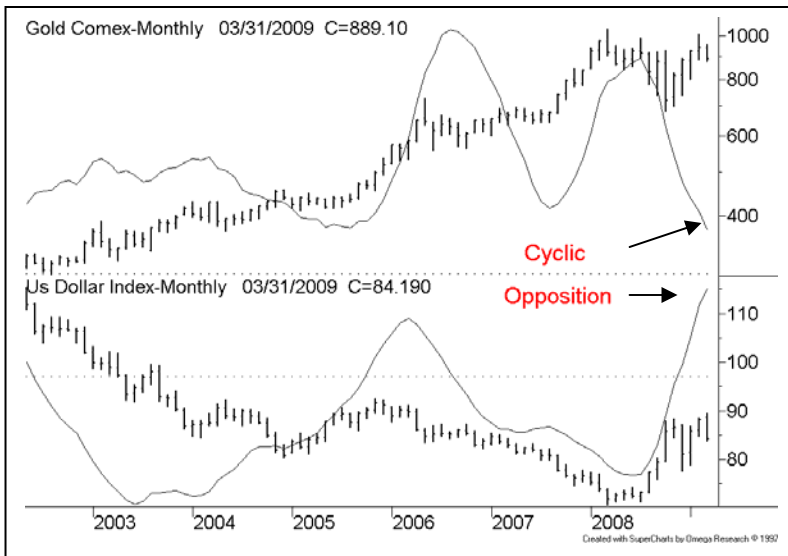


Bi-Weekly Update March 20, 2009 GT1295 TSX Comp 8763 DJII 7400



### Cash is Trash - the U.S. FED Prints More Dollars

Yesterday the FOMC stated that it will expand its balance sheet by purchasing up to \$300B of longer-term Treasuries, an additional \$750B of MBS and a further \$100B of agency debt. In total, this amounts to an additional \$1.15T in monetary stimulus to the U.S. economy.

The FED is printing money, a negative for the US\$ and bullish for commodities

See chart left

Gold and the US dollar are in perfect cyclic opposition with a trough on gold and a peak on the US dollar

A quote from T-D Securities; "In the final analysis, the big news is the willingness of the Fed to veer into the relatively uncharted territory of quantitative easing with a specific focus on buying Treasuries, which to some extent is consistent with the stated goal to "employ all available tools to promote economic recovery and to preserve price stability."

### Inflation will drive sideline cash into action

The 3-month annualized trend for core inflation has now risen for the second consecutive month, rising from 0.9% in January to 1.5%, while the 6-month trend has risen from 1.0% to 1.1% in February.

We now may have too many dollars chasing too few goods - see chart center left

The DB Commodity Index (DBC) is a beneficiary at \$20.75 is down from a 52-Wk High of \$46.63. The fund has bottomed - these are the funds top weights:

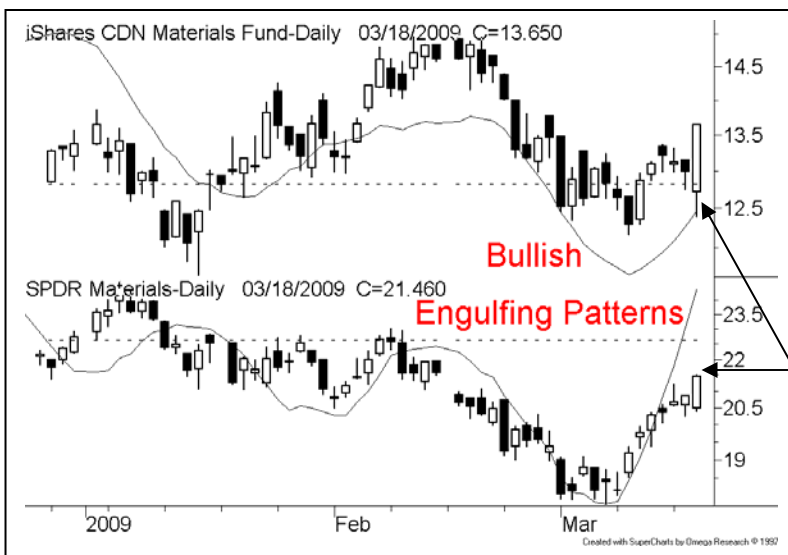
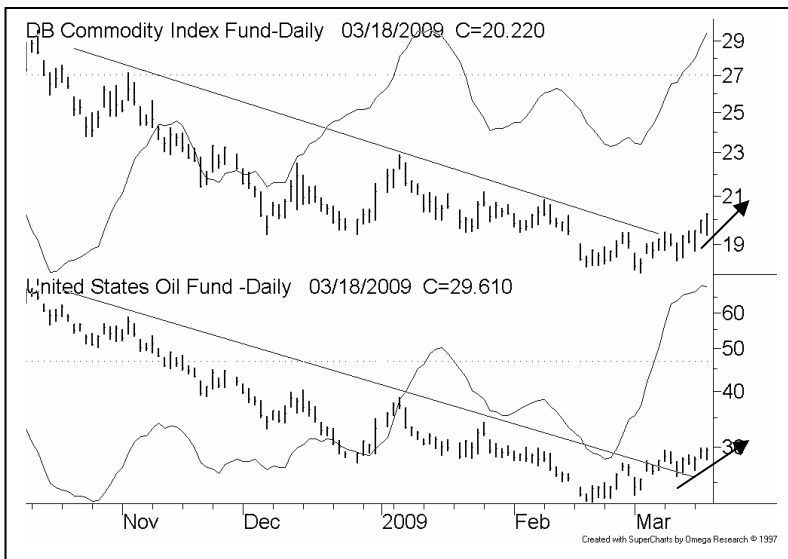
Aluminium	10.49%
Corn	13.01%
Gold	14.73%
Heating Oil	15.60%
Light Crude	32.87%
Wheat	13.31%

The best way to enjoy U.S. dollar weakness and a renewed commodity bull is to acquire the TSX Materials ETF (XMA) and the SPDR Materials (XLB) The gold miners are a heavy component of the XMA

See chart left - both with bullish Candlestick Bullish Reversal Patterns

The bullish engulfing patterns

**See the gold special** – long term studies of the Bi-Weekly Update February 18, 2009 GT1293



### Canadian Table - Weekly – Trader Strategy 8-12 Week Hold

TSX Groups WEEKLY Rank	13-Mar-09	gettingtechnical.com Sector WEEKLY Ranking Most Recent to the Left													
TSX Diversified Metals & Mining	16.72	1	1	1	3	3	3	5	13	14	15	15	15	15	15
iShares CDN Gold XGD	5.84	2	2	3	2	2	1	1	1	1	1	1	1	1	1
iShares CDN Materials XMA	3.15	3	3	2	1	1	2	2	2	2	2	2	3	8	10
TSX Health Care	2.43	4	4	4	6	4	5	3	5	8	12	8	7	4	5
TSX Consumer Staples	-1.89	5	6	9	7	8	7	6	4	3	3	3	Inflationary message – Mining, Gold and Materials		
iShares CDN Technology XIT	-2.59	6	7	7	5	6	4	4	3	5	9	13			
TSX Telecommunications	-4.26	7	8	6	9	14	14	14	14	13	13	12			
iShares CDN Energy XEG	-5.59	8	13	13	14	13	13	11	12	12	10	6	Energy is lagging		
iShares CDN Small Cap XCS	-5.70	9	5	5	4	5	6	7	6	4	6	11			
iShares CDN S&P/TSX60 XIU	-7.13	10	11	10	10	9	10	9	10	11	11	10			
TSX Utilities	-8.07	11	10	11	11	11	11	13	9	6	4	4	5	3	4
TSX CDN Mid Cap	-9.01	12	9	8	8	7	8	8	8	9	8	9	11	12	12
TSX Consumer Discretionary	-10.32	13	12	12	13	12	12	12	11	10	7	7	9	7	6
iShares CDN Financial XFN	-14.65	14	15	15	15	15	15	15	15	15	14	14	14	13	11
TSX Industrials	-17.07	15	14	14	12	10	9	10	7	7	5	5	6	5	7

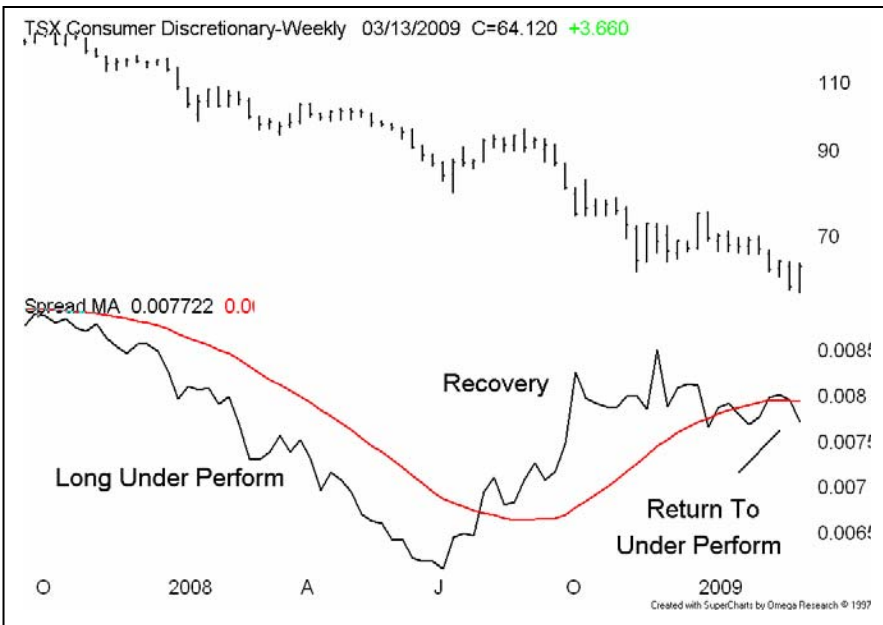


The iShares CDN Energy XEG has jumped 5 points in one week

The leadership on a relative basis are the larger cap issuers

Name	Mar 18
Canadian Oil Sands Trust	COS.UN \$25.90
Crescent Point Energy t	CPG.UN \$27.28
Imperial Oil Limited	IMO \$43.90
Petro-Canada	PCA \$31.40
Petrobank Energy Res.	PBG \$24.50
Talisman Energy Inc.	TLM \$14.24
Vermilion Energy Trust	VET.UN \$26.45

Note the youthful return to out perform – see chart left



Money is leaving the "safe havens" of bonds, utilities and the consumer sectors.

Some exposure may be prudent - the selections below are the best relative performers in a lackluster group

Name	Mar 18
Canadian Tire Corporation	CTC.A \$43.40
Cineplex Galaxy Income	CGX.UN \$14.89
Groupe Aeroplan Inc.	AER \$9.22
Tim Hortons Inc.	THI \$31.75

Note the youthful return to under perform – see chart left

### U.S. Table – Weekly - Trader Strategy 8-12 Week Hold

US Sectors WEEKLY Rank	13-Mar-09	gettingtechnical.com US Sector WEEKLY Ranking Most Recent to the Left													
SPDR-Gold Trust GLD	8.60	1	1	1	2	2	1	1	1	1	2	1	3	1	1
HOLDRS Internet HHH	-1.56	2	2	2	1	1	2	2	5	6	7	8	11	12	12
HOLDRS Semiconductor SMH	-3.35	3	3	5	4	4	6	11	13	13	12	12	12	11	11
SPDR-Technology XLK	-8.06	4	4	6	6	7	8	9	11	11	11	10			
SPDR-Health Care XLV	-12.22	5	5	4	5	5	4	5	8	7	6	6			
SPDR-S&P Biotech XBH	-13.64	6	6	3	3	3	3	3	4	4	3	2			
SPDR-Energy XLE	-14.03	7	8	7	7	8	9	8	7	5	4	5			
SPDR-Consumer Staples XLP	-14.30	8	7	10	12	12	12	10	9	10	9	7			
HOLDRS Telecom TTH	-14.61	9	10	11	13	11	11	7	2	2	1	3			
SPDR-Materials XLB	-15.12	10	11	9	8	10	10	12	12	12	13	13	13	13	13
SPDR-Utilities XLU	-16.42	11	9	8	9	9	7	4	3	3	5	4	4	4	5
SPDR-Consumer Discreti XLY	-19.53	12	12	12	10	6	5	6	6	8	8	11	9	9	10
SPDR-Industrial XLI	-28.08	13	13	13	11	13	13	13	10	9	10	9	10	8	8
SPDR-Financial XLF	-40.14	14	14	14	14	14	14	14	14	14	14	14	14	14	14

Gold leads but the Internet, Semis and Technology display bullish leadership



The **HOLDRS Semiconductor** and the **PHLX SOX** indices are technology bellwethers

The semi's lead the technology complex - note the powerful breakout on the relative on a weekly basis

See chart left

Components are

- Altera Corp.
- Applied Materials, Inc.
- Advanced Micro Devices
- Broadcom Corporation
- Freescale Semiconductor, Inc.
- Infineon Technologies AG
- Intel Corp.
- KLA-Tencor Corp.
- Linear Technology Corp.
- Marvell Technology Group
- Micron Technology, Inc.
- Maxim Integrated Products, Inc.
- National Semiconductor Corp.
- Novellus Systems, Inc.
- STMicroelectronics NV
- Teradyne, Inc.
- Taiwan Semiconductor Manufacturing
- Texas Instruments, Inc.
- Xilinx, Inc



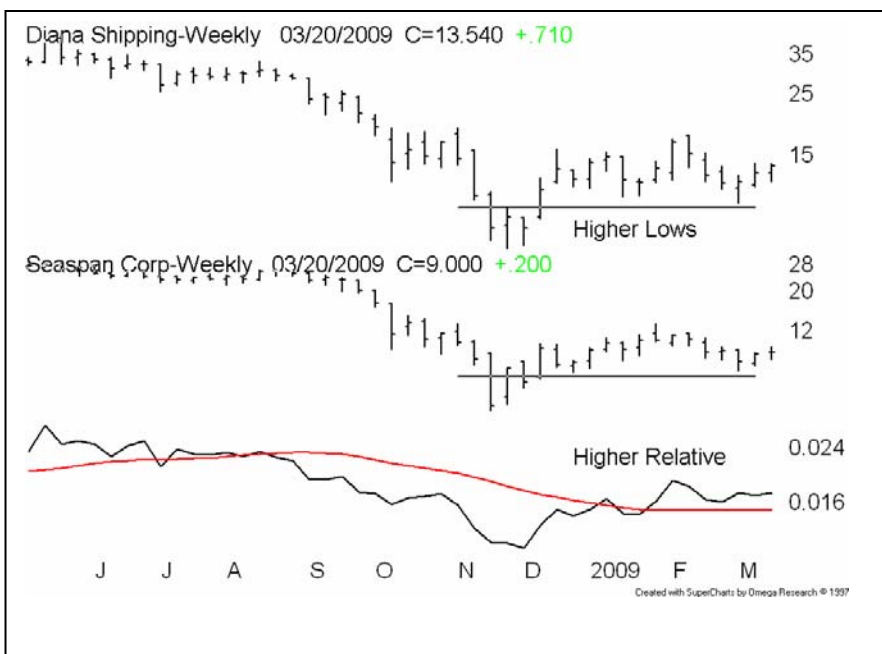
The **SPDR Technology (XLK)** sector ETF is displaying the leadership needed to get this market out of its negative funk

Note the powerful relative outperform

**The important transportation sector** - the table below blends components of the Dow Transports with some of the larger sea transports - the sea carriers are **BOLD** -

The sort is by relative rank - note the sea carrier dominance on a relative basis - the Dow components are US economy sensitive and the sea carriers are global sensitive - **the message here is for a speedy global recovery**

US & Sea Transports				18-Mar-09			
Rank#							
29.13	JetBlue Airways Inc	JBLU	\$3.87	-5.59	Burlington Northn San	BNI	\$57.14
15.20	Seaspan Corp	<b>SSW</b>	\$9.20	-7.91	Fedex CorpAirls Inc	FDX	\$45.70
15.04	Diana Shipping	<b>DSX</b>	\$13.63	-8.92	AMR Corp	AMR	\$3.20
10.80	Nordic American Tanker	<b>NAT</b>	\$28.30	-9.95	Ryder Sys Inc	R	\$27.20
8.00	Teekay Corp	<b>TK</b>	\$17.00	-10.02	Union Pac Corp	UNP	\$39.75
7.56	Continental Airls Inc	CAL	\$8.50	-11.74	Worldwidevc Inc	YRCW	\$2.89
1.39	Frontline Ltd	<b>FRO</b>	\$19.46	-14.22	Norfolk Southn Corp	NSC	\$31.60
0.13	Tsakos Energy Navigtion	<b>TNP</b>	\$15.90	-14.58	Alexander & Baldwin	AXB	\$20.87
-1.15	Overseas Shipholding	OSG	\$28.00	-14.95	CSX Corp	CSX	\$22.23
-1.34	United Parcel Svc Inc	UPS	\$46.00	-16.20	Southwest Airls Coc	LUV	\$5.80
				-18.69	Dryships Inc	<b>DRYS</b>	\$5.20



**Diana Shipping DSX** is displaying youthful high relative outperform

The chart left sets out Diana's performance relative to the S&P500

A new second bull up-leg is just underway

**Seaspan Corp SSW** is displaying youthful high relative outperform

The chart left sets out Seaspan's performance relative to the S&P500

A new second bull up-leg is just underway

**Important** - new bulls in sea transport is bullish for bets on an early ASIAN recovery

**JAPAN** could be a major beneficiary

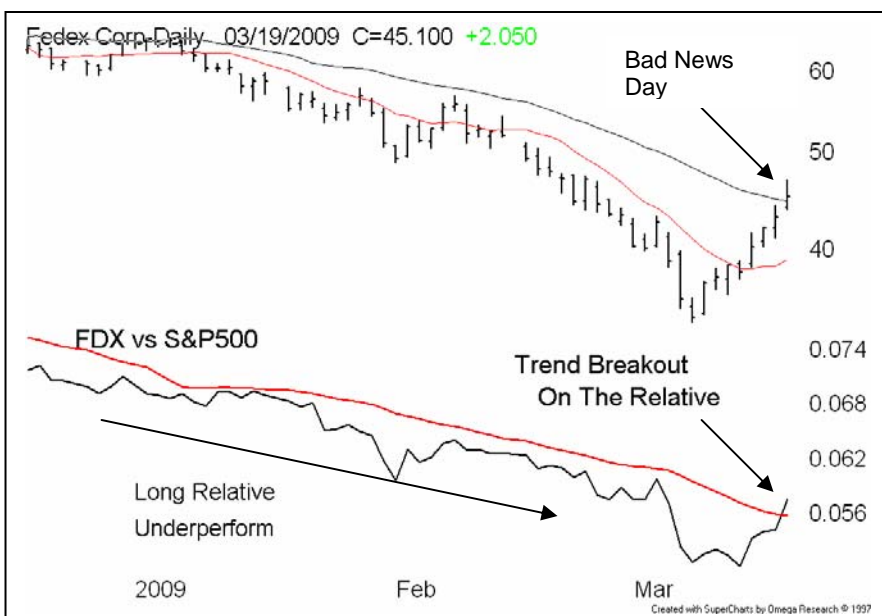
See page 5 on the Bi-Weekly Update March 5, 2009 GT1294

**FedEx Corp., up \$2.05 at \$45.10 on bad news!**

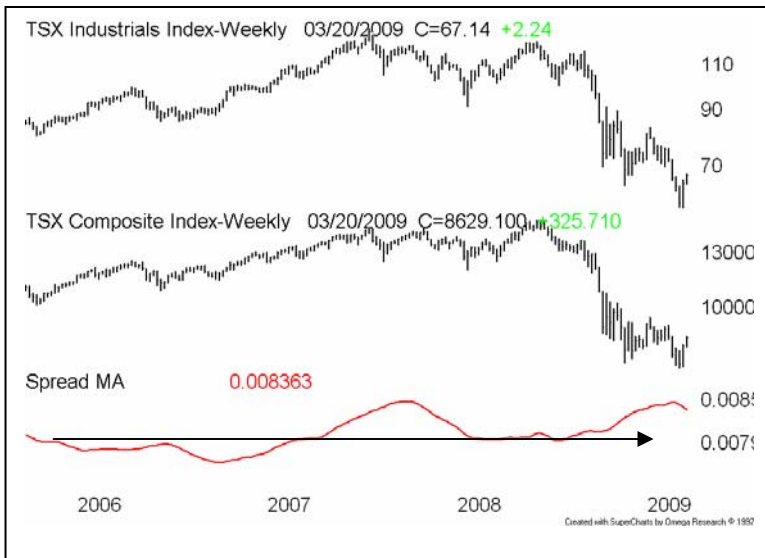
Quarterly profit tumbled 75 percent on severe weakness in the global economy and the package delivery company will cut more jobs.

The higher stock price in reaction to bad news is a vote for a speedy US recovery

**More bullish evidence** - US peer **United Parcel Service (UPS)** is now trading above the November 2008 lows







**Infrastructure** may be the next big thing but at this time the group is too popular and over-hyped for our liking

Most infrastructure issuers are components of the TSX & US Industrial sector indices which are currently not displaying any tendency to outperform

See chart left

The best strategy if you must participate would be to stay with the larger cap names and avoid the thin trading small cap names

### Infrastructure Plays 18-Mar-09

#### Large Cap Construction

Finning International	FTT	\$11.57
SNC-Lavalin Group	SNC	\$31.94
Stantec Inc	STN	\$21.89
Toromont Industries	TIH	\$23.55
Wajax Income Fund	WJX.UN	\$13.90

#### Large Cap Transportation

Bombardier, Inc	BBD.B	\$3.00
-----------------	-------	--------

#### Mid Cap Construction

Aecon Group Inc	ARE	\$9.10
Bird Construction	BDT.UN	\$17.85
The Churchill Corporation	CUQ	\$7.88

#### Mid Cap Water

Armtec Infrastructure	ARF.UN	\$16.15
ZCL Composites	ZCL	\$4.95

#### Small Cap Alternate Energy

Day4 Energy	DFE	\$0.43
Hammond Power Sol	HPS.A	\$8.25
Waterfurnace Renewable	WFI	\$26.00

#### Small Cap Construction

ADF Group	DRX	\$1.59
Canam Corp	CAM	\$5.23
Lockerbie &Hole	LH	\$7.91
Polaris Minerals	PLS	\$1.25
Rocky Mountain Dealer	RME	\$4.60
Seacliff Construction	SDC	\$6.35

#### Small Cap Water

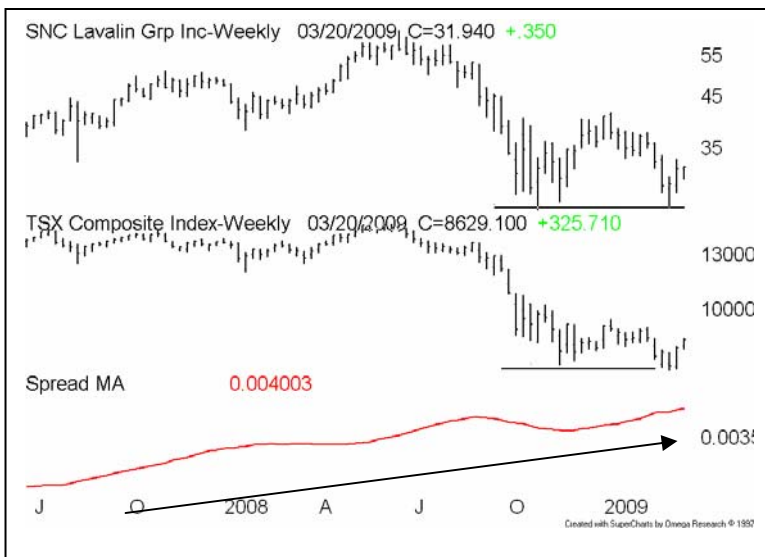
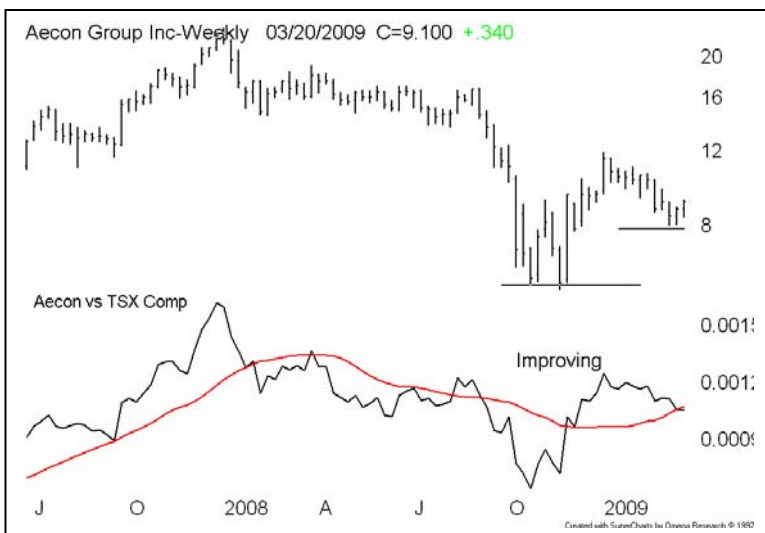
GLV Inc	GLV.A	\$5.51
Pure Technologies	PUR	\$3.45

#### Large Cap US

Fluor Corporation	FLR	\$88.00
Foster Wheeler Ltd	FWLT	\$18.90
Jacobs Engineering Grp	JEC	\$40.32

Currently the two best names for relative out perform are Aecon Group Inc (ARE) and SNC-Lavalin Group (SNC)

See chart lower left



Getting Technical.Com is published by Getting Technical Information Services Inc. an independent market research company. The opinions therein should not be construed as a solicitation or offer to buy or sell the securities mentioned. Getting Technical assumes no obligation to update the information or advice on any further developments relating to these securities. GT, its officers and directors may have positions in any securities mentioned in this market letter. GT is not a financial advisor. GT may receive remuneration from securities industry professionals for independent research services. The opinions are based on technical analysis and more information should be obtained before making an investment decision.

GettingTechnical 3823 Brookside Dr Vineland, Ontario. L0R 2C0 E-mail info@gettingtechnical.com