

Auto Production to Spur New Jobs Growth

August 14, 2009

The following release on jobless claims was not a positive for the markets but still a huge improvement over prior periods, e.g. June report losses of 617,000. We continue to believe we have seen the worst of this recession and the labor markets will improve over the coming twelve months.



'UNEMPLOYMENT INSURANCE WEEKLY CLAIMS REPORT

SEASONALLY ADJUSTED DATA

In the week ending Aug. 8, the advance figure for seasonally adjusted **initial claims** was 558,000, an increase of 4,000 from the previous week's revised figure of 554,000. The 4-week moving average was 565,000, an increase of 8,500 from the previous week's revised average of 556,500.

The advance seasonally adjusted **insured unemployment rate** was 4.7 percent for the week ending Aug. 1, a decrease of 0.1 percentage point from the prior week's revised rate of 4.8 percent.

The advance number for seasonally adjusted **insured unemployment** during the week ending Aug. 1 was 6,202,000, a decrease of 141,000 from the preceding week's revised level of 6,343,000. The 4-week moving average was 6,259,250, a decrease of 27,750 from the preceding week's revised average of 6,287,000.'

Our belief that job markets will improve emanate from auto production in the United States. United States auto production has averaged nine million units annually and is expected to jump to eleven million units annually over the coming twelve months.

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

Gerald R. Sparrow, MBA,
Registered Investment Advisor

WWW.SPARROWCAPITAL.COM

11330 Olive Boulevard, Suite 230
St. Louis, Missouri 63141
888-569-6161

Disclosure:

PLEASE READ THIS WARNING: All e-mail sent to or from this address will be received or otherwise recorded by the Sparrow Capital Management corporate e-mail system and is subject to archival, monitoring and/or review, by and/or disclosure to, someone other than the recipient. This message is intended only for the use of the person(s) ("intended recipient") to whom it is addressed. It may contain information that is privileged and confidential. If you are not the intended recipient, please contact the sender as soon as possible and delete the message without reading it or making a copy. Any dissemination, distribution, copying, or other use of this message or any of its content by any person other than the intended recipient is strictly prohibited. Sparrow Capital Management has taken precautions to screen this message for viruses, but we cannot guarantee that it is virus free nor are we responsible for any damage that may be caused by this message.

Sparrow Capital Management only transacts business in states where it is properly registered or notice filed, or excluded or exempted from registration requirements. Follow-up and individualized responses that involve either the effecting or attempting to effect transactions in securities, or the rendering of personalized investment advice for compensation, as the case may be, will not be made absent compliance with state investment adviser and investment adviser representative registration requirements, or an applicable exemption or exclusion.

The Sparrow Growth Fund is offered by prospectus only. A prospectus contains more complete information on investment objectives, risks, advisory fees, distribution charges, and other expenses and should be read carefully before investing or sending money. A prospectus may be obtained or by calling Sparrow Capital at 314-725-6161. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate. Investor's shares when redeemed may be worth more or less than the original cost. NAV (Net Asset Value) does not include sales charges or contingent deferred sales.

Sparrow Capital Management, Inc. is a Registered Investment Advisor, established by Gerald Sparrow in 1988. A list of all past specific recommendations is available upon request. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list.