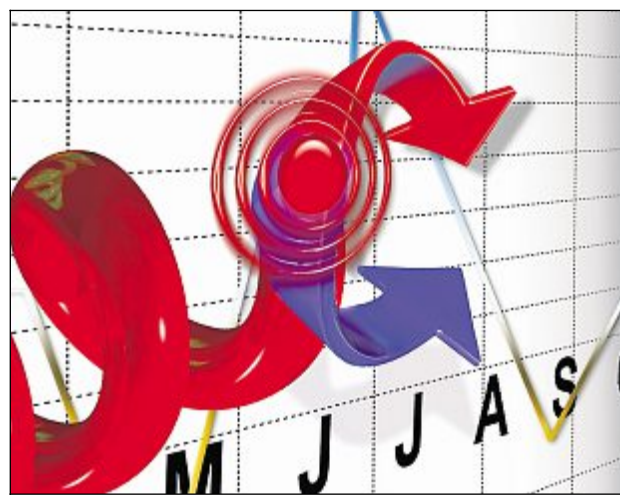


MONDAY, JUNE 20, 2011



By Suzy Parker, USA TODAY

Markets

Spotting trends like the pros do

What warning signs the experts watch out for in the stock market, 3B

Sprint

Get **Unlimited** text, web and calling to any mobile for \$79.99/mo.

All while on the Sprint network with an Everything Data Plan.

Nexus S™ 4G

1-800-SPRINT-1

Restrictions apply.

Moneyline

Friday markets

Index	Close	Change
Dow Jones industrials	12,004.36	▲ 42.84
Dow for the week		▲ 52.46
USA TODAY Internet 50	156.71	▼ 0.99
e-Business 25	115.70	▼ 0.68
e-Consumer 25	290.81	▼ 2.15
Nasdaq composite	2616.48	▼ 7.22
S&P 500	1271.50	▲ 3.86
T-bond, 30-year yield	4.21%	▲ 0.04
T-note, 10-year yield	2.94%	▲ 0.02
T-bill, 3-mo., discount rate	0.03%	▼ 0.01
Gold, oz. Comex	\$1,538.60	▲ 9.30
Oil, light sweet crude, barrel	\$93.01	▼ 1.94
Euro (dollars per euro)	\$1.4315	▲ 0.0174
Yen per dollar	80.06	▼ 0.72

Sources: USA TODAY research, MarketWatch.com

► Market Trends, 4B



Quotes on your cellphone

Send text message to 4INFO4 (446364) with **STOCK TICKER** (DELL) or **FUND TICKER** (AGTHX).

Boeing envisions bigger Dreamliner

Boeing is leaning toward a bigger version of the 787 Dreamliner as it seeks to outmaneuver Airbus in a wide-body jetliner market it reckons will be worth almost \$2 trillion in the next 20 years. The 787-10 could enter service by 2016, Jim Albaugh, Boeing's commercial planes chief, said ahead of the Paris Air Show. That would provide competition for Airbus's A350-900. "We have to go through some more analysis, and we haven't decided yet if we'll offer it, but it wouldn't surprise me if we did," Albaugh said.

Get the latest business news now on your smartphone



Download the Microsoft TagReader at <http://gettag.mobi> and capture a photo of today's tag.

Sega reports hack attack

Video game developer Sega says it has been hacked, making it the latest in a string of games companies to be attacked. The company sent an e-mail to users of the Sega Pass system to warn that e-mail addresses, dates of birth and encrypted passwords had been stolen from an online database. The e-mail stressed that no financial information was at risk. It is not clear how many users were affected. The company says its online system has been taken offline, and all users' passwords have been reset. The security breach comes after Sony and Nintendo suffered similar attacks by hackers.

FTC OKs Microsoft, Skype deal

The Federal Trade Commission is letting software giant Microsoft proceed with its largest deal ever, an \$8.5 billion bid for Web chat and call service Skype. The FTC announced it had finished its review of the buyout, which can proceed if the Justice Department also approves. Both agencies must review any deal worth more than \$65.2 million, according to the FTC. The deal could let Microsoft sell more digital advertising and offer more popular business conferencing tools.

BYD lowers share sale forecast

BYD, the Chinese automaker backed by Warren Buffett, said it will raise 1.42 billion yuan (\$219 million) in its Shenzhen, China, share sale, less than the company originally sought. BYD will sell 79 million shares at 18 yuan each, the company said in a statement to the Shenzhen exchange. The automaker had planned to raise as much as 2.19 billion yuan, according to the statement. BYD is tapping the mainland stock market to raise funds for expansion.

Suitmaker foresees luxury sales slowdown

Ermenegildo Zegna, Italian maker of \$2,645 wool suits, warned of a possible slowdown in luxury goods sales in 2012 even as it forecast revenue will grow at least 10% this year. While "cautiously optimistic" about 2011, "I am more worried about 2012," CEO Ermenegildo Zegna said before the spring-summer runway show. "I see shadows in Europe, I see a question mark in the United States, a relative slowdown in China."

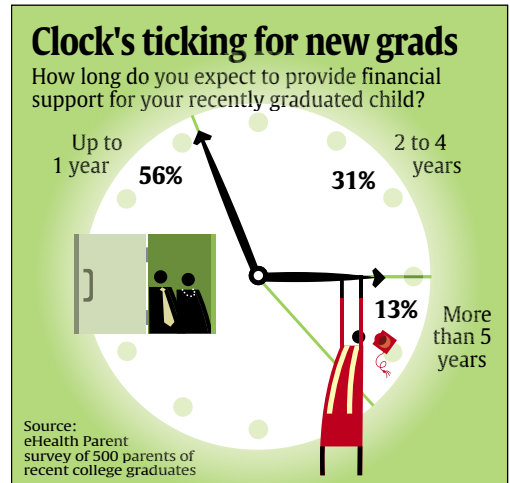
From AP and Bloomberg News

Stock market questions? Ask Matt



Stock market reporter Matt Krantz's column, Ask Matt, appears weekdays at money.usatoday.com

USA TODAY Snapshots®



Hacktivist group seeks 'satisfaction'

LulzSec entertains itself with humiliating attacks

By Byron Acohido
 USA TODAY

The rapid ascension of the hacker group LulzSec may signal a revival of cyberattacks carried out primarily to humiliate companies and government agencies.

After twice disrupting the U.S. Senate's website last week, then knocking the CIA's website off line, LulzSec on Friday issued a press release via Twitter declaring: "This is the Internet, where we screw each other over for a jolt of satisfaction."

It's no idle rant. LulzSec — which appears to have splintered from renowned hacktivist group Anonymous — has also successfully hacked Sony several times, as well as the FBI, Fox, PBS, Nintendo and others.

The Sony hacks stemmed from the entertain-

ment giant suing a young hacker, George Hotz, for reprogramming his PlayStation 3 gaming console; the PBS hack followed the network's airing of a *Frontline* documentary LulzSec deemed unfair to WikiLeaks, the anti-secrecy group.

LulzSec says it is not seeking criminal profit nor participating in cyberespionage. "We do things just because we find it entertaining." The group's name is a play on LOL (laugh out loud) Security. It issues bombastic press releases, produces animated videos, and uses a mustachioed cartoon character as a logo.

Technology

Yet behind the surface frivolity lies a smooth-running campaign orchestrated by highly skilled programmers and creative multimedia artists, security analysts say.

The group maintains an impregnable website, lulzsecurity.com, where it posts data stolen as part of its escapades. Indeed, on Friday the group posted 62,000 random e-mail and social network account logons — with passwords. In the accompanying statement, LulzSec appears to encourage folks to use the logons to access the accounts and play practical jokes on the account holders, says

Josh Shaul, chief technical officer at Application Security.

"It's a good reminder that we need to use strong passwords for all of the online systems that are important to us," Shaul says.

Groups like Anonymous and LulzSec are viable due to a confluence of developments, says Michael Sutton, vice president of research at security firm Zscaler. Role-playing video games and social networking have made collaborating with complete strangers second nature. Powerful, easy-to-use hacking and hiding programs are readily available; and corporations haven't kept up, he says.

"Anonymous and LulzSec are determined, and they have significant numbers," Sutton says. "And when attackers band together with a common goal, they often succeed."

As hacktivist groups rise in profile, copycats will likely emerge, says Marcus Ranum, chief security officer of Tenable Network Security. "That's part of the transition we're seeing," Ranum says. "There's a tremendous amount of resentment against this idea that corporations own the Internet."

COVER STORY



By Robert Deutsch, USA TODAY

Founder: Fear and uncertainty about prices holding housing back, Robert Toll says.

Insights into housing from Mr. Toll Bros.

One of the leading home builders says mortgage rates will begin to rise in the next few weeks as the Federal Reserve's quantitative easing program, or QE2, winds down. And Bob Toll would not be surprised to see rates spike from 4½% now up to 7½% within two years. But the founder of Toll Bros. also says even with home prices down 30% to 50%, and rates at "beyond-belief" levels, housing remains a buyer's market. I spoke with Toll about why his industry has been missing in action in the economic recovery and whether that signals tougher economic times ahead. The following is our talk, edited for clarity and length.



One on One
 Maria Bartiromo

Q: Can you characterize where we are in this recovery?

A: We're slowly getting better. There's no reason to celebrate if you're a seller. It's a buyer's market, but that's got some opposing facts that make it a good time, such as interest rates that are beyond belief and prices that are, in some cases, down 30%, unless we're talking distressed, in which case prices can be down 40% or 50%.

Q: Why has housing taken so long to recover, and how much supply is on the market?

A: Supply in the market really has to be divided to understand where we are. You have a distressed market, which is short sales

Please see COVER STORY next page ►

Investors look for signs taking chill off the market

By Adam Shell
 USA TODAY

NEW YORK — Stock market pullbacks of 5% or more are as common as the common cold, occurring about four times a year. But price dips still fray nerves on Wall Street because investors fear that small declines will morph into big ones.

The market's troubles since its 2011 peak — including a six-week slide that was its longest since 2001 — are causing a fair share of angst. Both professional and individual investors, many still leery after the nearly 60% stock plunge during the financial crisis, are wondering if the selling spell will end or whether this is the start of a larger, more sinister decline. The Dow Jones industrial average has fallen as much as 7.1% since its 2011 peak on April 29. The average pullback since 1996 is 10.5%, Deutsche Bank says. This drop has lasted 49 days, longer than the 31-day average the past 15 years.

Selling has intensified amid a recent patch of weak economic data that has stoked fears the U.S. might be headed for another recession. Fears that Greece will default on its debt and hurt European banks that hold its bonds are also causing investors to cut back on risk.

So what market action would signal that stocks' current cold won't escalate into a full-blown financial flu?

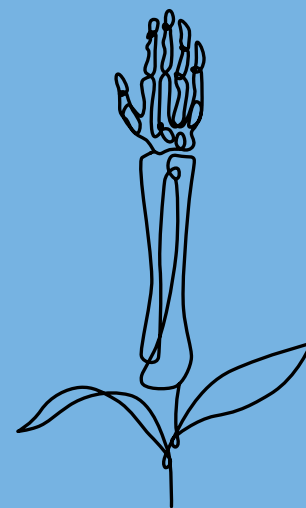
► **Long-term trend holds.** If the Standard & Poor's 500-stock index can stay above its average price over the past 200 days — or 1258 — that would signal that the long-term uptrend has not been broken. If it breaches that floor, it is likely to spark selling by investors who make investment decisions based on such key levels, says Paul Hickey, co-founder of Bespoke Investment Group.

► **Profit party rocks.** If U.S. companies deliver strong second-quarter profits when they begin reporting in July, that will provide a boost, says Larry Adam, chief investment strategist at Deutsche Bank Private Wealth Management.

"Any signs the economy is not going into a recession will serve as a catalyst," Adam says. Analysts expect S&P 500 companies to post profit growth of nearly 15% in the second quarter, FactSet says.

► **Pessimism peaks.** When the "I-hate-stocks" crowd grows, it usually suggests that much of the selling has already been done by investors that want to get out. Sentiment is a contrarian indicator. Pessimism is actually bullish.

The latest American Association of Individual Investors poll showed 43% bears, vs. the 30% long-term average, and only 29% bulls, vs. the long-term average of 39%. "Excess worry (is) not a reason to worry," says Tim Hayes, an investment strategist at Ned Davis Research.



We regrow bone.
 Yes, you read that right.

Call 1.866.281.5633 for an appointment.

Cleveland Clinic

Every life deserves world class care.

clevelandclinic.org/regrowbone