



Conference Call Summary 3/17/08

Dow 13,000 Near Term, 8,800 by Summer

- Spreads widen to 700-800 bps on BB credits or worse and widen to 300-400
- Subprime has hit 228 billion. Hooverville predicted 242 billion. Subprime is over
- Floating Rate yields will be between 11-13%, so prices will come down
- Auction Rate market will disappear over next 18 months
- Dow to 13,000 in the Short Term
 - Advise taking money off the table and be put into Short Term Bonds
- Dow 8800 by summer for 2 reasons MACD technicals are all down and will go to high yield spread of 1100 over the 10 year treasuries.
- Money Markets will go down to 1.25% in next 30 days so there will be a shift to corporate bonds and equities because people will look for yield

Dow at close of 3/17/2008-11,972.25