

FIRST COVERAGE WEEKLY SENTIMENT (November 17, 2009)

First Coverage Market Sentiment: Bullish	First Coverage Index: 56.8	Weekly Change: +0.9%	Sell-Side Certainty: Negative
Bullish Industries (9,-1)	Neutral Industries (1,+1)	Bearish Industries (0)	Weekly Sentiment Change
Basic Materials			
	Consumer Goods (-)		
Consumer Services			Bullish
Financials			Bullish (x2)
Health Care			
Industrials			
Oil & Gas			
Technology			
Telecommunication			
Utilities			

Sell-Side is Calm, Cool and Collected.

The Song Remains the Same

At the macro level, the story is consistent.

If you read last week's update then you know this week's theme; the sell-side is feeling bullish and the majority are continuing to tell their client base of institutional portfolio managers to stay long this market. While this continued optimism stands in contrast to a surprising drop in consumer confidence last week, it remains consistent with the tone of a market that rallied an additional 2% during the same period of time.

Continued optimism shouldn't be a surprise to anyone that's been following First Coverage sentiment this year. Outside of the confidence number mentioned above, both economic and corporate data were scarce last week. Subsequently, without any real obstacles to barrel through, a rally in motion will, once again, stay in motion.

Six of One, Half Dozen of Another

That being said, the week upcoming is different and is one full of new data on retail sales, housing and inflation. And while some might expect that ahead of this batch of news a more "cautious" stance would be taken by the sell-side, one would be only partially correct.

Certainty of the sell-side can be shown by looking at the number of new ideas being opened compared to the amount of old ideas being closed, and this ratio is negative for the second week in a row. Underlying this data, there is a small but growing percentage of the sell-side that is calling it a day. While they are not getting bearish, this small but vocal minority is definitely suggesting clients lock in some profits.

However, on the other side, there is a much larger percentage of the sell-side that continue to contribute to an upwards creep in the market sentiment level. It appears as if those that have decided to still suggest new capital allocations have also decided that nothing on the horizon could constitute a meaningful enough surprise to derail a perfectly enjoyable year-end rally.

Risk is no Longer a Four Letter Word

And that means that amongst those still doling out advice; a healthy risk appetite is back.

Not only is the sell-side being bolder in the face of many important data points, but once again the sell-side is suggesting that the buy-side live life on the edge for these last six weeks of 2009 and purchase financial stocks.

Sentiment surrounding the financial industry has seen strong bullish movement for the past two weeks and is now, once again, the most bullish industry as measured by sentiment amongst the sell-side. We've often talked about the fact that it would be unlikely to see a sustained break in the rally until the industries that brought us this far, technology and financials, were abandoned. To date, we are clearly seeing nothing that would be consistent with that type of break occurring in this massive run that's been ongoing since the beginning of March.

Stocks to Watch

Over the last week, the following stocks had the largest bullish and bearish sentiment shifts amongst the sell-side.

Bullish:

Symbol	Company	Industry	Exchange
URI	United Rentals	Industrials	NYSE
GS	Goldman Sachs	Financials	NYSE
CAAS	China Automotive	Consumer Goods	NASDAQ
SHOO	Steven Madden	Consumer Goods	NASDAQ
MI	Marshall & Ilsley	Financials	NYSE

Bearish:

Symbol	Company	Industry	Exchange
USU	USEC	Basic Materials	NYSE
G	Goldcorp	Basic Materials	TSX
YRCW	YRC Worldwide	Industrials	NASDAQ
UUU	Uranium One	Basic Materials	TSX
QLGC	QLogic Corp	Technology	NASDAQ

Until next week ...

About The First Coverage Weekly Street Sentiment

Derived from the aggregated analysis of thousands of actual trade ideas and data being sent in real-time from the sell-side to the buy-side, the First Coverage Weekly Street Sentiment provides a snapshot of market trends and a unique perspective of the mindset of the Street for the week ahead. The following data has been extracted directly from all information transmitted in the past week by sell-side representatives from more than 250 firms submitting information to portfolio and asset managers worldwide via the First Coverage platform.

About First Coverage

Catering to more than 300 financial institutions worldwide, [First Coverage](http://www.firstcoverage.com) provides a web-based platform that simplifies the gathering, evaluation and organization of all sell-side services and information. For more information, visit www.firstcoverage.com or contact us at info@firstcoverage.com.

For media inquiries, please contact Deborah Jorge at First Coverage: Deborah.Jorge@FirstCoverage.com, 617-303-0067 (office) or 413-531-0959 (mobile).

--DISCLAIMER--

First Coverage's Weekly Street Sentiment ("WSS") is derived from sources believed to be reliable, but which we furnish "AS IS" and "WITH ALL FAULTS." We do not warrant or guarantee the suitability, timeliness, sequence, accuracy, or completeness of WSS. THERE ARE NO WARRANTIES OF ANY KIND, EXPRESSED, IMPLIED OR STATUTORY (INCLUDING, WITHOUT LIMITATION, SUITABILITY, TIMELINESS, TRUTHFULNESS, SEQUENCE, ACCURACY OR COMPLETENESS), ANY IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING, OR COURSE OF PERFORMANCE, OR THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED FROM USE OF WSS. Any analysis, observation or other opinion that WSS may contain is, and must be construed solely as, a statement of opinion and not a statement of fact, indication of preference or recommendation of any nature. Content contained in WSS is not intended to and does not constitute investment advice and no investment adviser-client relationship is formed.