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Here are my thoughts on today's trading – it means nothing. Zero. Today was a regular panic day when retail and technical traders said GET ME OUT. Others had margin clerks do it for them – they were sold out.

By closing at the low, I see the market likely opening up lower tomorrow. My first small amount of concern will be if we don't see some kind of rally start by 90 minutes into trading. I would like to see the bottom set in the first 60-90 minutes of trading. I don't care if we finish in the red tomorrow (I expect to finish in the red tomorrow), but I would really like to see the low set in the first 90 minutes hold for the day.

My second concern is having the same thing happen Wednesday. If the market is still free falling Wednesday more than 90 minutes in, then I start to re-evaluate my thinking.

Other thoughts –

1. I see Eagle Energy Trust hardly moved today. If things continue to go negative I might park some more money there. Yield will continue to count for a lot.
2. Any positive news out of the European politicians should stabilize this market. The market now believes they're such a bunch of turkeys (i.e. very low expectations) that any sign from any of the PIIGS that they can stop the bleeding or from the ECB that somebody is in charge will be viewed positively.
3. Though, that stability might come 1000 points lower on the Dow. That doesn't bother me. The market has steadily self-corrected to new realities faster and faster, now that our psychology is a true global village and money never sleeps. So these steep drops don't really frighten me (especially when we have such low cost bases on most of these stocks).
4. It's important to remember I don't need an UP market to make lots of money. I just need a flat market where growth is rewarded. I know I can find the outperformers. But a flat oil price at \$80 would have me continue in my strategy of selling my most junior stocks at profit or loss and moving up-market.
5. I smell austerity in both Europe and the US, so that \$80 might not be far off.
6. Psychology across the board is pricing in recession and pain for at least 1-2 years – as expectations continue to drop, it will be easier and easier for the market to beat The Street's expectations.
7. Senior oil stocks have correctly been pricing in lower oil prices for months,

and oil is now catching up. I will continue to monitor what they're saying, but what they're saying this week won't mean much given the panic – what they're saying next week, when there is a little bit of calm and reasoning present, will be more important.

8. I'm watching senior gold stocks closely now. They haven't participated much in the recent rally in bullion. If they move up more than 10% from current levels, that would be a sign to me that the market is no longer viewing this spike in gold as short term, and I could become buyers of either senior or intermediate gold stocks. Gotta go where the leadership is.

9. Recessions are a necessary part of economic life. We have become so soft as investors, and policymakers/politicians/business elites have made us believe that profits every day are our right. And we believe them! And so we ask them to do everything possible to save us from pain. Unfortunately, greed and technology have now built more leverage in the economic system now, which makes these bullish to bearish swings faster and bigger than they used to be. But we shouldn't have to deal with that. We all should be able to have great sex every day.

10. I bought 1000 shares of Coastal Energy at \$8.50 at the close. We have 2-3 more days of slightly downward markets before a first stage stabilization.

- Keith