

ChartWorks

PUBLISHED BY INSTITUTIONAL ADVISORS

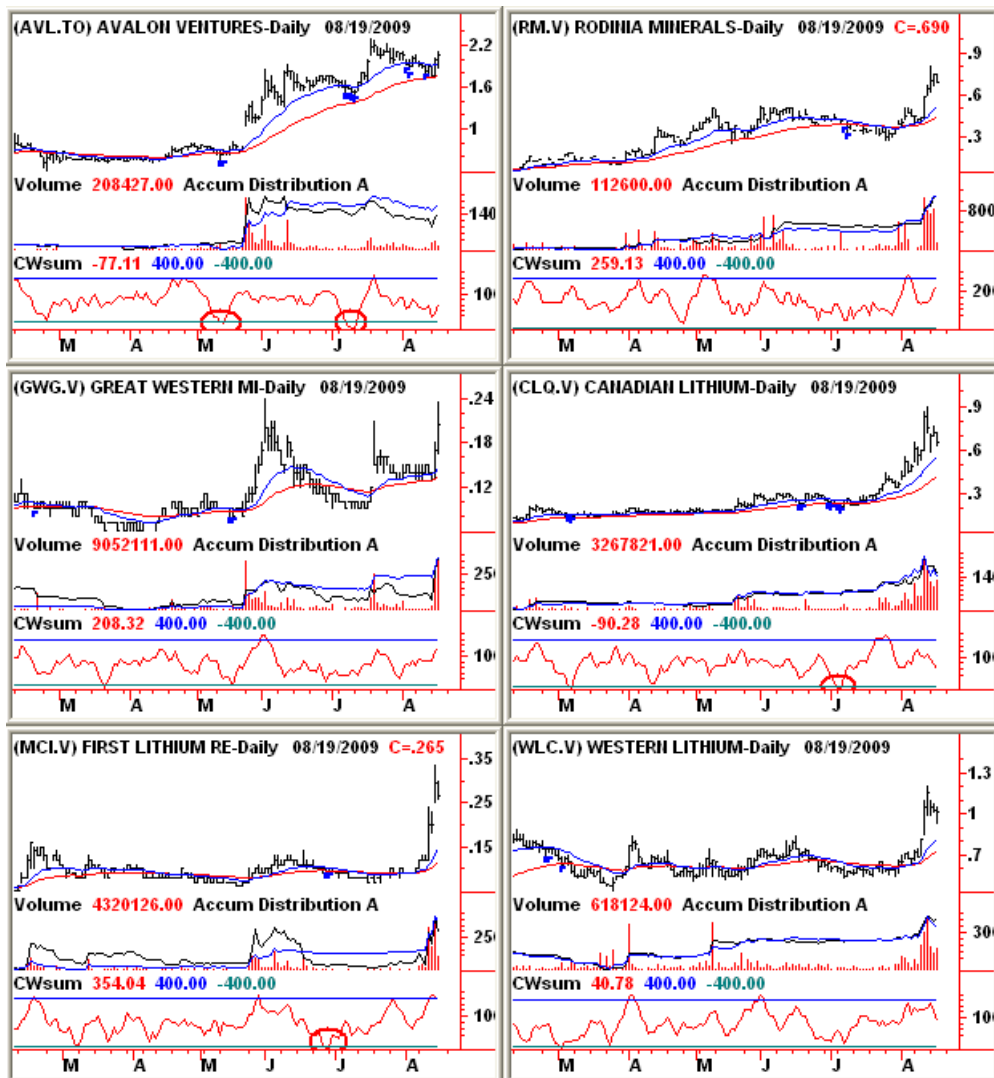
August 19, 2009

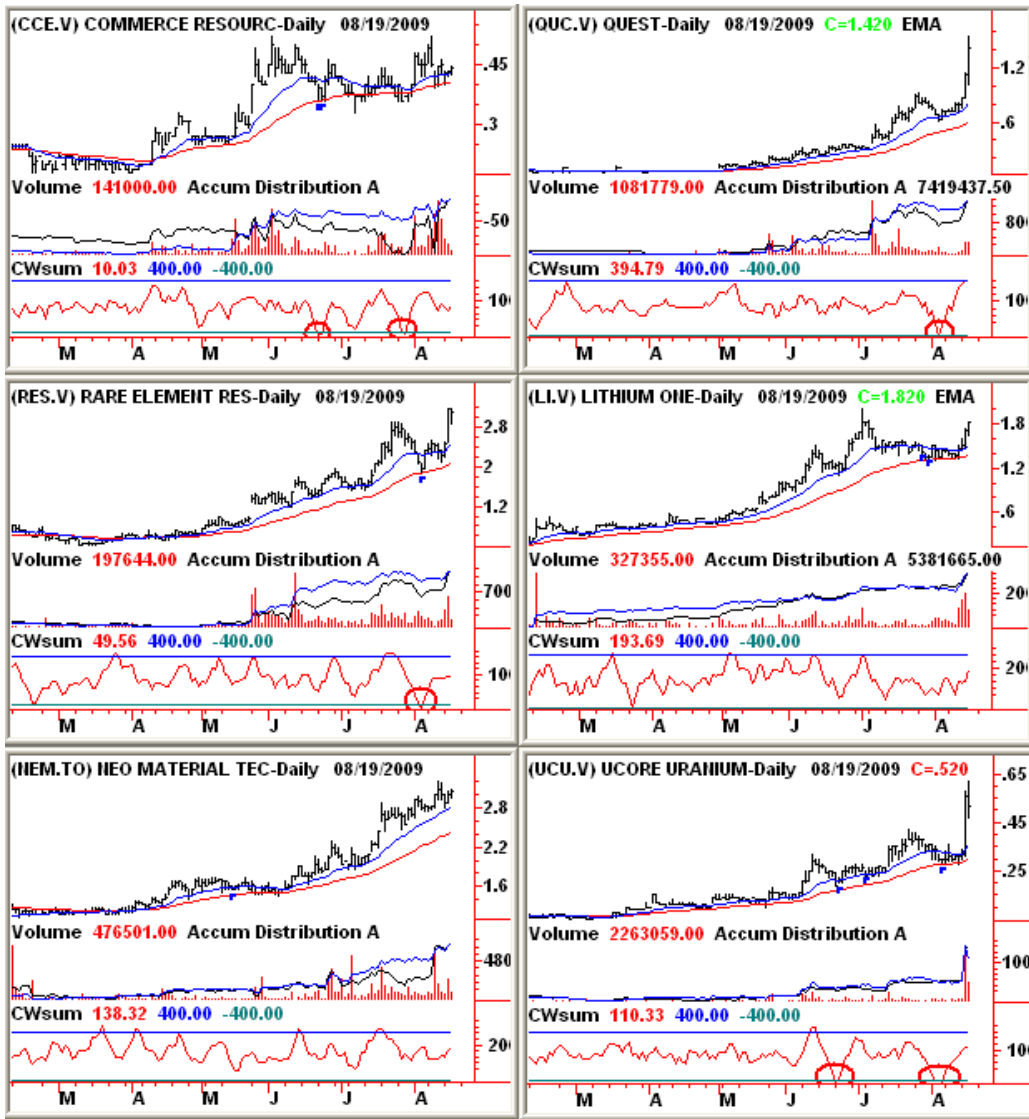
Technical observations of RossClark@shaw.ca

Rare Earths

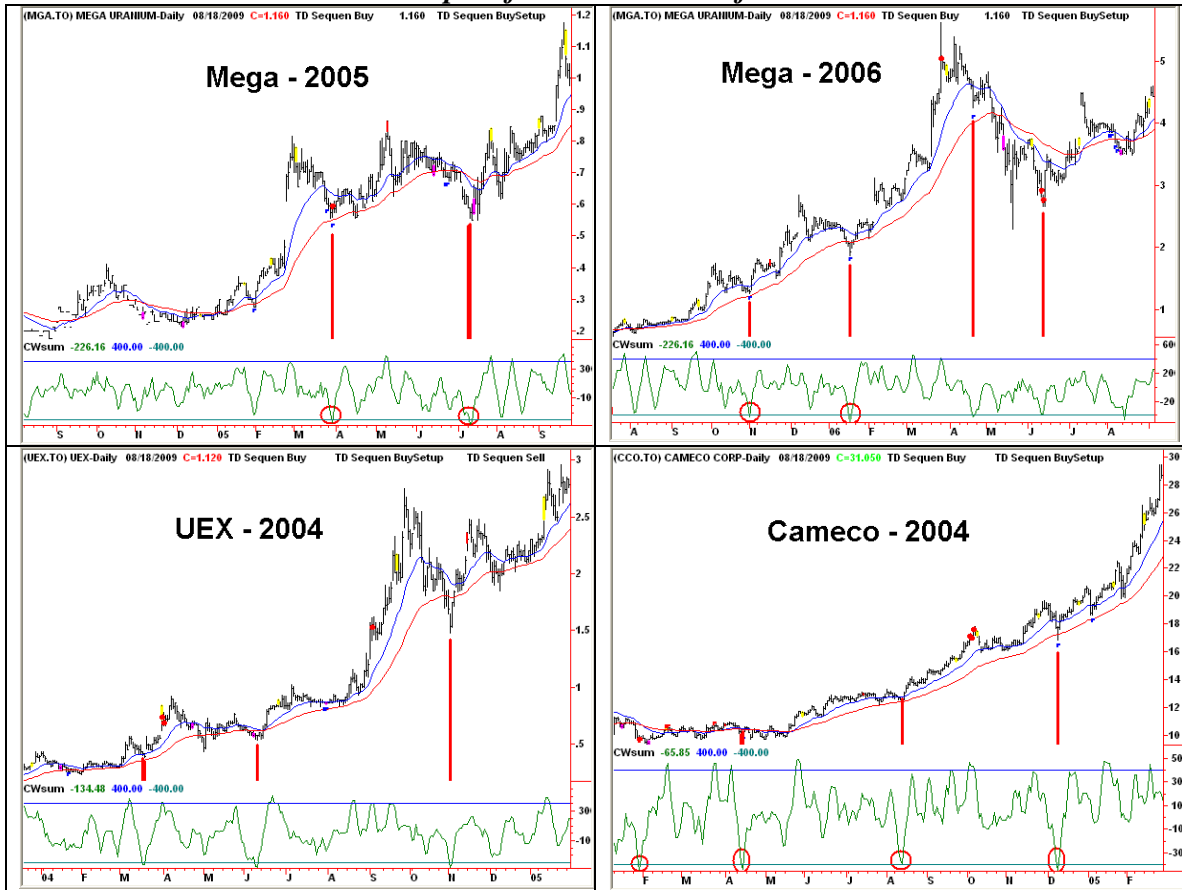
Rare earth metals and lithium have come into the limelight in the past few months. China dominates the sector, having gained control of upwards of 97% of the world's Rare Earth production. The publically traded stocks are primarily junior companies that had very little in the way of volume and capitalization until recently. The price action is reminiscent of the uranium sector back in 2003-2005, prior to the wide public awareness in 2007. Initial rallies can be expected produce parabolic moves followed by 38% to 50% retracements back to the 20 & 50 day moving averages. Optimum purchases are typically available once our Summation Index produces an oversold reading within the rising trend (see examples of uranium's on the last page).

The following charts display stocks that we are currently monitoring in the sector.





Red histograms identify oversold conditions in rising trends in this sample of uranium stocks from 2004 to 2006



The opinions in this report are solely those of the author. The information herein was obtained from various sources; however we do not guarantee its accuracy or completeness. This research report is prepared for general circulation and is circulated for general information only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized.

Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Neither the information nor any opinion expressed constitutes an offer to buy or sell any securities or options or futures contracts. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in this report. In addition, investors in securities such as ADRs, whose values are influenced by the currency of the underlying security, effectively assume currency risk. Moreover, from time to time, members of the Institutional Advisors team may be long or short positions discussed in our publications.

BOB HOYE, INSTITUTIONAL ADVISORS
 EMAIL bobhoye@institutionaladvisors.com
 WEBSITE www.institutionaladvisors.com