



China rumours and Microsoft spook US market. Rumours Denied.

Yesterday saw another volatile day with the market trading water during the European session. However, rumours that the Chinese authorities are considering a reduction of exposure to European debt, plus speculation that Microsoft is to guide down pc demand, hit the US session, closing on its low for the day. Overnight China denied the rumour giving the market a positive surprise. Dow Futures +165 points. US GDP important today 3.4% expected QoQ, an upward revision would be positive for 'risk' assets.

Commodity	Price	1 Day Change
Brent Crude	72.60	1.20%
Baltic Dry	2,991.00	0.53%
Gold	1,125.00	1.29%
Copper	7,885.00	0.73%
Silver	18.31	1.36%
Dollar Index	86.70	-0.48%

Currency	Price	1 Day Change
Eur / Usd	1.2274	0.79%
Eur / Gbp	0.84397	0.26%
Eur / Yen	110.85	-1.24%
Gbp / Usd	1.4542	1.08%
Usd / Yen	90.31	-0.43%

Stock Index	Latest	1 Day Change
ISEQ	2,887	0.26%
FTSE 100	5,108	1.39%
NIKKEI 225	9,640	1.23%
DOW JONES	9,974	-0.69%
S&P 500	1,068	-0.57%
NASDAQ	2,196	-0.68%
CAC 40	3,445	1.07%
DAX 30	5,861	1.80%
EUROSTOXX	2,558	1.11%

10 Year Benchmark	Yield %	1 Day Change
United States	3.27	2.40%
United Kingdom	3.58	0.70%
Germany	2.68	1.17%
Japan	1.26	3.62%
Ireland	4.83	0.44%

Portfolio view: Market rumours test markets resolve

Yesterdays volatility further tested the markets resolve to hold above recent lows. The intraday rebound, coming after the statement from Chinese Authorities that it was not re-evaluating its European position is encouraging and gives a positive feel to equity markets and the 'risk trade'.

However we remain cognisant of the high volatility in the market and the dangers/opportunities therein.

Technical levels remain important in times of high volatility. Charts are showing that markets are oversold and all Indices charts are pointing to a heightened probability of a sharp reversal of the downtrend.



A move to and close above 1092 in the S&P500 today would signal a key reversal. Such a signal in the present sea of negativity aligned to a strong US GDP number this afternoon could open up a rally in equity markets and a renewed appetite in the 'risk trade'.

Top 5 Open Positions

Ticker	Stock	Price	BID now	Gain/Loss
LGF	Lions Gate	5.59	6.75	+20.8%
DNDN	Dendreon	39.14	42.15	+7.7%
EMC	EMC Corp	16.83	17.79	+5.7%
QQQ	Nasdaq Trust ETF	42.6	44.2	+3.8%
AZN	AstraZeneca Plc	2760	2844	+3.0%

Disclosure Statement

This report has been prepared by GlobalReach Securities Ltd ('GlobalReach Securities') for information purposes only to assist investors to make their own investment decisions and is not intended to and does not constitute personal recommendations nor provide the sole basis for any evaluation of the securities discussed. Specifically the information contained in this report should not be taken as an offer or solicitation of investment advice or, encourage the purchase or sale of any particular security, option, future or other derivative investment. Not all recommendations are necessarily suitable for all investors and GlobalReach Securities recommend that specific advice should always be sought prior to investment, based on the particular circumstances of the investor. This report may from time to time refer to options, futures and warrants which are highly specialised activities and entail greater than ordinary investment risk.

The information in this report has been obtained from sources, which GlobalReach Securities believes to be reliable and all reasonable efforts are made to present accurate information GlobalReach Securities give no warranty or guarantee as to, and do not accept responsibility for, the correctness, completeness, timeliness or accuracy of the information provided or its transmission. Nor shall GlobalReach Securities, or any of its employees, directors or agents, be liable either directly or indirectly for any losses, damages, costs, claims, demands or expenses of any kind whatsoever, whether direct or indirect, suffered or incurred in consequence of any use of, or reliance upon, the information.

Past performance is not necessarily a guide to future returns. The value of investments and the income from them can fall as well as rise. Investments denominated in foreign currencies are subject to fluctuations in exchange rates, which may have an adverse affect on the value of the investments, sale proceeds, and on dividend or interest income.

Any person acting on the information contained in this report does so entirely at his or her own risk. All estimates, views and opinions included in this report constitute GlobalReach Securities's judgment as of the date of the report but may be subject to change without notice. Changes to assumptions may have a material impact on any recommendations made herein.

Unless specifically indicated to the contrary this report has not been disclosed to the covered issuers(s) in advance of publication.

Investors may not necessarily recoup the full value of their original investment. Investors should be aware that forwarding looking statements and forecasts might not be realised.

This report may not be reproduced (in whole or in part) altered, transmitted or made available to any other person without the prior written permission of GlobalReach Securities.

GlobalReach Securities its employees, directors or related companies, may have a shareholding in the securities (or related investments/ derivatives) of certain companies covered in this report, or may provide/ solicit investment banking or other services to/ from them.

GlobalReach Securities Securities is regulated by the financial regulator under the European Communities Markets in Financial Instruments Directive (MiFiD) 2007.