



Technical Update

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Market Comment

March 12, 2010

Mass Confusion. The general market expectation seems to be that a correction is coming at any moment because many stocks have made such big moves to the upside it places the market in a traditionally “overbought” condition. One of the earmarks of a strong bullish trend is for the market to stay in an overbought position for an extended period of time, with the corrections coming as pullbacks of less than 10% or even flatter periods of consolidation. The bears have a problem today, and that is the fact that so many stocks are in bullish trends or nearing bullish breakouts it is difficult to talk the market into a larger pullback so many seem to want. The market does tend to go further and longer than most would believe, and it appears we have one of those run-away bull markets on our hands right now. You can watch and wait to see how far it may go and then possibly pay higher prices for stocks, or get on board now while many stocks still trade at reasonable levels.



Chart courtesy Bigcharts.com and RBC Wealth Management

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