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## Monthly Update

2011, volume 4, Year 18, April 2011

# Oil price to move lower!

**U.S. equity markets moved higher last month. The S&P500 and NDX indexes are 6.34 and 7.19% year to date, respectively. The average of our three portfolios is up 12.15%. We are bullish on S&P500, NDX, gold, and bonds. Our Harloff band analysis, see S&P500 Figure on page 2, indicates that the S&P500 short-term future gain will be relatively flat. Our similar analysis indicates that world stocks should do better than US stocks; see PURIX Figure on page 2.**

**Our style box analysis suggests that growth has a higher absolute trend than value. Gold continues to lead our sector analysis and oil has a negative absolute trend. We are calling for oil to top out in the near term of 30 days and go lower. Emerging markets lead Germany, U.S., and British markets. The U.S. dollar continues its decline.**

**We continue to like consumer products, biotechnology, and pharmaceuticals.**

**More and more Americans seek fuel-efficient cars. The huge wealth transfer from the U.S. to the Middle East to buy oil is a drag on our economy. But when oil is “high enough”, as determined by Middle East and U.S. oil, it breaks the back of U.S. alternate energy initiatives. Congressional funding time for alternate energy research and proof of concept is shorter than their election cycle and this has hurt the U.S. energy position for the past 30 years.**

**Because the markets can turn quickly, be ready. May the market be with you!  
(April 21, 2011)**