

# Market 23-03-09 - Hope & Fear

## In Brief...

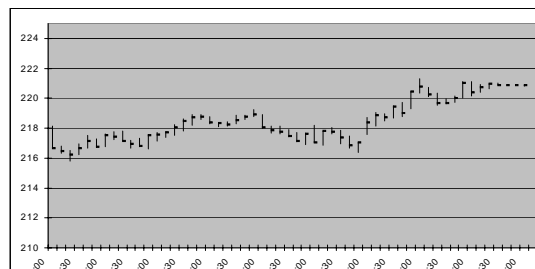
It is said two forces control markets, Hope and Fear. Participants hope to make a profit and fear of loosing their investment. Hope makes us greedy but fear ruins opportunities.

We are holding the same view for the last three trading days. We believe market should correct. Dow Jones and AEX should go down and long term interest rate should go up. However markets remained very strong today with Dow Jones gaining almost 6.8%. Today the USA treasury will announce its "Bad Bank / Good Bank" proposal. And some major investors are talking about the return of the Bull market. Isn't the market hoping for the better while it should fear the worse?

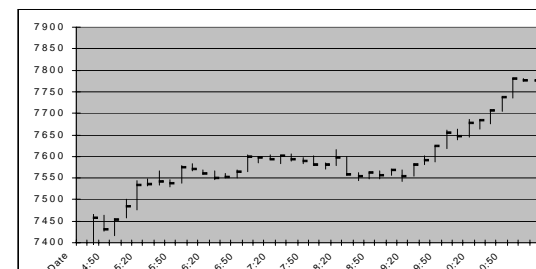
## Words of the day

"Good Bank Bad Bank" a term that goes back to depression days. In the 1930's, as bank after bank began to fail in the wake of stock market crash of 1929, the US government rode in on a white horse and acquired the failing bank's devalued assets. This allowed the still viable part of the bank to go forward with those of its assets which still retained their value, and with fresh funds.

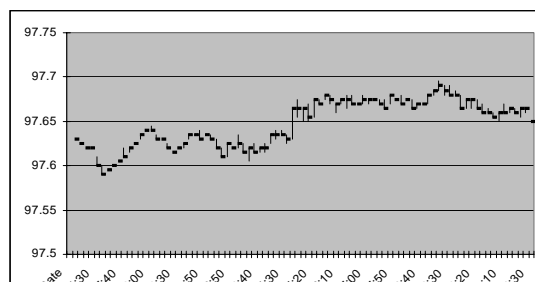
AEX Index



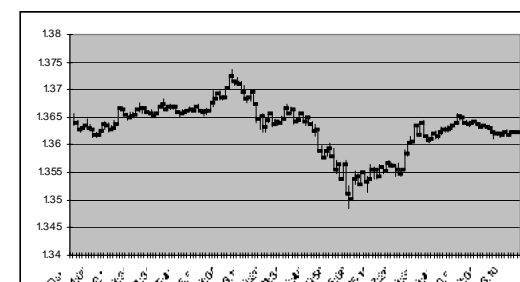
Dow Jones Index



Future Interest rate 2010



EUR/USD



# FIF 23-03-09 – First real loss...

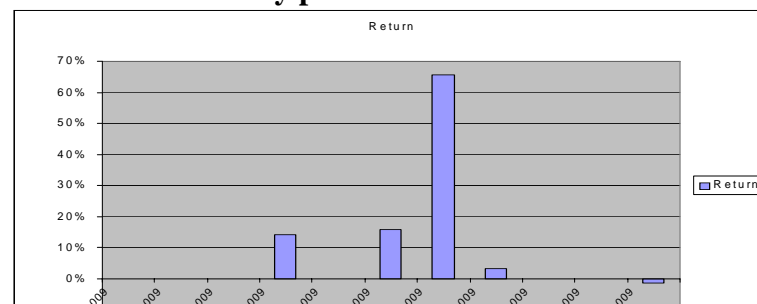
## Strategy

Our portfolio remained as it is: highly exposed to the scenario of a downward correction in the markets. We bought with the new cash we received from the ticket sales of Friday and Saturday stock of Fannie Mae. The idea is if the Good bank bad bank proposal is well received, financial distressed stocks should in theory rally.

## Generic Performance for Today

Assets	Qty
USD	-6.2
2011 Future Rate	-50
Gold	-57.14
Fannie Mae	20
cash	0
<b>Total</b>	<b>-93.34</b>

## Daily performance in %



## What is in FIF?

Assets	Qty
USD	2707.4 USD
2011 Future Rate	Short 2 contracts
Gold	2 Oz
Fannie Mae	1600 share
cash	1351 EUR

## Summary of Daily Activity

Date	Ticket Sales	Opening	Profit/Loss	Closing
13-Mar	700	700	0	700
14-Mar	510	1210	0	1210
16-Mar	0	1210	172	1382
17-Mar	0	1382	-1	1381
18-Mar	690	2071	328	2399
19-Mar	400	2799	1837	4636
20-Mar	550	5186	164	5350
21-Mar	360	5710	0	5710
23-Mar	0	5710	-93	5617

## FIF value

