



Harloff Capital Management
795 Sharon Drive, Suite 226, Westlake, OH 44145
440-871-7278

Monthly Update

2009, volume 9, Year 16, September 2009

Bull

Our last buy signal for both the S&P500 and NDX100 was on March 20, 2009, a good call. The market continues to show strength even with some weakness this month. Our HVI indicators show us that the bull is still alive and well. For the year, the S&P500 and NDX indexes are up 15.62 and 39.82% respectively. The average of our three portfolios is up 51.57% YTD.

Our analysis indicates that: wireless, internet, real estate, small cap, basic material, and technology are promising. Promising region/country funds are: Latin America, and Emerging Markets. These funds and indexes suggest that the Emerging Markets, as producers of commodities, are thriving to feed growth In China and India. World indices are strongest in London and Emerging Markets. The US dollar continues to be a sell as the US pays its debt in fiat dollars.

Our absolute momentum (HVI) comparison for the style box on page 2 indicates that small cap beats large cap stocks. Our sector line up this month, from best to worst, is: semiconductor, oil, gold, utilities, and finance.

We continue to have buys on S&P500, NDX, gold/ precious metals, and a sell on bond yields (long bonds), see the left column on page 1. Because the markets can turn quickly, be ready. May the market be with you! (September 25, 2009)