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Greetings,

I have a very short update today:

<http://www.thinkbigworksmall.com/mypage/player/tbws/23088/1287086>

It's worth your time.

In addition, we have this:

[Citi to let distressed homeowners stay for 6 mos.](#)

Isn't that nice of them? There's only one "small" catch. You need to turn over the deed to your property. Isn't that special?

Lastly, we have this gem:

[Fed in Talks With Money Market Funds to Help Drain \\$1 Trillion](#)

The Feds want to "allow" the banks that hold the retirement accounts of average "Joe's" to use the money to buy toxic Mortgage-backed securities.

Have I mentioned that now is a good time to hold cash (in my opinion)?

Watch for these indexes to drop:

Chinese Shanghai Composite Index: 2,985.50 (change of **8.61%** from July 20, 2009 base value of 3,266.92)
Shenzhen Stock Exchange Component Stock Index (SSE): 12,224.60 (change of **8.64%** from July 20, 2009 base value of 13,381.22)

Here are today's numbers for the economic indicator:

- 1) Gold = \$1,092.60
- 2) Silver = \$15.61
- 3) Dollar Index = 79.99
- 4) Oil = \$75.28
- 5) S&P 500 Index = 1,078.47
- 6) 3-month Treasury Bill yield = 0.09
- 7) 3-month OIS = 0.16

HEI = 33.86

(A value of under 100 indicates deflation, while over 100 indicates inflation – as referenced to Sept. 12, 2008...the day before Lehman Brothers collapsed)

Here are the numbers for the day:

Dollar Index adjusted indexes:

Dow = (10,144.19) x (0.7999) = 8,114.34

S&P 500 = (1,078.47) x (0.7999) = 862.67

Nasdaq = (2,177.41) x (0.7999) = 1,741.71

3-month Treasury: 0.09

2-year Treasury: 0.87

10-year Treasury: 3.72

30-year Treasury: 4.67

2-yr vs. 10-yr Spread (Target > 273): 285 basis points – (Danger Zone)

2-yr vs. 30-yr Spread (Target > 369): 380 basis points – (Danger Zone)

3-month LIBOR: 0.25

3-month EURIBOR: 0.66

3-month OIS: 0.16

TED Spread: 15 basis points

LIBOR/OIS Spread: 10 basis points

Dollar Index: 79.99

Volatility Index: 23.96

JPY-EUR Exchange Rate (Target < 115): 122.8643

JPY-GBP Exchange Rate (Target < 145): 140.8869 – (Danger Zone)

JPY-USD Exchange Rate (Target < 90): 89.754 – (Danger Zone)

USD-EUR Exchange Rate (Target < 1.25): 1.3689

USD-CNY Exchange Rate (Target > 7.0): 6.8338

Warmly,

Brad

Comments or questions? brhamill@hamill.com

If you are not currently on the Economic Update email list you can email me at:

economics@datatogo.com to be added.

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