

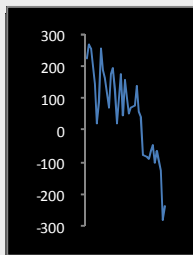
DREXEL INVESTMENT GROUP AP

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Weekly Recap

Despite a historic affair in politics, with the election of Barack Obama, Wall Street turned a blind eye after Tuesday and put economics front and center. Posting the biggest Election Day rally ever, gaining 4.1%, the S&P 500 snapped an 18% rally in the previous 6 trading sessions and gave way to a 10% decline in equities on Wednesday and Thursday. Concerns mounted on Wednesday when ADP's employment report showed a contraction of 157,000 jobs. This report came in tandem with poor auto sales for Oct, and set the tone for Friday's government report on employment. Adding to the pressure came several other economic reports—September's factory orders declined 2.5%, October's ISM Services Index dipped below expansion (>50) coming in at 44.4, 3rd Quarter productivity fell from 3.6% to 1.1%, and continued jobless claims spiked to 3.84 million.



Nonfarm Payrolls—Jan. 06-Oct. 08

Economics quickly coupled with poor earnings and cautious guidance from cyclical corporations as the last heavy release of earnings wound down. In retail, same-store sales declined -0.9%; 4.2% ex. Wal-Mart, who showed a 2.4% gain. Wal-Mart's sales are relatively impressive from a bottom-up perspective, but does not bode well from a macroeconomic point-of-view as this suggests that cash-strapped consumers are shifting from the higher-end retailers to the lower-end alternatives to fit into the constrained needs of their personal budget. Moving to Central Bank action, the ECB cut rates 50bps to 3.25%, in line with expectations. The Bank of England acted aggressively, slashing its rate by 150bps to 3.00%—suggesting that they are behind the curve and underestimated the severity of the situation.

Progressing to Friday's report, Nonfarm payrolls fell 240,000 well above consensus of 200,000; pegging unemployment at 6.5%. Worse, was the massive downward revision of September's report from 159,000 to 284,000. Despite the extremely negative economic data, the reporting of the uncertain state of GM/Ford, and the amount of cash-burn they're experiencing (\$14.6B in one quarter), the market managed to trade up for a 2.9% gain—implying that the data was priced in the two previous sessions.

Outlook

While US markets wait for signs of economic strength domestically, the Chinese gave investors a signal that the rest of the world is feeling the same pain by announcing an economic stimulus package to help reduce the chance of a world recession affecting China. The 4 trillion Yuan package, roughly 1/5 of China's GDP, is centered around boosting infrastructure and low rent housing to help strengthen the economy. Markets will likely view this move as a good sign for the slumping world economy, as the question of government support has previously been unclear.

As reported last week, auto-makers are announcing that they are burning through cash at an alarming rate and may require government assistance. This issue will be important this week as President-Elect Obama starts the transition into his presidency. Obama has already shown sympathy for the auto market, signaling possible avocation for stimulus. Auto stocks are down an average of 63% in 08 due to the effects of lower consumer spending, higher oil prices, and inflated input costs. The most recent sell-off has come as the outlook for auto-manufacturing continues to turn negative, possibly lasting much longer than expected. Obama has another tough decision to make in the near future that could help dictate the steps the government takes to aid the failing financial markets. The role of the Treasury Secretary has taken on a new level of importance in the last few quarters, making Obama's choice of Paulson's successor a possible market mover.

Next week's economic calendar is back-end weighted with retail sales being the biggest market mover. Expectations are for the index to decline by 1%(ex-auto) after a 1.2% drop last month. The other important indicators this week include Business Inventories, Consumer Sentiment and Trade Prices. Consumer Sentiment should give investors an idea how consumers will act during this year's holiday season. With this set of data, big retailers could be the stocks to watch this week. Financials will, as every week in the last year, continue to be the most sensitive, jumping at the sight of any flea of hope or disaster.

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NOVEMBER 10, 2008

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Upcoming Earnings

Monday

Before the Open

Company	Symbol	First Call	Yr Ago				
4 Kids Entrtnmt.	KDE	(\$0.29)	(\$0.31)	Plug Power	PLUG	(\$0.18)	(\$0.17)
Abiomed	ABMD	(\$0.22)	-	RadNet	RDNT	(\$0.02)	-
AgFeed Industries	FEED	\$0.30	-	Sempra Energy	SRE	\$1.08	\$1.24
Allied Capital	ALD	\$0.35	\$0.12	Sirius XM Radio	SIRI	(\$0.09)	(\$0.08)
American Capital	ACAS	\$0.69	\$0.81	Six Flags	SIX	\$1.00	\$0.61
American Oriental	AOB	\$0.21	-	Southern Union	SUG	\$0.33	\$0.34
Arch Chemicals	ARJ	\$0.50	\$0.45	Sterling Cnstrctn	STRL	\$0.36	\$0.29
ArQule	ARQL	(\$0.42)	(\$0.26)	Trimas	TRS	\$0.23	\$0.20
Century Casinos	CNTY	\$0.05	\$0.08	Tsakos Energy	TNP	\$1.10	\$0.95
CGI Group	GIB	\$0.18	\$0.20	Tyson Foods	TSN	\$0.18	\$0.09
Cinemark	CNK	\$0.17	\$0.25	Warner Chilcott	WCRX	\$0.33	\$0.28
Clear Channel Otdrs	CCO	\$0.13	\$0.15	Yucheng Tech	YTEC	\$0.20	-
Clearwire	CLWR	(\$1.00)	(\$0.95)	<i>After the Close</i>			
Compass Group	CODI	\$0.42	-	AC Moore	ACMR	(\$0.16)	(\$0.02)
DISH Network	DISH	\$0.58	\$0.44	American Apparel	APP	\$0.13	
Edge Petroleum	EPEX	(\$0.15)	\$0.06	American Intl	AIG	(\$0.90)	\$1.44
Energy Conversion	ENER	\$0.26	(\$0.07)	American Sc&Eng	ASEI	\$0.70	\$0.48
Frontier Comm	FTR	\$0.16	-	Ameristar Casinos	ASCA	\$0.27	\$0.34
Fuel-Tech	FTEK	\$0.10	\$0.04	ArthroCare	ARTC	\$0.37	\$0.37
Geomet	GMET	\$0.11	-	Bidz.com	BIDZ	\$0.11	-
GLG Partners	GLG	\$0.08	-	Caliper Life Sci	CALP	(\$0.02)	\$0.03
Houston Wire&Cab	HWCC	\$0.36	\$0.41	Callon Petroleum	CPE	\$0.22	\$0.11
Integra	IART	\$0.47	\$0.39	Dexcom	DXCM	(\$0.46)	-
ISIS Pharm	ISIS	(\$0.05)	-	DTS	DTSI	\$0.09	\$0.07
Nelnet	NNI	\$0.31	\$0.45	EnerNOC	ENOC	(\$0.25)	(\$0.14)
Nortel	NT	(\$0.30)	\$0.14	Focus Media	FMCN	\$0.53	\$0.43
Novavax	NVAX	(\$0.15)	(\$0.15)	FTD Group	FTD	\$0.23	\$0.28
Orbcomm	ORBC	(\$0.03)	-	Hill-Rom	HRC	\$0.54	-
Oriental Fincl Grp	OFG	\$0.45	-	Hospitality Props	HPT	\$1.03	\$1.21
Pacific Ethanol	PEIX	(\$0.16)	(\$0.15)	Integra Bank	IBNK	(\$0.14)	-
Perfect World	PWRD	\$0.45	-	Inter Parfums	IPAR	\$0.20	\$0.27
Pike Electric	PEC	\$0.17	\$0.16	Medicis	MRX	\$0.22	\$0.36
				Merge Healthcare	MRGE	(\$0.05)	(\$4.17)
				MGP Ingredients	MGPI	(\$0.31)	(\$0.02)
				Midway Games	MWY	(\$0.70)	(\$0.37)
				Mindray Medical	MR	\$0.23	\$0.19

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MIVA	MIVA	(\$0.12)	\$0.00	Comverge	COMV	(\$0.29)	(\$0.28)
Orbitz	OWW	\$0.01	\$0.23	Concur Tech	CNQR	\$0.14	\$0.15
Qiagen	QGEN	\$0.20	\$0.17	Given Imaging	GIVN	\$0.06	\$0.15
Regency Centers	REG	\$1.13	-	Hologic	HOLX	\$0.30	\$0.65
Rockwell Automtns	ROK	\$0.98	\$1.07	Home Inns	HMIN	\$0.12	\$0.07
Senorx	SENO	(\$0.17)	-	ICX Technolgies	ICXT	(\$0.15)	-
Starbucks	SBUX	\$0.13	\$0.21	Intrepid Potash	IPI	\$0.73	-
STEC Inc	STEC	\$0.11	\$0.05	IPC The Hospitalist	IPCM	\$0.19	-
Thermage	THRM	(\$0.01)	\$0.02	MercadoLibre	MELI	\$0.12	\$0.13
TurboChef	OVEN	(\$0.12)	\$0.03	Semitoool	SMTL	\$0.06	(\$0.05)
Virgin Mobile USA	VM	\$0.04	(\$0.15)	Spectrum Brands	SPC	\$0.15	\$0.23
XOMA Limited	XOMA	(\$0.08)	-	UGI Corp	UGI	(\$0.04)	(\$0.02)
				Western Gas Prtnrs	WES	\$0.34	-

Tuesday

Before the Open

Company	Symbol	First Call	Yr Ago
Allot Comms	ALLT	(\$0.06)	(\$0.08)
Cameco	CCJ	\$0.31	\$0.74
Cardtronics	CATM	\$0.12	-
Fortress Investment	FIG	\$0.10	\$0.20
Fossil	FOSL	\$0.50	\$0.46
Fundtech	FNDD	\$0.21	\$0.19
Fuqi Intl	FUQI	\$0.26	-
Liz Claiborne	LIZ	\$0.37	\$0.63
MarineMax	HZO	(\$0.60)	\$0.35
NGP Capital Rsrce	NGPC	\$0.26	\$0.24
Pilgrim's Pride	PPC	(\$2.03)	\$0.61
Syneron Medical	ELOS	\$0.13	\$0.28
TJX Cos	TJX	\$0.56	\$0.54
Tyco	TYC	\$0.73	\$0.57

After the Close

AmeriGas Partners	APU	(\$0.44)	\$0.30
Atmos Energy	ATO	(\$0.03)	(\$0.05)
Blue Phoenix	BPXH	\$0.12	\$0.18
Bob Evans	BOBE	\$0.46	\$0.45
Brooks Automation	BRKS	(\$0.08)	\$0.09
China Fire&Sec Grp	CFSG	\$0.21	-

Wednesday

Before the Open

Company	Symbol	First Call	Yr Ago
Aecom Tech	ACM	\$0.37	\$0.29
Babcock & Brown	FLY	\$0.33	-
Canadian Solar	CSIQ	\$0.56	\$0.02
Diana Shipping	DSX	\$0.74	\$0.45
Dr Pepper Snapple	DPS	\$0.51	-
Green Mtn Coffee	GMCR	\$0.21	\$0.14
HQ Sustainable Mr	HQS	\$0.23	-
Internet Gold	IGLD	\$0.11	\$0.18
JA Solar	JASO	\$0.28	\$0.47
Macy's	M	(\$0.19)	\$0.10
Monotype Imaging	TYPE	\$0.11	-
Napco Security Sys	NSSC	-	\$0.02
Nice Systems	NICE	\$0.43	\$0.38
Orckit Comms	ORCT	(\$0.48)	(\$0.41)
Symmetry Medical	SMA	\$0.20	-
Targa Resources	NGLS	\$0.57	-
Thomson Reuters	TRI	\$0.34	-

After the Close

Meridian Bioscience	VIVO	\$0.18	\$0.16
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After the Close

51job	JOBS	\$0.11	\$0.13	Nuance Comm	NUAN	\$0.25	\$0.18
Accuray	ARAY	\$0.02	\$0.04	Pan Am Silver	PAAS	\$0.16	\$0.31
Aegean Marine	ANW	\$0.29	-	Ralcorp Holdings	RAH	\$0.82	\$0.59
AFC Enterprises	AFCE	\$0.16	\$0.23	Siemens AG	SI	-	-
American Public Ed	APEI	\$0.18	-	Stealthgas	GASS	\$0.39	-
Applied Materials	AMAT	\$0.14	\$0.32	Unica	UNCA	\$0.01	\$0.11
Callwave	CALL	(\$0.10)	(\$0.06)	Urban Outfitters	URBN	\$0.35	\$0.26
Charlotte Russe	CHIC	\$0.15	\$0.33	Wal-Mart	WMT	\$0.76	\$0.69
Computer Sciences	CSC	\$0.76	\$0.54	WNS	WNS	\$0.20	-
Cross	CROX	\$0.02	\$0.66	ZOLL Medical	ZOLL	\$0.41	\$0.33
Esco Tech	ESE	\$0.76	\$0.64	<i>After the Close</i>			
eTelecare	ETEL	\$0.09	-	Artes Medical	ARTE	(\$0.40)	-
Giant Interactive	GA	\$0.16	-	China Housing	CHLN	\$0.39	-
Las Vegas Sands	LVS	\$0.11	\$0.12	Clean Energy Fuels	CLNE	(\$0.21)	-
Netease.com	NTES	\$0.38	\$0.28	Dendreon	DNDN	(\$0.22)	-
Network Appliance	NTAP	\$0.27	\$0.32	eDiets.com	DIET	(\$0.11)	(\$0.10)
Sina	SINA	\$0.41	\$0.32	E-House China	EJ	\$0.13	-
Tetra Tech	TTEK	\$0.28	\$0.24	EV Energy	EVEP	\$1.09	-

Thursday
Before the Open

Company	Symbol	First Call	Yr Ago				
AES Corp	AES	\$0.28	\$0.18	Keynote Systems	KEYN	(\$0.01)	-
Channell CmrcI	CHNL	(\$0.01)	\$0.00	Kohl's	KSS	\$0.51	\$0.61
Copa Holdings	CPA	\$0.75	\$0.89	KongZhong	KONG	\$0.02	\$0.04
CryptoLogic	CRYP	(\$0.12)	\$0.19	Lee Enterprises	LEE	\$0.16	\$0.39
Daktronics	DAKT	\$0.21	\$0.19	MAXIMUS	MMS	(\$0.10)	\$0.63
Dril-Quip	DRQ	\$0.71	\$0.67	Medcath	MDTH	\$0.27	\$0.27
FCStone	FCSX	\$0.40	\$0.42	Microsemi	MSCC	\$0.36	\$0.28
Freeseas	FREE	\$0.40	-	MTS Systems	MTSC	\$0.69	\$0.64
Fushi Intl	FSIN	\$0.36	\$0.33	Nordstrom	JWN	\$0.34	\$0.59
Global Sources	GSOL	\$0.04	\$0.12	Salesforce.com	CRM	\$0.07	\$0.11
Kulicke & Soffa	KLIC	(\$0.09)	\$0.47	Steak n Shake	SNS	(\$0.05)	\$0.07
Melco Crown Ent.	MPEL	(\$0.01)	-	VeraSun Energy	VSE	(\$0.55)	\$0.09
NJ Resources	NJR	(\$0.40)	(\$0.55)	WGL Holdings	WGL	(\$0.33)	(\$0.31)

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Friday

Before the Open

Company	Symbol	First Call	Yr Ago
Abercrombie	ANF	\$0.75	\$1.29
Agilent	A	\$0.58	\$0.45
General Steel	GSI	(\$0.02)	-
Hewitt Associates	HEW	\$0.50	\$0.60
JC Penney	JCP	\$0.54	\$1.03
Suburban Propane	SPH	(\$0.86)	(\$0.93)
<i>After the Close</i>			
GOL Linhas Areas	GOL	(\$0.32)	\$0.12

Economic Reports

Thursday

Time	Release	For	Consensus	Prior
8:30	Initial Claims	8-Nov	479K	NA
8:30	Trade Balance	Sep	-\$56.8B	-\$59.1B
2:00	Treasury Budget	Oct	-\$92.0B	-\$55.6B

Friday

Time	Release	For	Consensus	Prior
8:30	Export Prices ex-ag.	Oct	-	-
8:30	Import Prices ex-oil	Oct	-	-
8:30	Retail Sales	Oct	-2.1%	-1.2%
8:30	Retail Sales ex-auto	Oct	-1.2%	-0.6%
10:00	Business Inventories	Sep	-0.1%	0.3%
10:00	Mich Sentiment-Prel.	Nov	57	57.6

Source: Briefing.com

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