



9 Faculty Road  
 Durham, NH 03824  
 603.742.7100  
 aol im: ebcapitalcampy

**General Notes:**

MID CAP		3/12/2008
Company Name	Symbol	Quant
BEST		Rating
Flowers Foods	FLO	115
Wolverine World Wide	WWW	115
BJ's Wholesale Club Inc	BJ	95
Cabot Oil & Gas Corp	COG	95
Salesforce.com	CRM	95
Denbury Resources Inc	DNR	95
Helmrich & Payne Inc	HP	95
Range Resources Corp	RRC	95
W & T Offshore	WTI	95
Aeropostale	ARO	90
Activision Inc.	ATVI	90
Bois D Arc Energy	BDE	90
Fresh Del Monte	FDP	90
Informatica	INFA	90
NVR Inc	NVR	90
Precision Drilling Corp	PDS	90
WORST		Rating
Centex	CTX	15
Friedman Billings	FBR	15
HDFC Bank Ltd	HDB	15
Lam Research Corp	LRCX	15
WP Stewart and Co Ltd	WPL	15

The S&P rose 3.71% yesterday as the Fed pre-empted an oversold reading on the VIX. The rise was the biggest since October 2002. Historically, the S&P trades up 30 days following +3% days over 60% of the time for an average 1.97% return. The volume was the highest on the DJIA since January 31<sup>st</sup>, however, remained significantly lower than the bottom in January. Scores continue to favor basics as we enter the final few weeks of the quarter. Tech and financial continue to have the weakest scores. There are 14 Presidential election years dating to 1952. From March 31 of an election year to the end of March the following year, the market has traded higher 11 times, a 78% success rate. The average return is 7.56%. The three years with negative returns were 1956/57, 1976/77 and 2000/01. The average return if the election was won by a Democrat was 8.52%. The average return if the election was won by a republican was 7.02%. Healthcare is stock by stock. HUM joined WLP in reducing EPS estimates due to costs, dropping estimates to \$4-4.25 versus prior estimates for \$5.35-5.55 (Feb 4). Use our best list to stay focused on leaders. Crude and nat gas backed off prior highs thanks to profit taking before rising to another record. Nat gas offers solid seasonality as summer inventories are built and winter inventories dwindle. **Own nat gas producers** as nat gas closes the spread to crude. Refining capacity was 85%. **Own refiners** as seasonal tailwinds support margin improvement ahead of summer driving season. Global commodity prices continue to fuel investment in mining equipment. CAT upped its 2010 sales forecast by 20% to \$60 bn, above estimates. Global investment in production will continue to rise. Iron ore negotiations between China and RTP continue, suggesting RTP may get higher prices than the 65-71% Vale landed last month. Spot iron ore hit records last week. Copper rose again today following yesterdays report LME inventories are at last August levels. **Own mining and mining equipment stocks.** China's retail sales were up 20% last month, the fastest growth in 9 years. Inflation remains a primary concern for China and will prompt additional measures to curb commodity exports and boost imports. The USDA cut its wheat inventories forecast by 11% from last months forecast due to rising exports. **Buy ag supply and equipment** as seed and fertilizer remains tight and record farm incomes drive investment.