



MARCH 21, 2011 SPECIAL MARKET ALERT

Due to the recent events in Japan and the ongoing crisis in the Middle East, we thought it is important to keep you as informed as possible.

The Dow made a low of **11555** on Wednesday the 16th and has recovered some of that since. We find current "Resistance" at the **12000**'ish levels (meaning plus/minus 75 points) with further "Resistance" at the February 18th high of **12391**. If we can surpass the 12000'ish level, we could then re-test the 12391. When/if we surpass this level, the market would then be back on track to move much higher in the coming weeks and months and confirming our belief the overall major trend is up.

The only "fly in the ointment" is if we take out the **11555** low, we could possibly test the 200 day moving average support at the **11100/11000** level. **If that were to fail to act as support and would most likely change our outlook on the major trend.** Furthermore, depending on your risk tolerance and time frame to retirement, investors may wish to reduce your equity exposure.

On a positive note, as of this morning, 3/21/11, we are back slightly above the **12000** level which is indicative we could go back to the **12400** levels for a re-test and if this is surpassed, we are on our way higher.

We will keep you posted as we approach all of the levels mentioned above.

NOTE Please review our "Glossary of Terms" on our web site for an explanation of "Support and Resistance".

In light of the current Japanese Nuclear Reactor situation, we wanted to address a mutual fund that many of you have invested in, the MFS Utilities Fund. This fund carries a (4) star rating from Morningstar and had earned 4.55% as of the end of February.

This fund did drop in value (along with the overall market) due to the severe events of recent weeks and days. We felt you should know the results of our analysis as to this fund's internal holdings since it is a fund made up of utility companies.

Out of the total 103 separate company stocks in this fund, we could only find (15) companies directly related to Nuclear energy. Of the (15) (12) are domestic (in the U.S.) and (3) international.

As to the Natural Resource funds Invesco Energy and BlackRock Energy & Resources, we found only BlackRock had anything related to Nuclear and that holding was only (1) out of a total of (124) for .33% (1/3 of 1%). This is a uranium mining company.

The above information came from Morningstar Principia and Google. Possible changes could have been made from the last reporting date of February 28th. Additionally, the actual managers of these funds may have made changes recently due to these outlier events.

As always, please contact our office for any questions related to the market, the MFS Utility Fund or your individual accounts at 800.817.1660, or visit our website at www.saundersgroup.com.