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## Monthly Update

2009, volume 1, Year 16, January 2009

# Are We There Yet?

**Amid all the changes in the political scene, the bail out packages, congressional posturing and pork add-on, bank, mortgage, and car problems, we can hope. We can hope last year is over. We can hope that the rest of the world's bankers get a safety rope from their governments. And we can hope we are almost there.**

**Our style box absolute momentum (HVI) comparison on page 2 indicates that growth stocks beat value stocks. Our sector line up this month is precious metals first, then the U.S. dollar. The dollar is strong because other currencies are so weak. It is time to short bonds, the Dow, small cap, mid caps, the NDX, and just about everything else. It is even time to short international EAFE index. Latin America, Japan, and Europe are all weak. With so much weakness we must be almost there.**

**The Fed is printing and printing those precious dollars to reflate the banks and eventually the consumer. This is most likely why gold is rising. Houses that nobody can afford now will be worth a small fortune in inflated U.S. dollars in just a few short years.**

**We have sells on S&P500, NDX, bonds and a buy on gold/precious metals, see page 1.**

**Because the markets can turn quickly, be ready. May the market be with you!  
(January 23, 2009)**