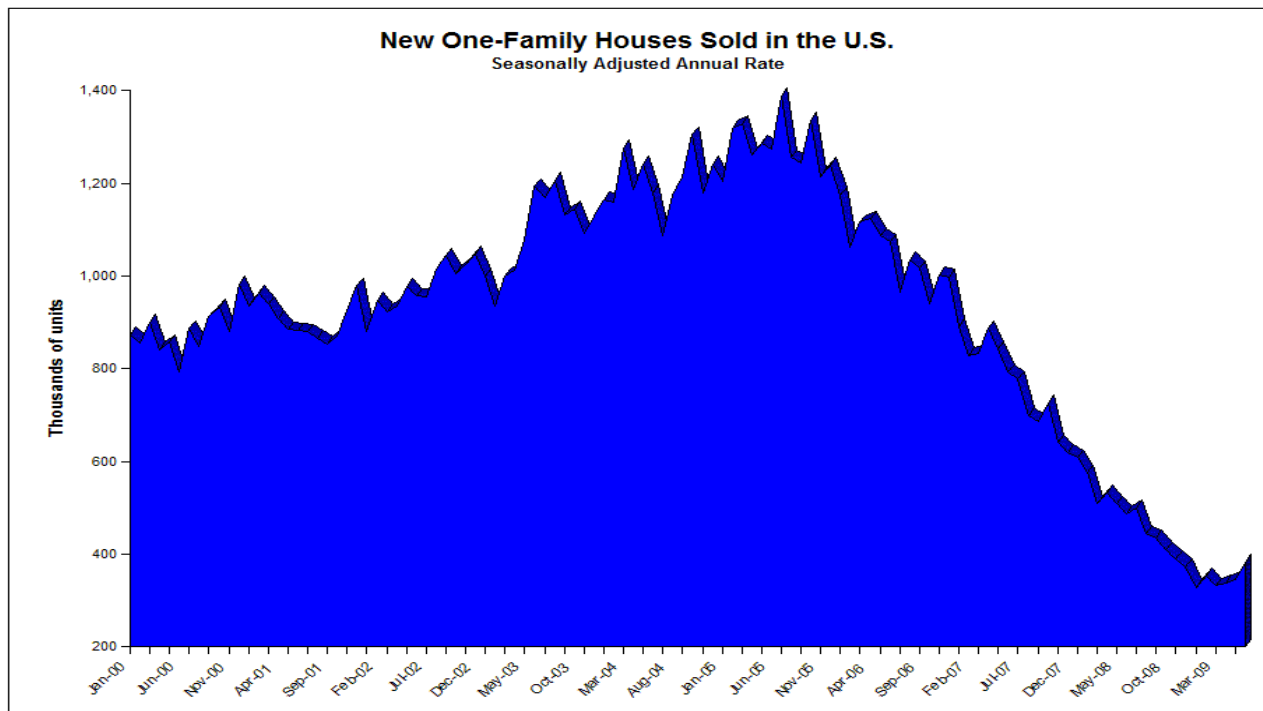


July 31, 2009

Residential Investment should turn Positive by End of 2009

Sales of new one-family houses in June 2009 were at a seasonally adjusted annual rate of 384,000. This is 11.0% above the revised May 2009 estimate of 346,000. JPMorgan economists expect new housing investment to make a positive contribution to United States Gross National Product by the end of this year.



According to Bloomberg.com, “Home prices are firming for the first time in three years according to Case-Shiller where the composite-10 index for May rose 0.4 percent to 151.00 with the composite-20 up 0.5 percent to 139.84

As I mentioned last week, look for companies in the housing supply chain to benefit from these improvements. We are currently invested in these areas.

Feel free to forward to a friend who invests, they may find this useful.

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Disclosure:

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