

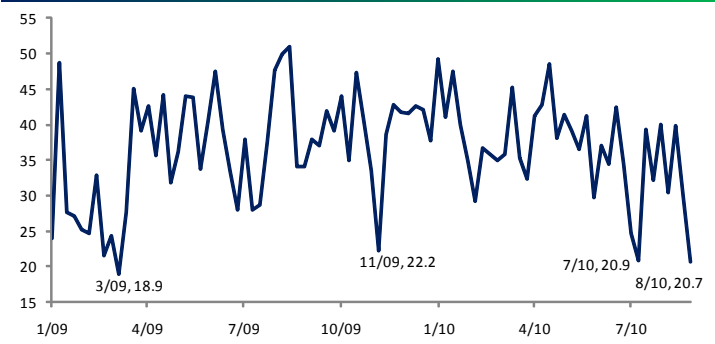
# Bespoke's Sector Snapshot: 8/26/10

Earlier in the week we noted that the "Smart Money Indicator" (which says the individual investor trades at the open while the institutional investor trades at the end of the day) is showing that the individual investor has been doing the bulk of the selling during the current pullback. The average S&P 500 change in the first half hour of trading since 8/9 has been  $-0.55\%$ , while the other hours of the day have been relatively flat.

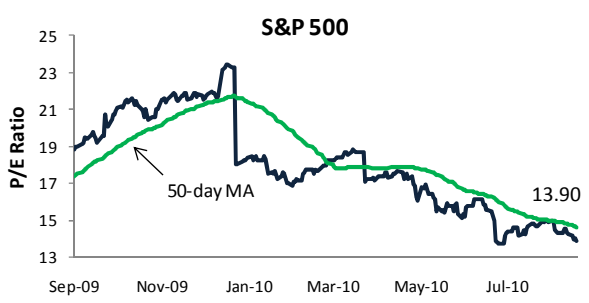
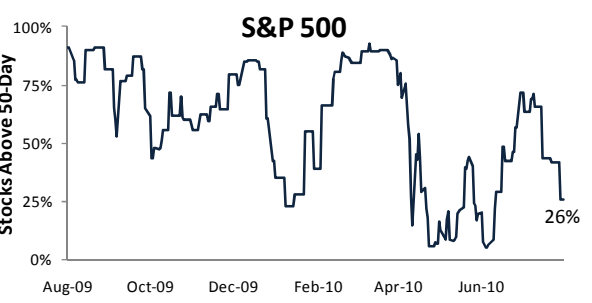
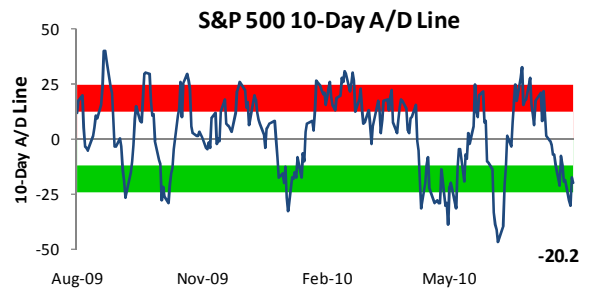
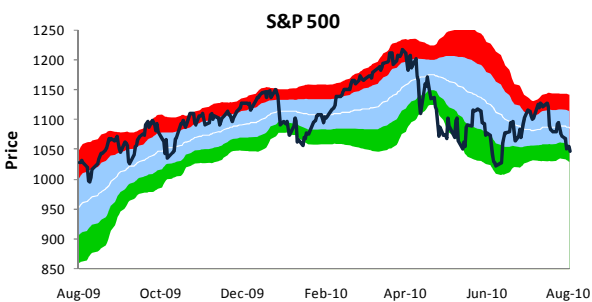
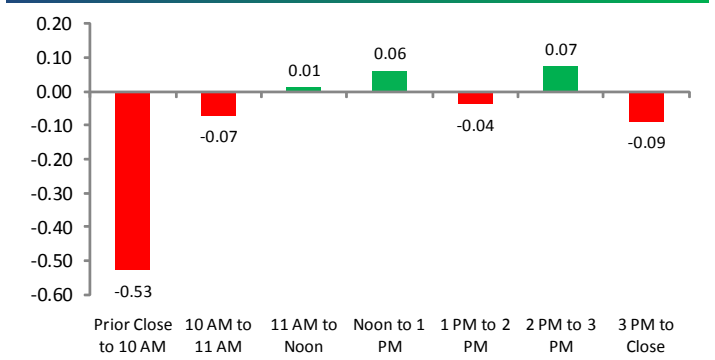
The weekly *AAll* Bullish Sentiment number that came out today is another indication that the individual investor is currently very bearish on the market. *AAll* Bullish Sentiment is at 20.7% this week, which is the lowest level seen since March 2009.

Historically, extreme levels of both bullish and bearish sentiment have preceded reversals in the market. While the market isn't as oversold now as it was in late June and early July, sentiment appears to be more negative, which could be a good sign for those who are looking for a bounce.

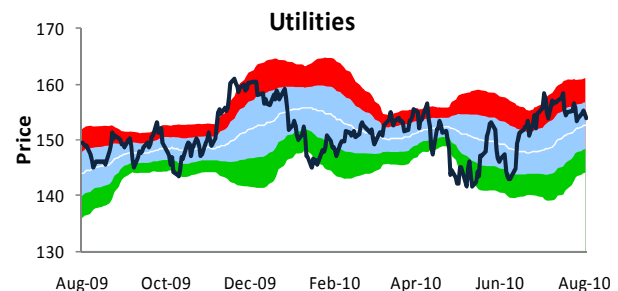
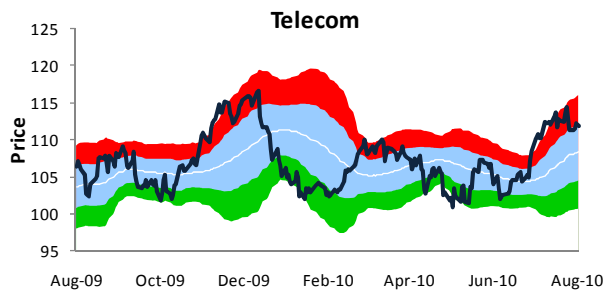
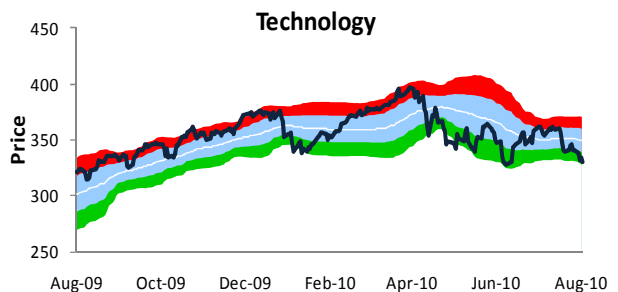
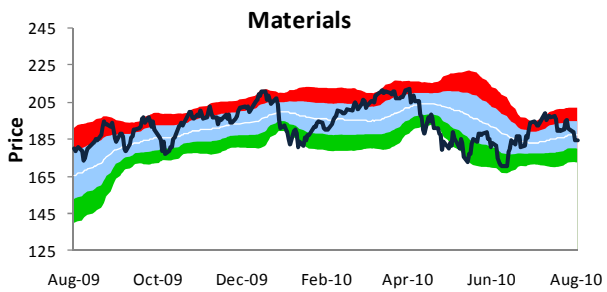
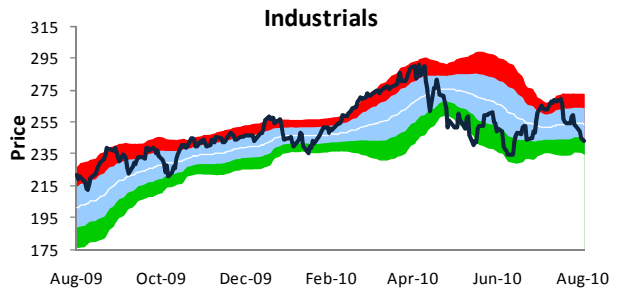
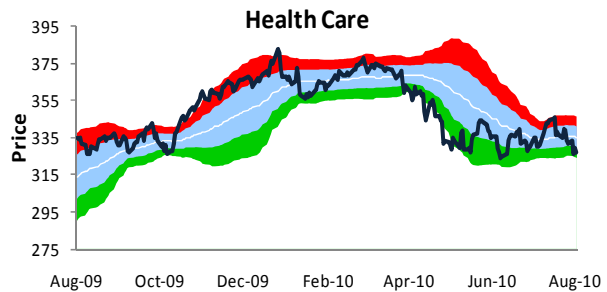
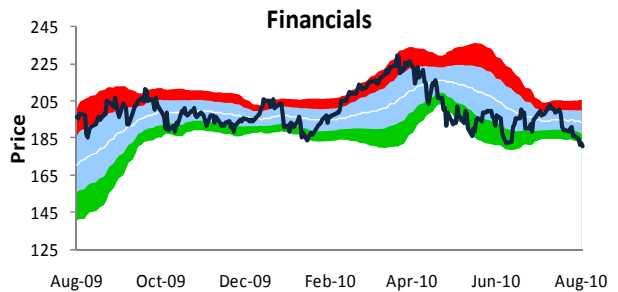
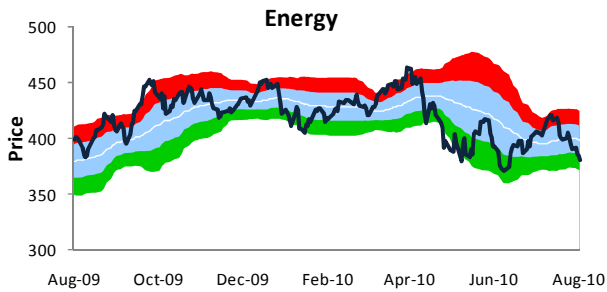
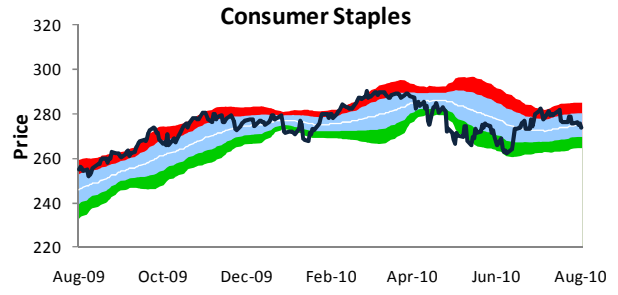
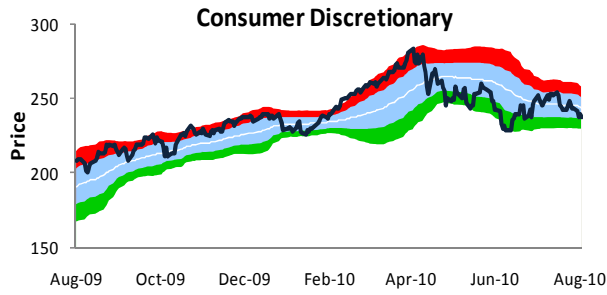
**AAll Bullish Sentiment: 2009 - 2010**



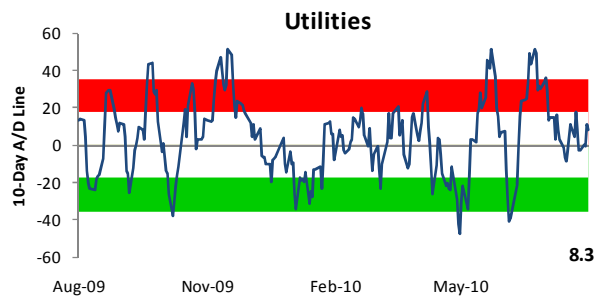
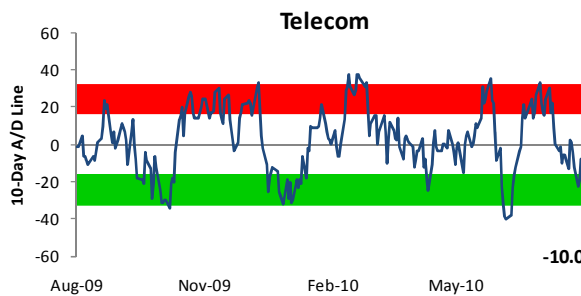
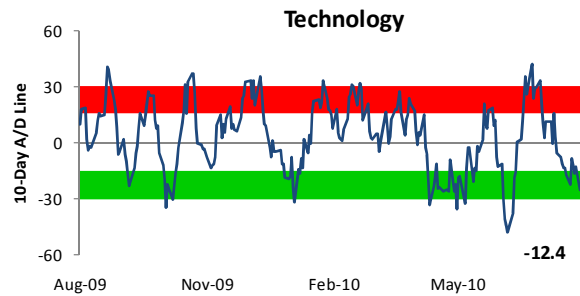
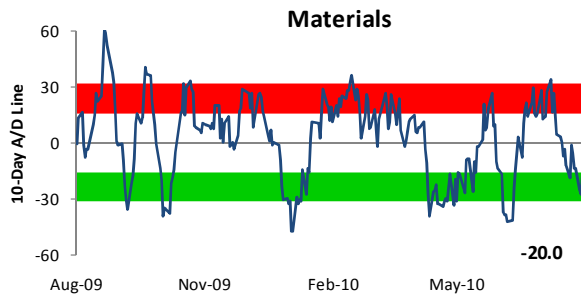
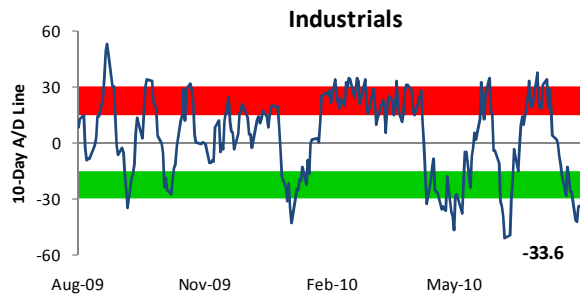
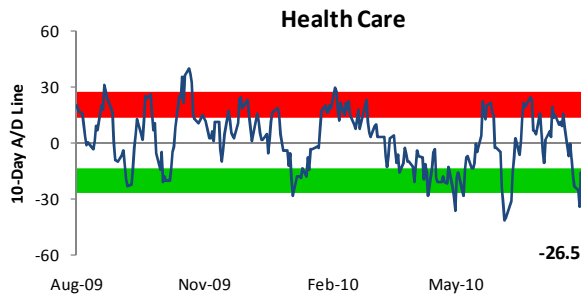
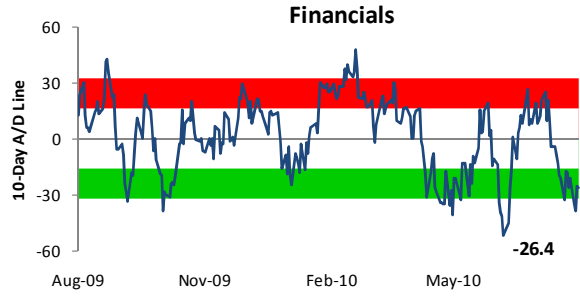
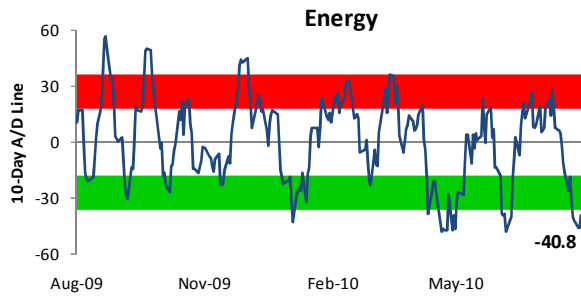
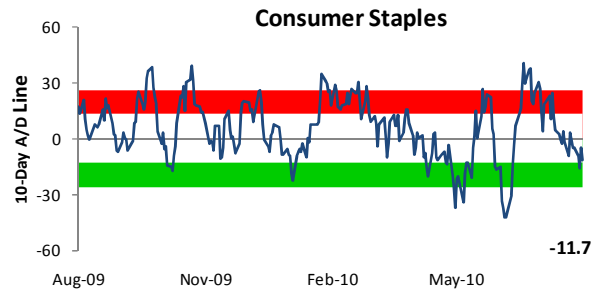
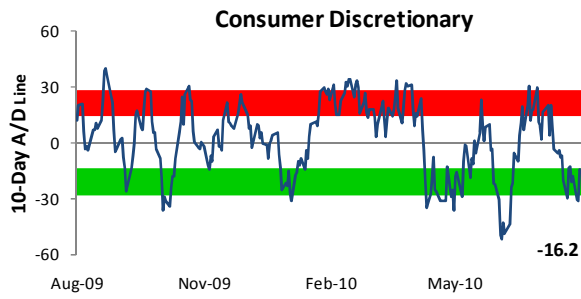
**S&P 500 Avg Hourly % Chg: 8/9-Present**



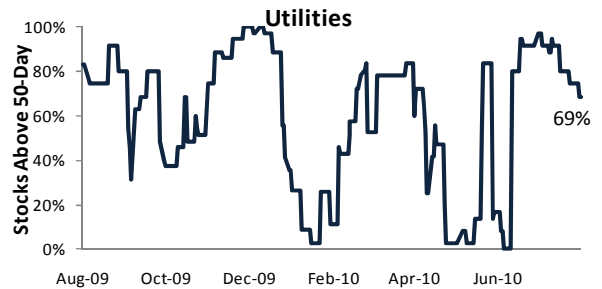
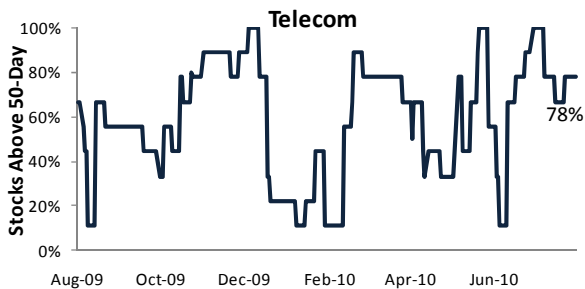
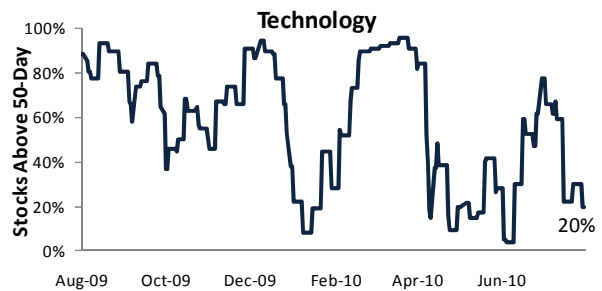
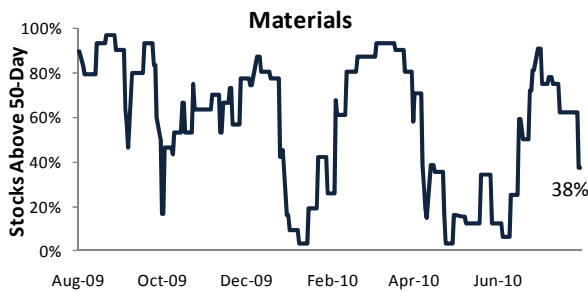
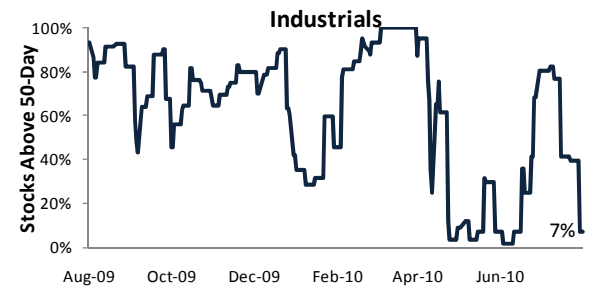
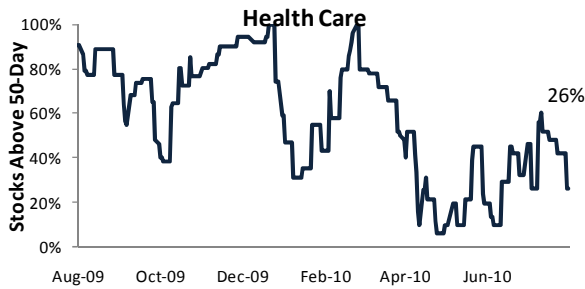
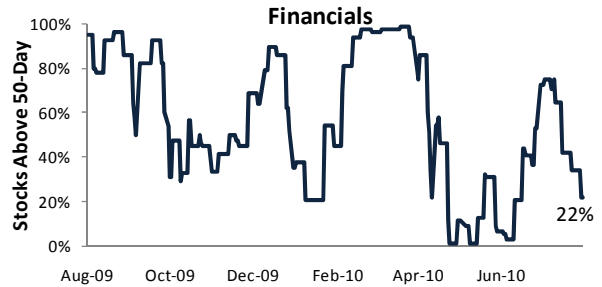
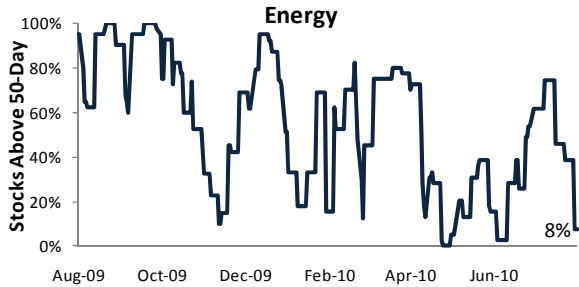
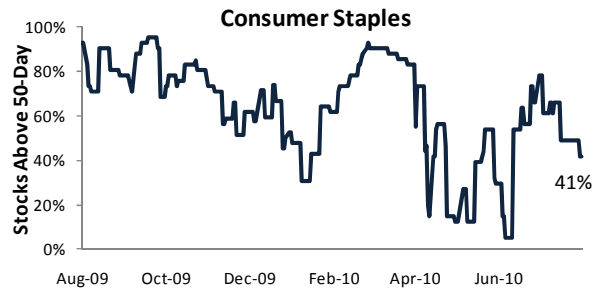
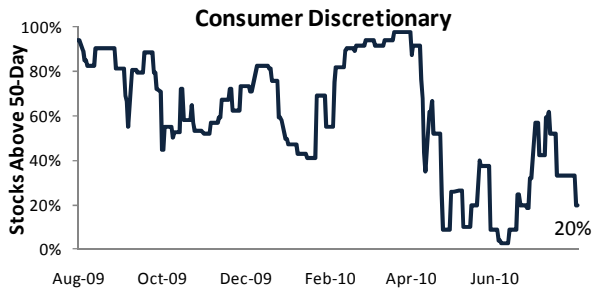
# Sector Snapshot: Trading Ranges



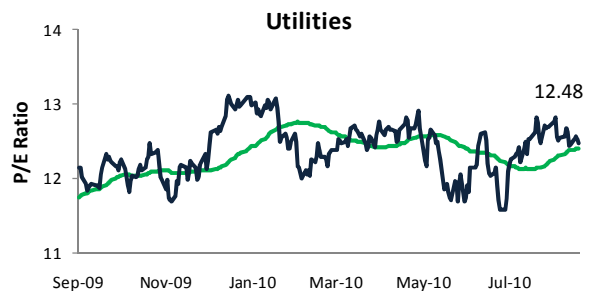
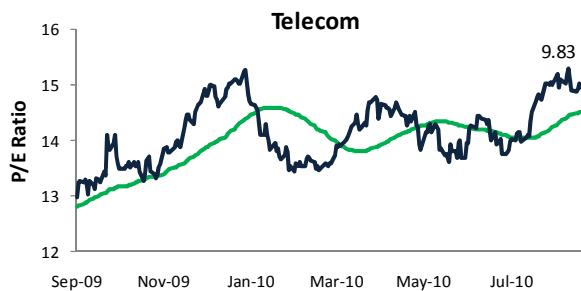
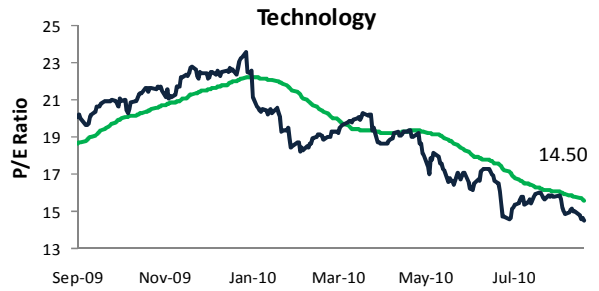
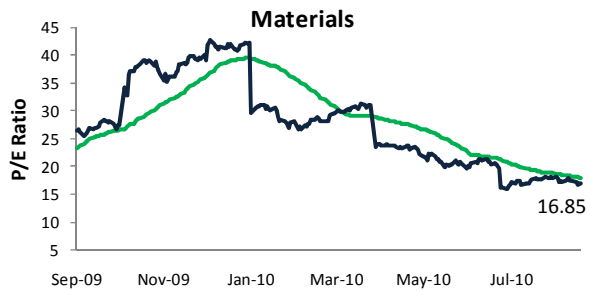
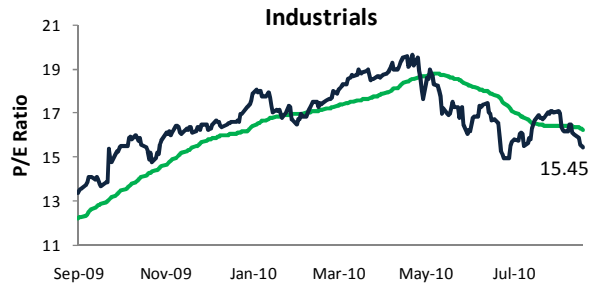
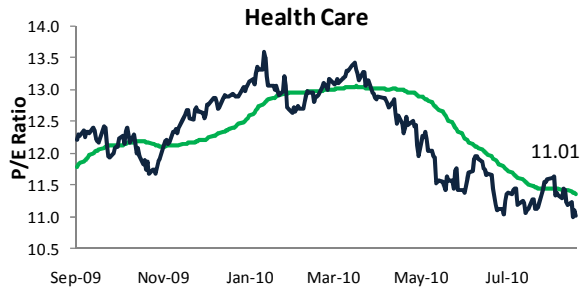
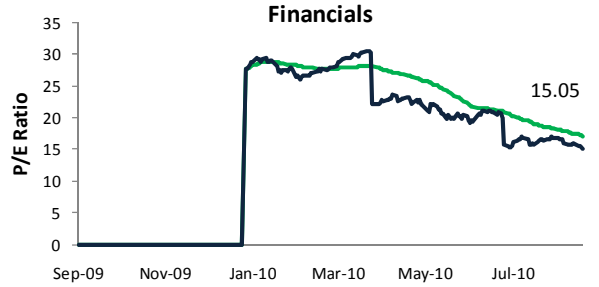
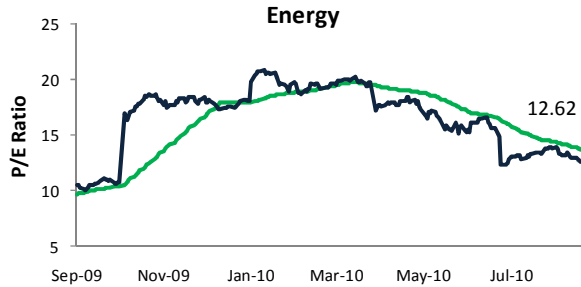
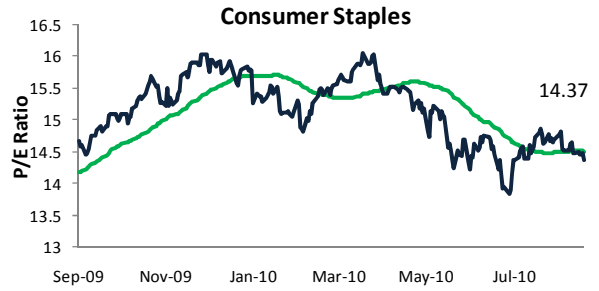
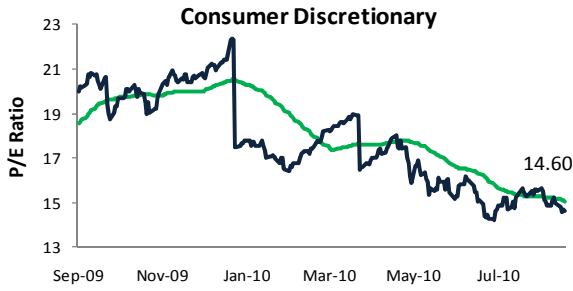
# Sector Snapshot: Sector Breadth (10-Day A/D Line)



# % of Stocks Above 50-DMA

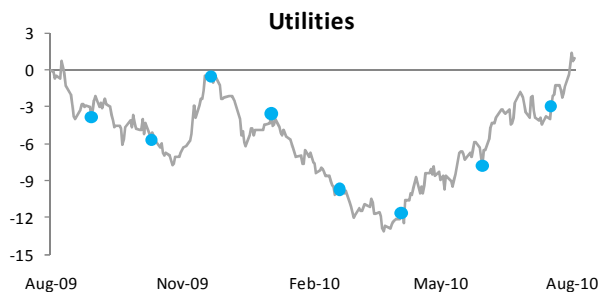
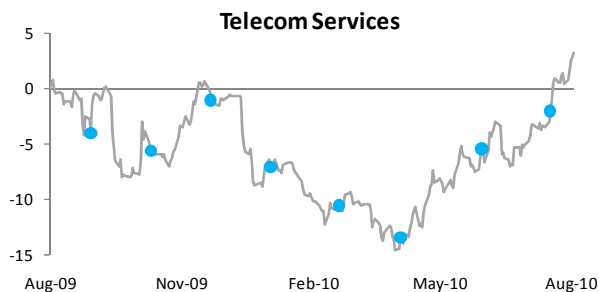
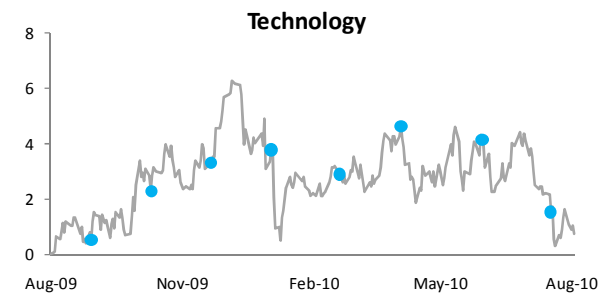
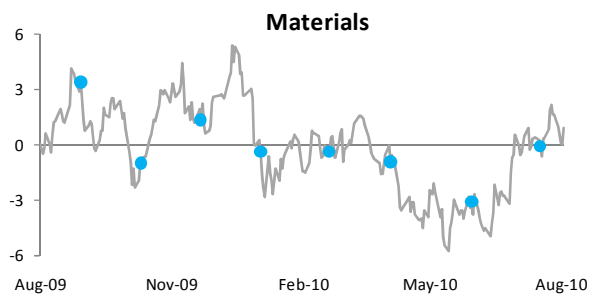
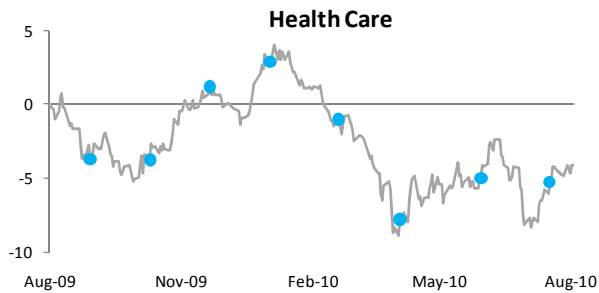
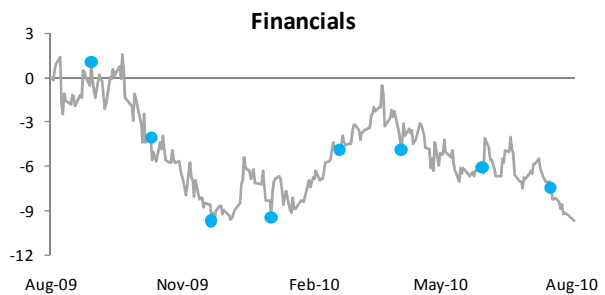
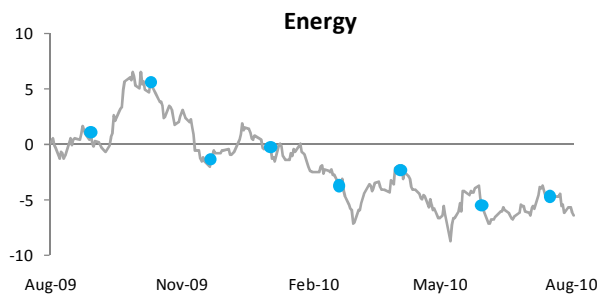
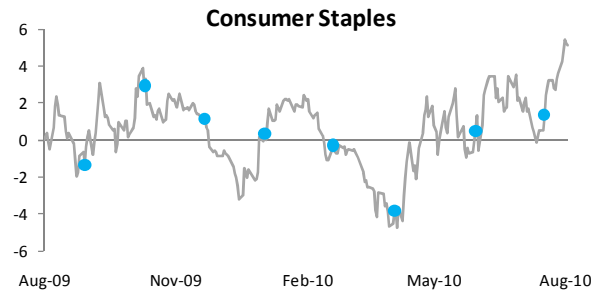
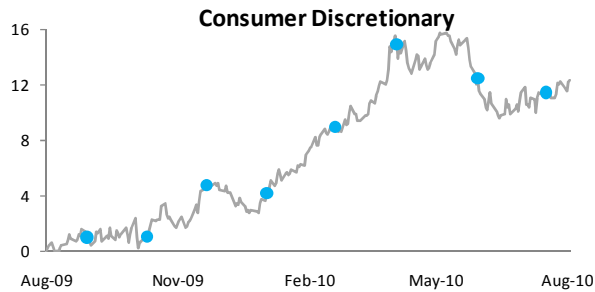


# Sector Snapshot: Trailing 12-Month P/E Ratios

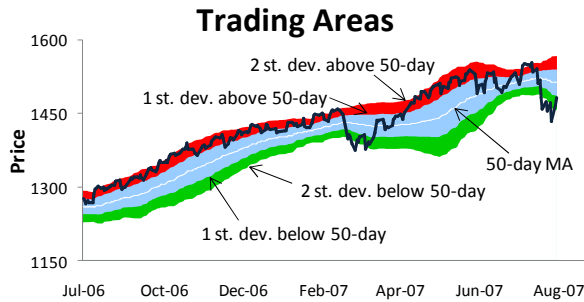


# Sector Snapshot: Sector Relative Strength

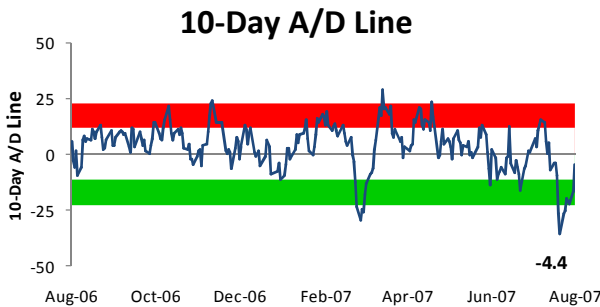
Rising lines indicate that sector is outperforming S&P 500, while downward sloping lines represent sector underperformance. Red dots indicate Fed rate cuts, and blue dots represent Fed meetings where no changes were made to interest rate policy.



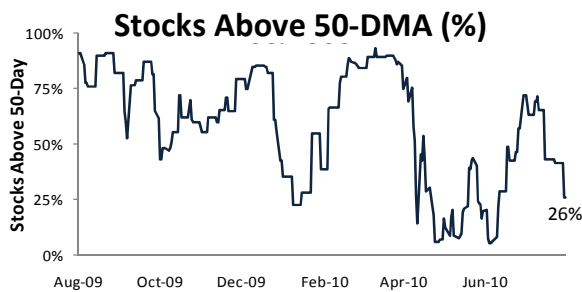
# Bespoke's Sector Snapshot: Explanation of Indicators



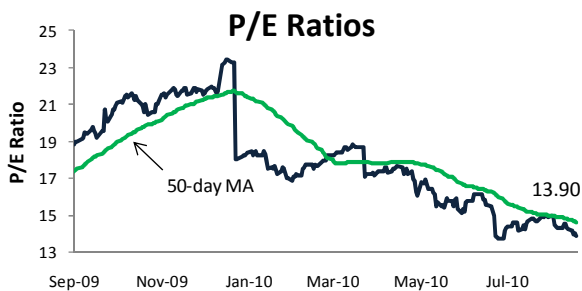
In these charts, the blue shading represents one standard deviation above and below the sector's 50-day moving average. The red area is between one and two standard deviations above the 50-day while the green area is between one and two standard deviations below. When the price moves into or above the red zone, it is considered overbought while movements into or below the green line indicate oversold levels.



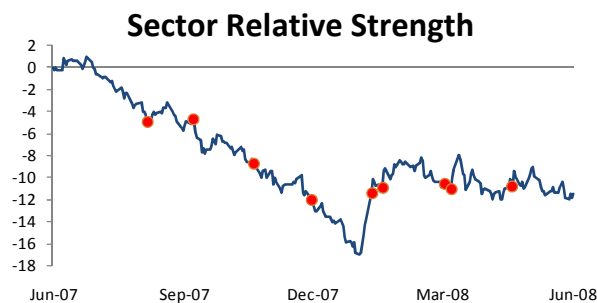
The charts of the ten-day advance-decline lines (A/D) are calculated by taking the daily number of advancers minus decliners in each sector and then adding up them up over a rolling ten day period. Just as in the Trading Area charts, the red zone marks overbought territory and the green zone marks oversold territory.



These charts highlight the percentage of stocks in each sector or index trading above their 50-day moving averages. Our experience has found that when this number has sharp moves in either direction, a short-term reversal is usually in the cards.



These charts show the trailing P/E ratio of the specified sector or index and its 50-day moving average. This enables readers to see how valuations currently stack up.



Our sector relative strength charts compare the performance of each sector to the S&P 500 over the last year. Rising lines indicate outperformance versus the S&P 500, while declining lines indicate underperformance. Red dots indicated Fed rate decisions. Many investors use relative strength to find sectors with strong or weak momentum.