

An unresolved election is the worst result in terms of market sentiment

It's unfortunate but only a short-term problem -

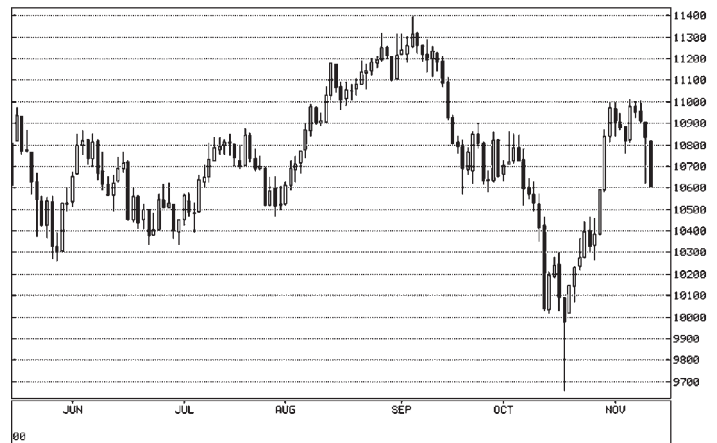
Inevitably, investors do not like uncertainty, especially when the dilemma is unexpected. Of all the presidential election forecasts, no one predicted that the outcome would be unknown nearly a week after the vote, let alone dragged into the courts. This election is particularly relevant for portfolio strategists because Gore waged a populist campaign, targeting specific industries including "big oil", pharmaceutical and tobacco companies. The result could also affect antitrust legislation for which Microsoft is the current focal point. Moreover, the markets had discounted a Bush victory but no one monitoring the current impasse can be certain of the outcome. Against this background, it is hardly surprising that investors in the US market are reluctant to buy. Since the other main story concerns slower GDP growth and corporate profits downgrades, selling pressure has the upper hand. Sentiment in all other stock markets can only be influenced by the trend on Wall Street.

This is not a constitutional crisis and stock markets should rally when one of the US presidential candidates concedes -

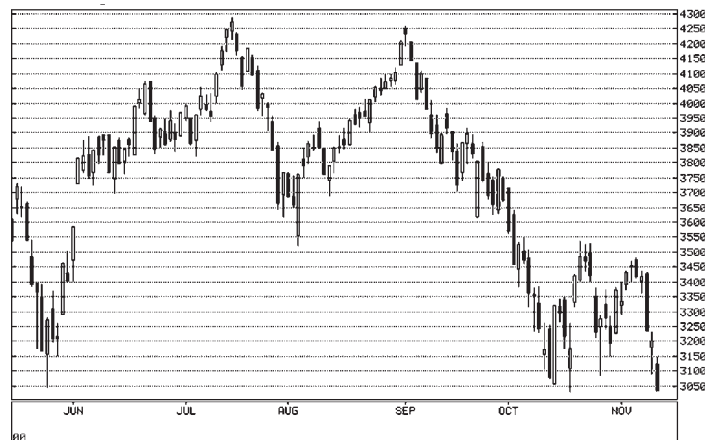
The current uncertainty is a short-term problem for stock markets but it is unlikely to be prolonged, let alone become a constitutional crisis as some commentators have suggested. The US is a mature democracy, resolving a particularly close election. Democracy in action is often chaotic but the fact that important issues can be resolved in full public scrutiny is testimony to the system's strength. The politicians are answerable to the electorate. US public opinion will not allow this situation to drag on much beyond Friday 17th November, the deadline by which all postal ballots must be received. Once either Gore or Bush concedes, a stock market rally should occur in proportion to the prior sell off. The more bullish short-term result would be Bush as president elect.

Best regards - David Fuller

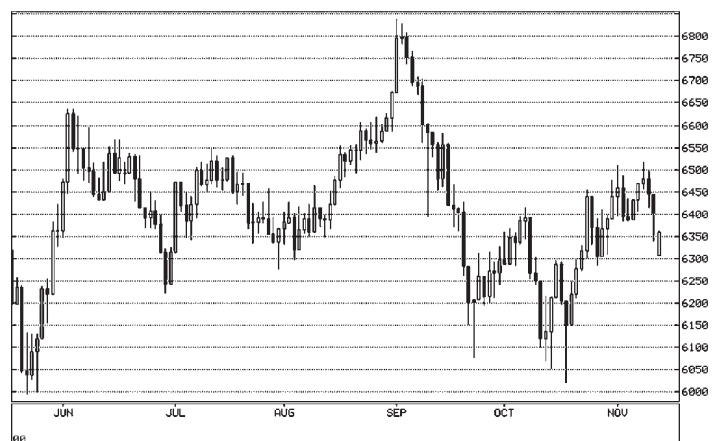
Dow Jones Industrial Average : 10602 (Daily)



NASDAQ Composite Index : 3028 (Daily)



UK FTSE 100 Index : 6322 (Daily)



FullerMarkets a division of Stockcube Research Limited Suite 1.21 Plaza 535 Kings Road London SW10 0SZ UK Website: www.fullermarkets.com
Email: research@fullermarkets.com Tel: +44 (0) 20 7351 5751 Fax: +44 (0) 20 7352 3185

You are strongly advised to read the following: This report has been produced and compiled by FullerMarkets, a division of Stockcube Research Limited (Stockcube) which is regulated by the Securities and Futures Authority Ltd, according to the requirements of the Financial Services Act 1986. It is distributed by Stockcube and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time Stockcube and any of its officers or employees may, to the extent permitted by law, have a position or otherwise be interested in any transactions, in any investments (including derivatives) directly or indirectly the subject of this report. Also Stockcube may from time to time perform other services (including acting as adviser or manager) for any company mentioned in this report. The value of securities can go down as well as up, and you may not get back the full amount you originally invested. Derivatives in particular are high risk, high reward investment instruments and an investor may lose some or all of his/her original investment. If you make an investment in securities that are denominated in a currency other than that of GB Pounds you are warned that changes in rates of foreign exchange may have an adverse effect on the value, price or income of the investment. The investments referred to herein may not be suitable investments for all persons accessing these pages. You should carefully consider whether all or any of these are suitable investments for you and if in any doubt consult an independent adviser. This report is prepared solely for the information of clients of Stockcube who are expected to make their own investment decisions without reliance on this report. Neither Stockcube nor any officer of Stockcube accepts any liability whatsoever for any direct and consequential loss arising from use of this report or its contents. This report may not be reproduced, distributed or published by any recipient for any purpose without the prior express consent of Stockcube. © Stockcube.