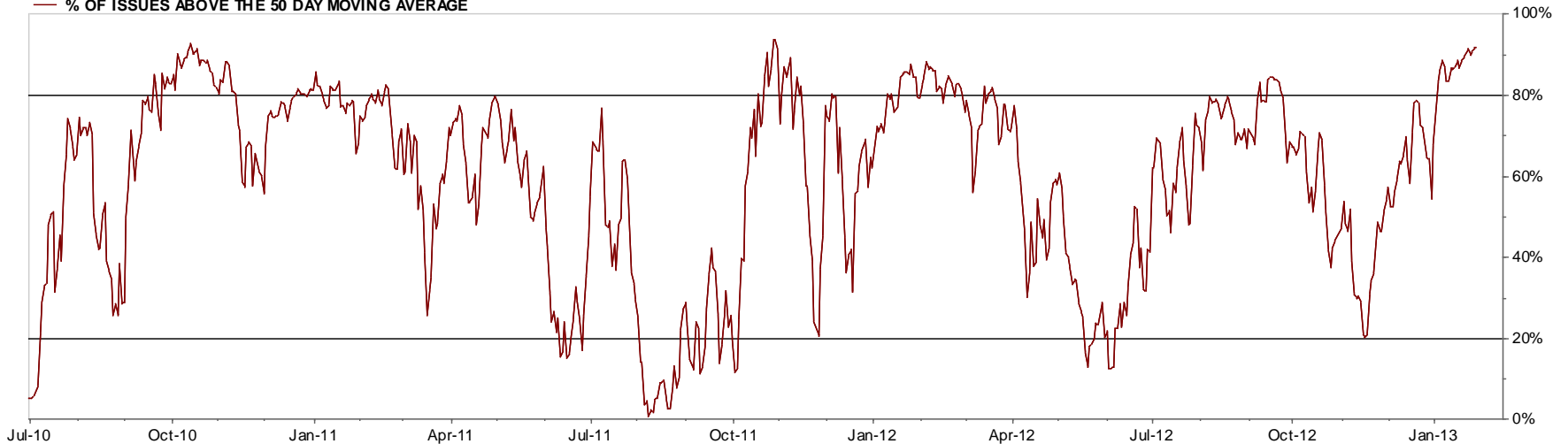
S&P 500 (SP50)

— Price - Close or Current Intraday



— % OF ISSUES ABOVE THE 50 DAY MOVING AVERAGE

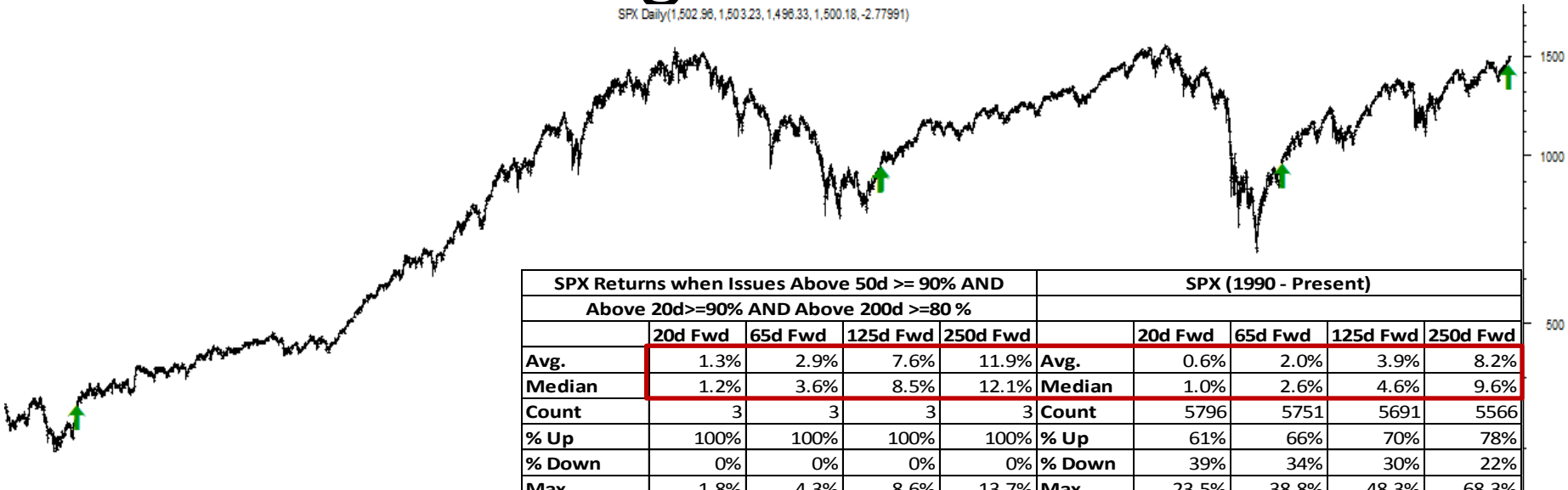
1/28/2013 = 91.80%



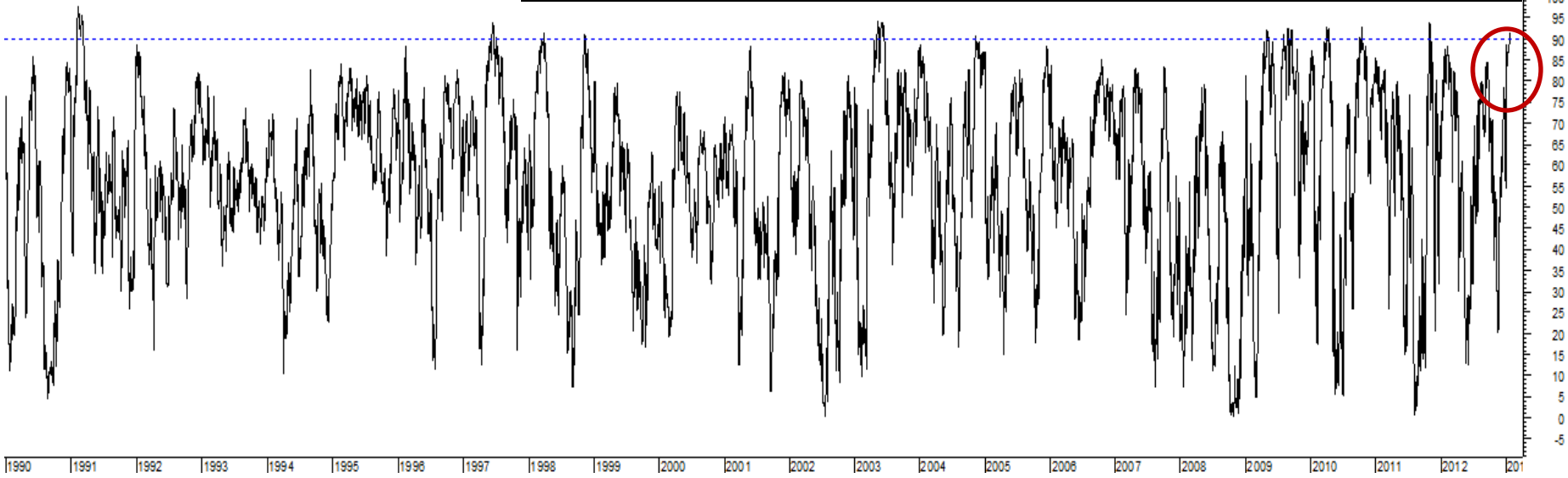
Renaissance Macro Research - Technical Analysis

Strong Momentum

SPX Daily(1,502.98, 1,503.23, 1,496.33, 1,500.18, -2.77991)



SPX Returns when Issues Above 50d >= 90% AND Above 20d >=90% AND Above 200d >=80 %					SPX (1990 - Present)				
	20d Fwd	65d Fwd	125d Fwd	250d Fwd		20d Fwd	65d Fwd	125d Fwd	250d Fwd
Avg.	1.3%	2.9%	7.6%	11.9%	Avg.	0.6%	2.0%	3.9%	8.2%
Median	1.2%	3.6%	8.5%	12.1%	Median	1.0%	2.6%	4.6%	9.6%
Count	3	3	3	3	Count	5796	5751	5691	5566
% Up	100%	100%	100%	100%	% Up	61%	66%	70%	78%
% Down	0%	0%	0%	0%	% Down	39%	34%	30%	22%
Max	1.8%	4.3%	8.6%	13.7%	Max	23.5%	38.8%	48.3%	68.3%
Min	0.8%	0.9%	5.6%	9.9%	Min	-28.2%	-41.0%	-46.6%	-48.8%

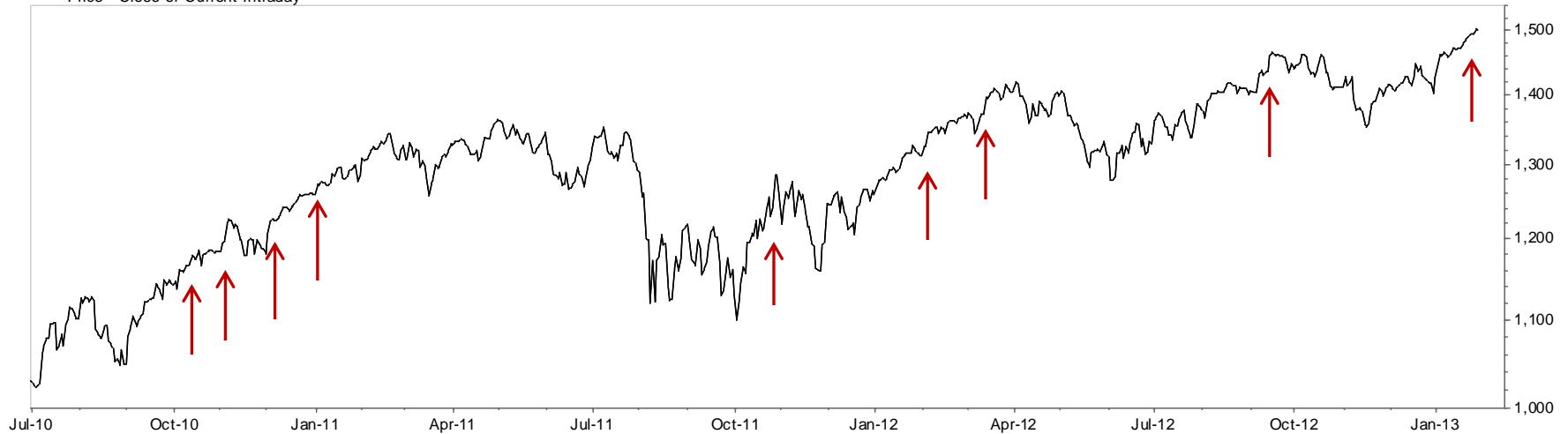


1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013

65-Day Highs Surging

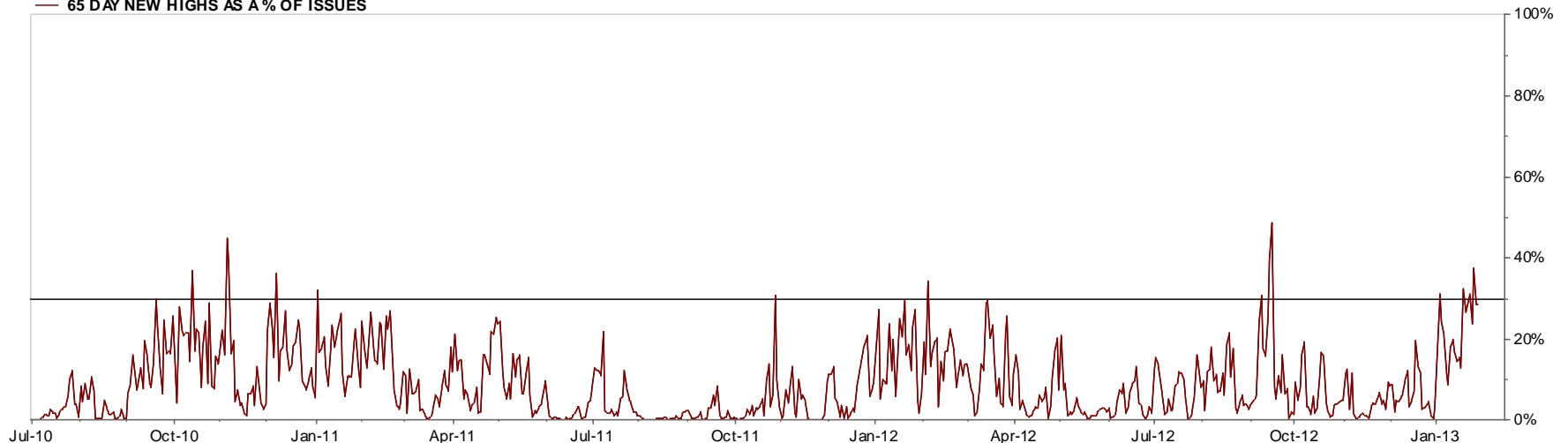
S&P 500 (SP50)

— Price - Close or Current Intraday



1/28/2013 = 28.60%

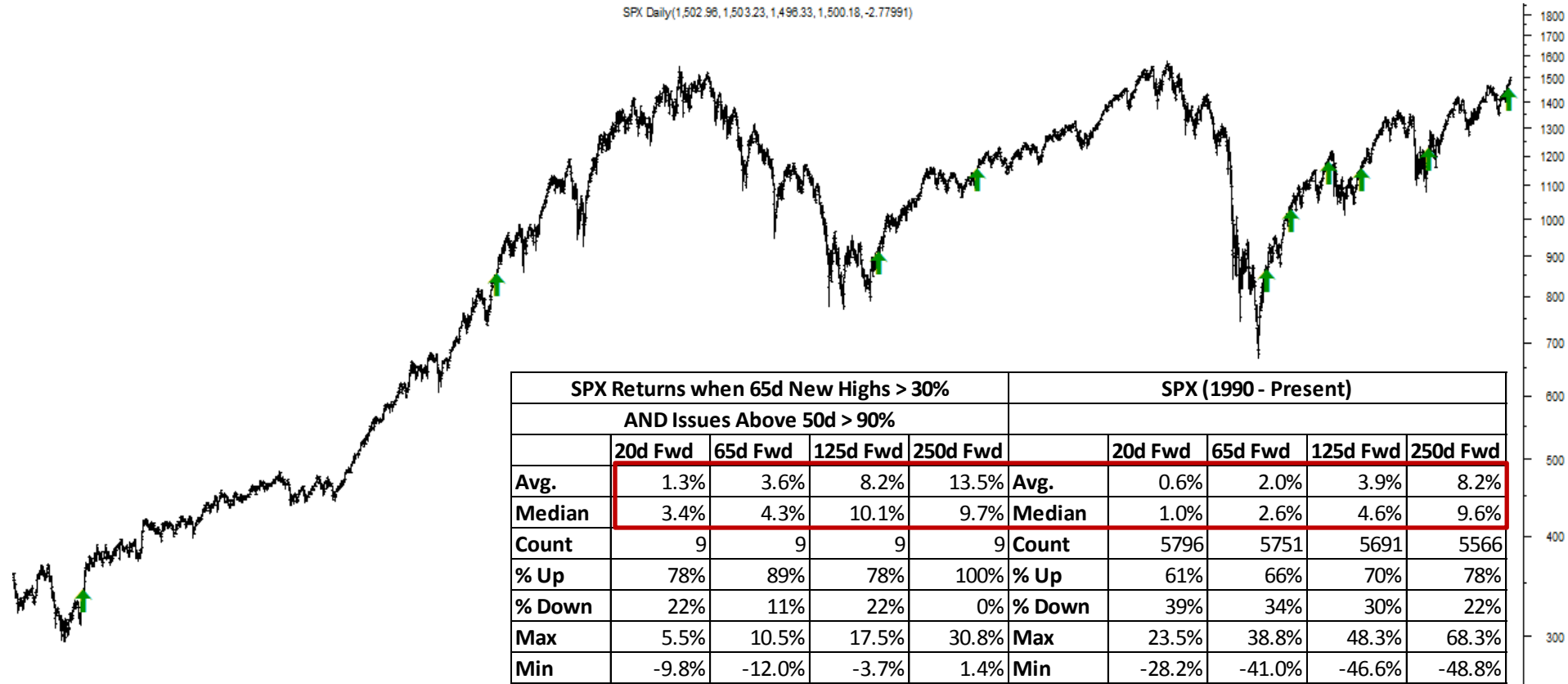
— 65 DAY NEW HIGHS AS A % OF ISSUES



Renaissance Macro Research - Technical Analysis

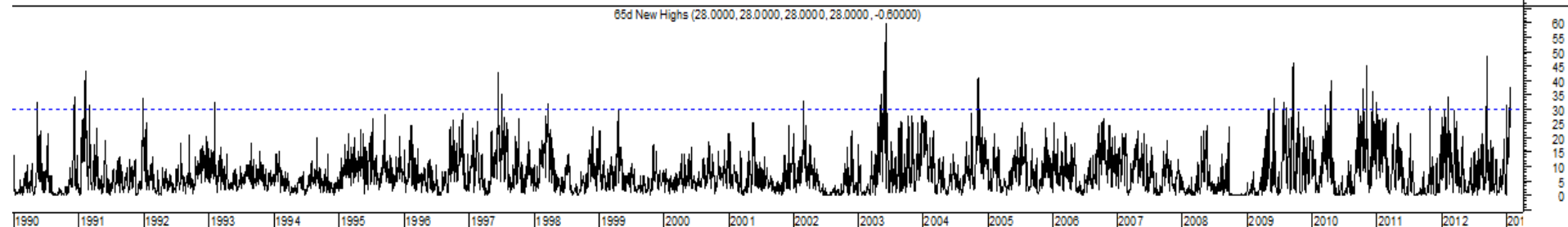
65-Day Highs Confirm Momentum

SPX Daily(1,502.96, 1,503.23, 1,496.33, 1,500.18, -2.77991)

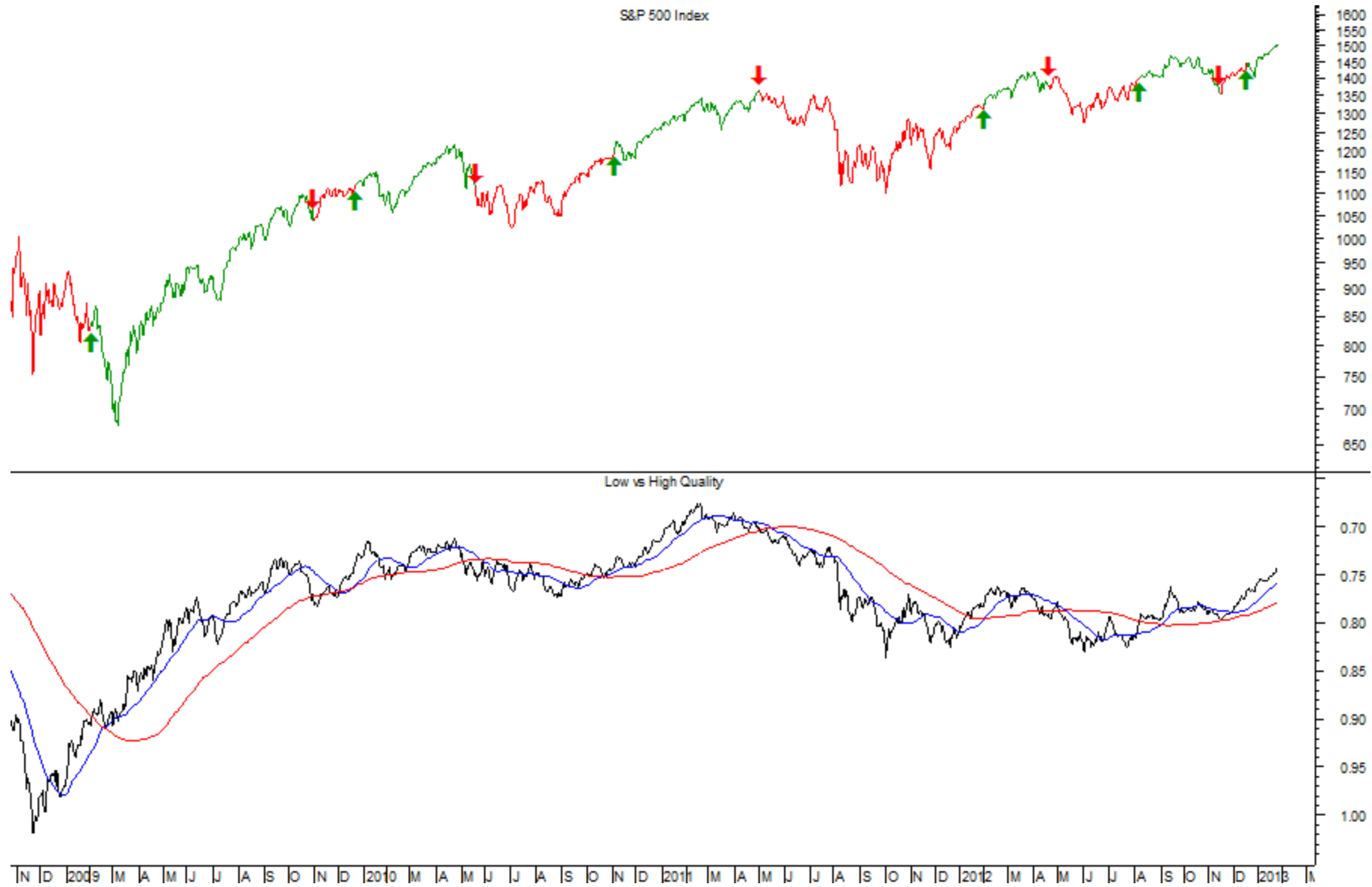


SPX Returns when 65d New Highs > 30%					SPX (1990 - Present)				
AND Issues Above 50d > 90%									
	20d Fwd	65d Fwd	125d Fwd	250d Fwd		20d Fwd	65d Fwd	125d Fwd	250d Fwd
Avg.	1.3%	3.6%	8.2%	13.5%	Avg.	0.6%	2.0%	3.9%	8.2%
Median	3.4%	4.3%	10.1%	9.7%	Median	1.0%	2.6%	4.6%	9.6%
Count	9	9	9	9	Count	5796	5751	5691	5566
% Up	78%	89%	78%	100%	% Up	61%	66%	70%	78%
% Down	22%	11%	22%	0%	% Down	39%	34%	30%	22%
Max	5.5%	10.5%	17.5%	30.8%	Max	23.5%	38.8%	48.3%	68.3%
Min	-9.8%	-12.0%	-3.7%	1.4%	Min	-28.2%	-41.0%	-46.6%	-48.8%

65d New Highs (28.0000, 28.0000, 28.0000, 28.0000, -0.80000)



Low Quality Trumping High

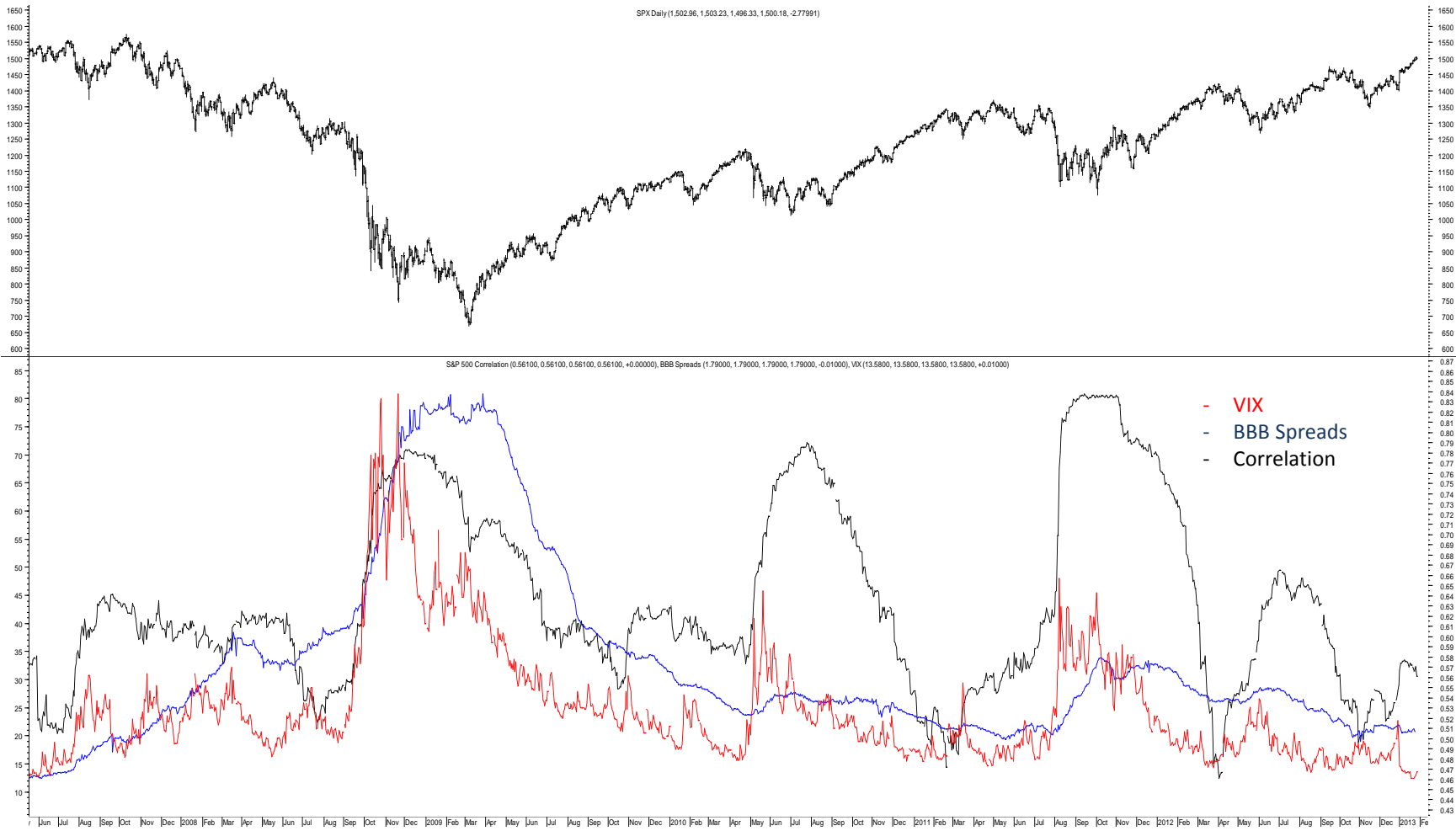


10-Year

U.S. Treasury 10 Year Yield

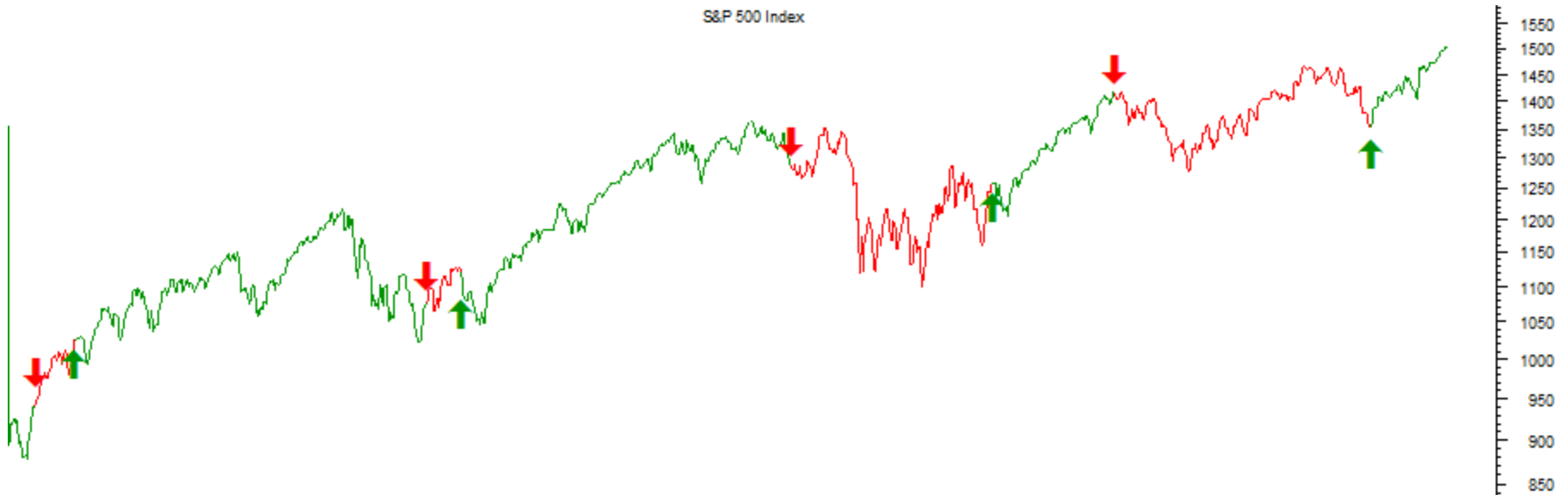


Expect Correlation to Contract

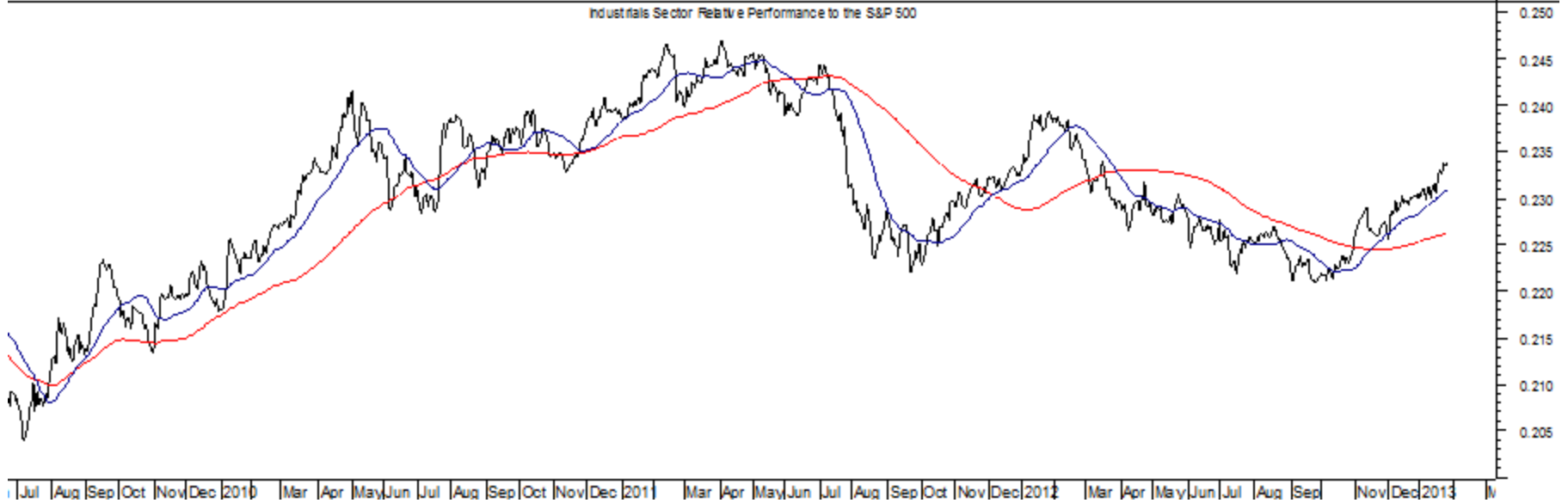


Industrials Relative

S&P 500 Index



Industrials Sector Relative Performance to the S&P 500



Palladium Confirms Industrials

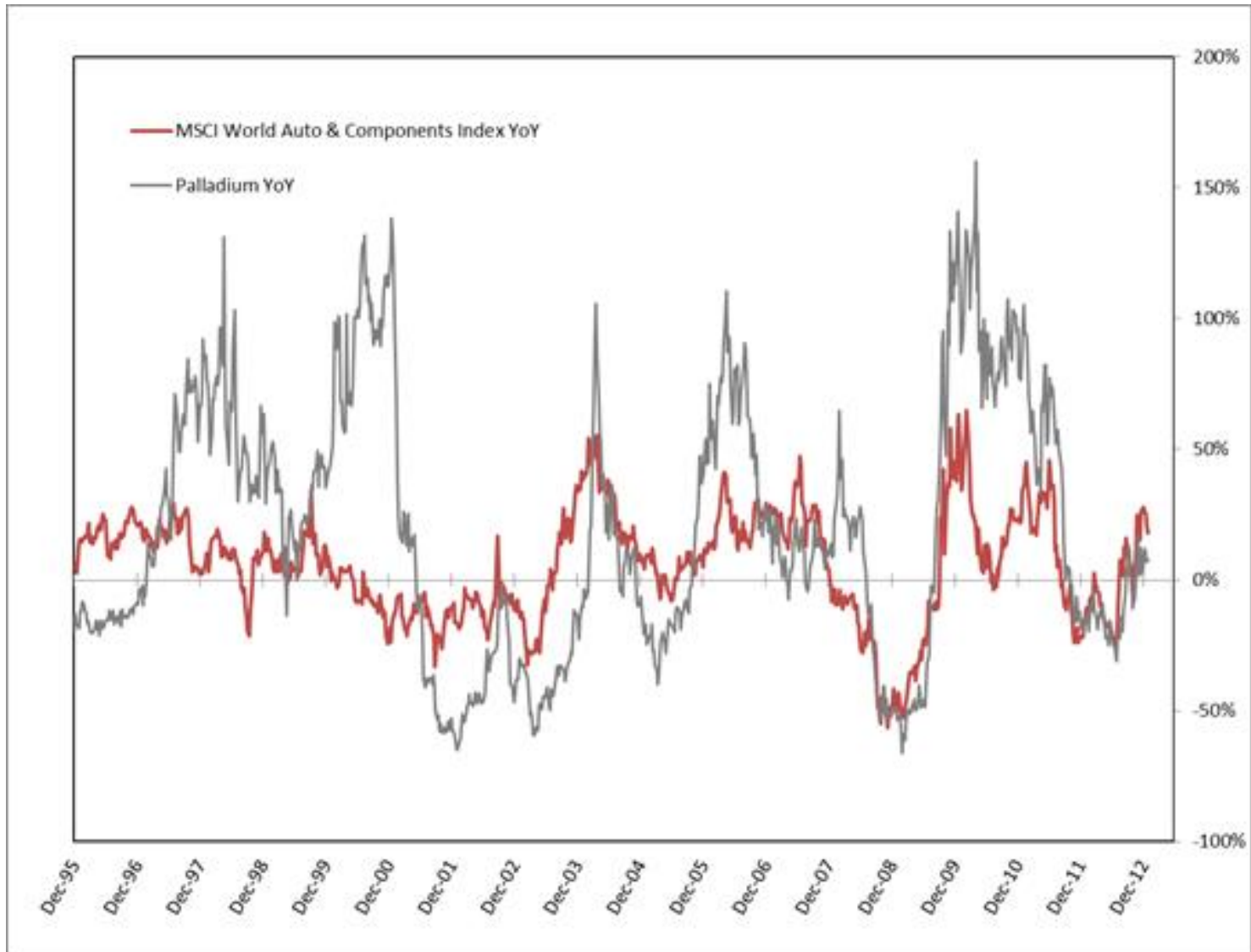


PA1 Comdty (Generic 1st 'PA' Future) Comdty Deep Dive Daily 31OCT2006-23JAN201

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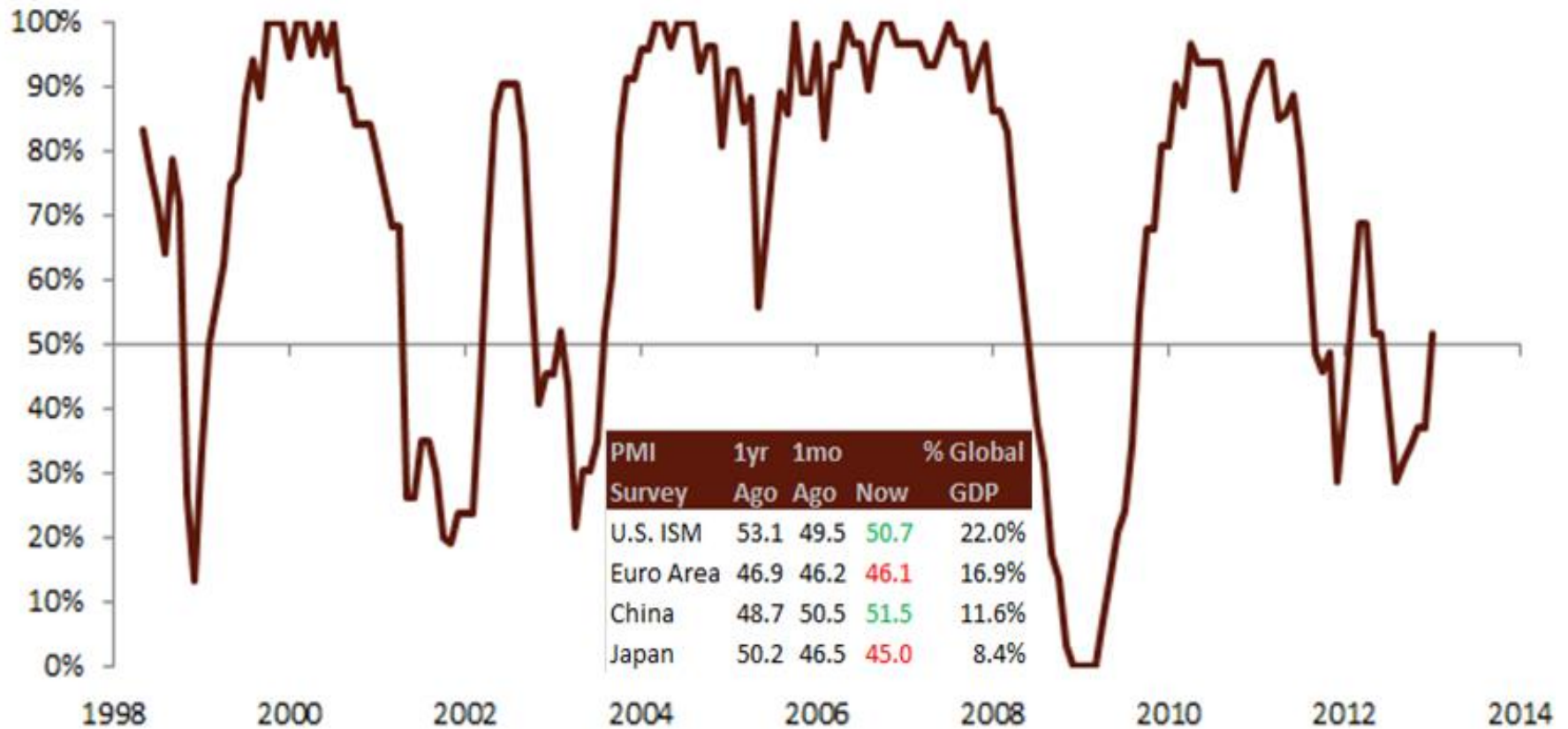
28-Jan-2013 21:16:50

Autos and Palladium YoY

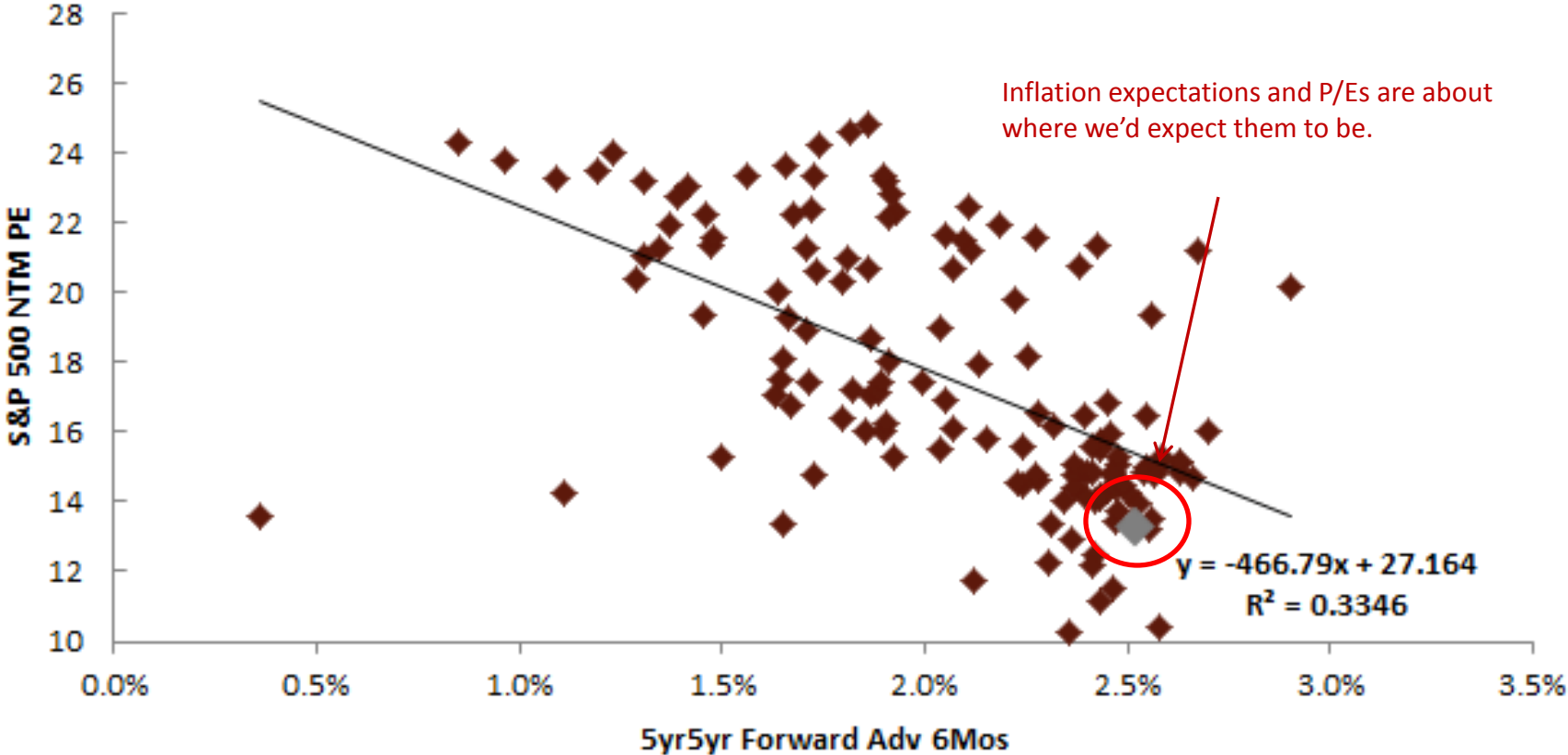


Global PMI's Moving in the Right Direction

% of Global PMIs in Expansion



Inflation Expectations and P/Es



Inflation Expectations Hooking Down

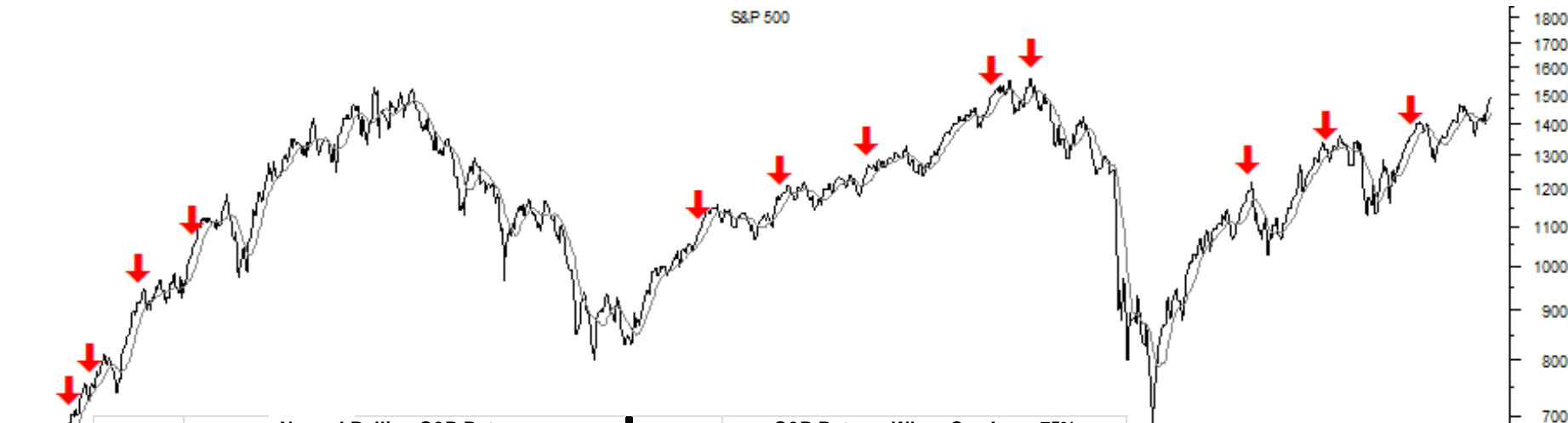
5yr5yr Forward Inflation Expectations



Inflation is unlikely to have a substantial impact on P/Es over the next 6-12 months.

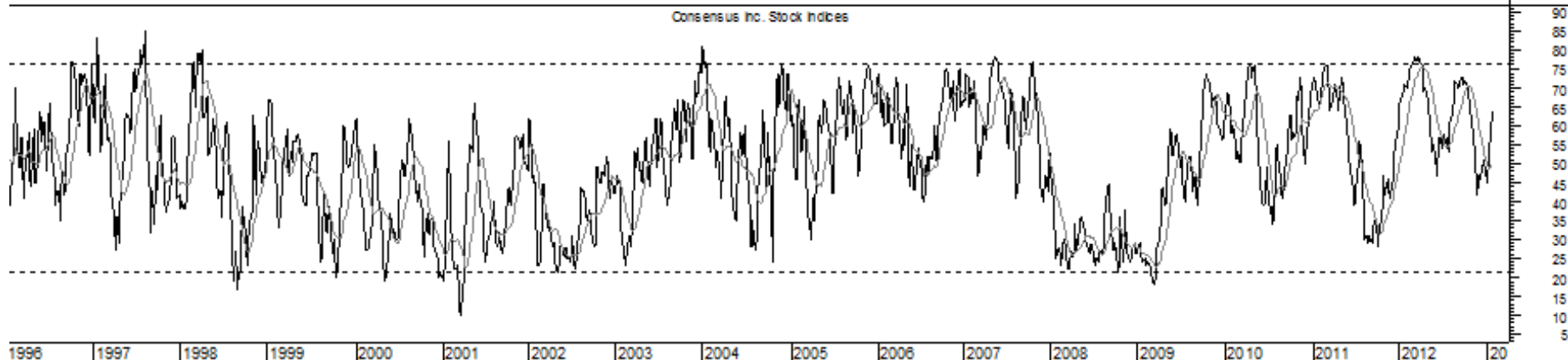
Sentiment Not There Yet

S&P 500



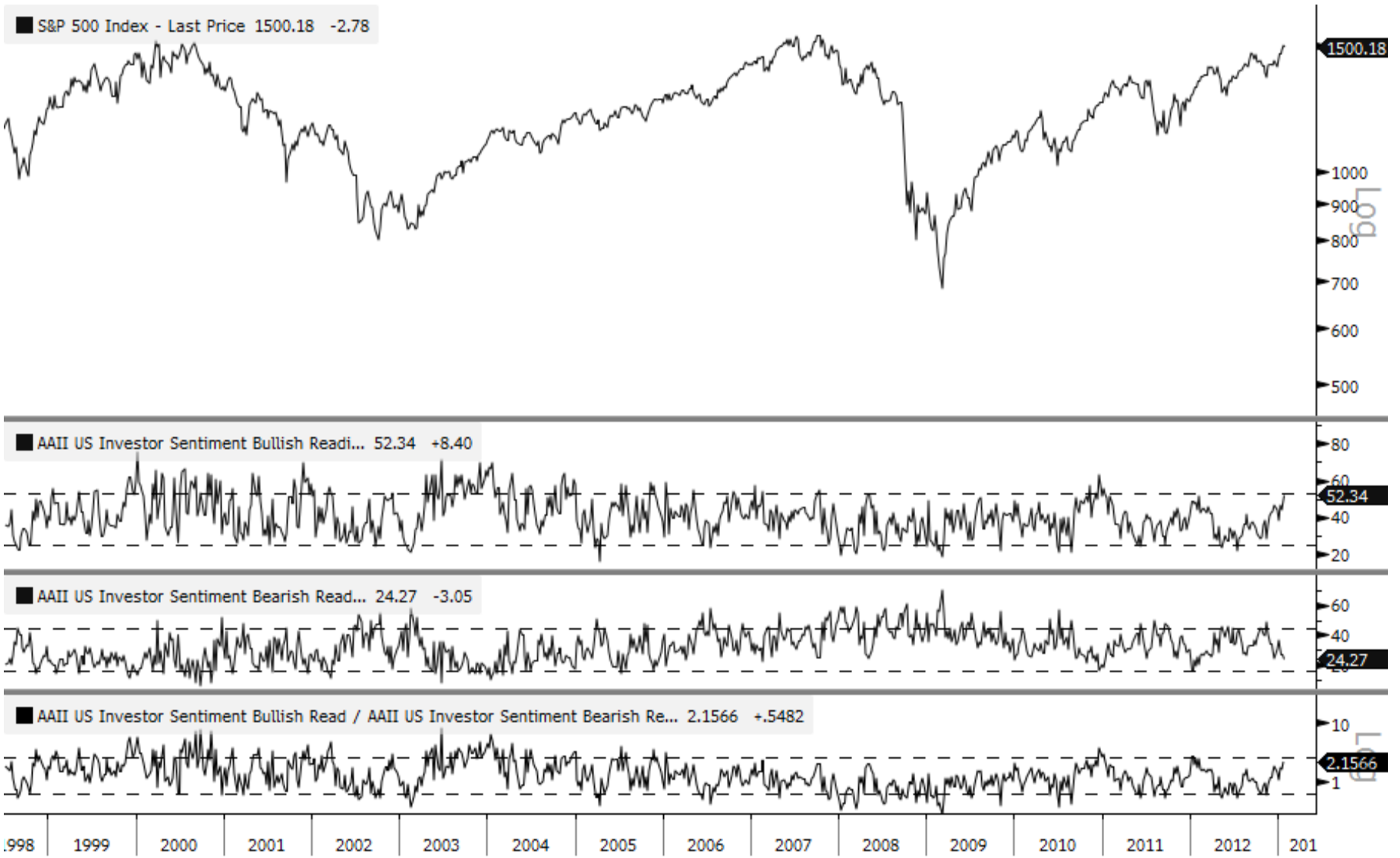
	Normal Rolling S&P Returns					S&P Returns When Con Inc > 75%				
	10	20	40	65	125	10	20	40	65	125
Avg	0.34%	0.67%	1.33%	2.16%	4.42%	-0.07%	-0.32%	-0.29%	-0.49%	2.73%
Median	0.61%	1.14%	1.58%	2.59%	5.08%	0.53%	0.31%	0.74%	1.80%	2.34%
% Up	59%	61%	62%	67%	71%	64%	59%	55%	55%	64%
% Down	41%	39%	38%	33%	29%	36%	41%	45%	45%	36%
Max	12%	23%	28%	38%	49%	4%	5%	8%	12%	22%
Min	-26%	-28%	-34%	-38%	-45%	-9%	-8%	-16%	-28%	-22%
Count	1547	1545	1541	1536	1523	22	22	22	22	22

Consensus Inc. Stock indices



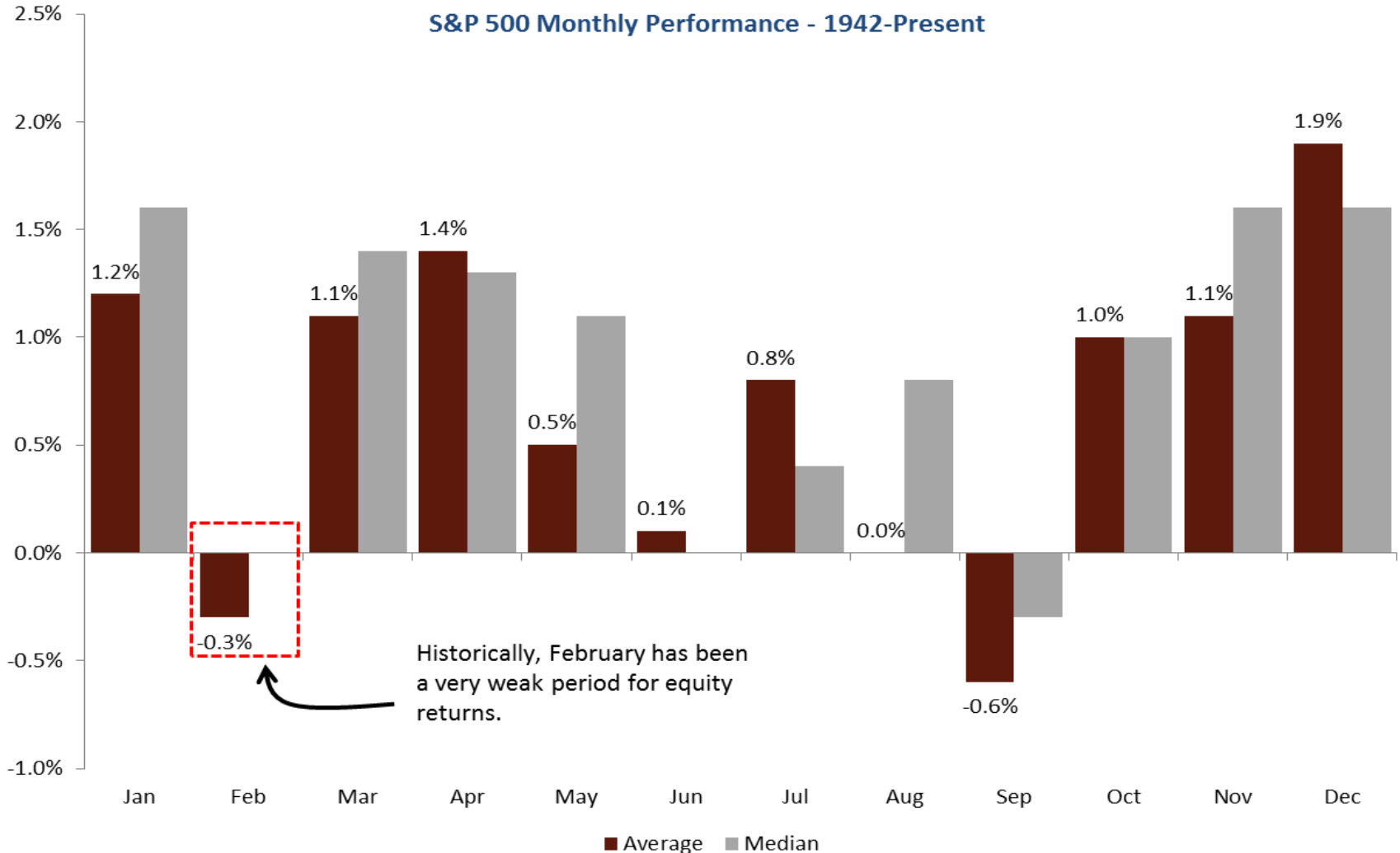
1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 20

AAII Not at Danger Levels

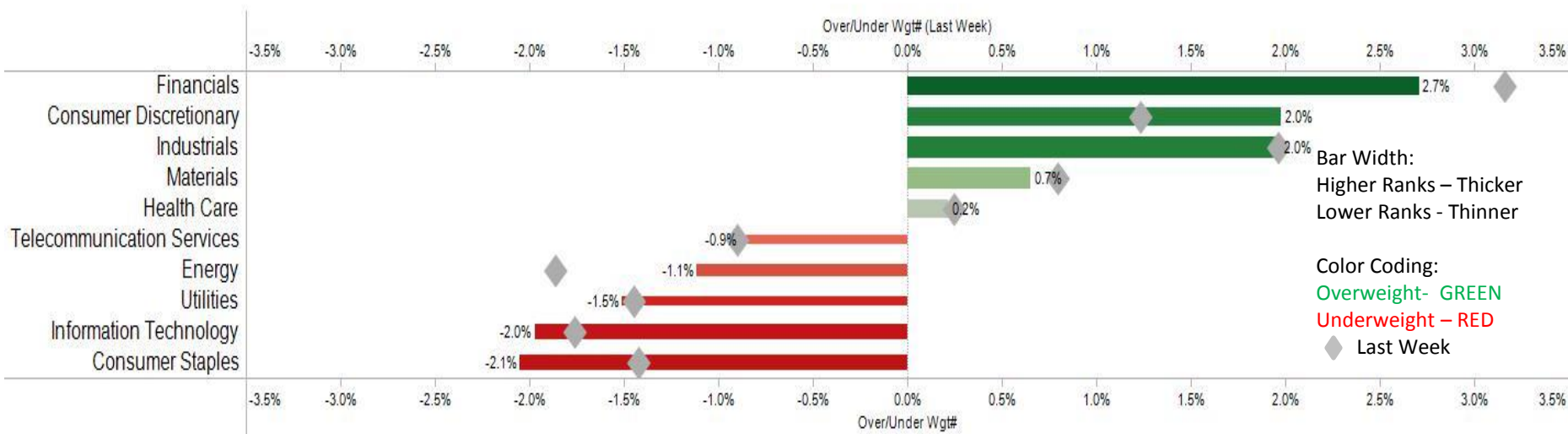


SPX Index (S&P 500 Index) AII Weekly 04JUN2002-15NOV2012 Copyright© 2013 Bloomberg Finance L.P. 28-Jan-2013 18:28:38

February Typically Digests Jan's Gains



Rankings Remain Stable

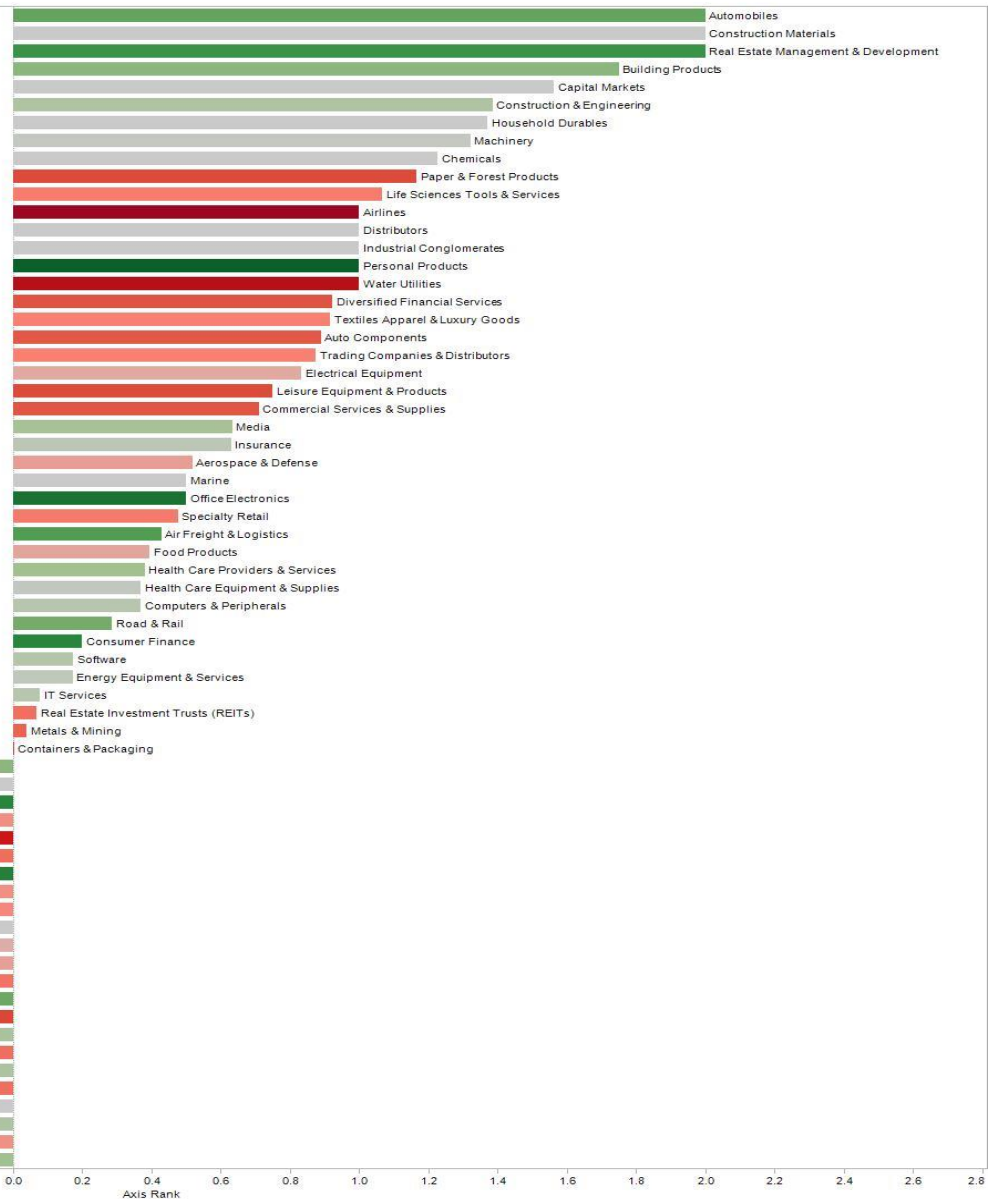


Top Technically Ranked S&P 500 Names

	<u>Financials:</u>	<u>Discretionary:</u>	<u>Industrials:</u>	<u>Materials:</u>	<u>Healthcare:</u>			
	CINF	TROW	SCHW	NWL	LEN	FLS	VMC	TMO
	NTRS	BK	XL	TWX	DLPH	SNA	PPG	PKI
New entrants highlighted in green	AFL	C	JPM	TWC	PHM	LUV	SHW	THC
	BAC	BLK	AON	WHR	LOW	PWR	IP	CVH
	BEN	MCO	CBG	CMCSA	CBS	ROP	IFF	
Optimal entry points outlined in blue	TRV	IVZ	ACE	NWSA	TRIP	MAS	EMN	
	AIG	STT	BRK.B	DHI	EXPE	PNR	LYB	<u>Tech:</u>
	GS	HIG	TMK	LEG	URBN	IR	FMC	AKAM
	ALL	AMP	LNC	DISCA	AMZN			YHOO
	NYX							EBAY

Equal Weighted Industry Ranking

Red bars denote deterioration by intensity
Green bars denote improvement by intensity



Construction Materials

SPN71

S&P Composite 1500 / Construction Materials -IND

@NA

— Price — 50 Day Moving Average — 200 Day Moving Average



Automobiles

SP307

S&P Composite 1500 / Automobiles -IND

@NA



Real Estate Management & Development



Optimal Exit Point in Telecom

WIN-US

RenMac Rank: 5

Windstream Corp.

Integrated Telecommunication Services



Optimal Exit Point in Utilities

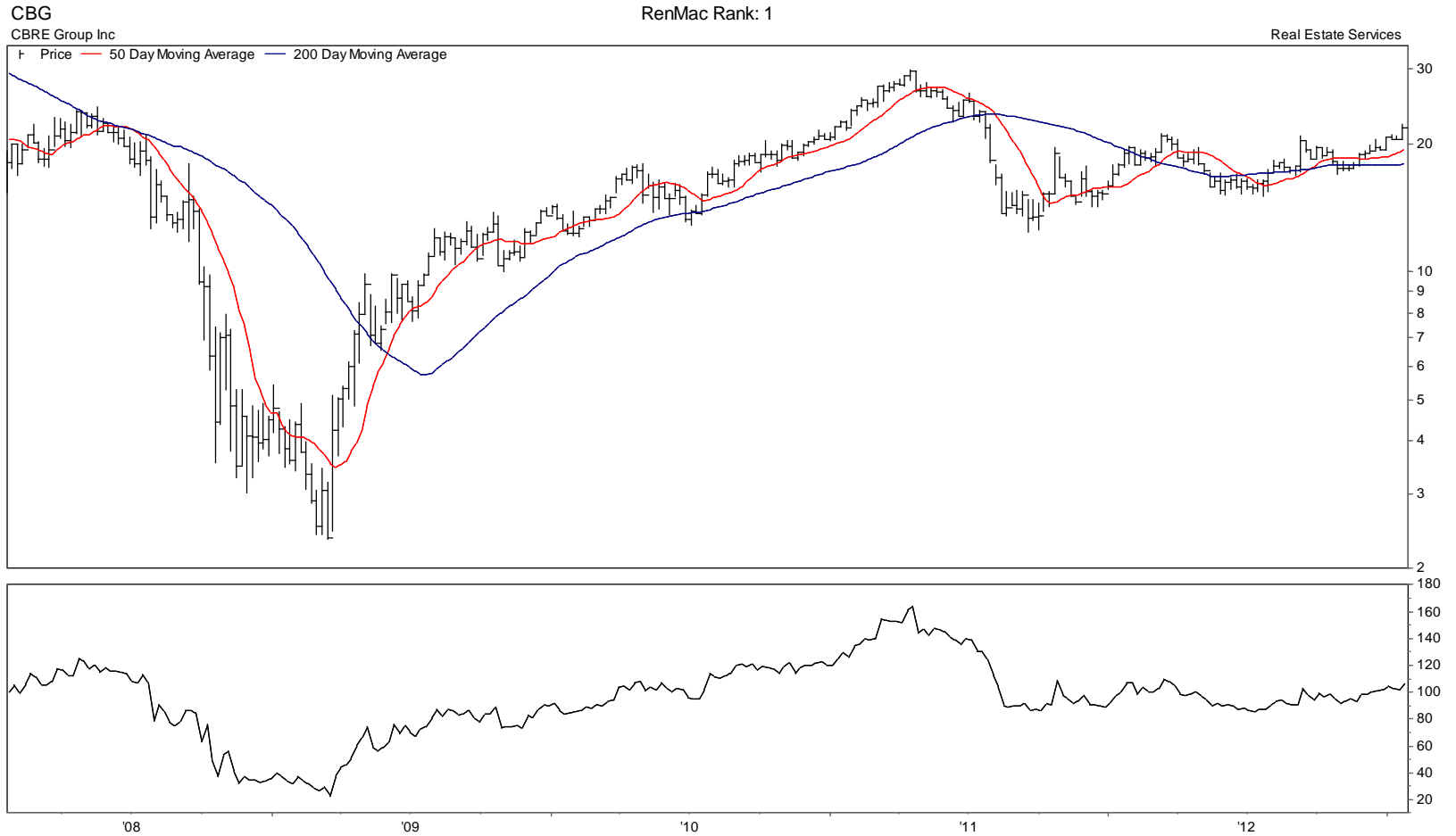
AES-US
AES Corp.

RenMac Rank: 5

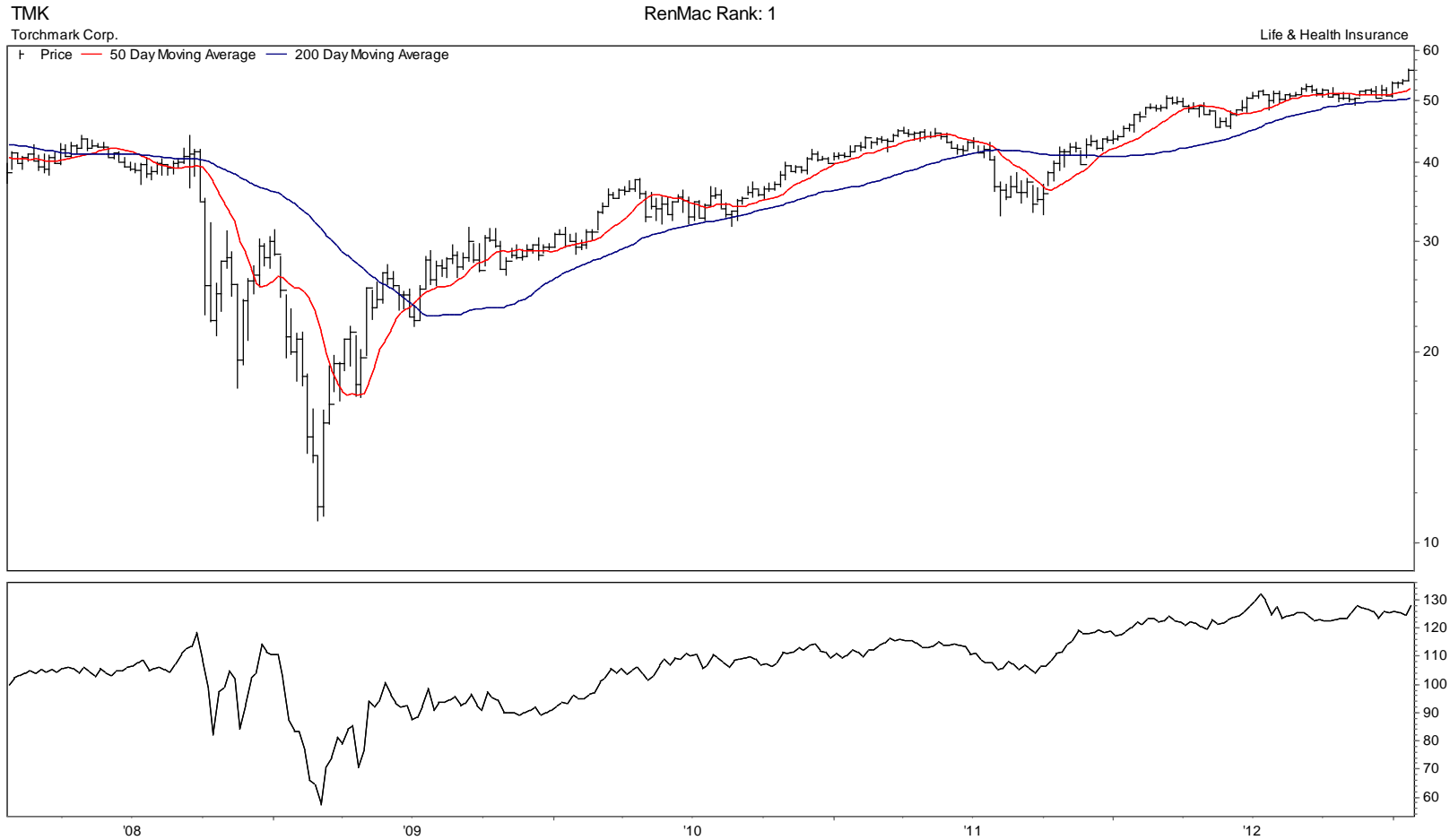
Independent Power Producers & Energy Traders



Real Estate Breakout



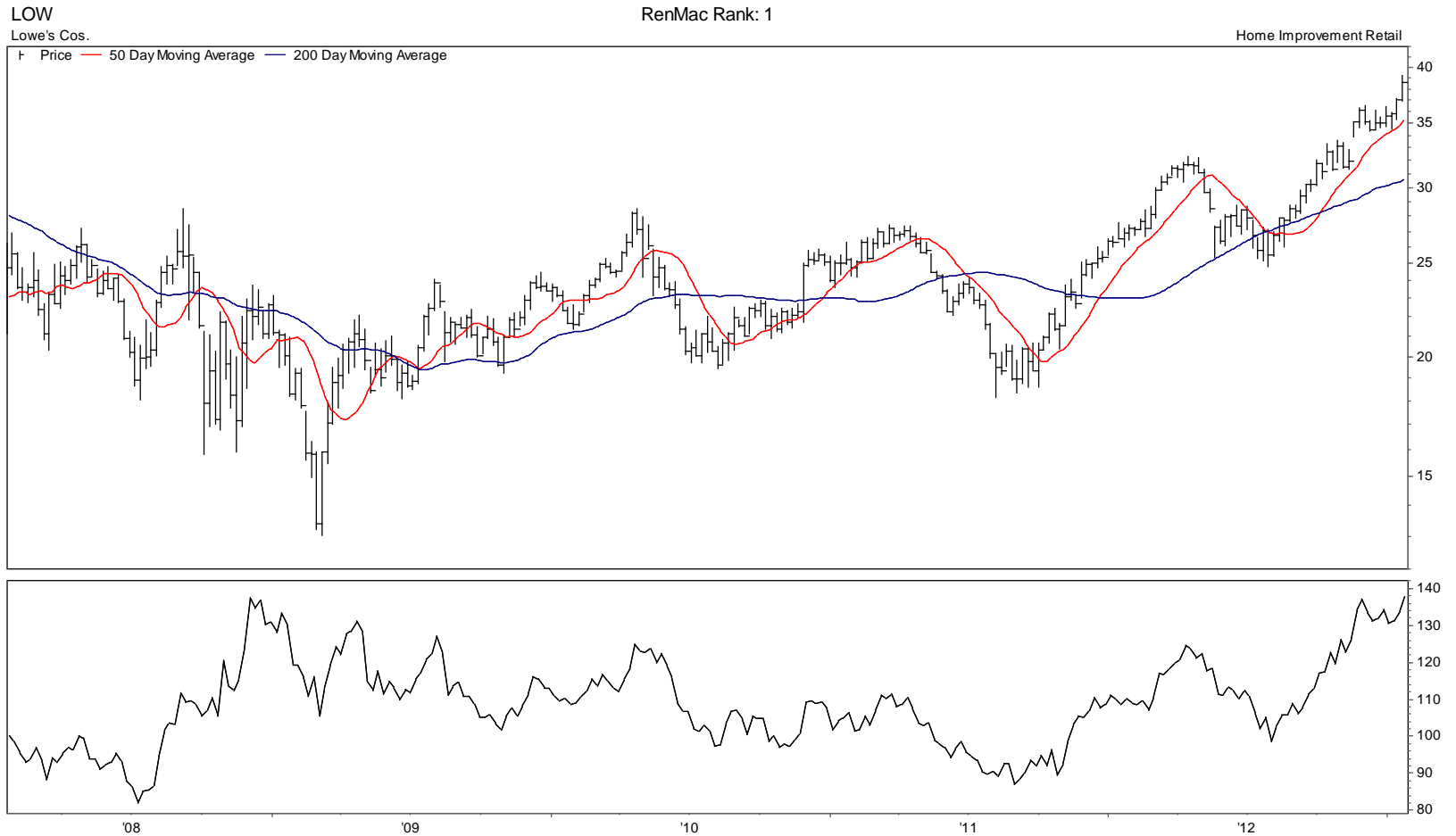
Insurance Breakout



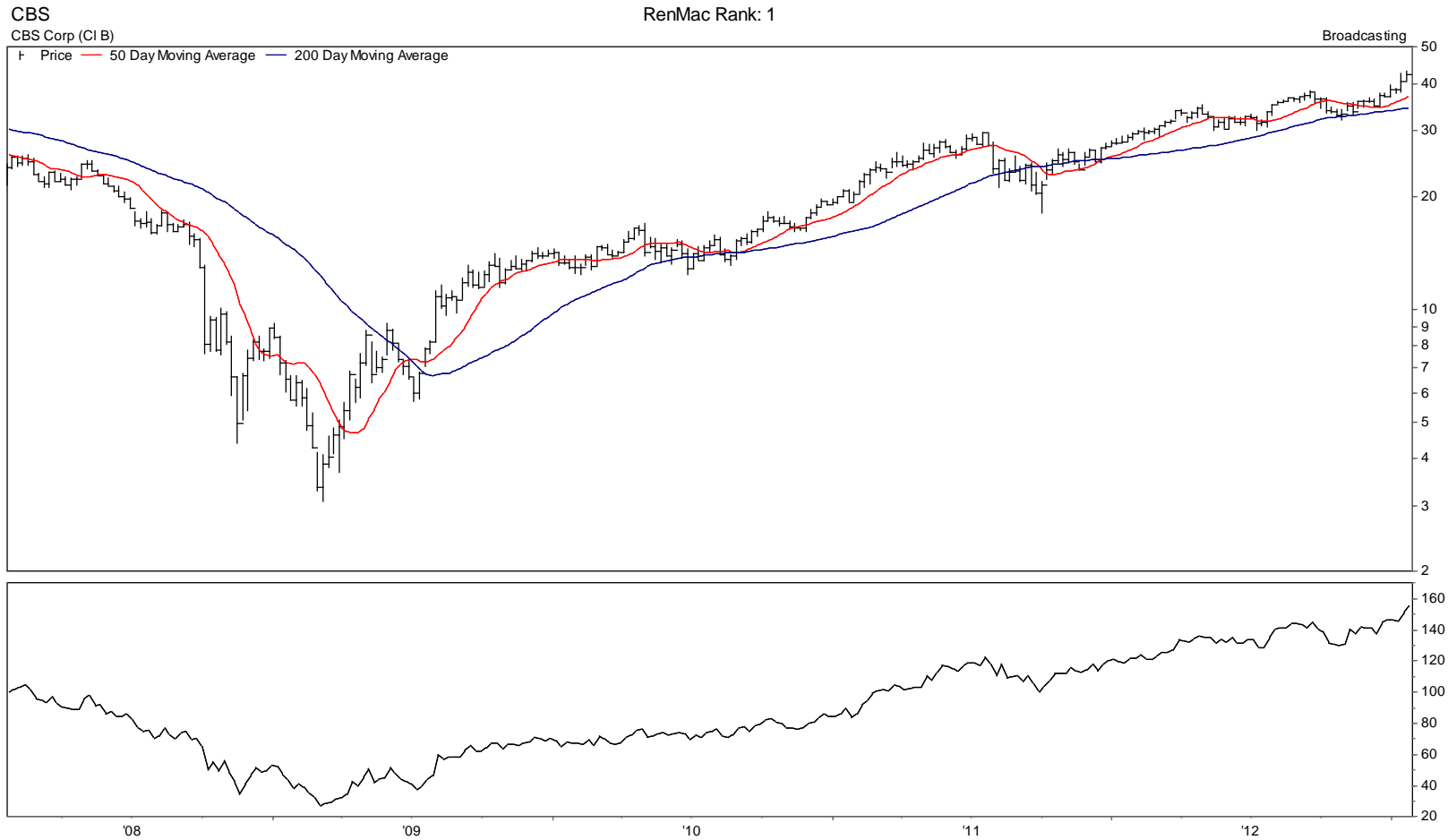
Insurance Breakout



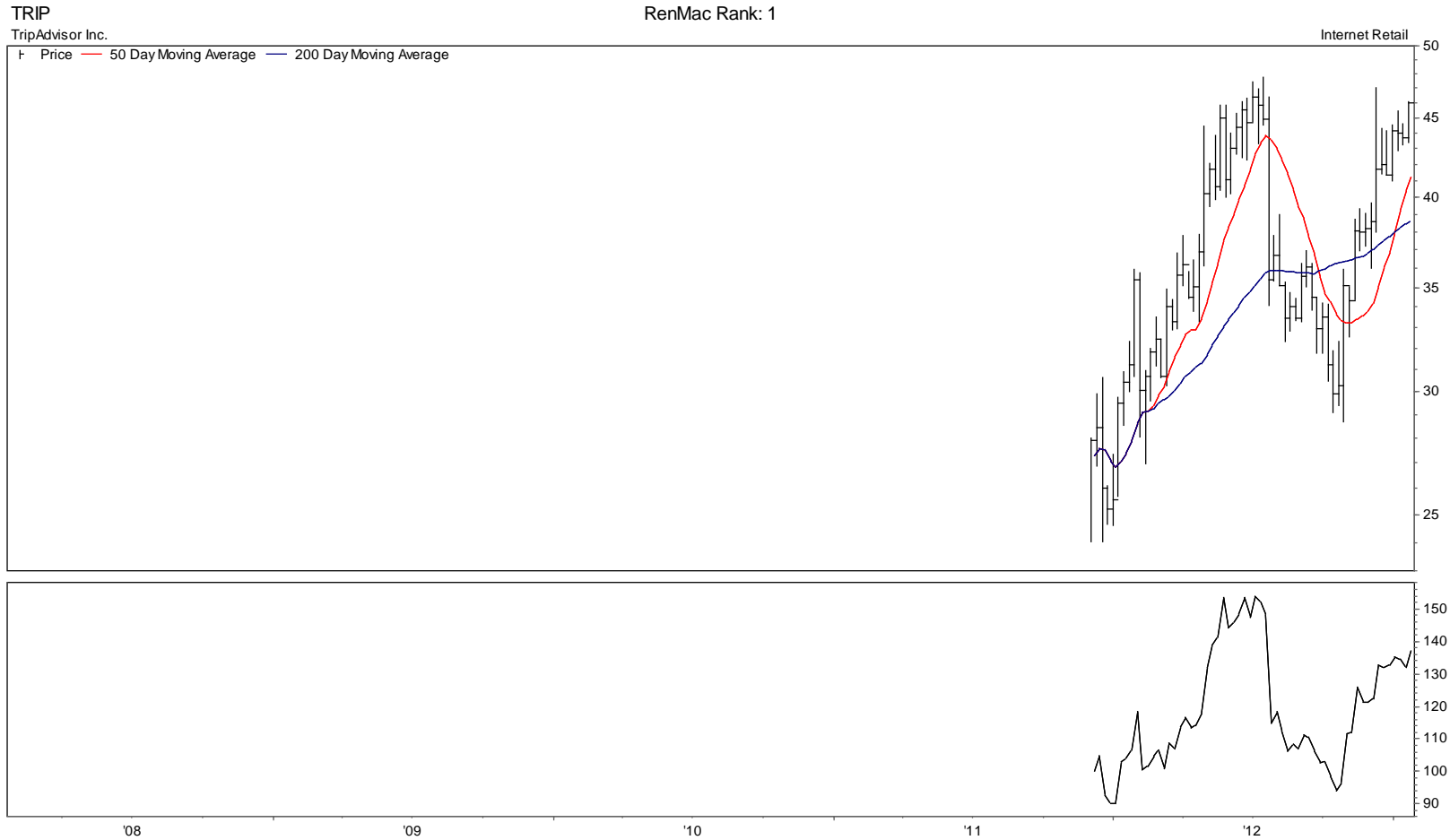
Housing Story Still Viable



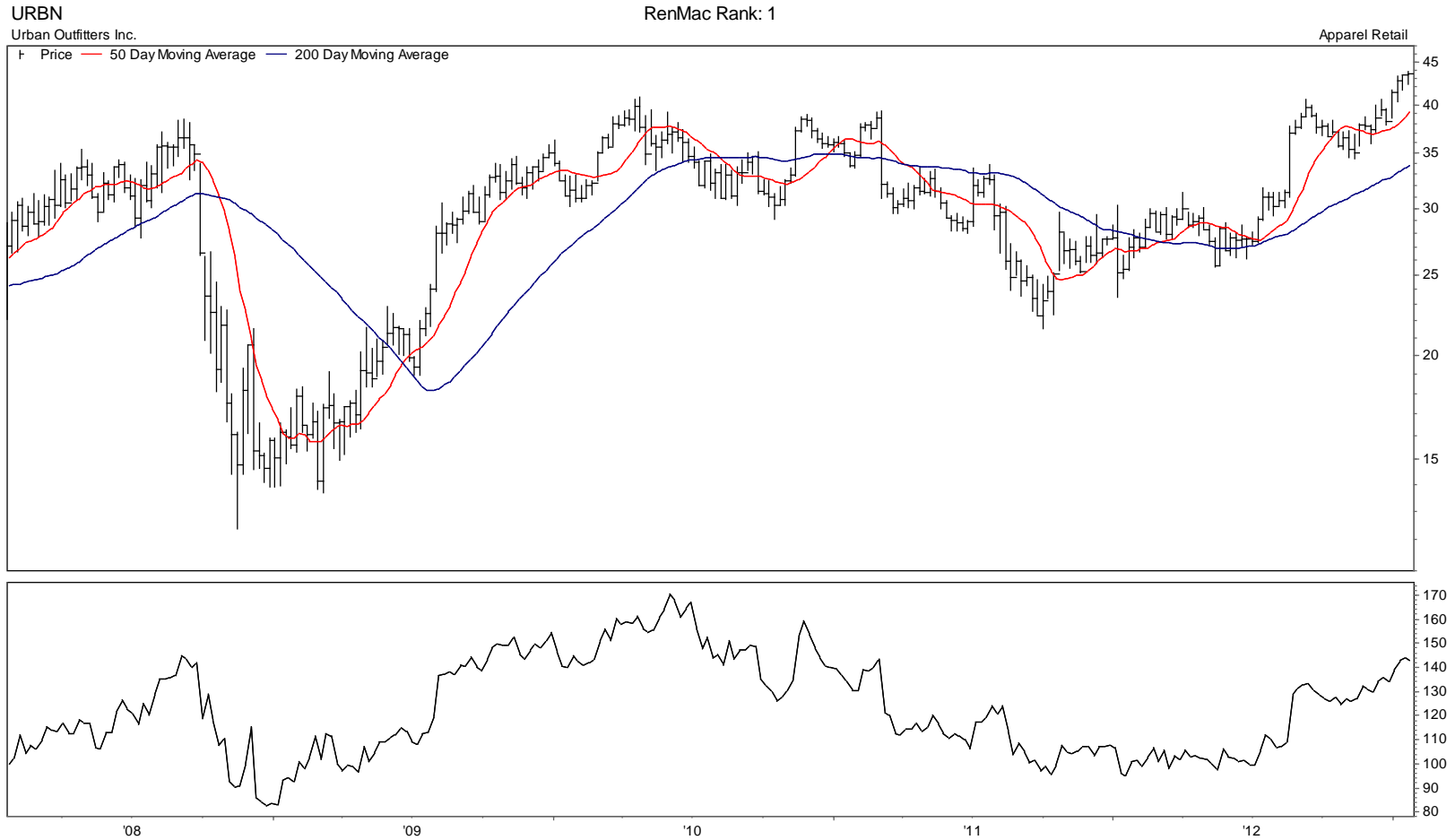
Media Breakout



New Issue Resurrection



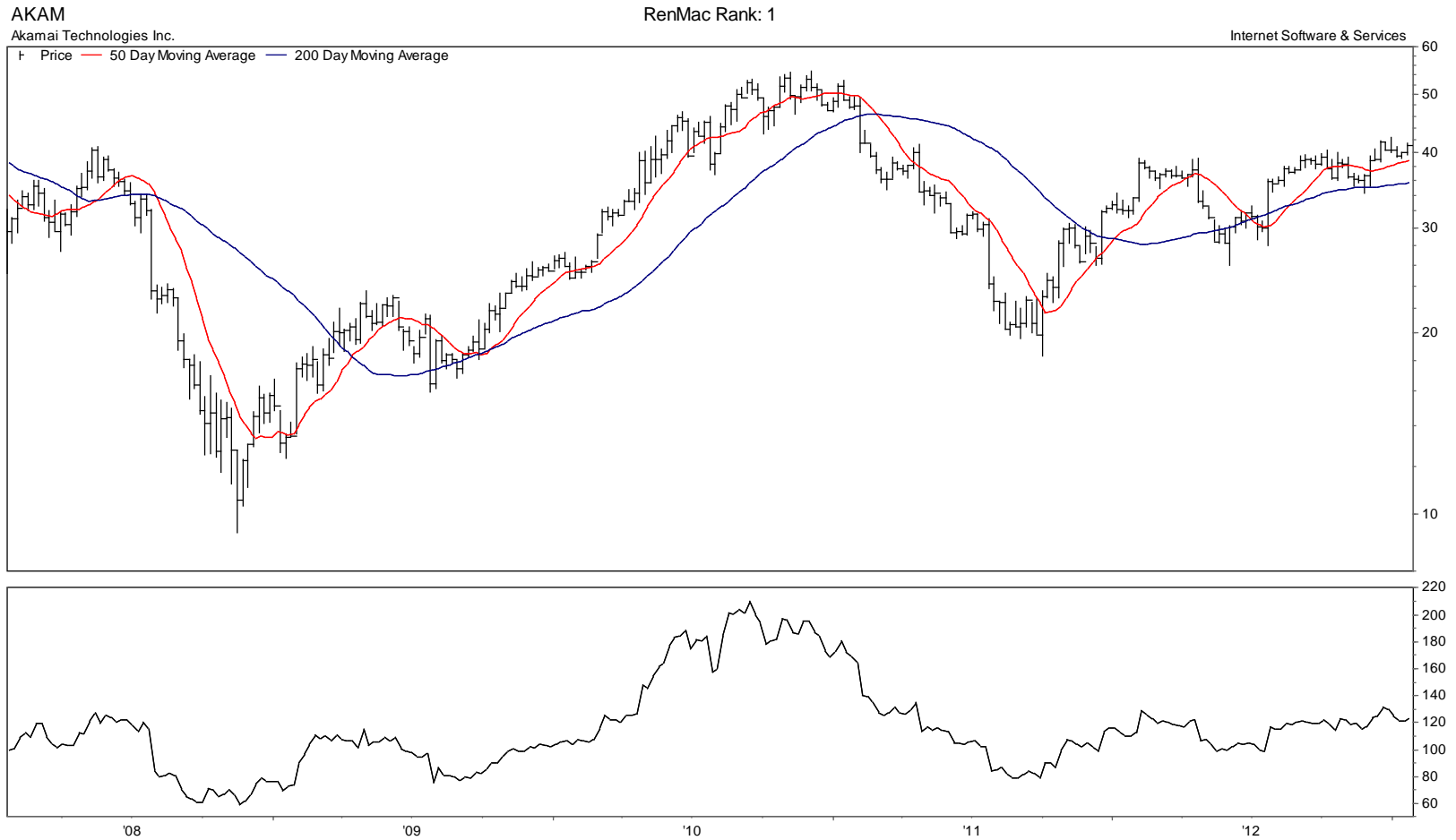
Apparel Name Breaking Out



Facilities Breakout



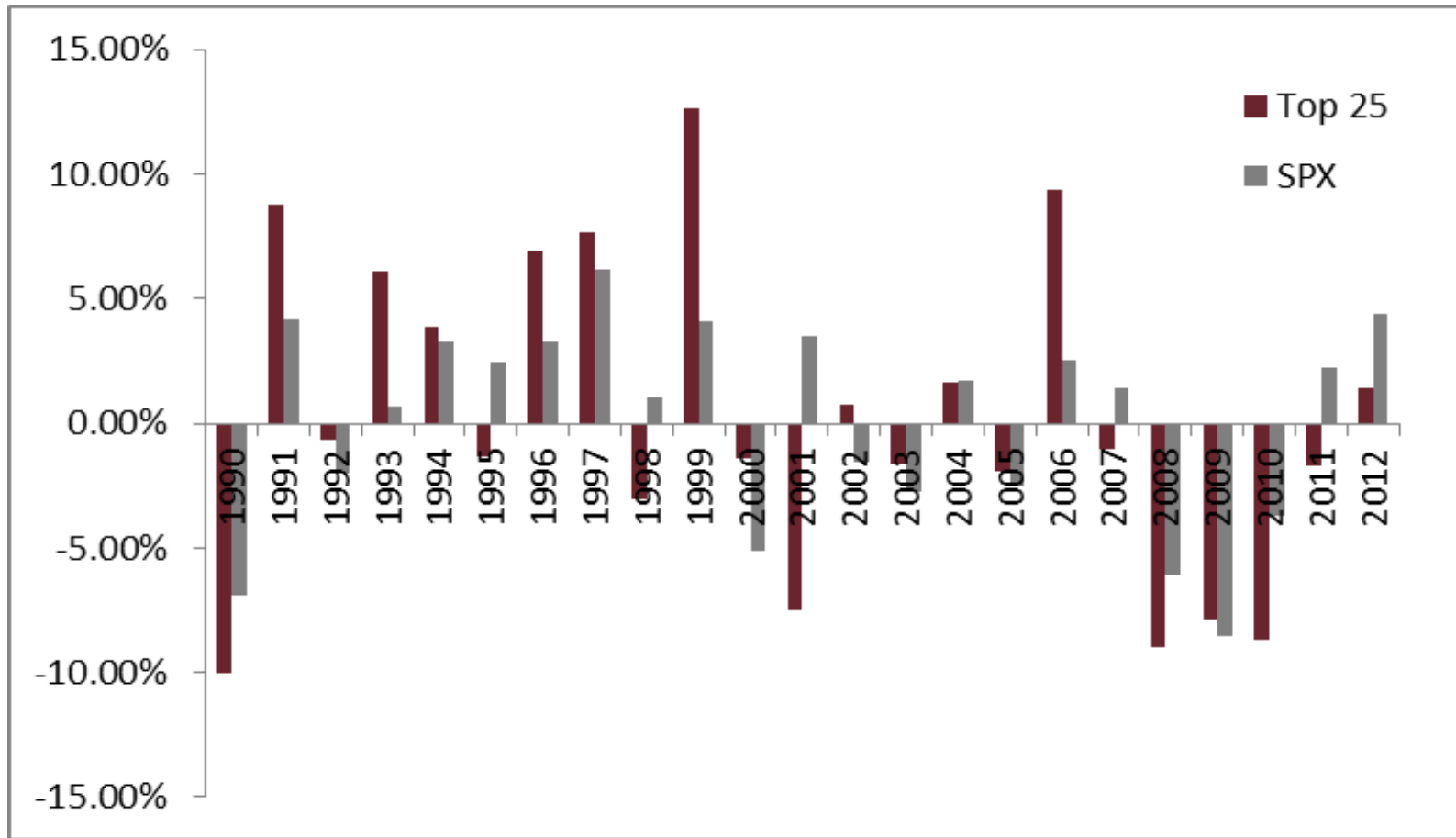
One of the Few Technology Breakouts



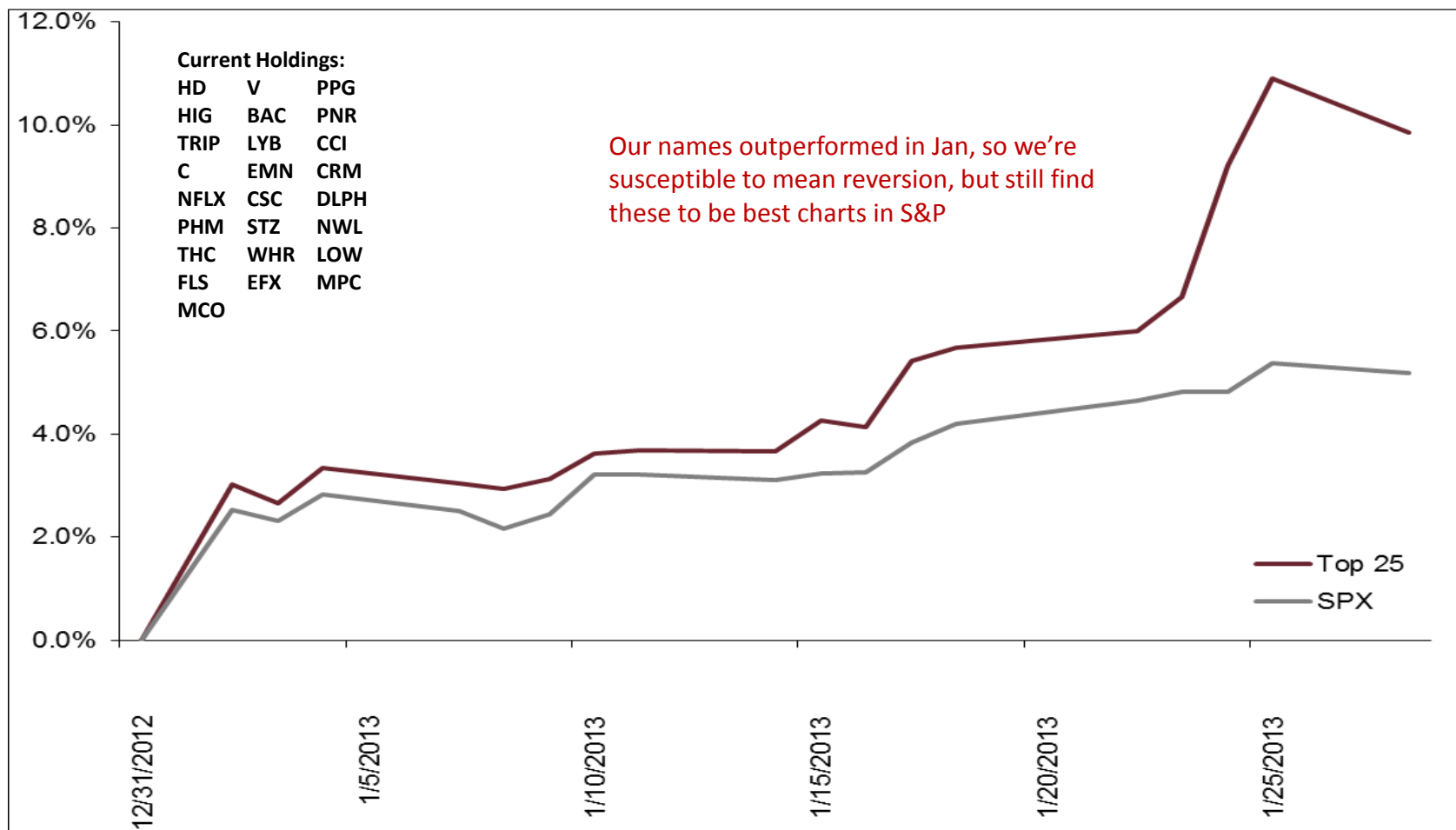
Big Base in Yahoo



January Often Weak for Top 25



We Will Mark Performance Feb 1st



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