

Tradersworld

July - August 2010

ISSUE #47 **com**

Interview with Dan Zanger

Heading Off Trouble

Fractal City and the Recovery Top

Chicago Wheat Futures
and W.D. Gann's Natural Squares

The Jehovah Cycle in
W.D. Gann's "The Tunner thru the Air"

The Overlap Rule and More

It's a Trader's Market

The Market Oracle Report

MTPredictor Software Review

Tsunami-Trading

software review

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An Objective Entry
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Letter From The Editor



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I think you will enjoy this issue.

Larry Jacobs - Editor

TRADERSWORLD

Editor-in-Chief

Larry Jacobs - Winner of 2001 World Cup Championship of Stock Trading

Office

2508 W. Grayrock Dr., Springfield, MO 65810

Contact Information

417-882-9697, 800-288-4266

FAX: 417-886-5180

Email: publisher@tradersworld.com

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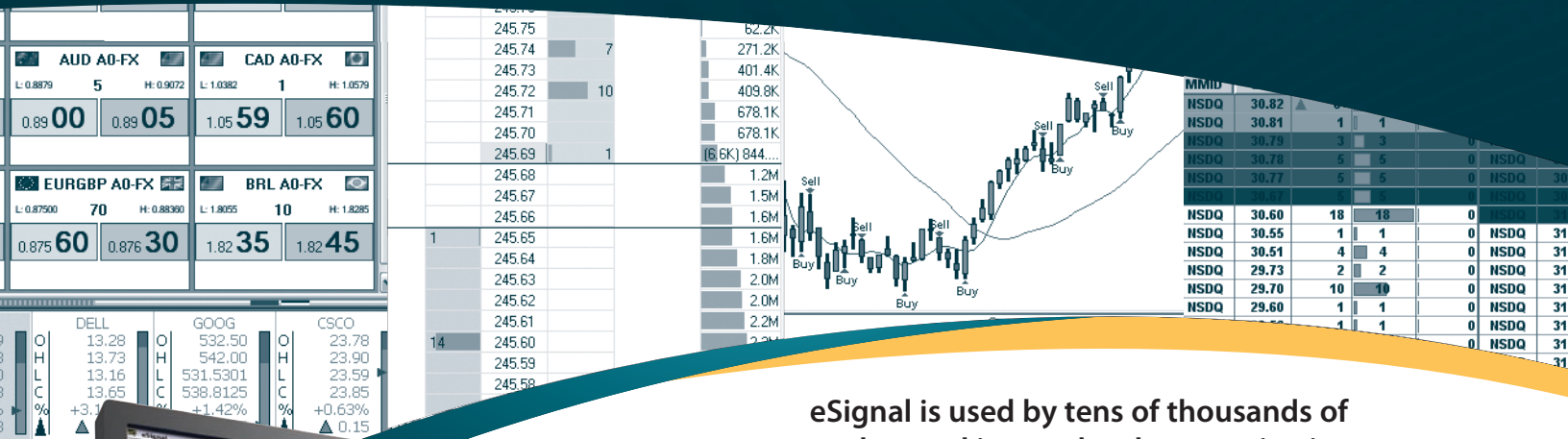
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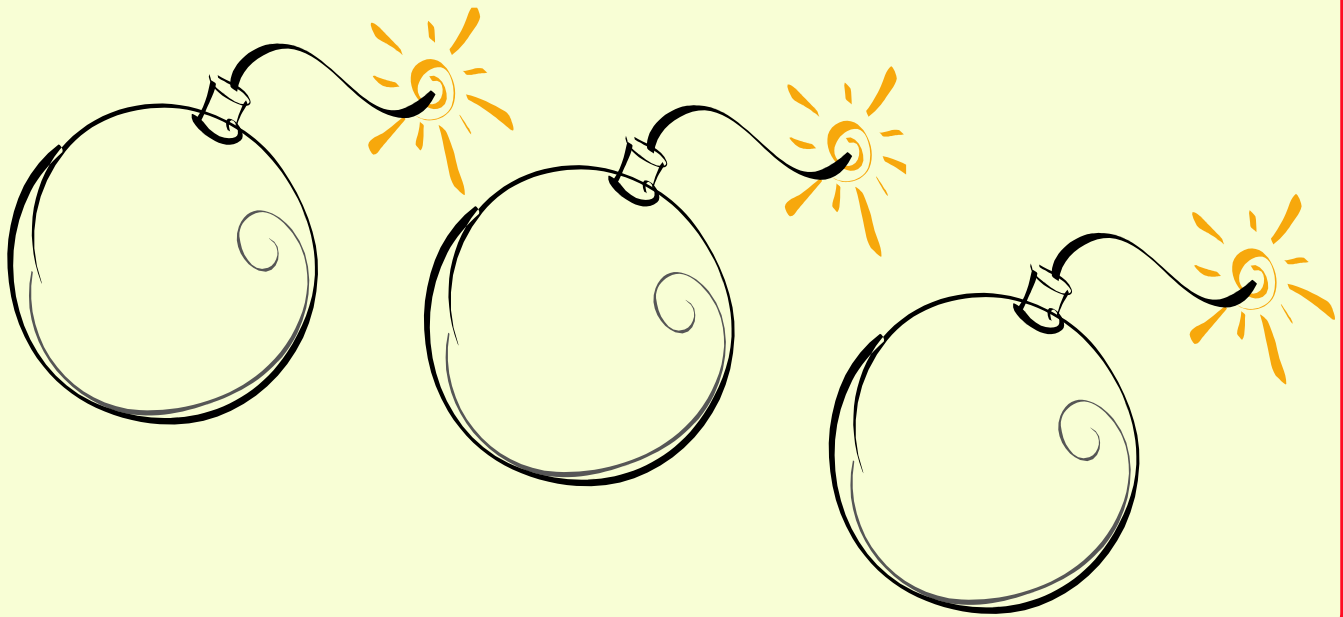
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Catch-22

Triple Threat in 2010--2012



Signs in the Sun...

“There will be great earthquakes, famines and pestilences in various places, and fearful events and great signs from heaven...

There will be signs in the sun, moon and stars. On the earth, nations will be in anguish and perplexity at the roaring and tossing of the sea. Men will faint from terror, apprehensive of what is coming...”

Luke 21:11, 25-26 (NIV Translation)

By Eric S. Hadik

For the past 10-15 years, I have focused on events that were expected to lead into an initial crescendo in 2010--2012. These events were projected to include earthquakes (2010/2011) and volcanoes (2010--2012), economic malaise (2007--2012), stock market crashes (2007--2009 & 2010--2012), war

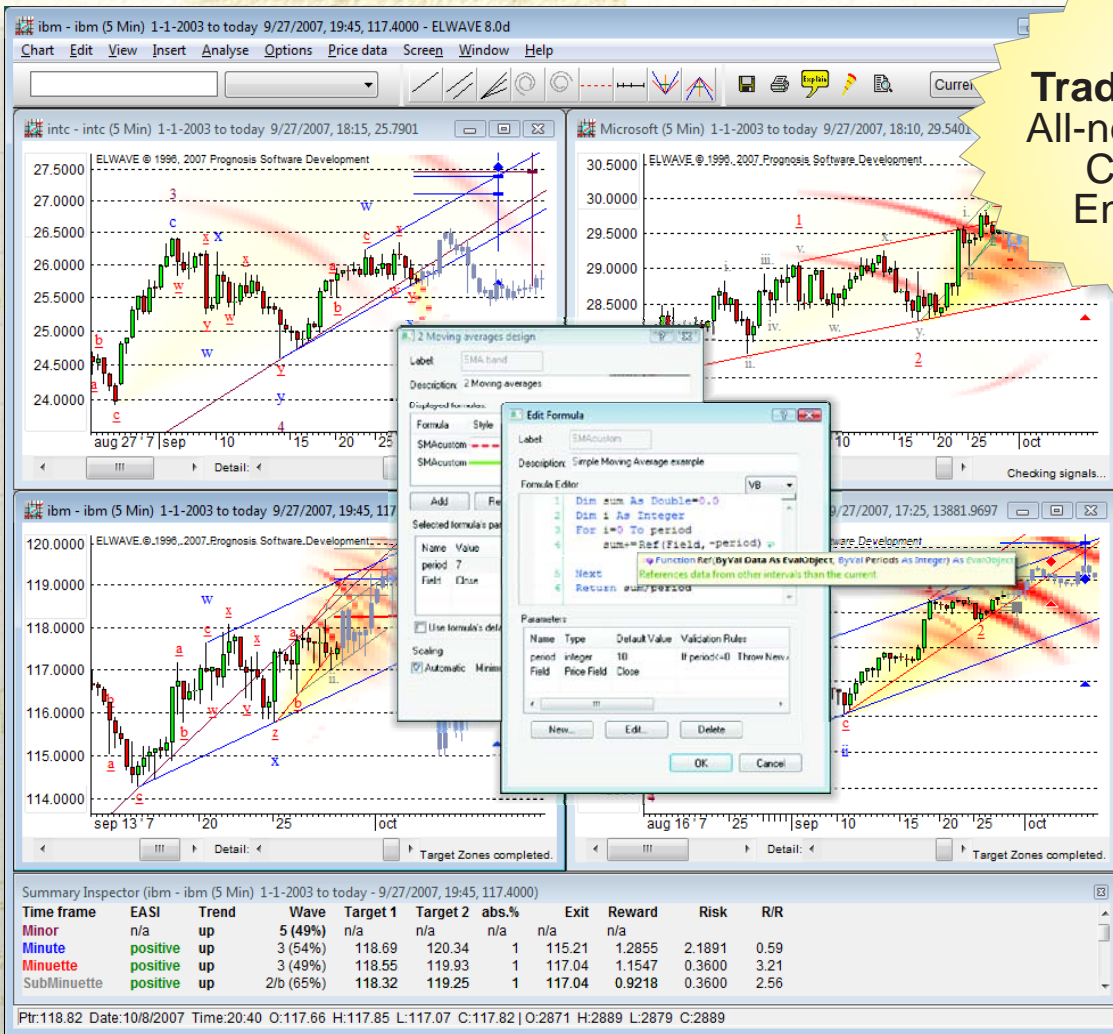
& nuclear events (2009--2011), Jerusalem/Middle East conflict (2011), solar storms & satellite disruptions (2010--2012), space exploration (2011) and geopolitical surprises (late-2007 into 2011).

Until now, I have usually devoted each article to one particular aspect of this analysis...

In 2007 & 2008, I explained (in INSIIDE Track publications and then in Trader's

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World articles) why the 17-Year & 34-Year Cycle was ushering in a new paradigm in 2007. I detailed how the 34-Year Cycle was linked to US stock & economic collapses and depressions going back to the 1830's. A 1-3 year/50% drop was projected for Stock Indices, beginning in October 2007 (exactly 17 years from the October 11, 1990 bottom and 34 years from the 1973 top, which led to a 50% collapse).

At the same time, I explained why Earth Disturbance Cycles were also portending renewed instability. This led to projections for a surge in activity into 2010/2011 - with regard to earthquakes - and into 2012--2014 with regard to volcanoes. Supporting data - and a report from July/August 2007 - can be found at www.insiidetrack.com/pdf/INSIIDETTrackSR200717YearCycleEQem.pdf.

Among the more specific projections, which were discussed in another Trader's World article in 2009 - was one for a major earthquake in Chile during this period, with February 2010 representing the first vulnerable period. This was the next phase of a 17-Year Cycle of South American Earthquakes that impacted Chile in 1837-1840, 1905-1908, 1922-1925, 1939-1942, 1960 (1 year late) & 1990-1993.

The culmination of the latest phase was pinpointed for 2010 (17 years from 1993, 68 years from 1942, 85 years from 1925, 102 years from 1908 & 170 years from 1840 - all multiples of the 17-Year Cycle - as well as 50 years from the 9.5 quake of 1960).

And, it was part of a 90-degree calendar cycle that had timed multiple S. American & Chilean earthquakes and volcanoes during the months of February, May, August &

November in recent years. This analysis was detailed in February 2009. An update was published on January 29, 2010 (4 weeks before an 8.8 quake struck Chile on Feb. 27, 2010; see www.insiidetrack.com/pdf/INSIIDETTrack201002eqs.pdf).

Analysis in the last Trader's World article included focus on the Sunspot Cycle that turned up in 2009. The purpose of this article is to bring all of that previous analysis together and to set the stage for what is still expected - and has received multiple levels of corroboration - in 2010--2012... and then into 2016--2018.

So What!?!

So, why discuss such 'big-picture' events and cycles when this is a trading publication? What do earthquakes and volcanoes have to do with stocks & bonds?

I'm glad you asked...

For those that have been reading this publication for the past two decades, you might recall that it was once called 'Gann & Elliott Wave Magazine'. The works of these two men - W.D. Gann & R.N. Elliott - form the foundation of this publication and of many of the topics discussed in each issue.

W.D. Gann based the majority of his work on the natural world and principles he derived from the movement of planets and the degrees of a circle while R.N. Elliott based his work on the movement of the ocean and the waves coming to shore (observed while recuperating from a serious illness).

Their works and discoveries were NOT derived from feeding infinite combinations of random numbers into computer testing programs until they found something that worked for a brief period in the recent

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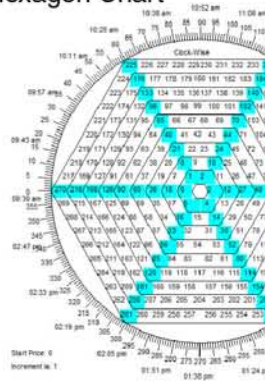
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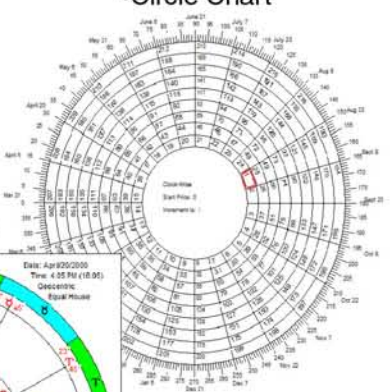
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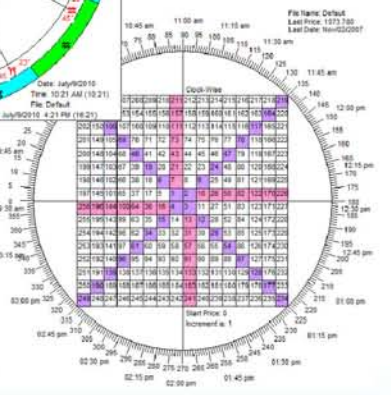
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past. Instead, it was based on time-tested principles & cycles that would be just as consistent in the future as it had been in the past.

If their entire life's works can be based on these natural principles & cycles, it is probably worth devoting some current time & energy into studying and understanding these standards of life...

A Shaky Time in 2008--2016...

The period of 2008--2016 has been projected to be a very unstable period when earth disturbances increase - in frequency and intensity - and when economic & geopolitical events corroborate. This discussion has been linked to diverse cycles with one of the more intriguing being the 17-Year Cycle... and its multiples.

On a worldwide basis, there has been a swarm of monster, catastrophic & deadly earth disturbances at 51 year intervals (3 xs 17-Year Cycle). Between 1957 & 1965, almost 40% of the largest magnitude earthquakes - of the past 150-200 years - were seen in that small window of time (which represents about 4.5--6.0% of that period). From a statistical basis, that is very significant. This included a 9.1 in Alaska (1957), an 8.7 in Japan (1958), a 9.5 in Chile (1960), a 9.2 in Alaska (1964) and an 8.7 in Alaska (1965). (Two others occurred a few years earlier - a 9.0 in Russia and an 8.6 in India.)

51 Years prior to that - in the 1900's - another swarm of Major earth disturbances (deadly volcanoes & earthquakes - including the S.F. quake, an 8.8 in Ecuador, an 8.2 in Chile, an 8.0 in Tajikistan, a 7.5 in India, a 7.9 & a 7.2 in Italy and major quakes in Japan, Jamaica & Wales) were felt - between 1902--1908.

And, 51 Years prior to that - in the 1850's - a swarm of major earthquakes (the true 'Big One' in California - an 8.0+ in Fort Tejon, an 8.2 in New Zealand, multiple quakes in Italy, Japan, Switzerland, Czechoslovakia, Algeria, etc.)

51 (3 xs 17) years and 102 (6 xs 17) years and 153 (9 xs 17) years from these periods is now, with a strong convergence of these cycles in 2010--2012!

There has also been extensive cycle research published that pertains to volcanoes in Italy, Greece & Iceland, pinpointing an increasingly volatile period from 2010 into 2014.

All of this has been projected (and published for a decade) to usher in a time of increased earthquakes and volcanoes in 2008--2016.

A Shaky Time in 2010/2011...

Breaking down that 51-Year cycle, the individual 17-Year Cycles reinforced this conclusion and created projections for a surge of earth disturbances in 2010/2011.

2010/2011 is 17 Years after the 1994 Northridge, CA quake as well as an 8.2 quake in Bolivia, a 7.0 quake in N. California and (with a 17-day margin of error) the Kobe, Japan quake of Jan. 1995.

It is 34 years after the 1976 Tangshan, China quake that killed over 240,000 people and a 7.5 quake in Guatemala that killed over 23,000.

It is 51 years after the largest quake of the past few centuries - the 9.5 Chilean quake of 1960.

It is 102 years after the Messina, Italy quake & tsunami of 1908 (that killed 82,000), 119 years from an 8.0+ quake that struck Japan in 1891 and 157 years from the real 'Big One' of California - the

Ft. Tejon quake of 1857. All of these periods are multiples of 17 years.

As I have contended for several years, I believe this 17-Year Cycle is one of the most noteworthy, Earth-based cycles. But, what about Solar Cycles?

Signs in the Sun II: Between a Rock and a Hot Place...

The most intriguing aspect of this period - from 2010--2016 - is the convergence of earth and solar cycles, on many different levels.

A month ago - on February 25th - I discussed the extremely risky time that earth was entering, due in no small part to the latest Sunspot Cycle that just began to turn up in late-2009 (see <http://www.insiidetrack.com/pdf/INSIIDETrack201003volcanoem.pdf> for more details, graphs & data).

This Sunspot Cycle - an approximate 11-Year Cycle - has many similarities to the Earth's 17-Year Cycle. In like manner, every other 11-Year Cycle - a 22-Year Sunspot Cycle - creates a higher-degree Cycle with more interrelated similarities.

This is similar to what I described - in 2007 - with regard to the 17-Year Cycle. Every other recurrence - a 34-Year Cycle - had its own similarities that provided even closer parallels to all the other members of this series. (As explained 3 years ago, 2007 - 2008 was forecast to be remarkably similar to 1973 - 1974 AND 1939 - 1942 AND 1906 - 1907 AND 1869 - 1873 AND 1837 - 1842 all of which occurred at 34-year intervals and experienced financial meltdowns, often resulting in depressions and/or stock market losses of 35 - 50%.)

Bi-Cycle

While the earth-based 'bi-cycle' (cycle pair) impacts financial markets, there is another example that could have even farther-reaching implications - the 2xs multiple of the 11-Year Sunspot Cycle... a sun-based 'bi-cycle'.

And, there is a very good reason for a 22-Year Sunspot Cycle. The unique thing about the Sun is that it shifts polarity during each Sunspot Cycle. In effect, what was north becomes south and what was south becomes north (evident in the magnetic polarity of the actual sunspots & solar storms). So, it takes two of these 11-Year Cycles for the sun to return to a similar polar position.

Plasma Ejections & Magma Eruptions

There is a close correlation between the up-phases and peaks in the Sunspot Cycle - when Earth is sometimes pummeled by a massive surge of electromagnetivity - and the concentration of multiple, violent volcanic eruptions. Just as the sun is exploding and projecting plasma into space, the earth is exploding and projecting magma upward.

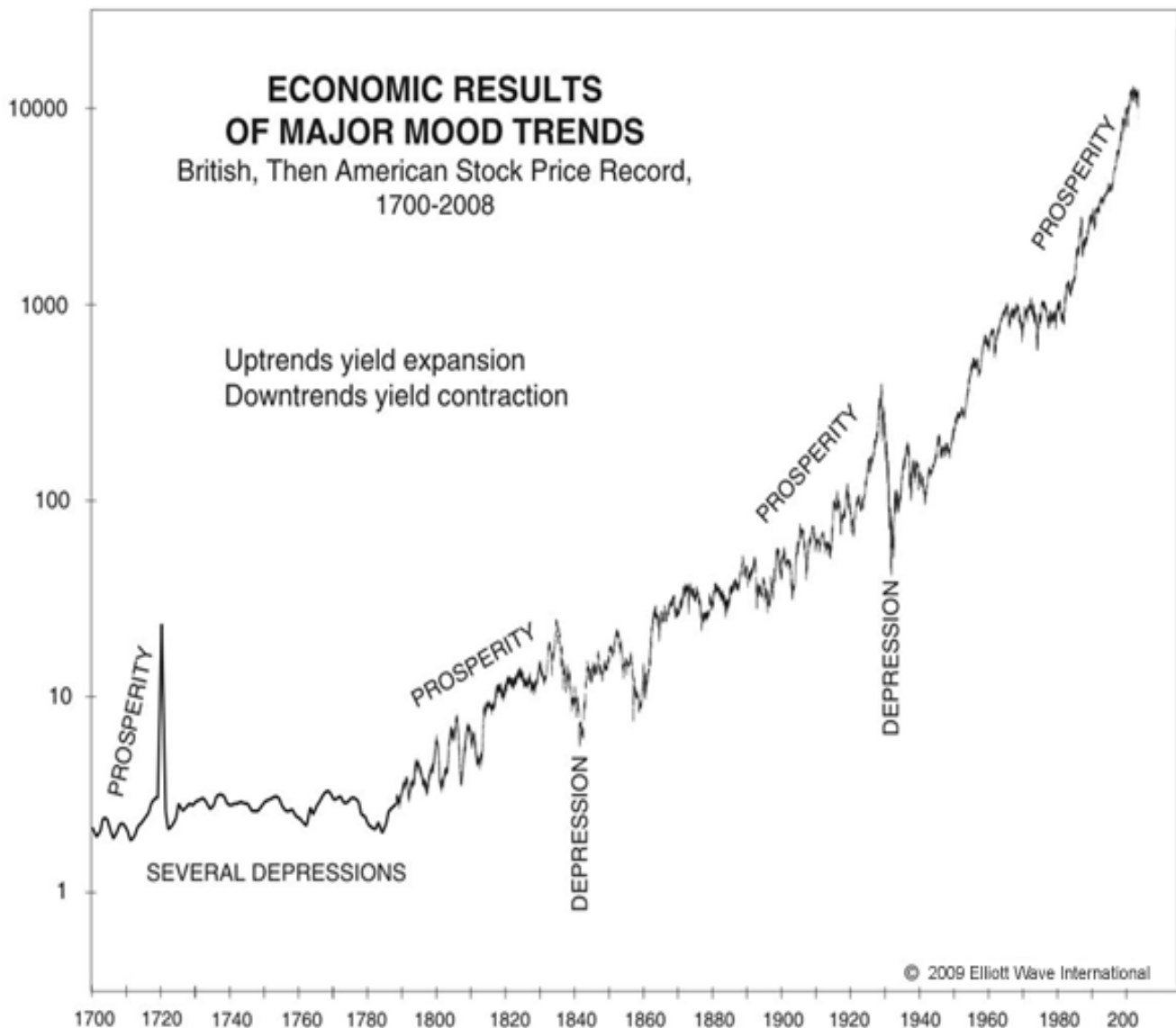
The important distinction is not when a single volcano erupted, but rather when a swarm of them did. The following table examines some of the more salient eruptions that occurred during every other surge in the Sunspot Cycle. So, it forms an approximate '22-Year Cycle of Volcano Swarms'. (Immediately following each cycle, I include a projected time frame, based on multiples of '22' years from those time periods.)

The Bear Market and Depression: How Close to the Bottom?

By Elliott Wave International

While many people spend time yearning for the financial markets to turn back up,

a rare few have looked back in time to compare historical markets with the current situation -- and then delivered a clear-eyed view of the future informed





by knowledge of the past. One who has is Robert Prechter. When he thinks about markets and wave patterns, he goes back to the 1700s, the 1800s, and -- most tellingly for our time now -- the early 1900s when the Great Depression weighed down the United States in the late 1920s and early 1930s. With this large wash of history in mind, he is able to explain why he thinks we have a long way to go to get to the bottom of this bear market.

This article is an excerpt from the EWI Independent Investor eBook, which answers the question: How close to the bottom are we? Click here to get the eBook.

Originally written by Robert Prechter for The Elliott Wave Theorist, January 2009

Some people contact us and say, "People are more bearish than I have ever seen them. This has to be a bottom." The first half of this statement may well be true for many market observers. If one has been in the market for less than 14 years, one has never seen people this bearish. But market sentiment over those years was a historical anomaly. The annual dividend payout from stocks reached its lowest level ever: less than half the previous record. The P/E ratio reached its highest level ever: double the

previous record. The price-to-book value ratio went into the stratosphere, as did the ratio between corporate bond yields and the same corporations' stock dividend yields.

During nine and a half of those years, from October 1998 to March 2008, optimism dominated so consistently that bulls outnumbered bears among advisors (per the Investors Intelligence polls) for 481 out of 490 weeks. Investors got so used to this period of euphoria and financial excess that they have taken it as the norm.

With that period as a benchmark, the moderate slippage in optimism since 2007 does appear as a severe change. But observe a subtle irony: When commentators agree that investors are too bearish, they say so to justify being bullish. Thus, as part of the crowd, they are still seeking rationalizations for their continued optimism, and one of their best excuses is that everyone else is bearish. This would be reasoning, not rationalization, if it were true.

But is the net reduction in optimism since 2000/2007 in fact enough to indicate a market bottom? For the rest of this issue, we will update the key indicators from Conquer the Crash that so powerfully signaled a historic top in the making. When we are finished, you will know whether or not the market is at bottom.

Figure 1 updates our picture of Supercycle and Grand Supercycle-degree periods of prosperity and depression. The top formed in the past decade is the biggest since 1720, yet, as you can see, the decline so far is small compared to the three that preceded it. There is a lot more room to go on the downside.

Figure 2 updates the Dow's dividend yield. Over the past nine years, it has improved nicely, from 1.3 percent to 3.7 percent, near its level at previous market tops. If companies' dividends were to stay the same, a 50 percent drop in stock prices from here would bring the Dow's yield back into the area where it was at the stock market bottoms of 1942, 1949, 1974 and 1982. But of course, dividends will not stay the same.

Companies are cutting dividends and will cut more as the depression deepens. So, the falling stock market is chasing an elusive quarry in the form of an attractive

dividend yield. This is a downward spiral that will not end until prices get ahead of dividend cuts and the Dow's dividend yield goes above that of 1932, which was 17 percent (or until dividends fall so close to zero that the yield is meaningless).

*Get the whole story about how much farther we have to go to a bear-market bottom by reading the rest of this article from EWI's Independent Investor eBook. The fastest way to read it AND the six new chapters in EWI's Independent Investor eBook is to become a member of **Club EWI**.*



BREAKTHROUGH

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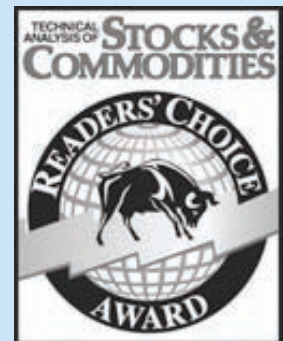
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Money is Not the Issue, Knowledge is

Interview with Eli Weiss

TW: What is your background?

ELI: I am a CPA and my profession is accounting. Since early age I was fascinated with the stock market.

There is more than one way to look at the market and there is more than one answer. I have been through serious research over the last 25 years with a lot of pitfalls. This is a nutshell where I am coming from.

TW: Can you give us more ideas on the basis of this? Is it Elliott Wave, Gann, etc?

ELI: What I have is nothing that I have ever seen out there as a system. To have a valid turning point several parts of my system must come together at one time, I would even add that it have to come on the min.

TW: Can you forecast your turning points ahead of time?

ELI: Newton said that that everything has an action and reaction. That means we are supposed to know how to forecast the future and we are supposed to be accountable for our actions. I recently read an article written by a very famous Professor, suggesting that the future is already been decided upon. All action today is coming from a point in the future that is set up and decided. So if we are able to look into the far future, knowing where the



market is going to then you might be able to find the more recent point in the market where the trend might change direction in order to go to the more distance future. That mean that if one use those rules he/she cannot act with herd. Mentality, and personally I can't go with the herd... I have to be against the trend. What I use try to predict bottoms and tops.

TW: So you are buying bottoms and selling tops?

ELI: Yes. I am from my point of view use this approach lower your risk. It is against my nature to buy breakouts. I am not saying that buying breakouts does not work. The average trader using that approach makes money maybe on 20% of the trades. That does not work for me. I need a system with a much higher percentage of the gains, I



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believe that for most of us it will be almost impossible from a psychologically point of view to trade a winning system with only 20% successful trades.

TW: Is your system a computer oscillator system?

ELI: Absolutely not an oscillator system. It is completely proprietary. The roots of my approach are origin in Jewish mysticism. It is interpreting the bible from a Jewish point of view.

It is using secrets from old Jewish books that explain time. I applied the knowledge to trading. I have two ways to look at this. One is predicting at the beginning of the day, when the market will change trend, Or I can be more accurate and wait for the "market" to decide when he is ready in accordance with my points, but still I would not ignore price.

I only take a trade when time and price are valid, because I want a higher degree of success. I know that there are support and resistance levels out there with my system the supports/resistance levels can change during the day, but not time. What will be the price is during that time, I can't predict. A valid signal comes when I get conformation from both time and price. However sometimes the market will turn base on time only. I personally prefer to only take trades when both confirmed time and price.

TW: Please explain more.

ELI: Time is more important but price is equally important.

I have not seen a cycle mechanism that works over 90% of the time by saying that I mean ,not seen for example a cycle that predict successfully that the market turns every so many hours, days or weeks with the same distance apart.

Intra-day interests me the most. It is magic for me when the market can be forecast to turn and it does that on the minute.

I noticed that my predicted turning points attract volume coming, so I guess some others must have something like what I do. Usually a trade will bring on average around 10 point move in the Emini.

To my understanding price and time do not go at the same speed. However when they meet each other the market will produce a V shape. When they don't come at the same time you will get a U formation or a "flat" head and shoulder.

For example if the turning point was forecasts at 12:00pm and the price that expected is a 1000.00, and at 12:00 pm the price was 1002 five minutes later you can find that price dropped to 1000 and then reversed. So the pattern is more complicated.

One of the keys to trade successfully is doing more than one market. I follow the most the S&P but looking at Gold, Crude Oil, and the Euro/Dollar as well. At times hopefully one of the markets might have better chart pattern that is more understandable.

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CONSISTENTLY

22-Year Cycle of Volcano Swarms

1792 - Mt. Unzen, Japan - killing 15,000 people. (+220 = 2012)

1814 - 1815 - Mt. Tambora (Indonesia) erupted - killing 92,000 and creating, in the ensuing year of 1816, the 'Year Without a Summer'; The Mayon Volcano (Philippines) erupted with the most destructive eruption of its history. This volcano later erupted in 1968... and just came to life again, in Dec. 2009, ushering in this volatile period. (+ 198 - or $9 \times 22 = 2012 - 2013$)

1882 - 1883 - Krakatoa (Indonesia) - the most powerful eruption since Tambora - erupted, killing 36,000 people. Next to Tambora, this was the most deadly volcano of the past 300 - 500 years. (+ 132 - or $6 \times 22 = 2014 - 2015$)

1902 [- 1906] - 1902 saw Mt. Pelee (Martinique) erupt & kill 29,000; Santa Maria (Guatemala) erupt and kill 6,000 and Soufriere (Caribbean) erupt and kill 1,680. 4 years later - at the peak of the Sunspot Cycle - devastating earthquakes hit Chile, San Francisco & Messina, Italy. (+ 110 - or $5 \times 22 = 2012$ [- 2016])

1946 - 1948 - Major eruption of Popocatepetl (Mexico; erupted again in 1994 and now is active), Hekla in Iceland (1947-1948 eruption lasted over a year; 2nd greatest global lava eruption of 1900 - 1970; last erupted in 2000) and the creation of & eruption of Paricutin (Mexico).

Cerro Negro (Nicaragua) experienced major eruptions in 1947 & 1948. Niuafu'ou (Tonga) erupted violently, forcing a 12-

year evacuation of that island. (+ 66 - or $3 \times 22 = 2012 - 2014$)

1967 - 1970 - Eruption of Arenal (Costa Rica), Mayon (Philippines), Tambora (Indonesia; see 1815), Hekla (Iceland) & an encore presentation from Cerro Negro (Nicaragua), with multiple eruptions in 1968 + 1969. (+ 44 - or $2 \times 22 = 2011 - 2014$)

1991-1992 - Mt. Pinatubo (Philippines) erupted & lowered global temperatures the following year, Mt. Unzen (Japan; see 1792), Mt. Hudson (Chile) & Hekla (Iceland) erupted. Cerro Negro (Nicaragua) was back for a 2nd encore with its 2nd largest eruption to date. (+ 22 years = 2013)

2010-2014 - ??? - The greatest concentration of these cycles seems to be pointing to 2012 - 2014, although diverse cycles show the likelihood for major eruptions from 2010--2016.

The Other PIIGS

While the topic of volcanoes would normally make people think of various Pacific Islands (from Hawaii to Indonesia to Philippines to Japan) or South America, some of the most intriguing cycles come together in Europe - at the northern and southern borders. All combined, this creates what I have been calling the other 'PIIGS'.

Instead of the so-called European 'PIIGS' (Portugal, Ireland, Italy, Greece & Spain; those at the greatest financial risk in the coming years), this discussion focuses on a global eruptive group of 'PIIGS' (Pacific, Italy, Iceland, Greece & South America) that are at the highest (cyclic) risk of major volcanic activity from

2010--2016).

These cycles include Hekla & Katla in Iceland, Mt. Etna & Mt. Vesuvius in Italy and volcanoes in/around Greece... as well as South America and the Pacific Ring of Fire.

There is a lot more to this discussion. Increasing solar storms are likely to impact satellites and possibly the International Space Station. This could disrupt financial transactions and computer-based operations, as in the 1990's' It could impact electrical grids, as in 1989. There is a specific date - in a little over a year - when multiple, related cycles come together.

Golden Opportunity!

At least three critical opportunities are developing for traders and investors, with near-term, intermediate-term & long-term implications. The first is in Gold & Silver, which just gave intermediate (2-4 week) buy signals on March 26th. Based on a myriad of signals, this is expected to create an initial surge into April 9/12th and then a second surge into May 10--12th (updates will be posted at www.insiidetrack.com).

The second is a related opportunity in the Euro & Dollar Index. Intermediate cycles are projecting a 1-2 month correction in the Dollar - during April and May - with a corresponding rebound in the Euro. Perhaps more important, however, is the potential for a new Dollar rally/Euro decline from May into November 2010. This MUST be validated by the action in April & May and could prompt the Euro to reach a major target in 2010.

Finally, the outlook in Stock Indices could provide an opportunity similar to that in late-2007. Since March 2009, I

have repeatedly published projections for an advance into March/April 2010. The initial upside target - published in late-March 2009 - was 10,365--10,459/DJIA.

Analysis in August 2009 explained why time and price had to come together. If Stock Indices tested 10,365 by early-January 2010, it would pave the way for a culminating surge to a 2nd upside target in April 2010. As they enter the month of April, Stock Indices are poised to spike up to this critical level and could set the stage for a major top. This is all very fluid analysis, so interested readers should refer to our most current publications for updated analysis.

The most important principle - in all of this - is synergy. It is the convergence of a myriad of price targets, wave objectives, cycles and other timing indicators that calls attention to these price levels and these time periods... a grand 'squaring of price & time' at this crucial juncture in the financial markets.

And, the purpose for discussing these cycles is awareness - NOT alarmism. These topics are NOT discussed in order to panic readers. The goal is to inform those that want to be informed (you can lead a horse to water...)... not to sensationalize situations that could be 'less than ideal'. Patrick Henry said it best when stating he would rather know the truth and prepare for it. Would you? IT

Eric S. Hadik is President of INSIIDE Track Trading and can be e-mailed at INSIIDE@aol.com. Their website is at www.insiidetrack.com.



Hurst Trader

By David Hicksen

My fascination with financial markets was sparked by a rather questionable interest in gambling games. In my teenage years I developed the conviction that it was possible to crack the game of roulette, largely inspired by a book called *Thirteen Against the Bank* (written by Norman Leigh), supposedly the true story of how a team of people broke the bank at Monte Carlo.

Computers were beginning to make an appearance (in South Africa where I grew up) in the early 1980's, and I created some simple analytical programs using an early version of BASIC, and disappointed myself thoroughly by proving that the system described in the book was flawed and didn't work.

This discovery kept me away from the roulette table, but it also introduced me to the mathematics of time series, and the power of the computer to crunch all those numbers. And where better to learn about the mathematics of time series, than in the extensive field of technical analysis of the

financial markets. Call me cynical, but I don't think anything drives research quite as powerfully as the possibility of making money!

I had discovered what was to become a lifelong passion: using computers to find a "system", one that would make sense of the financial markets.

Discovering cyclic analysis

My initial interest in technical analysis was all about discovering the perfect indicator. I explored, developed and refined moving averages, stochastic indicators, relative strength indicators, momentum indicators and many more, convinced that I was constantly on the verge of discovering "the indicator" that would really work.

I devoured an endless number of books about technical analysis. As an architectural student I worked in London in the early 1990's for "practical work experience", and instead of visiting obscure (but no doubt fascinating) buildings, I would spend my weekends dredging out-of-the-way second-hand bookshops. My interest shifted from indicator-style

technical analysis to classical pattern-based technical analysis, and from there to Elliott Wave theory, which was my first introduction to cyclic analysis.

And then I discovered the work of Brian Millard: *Winning on the Stock Market, Channel Analysis and Channels and Cycles*, which introduced me to JM Hurst's Cyclic Theory.

Hurst was an engineer who in the 1970's published his seminal work on analysing financial markets by using a cyclic theory. He published a book called "The Profit Magic of Stock Transaction Timing", and also a workshop-style course: the "Cyclitec Cycles Course".

The "Profit Magic" book (try saying the full title of that book, fast, several times when presenting a webinar – you'll realise why I use the abbreviation) was an epiphany for me (the first of many it turned out), because here was a theory that made sense, and which seemed to give one true insight into the markets.

I took a deep breath and bought Hurst's Cycles Course, which is not for the faint-hearted: It is over 1,500 pages long, consists of many fold-out charts, and presents the information in what is described as a "new learning method": the lessons are presented on audio tapes, punctuated by dramatic 1970's music.

Hurst's Cyclic Theory

Hurst's Cycles Course is a tour de force in which he presents his full Cyclic Theory. With apologies to Hurst I am going to summarise the theory into a few paragraphs.

Hurst's Cyclic Theory is based upon eight principles which explain how the price of a financial instrument moves because of

the combined effect of an infinite number of "cycles".

These cycles each have the effect of providing an impetus to price, causing it to rise or fall. A cycle can be portrayed visually as a sine wave. When the wave is rising the effect of the cycle is to cause price to rise, and when it is falling, it will cause price to fall.

The way in which one uses Hurst's Cyclic Theory is by performing what he called "phasing analysis". This is basically the process of working out two things:

- The wavelength of as many cycles as you can identify (limited by the amount of data you are working with).
- When the most recent trough (low-point) of each of those cycles occurred.

Once you have those two pieces of information about each cycle you can combine them by adding the wavelength (which is a period of time) to the date of the most recent trough, and thus project forward to when the next trough can be expected. Projecting forward to the next peak is a more complicated process, because troughs are synchronised with the troughs of other cycles, whereas peaks are not.

Having performed a phasing analysis of the price data, one then uses the results of that analysis to make trading decisions. Hurst had very specific recommendations on how to make trading decisions on the basis of a phasing analysis, to the extent that the trading decision process is an integral part of the theory. One makes a trading decision when there is enough evidence of a cyclic nature that an appropriate number of cycles are going to be "pushing" price in the direction of the trade.

The 30-year old mystery

However there were a few pieces to the Hurst puzzle that were missing. For instance, all of his analyses started with information gleaned from a histogram chart called a Periodogram which was plotted at the foot of every chart in the course. At the time of publishing (in the 1970's) Hurst offered a service called the "Cyclitec chart service" which provided subscribers with charts on which the periodogram was plotted.

I turned to the internet, thinking that 30 years later I would find a modernised form of the Cyclitec chart service. I was amazed to find nothing, apart from a few queries from people who, like me were trying to find this information. This was surprising, because the information in the Cycles Course was so good that surely there were many people trading according to this

theory. I found several Hurst communities, but everything to do with Hurst seemed to be shrouded in the mystery of "thirty years ago". The audio tapes of the Cycles Course with their 1970's music, and the voice from the past were symbolic of that mystery.

I searched for software that would help me to trade according to Hurst's theories because doing so manually is a fairly laborious process. The only software I could find was based on the theory presented in the Profit Magic book. There was not a single software application that used the principles and trading system presented in the Cycles Course. Again I was amazed, because the "Profit Magic" material is little more than an introduction to the full theory.

And so I wrote an email to a prominent trading software developer, asking whether they had ever considered creating software

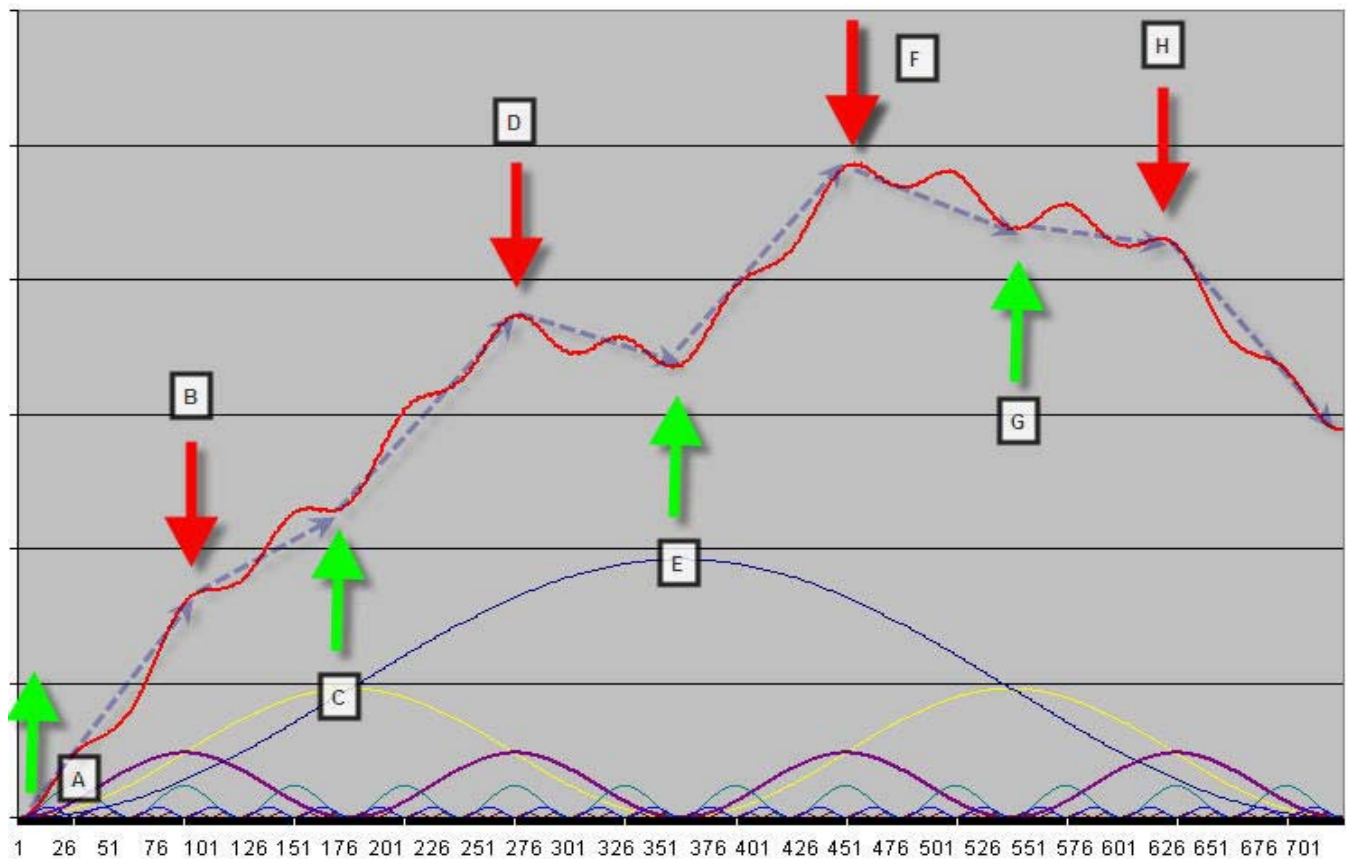


Figure 1

which implemented Hurst's Cyclic Theory (as presented in the Cycles Course). I was told that a program based upon "pure Hurst" would not be possible because the theory is too complex and subjective.

Well, that was like waving a red flag in front of a bull. If nobody else would build the software, I would just have to do it myself! That was four and a half years ago...

Solving the mystery

The process of building the software required that I understand the theory more thoroughly than several readings of the course had provided. And in the process I discovered many aspects of the material which I had previously overlooked, or which I had understood on a fairly superficial level, thus only partly grasping the full value of the theory.

For instance, in the Cycles Course Hurst

proposed a primarily manual method for performing the phasing analysis. This differed from his approach in the Profit Magic book where he used what I describe as a mathematical approach – using displaced moving averages and the like. There is a big difference between the phasing analysis that results from each process, and it was a priority for me that the software I was creating should replicate Hurst's manual approach, which it does by performing a type of pattern recognition.

Interestingly most recent writers who have added to or complemented Hurst's work (such as Brian Millard) also use the mathematical approach. Perhaps this is one of the disadvantages of the computer – it is so powerful a tool that one tends to lose the skills required for performing a process manually (who bothers with spelling correctly now that computers do it for you?) I believe that this pattern recognition, or



Figure 2

manual approach is absolutely vital to the successful application of Hurst's theory.

Hurst's Cyclic Theory (part II)

Hurst took over 1,500 pages to demonstrate his theory, and so I cannot do it full justice in this article, but I would like to demonstrate what is probably the most distinguishing characteristic of trading when using Hurst's theory, as opposed to trading using any other cyclic theory. And that is the result of considering the action of "as many cycles as you can find", instead of trading on the basis of only one or two cycles.

An example of this can be seen in Figure 1. The red line is an artificial price built by combining seven ideal cycles in a way that conforms to Hurst's principles. The individual cycles are plotted beneath the price line.

Assume that we are trading the purple coloured cycle. Most cycle traders would

advise that you should buy at every trough of the cycle, and sell at every peak. However Hurst's theory differs because you need to take into account as many cycles as possible.

I have labelled all possible buying points (troughs of the purple cycle) with green arrows A, C, E & G. I have also labelled all possible selling points with red arrows B, D, F & H. The trades that would have resulted are presented with translucent blue arrows. The trading processes are compared in this table:

Trade	Non-Hurst (purple cycle only)	Hurst (consider all cycles)
A	A PROFITABLE long trade.	A PROFITABLE long trade.
B	A LOSING short trade (even though it was correctly taken at the peak of the purple cycle).	No trade taken because of contradictory underlying trend.
C	A PROFITABLE long trade.	A PROFITABLE long trade.
D	A marginally PROFITABLE short trade.	No trade taken because of requiring VTL confirmation for a short trade.
E	A PROFITABLE long trade.	A PROFITABLE long trade.
F	A PROFITABLE short trade.	A PROFITABLE short trade.
G	A LOSING long trade	No trade taken because of contradictory underlying trend.
H	A PROFITABLE short trade.	A PROFITABLE short trade.
Result	8 trades; 6 wins; 2 losses	5 trades; 5 wins; 0 losses

Trade	Non-Hurst (purple cycle only)	Hurst (consider all cycles)
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G	A LOSING long trade	No trade taken because of contradictory underlying trend.
H	A PROFITABLE short trade.	A PROFITABLE short trade.
Result	8 trades; 6 wins; 2 losses	5 trades; 5 wins; 0 losses

Figure 3

PROFITABLE long trade.

D A marginally PROFITABLE short trade. No trade taken because of requiring VTL confirmation for a short trade.

E A PROFITABLE long trade. A PROFITABLE long trade.

F A PROFITABLE short trade. A PROFITABLE short trade.

G A LOSING long trade No trade taken because of contradictory underlying trend.

H A PROFITABLE short trade. A PROFITABLE short trade.

Result 8 trades; 6 wins; 2 losses
5 trades; 5 wins; 0 losses

Notice that using Hurst's theory we are only taking 5 of the 8 potential trades, but they are all profitable. The worst that happened was that we missed the marginally profitable trade at point D. In fact one could argue that trade D would not be profitable at all, leaving the non-Hurst trader with 5 winning trades and 3 losing trades. Which brings us to a discussion of Fibonacci and Elliott Wave theory, but that will have to be a discussion for another time.

The Hurst Trader

In June of 2009 the software I'd spent 4 years developing (which is called The Hurst Trader, or THT), entered a Beta Testing phase with 11 people who had stumbled across my rather obscure website. A year later, and with a team of over 400 beta testers, THT is finally ready.

What does it do? THT analyses financial markets according to the "full" theory of Hurst, as presented in his Cycles Course. It performs a phasing analysis (using Hurst's "manual" approach), and applies all the

cyclic tools that Hurst presented, and then makes trading decisions according to that theory, issuing simple orders to buy or sell.

Further to this it condenses all the information that is generated by a full cyclic analysis (which can be very overwhelming) into text commentary and simple projection boxes which indicate where THT expects the market to go over the next full cycle (of the chosen trading cycle).

A picture is worth a thousand words, and so figure 2 is a screenshot from the software, taken on the day that I am writing this article (Saturday the 6th of March - I am always suspicious when software developers present screenshots from several years ago!). This is a chart of the S&P500 with data up to Friday the 5th of March.

The green arrow indicates that THT recommended a LONG trade, entered on the 9th of February at 1073. The red box is a projected peak, or sell zone, and you can see that price has entered this zone on the last bar, indicating that this cycle has nearly expended all of its upward impetus.

THT has set a take-profit exit at a level of 1144, and also a profit protection exit at 1116 (the dashed red lines). There are also other exits, presented as options to be considered, depending on one's trading style (risk tolerance, fundamental considerations, etc.)

THT is projecting that price will soon move down into the area indicated by the green box, where the 25-day trading cycle should form a trough.

If you are interested in The Hurst Trader, please visit <http://www.the-hurst-trader.com>.

The Overlap Rule and More

By Robert Miner, President of Dynamic Traders Group, Inc.

Elliott wave pattern structure can be an extremely useful approach to help determine the position of a market. From my point of view, the most important information we can take from E-wave is how the pattern

structure can help to identify if a market is in a trend or counter trend. E-wave can become overly complex with useless information that is not helpful to make practical day to day trading decisions.

In my book, "High Probability

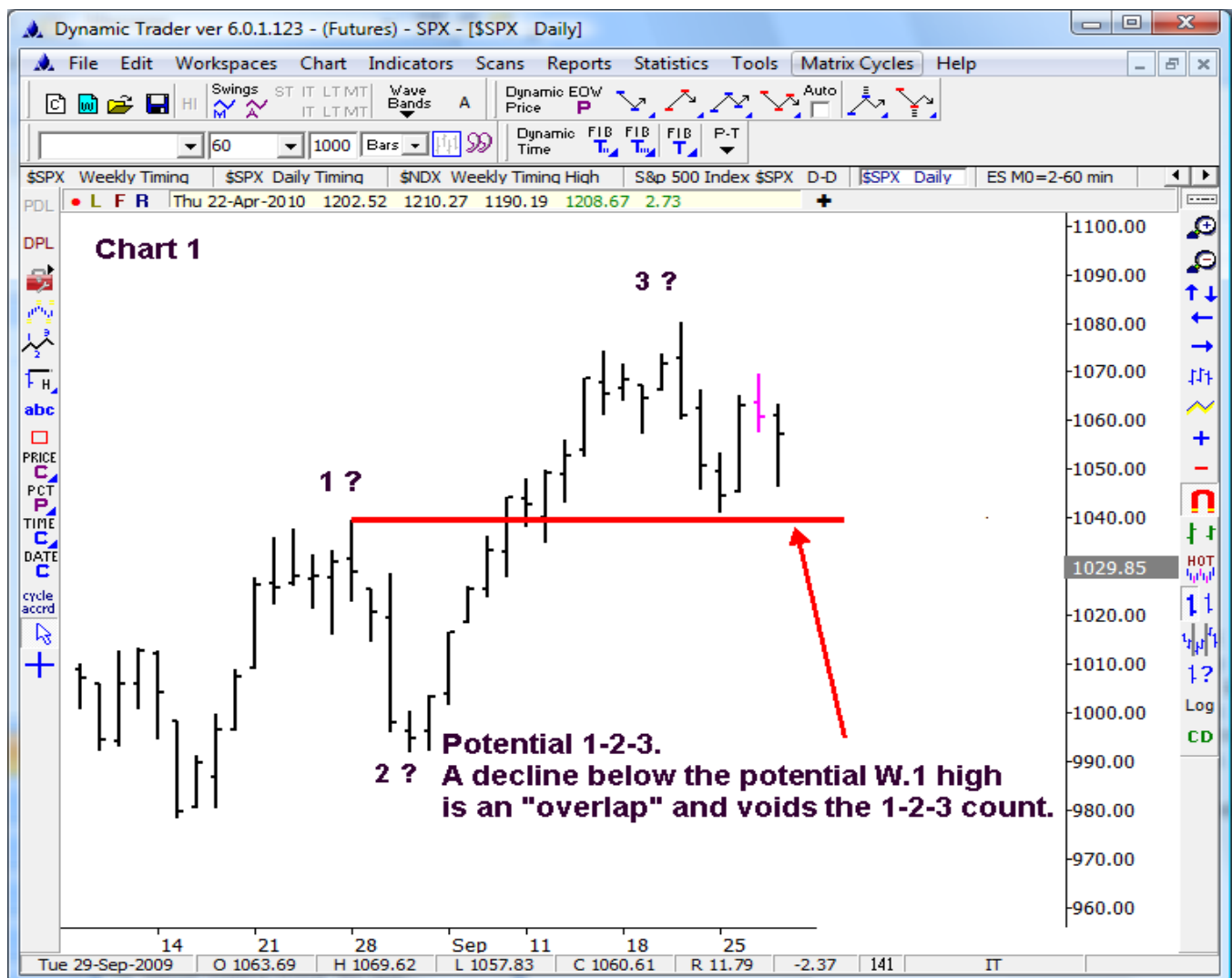


Chart 1.png

Trading Strategies", I teach there is one important guideline to help determine if a market is in a trend or counter trend. I call it the "overlap" guideline. If sections or waves overlap, more than likely the structure is a correction and not part of an impulse trend. What do I mean by "overlap?" If one section trades into the range of the prior section, it has made an overlap. An example of a traditional Elliott wave rule is a Wave-4 should not trade into the range of the potential Wave-1. If it does, it should not be a Wave-4.

Chart 1 shows what I mean by an overlap. The chart shows potential Waves 1-2-3 count. However, if this market declined below the potential W.1 high or

overlapped the range of Wave-1, it voids the Waves 1-2-3 count. This is the typical E-wave rule for impulse counts.

Chart 2 is weekly data of the SPX from the March 2009 low through the April 2010 high. At first glance, it would appear to be a five wave impulse trend. The potential Wave-4 did not trade into the range of the potential Wave-1, an important pattern guideline for an impulse trend. However, if we look at the smaller time frame daily data, we may find this potential five-wave count should not be correct.

Chart 3 is the SPX daily data from the July 09 low through the Feb. 10 low. On the weekly chart, this period of data was labeled Waves 2-3-4 (?). Notice during

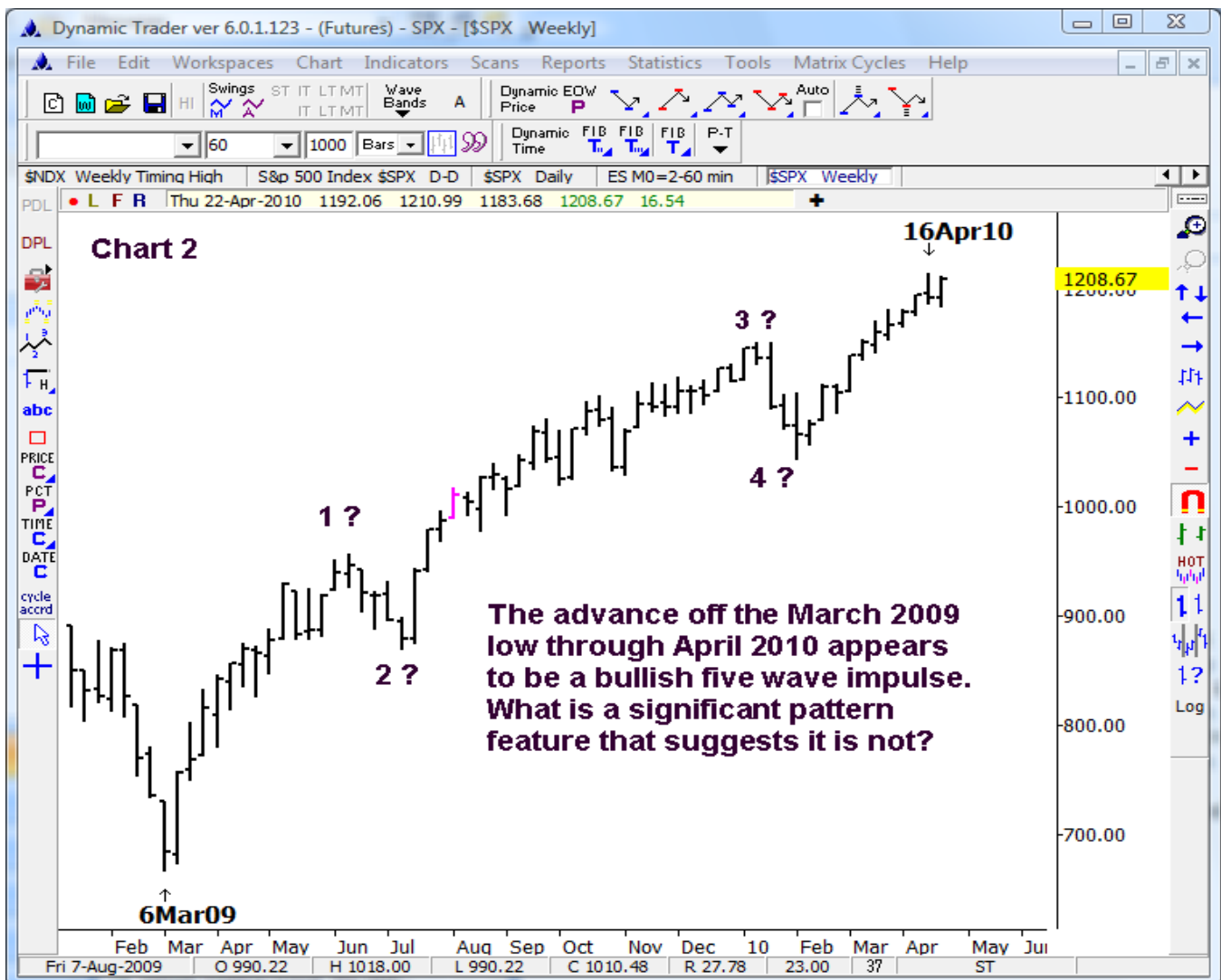


Chart 2.png

the potential Wave-3 section, how often the sections overlapped, voiding any impulsive, trend wave count. Because of the multiple overlaps, the advance off the March 2009 low is more likely a prolonged, complex correction rather than part of a major bull trend.

The advance off the March 2009 low has been a powerful move up, exceeding the typical time and price target zones for a corrective high. Many analysts, traders and commentators are proclaiming the end of the recession and resumption of the stock bull market. The pattern structure implies otherwise. The multiple overlaps suggest the advance off the March 2009 low is more likely a complex correction and when complete, a larger degree bear trend

that begun in Oct. 2007 should continue and probably test or exceed the March 2009 low.

Chart 4 again shows weekly data from the March 2009 low through mid-April 2010 with the DTosc, weekly Time Band and Fib retracement. When should the SPX make an important top? The DT Weekly Time Band for a high is the broad period of mid-March through mid-May. The next weekly high should complete a corrective advance. As of mid-April, the S&P has come within just a few points of the 61.8% retracement with the weekly DTosc momentum at the extreme overbought level right in the midpoint of the weekly Time Band for a high. The upside should be very limited and the next weekly DTosc momentum reversal

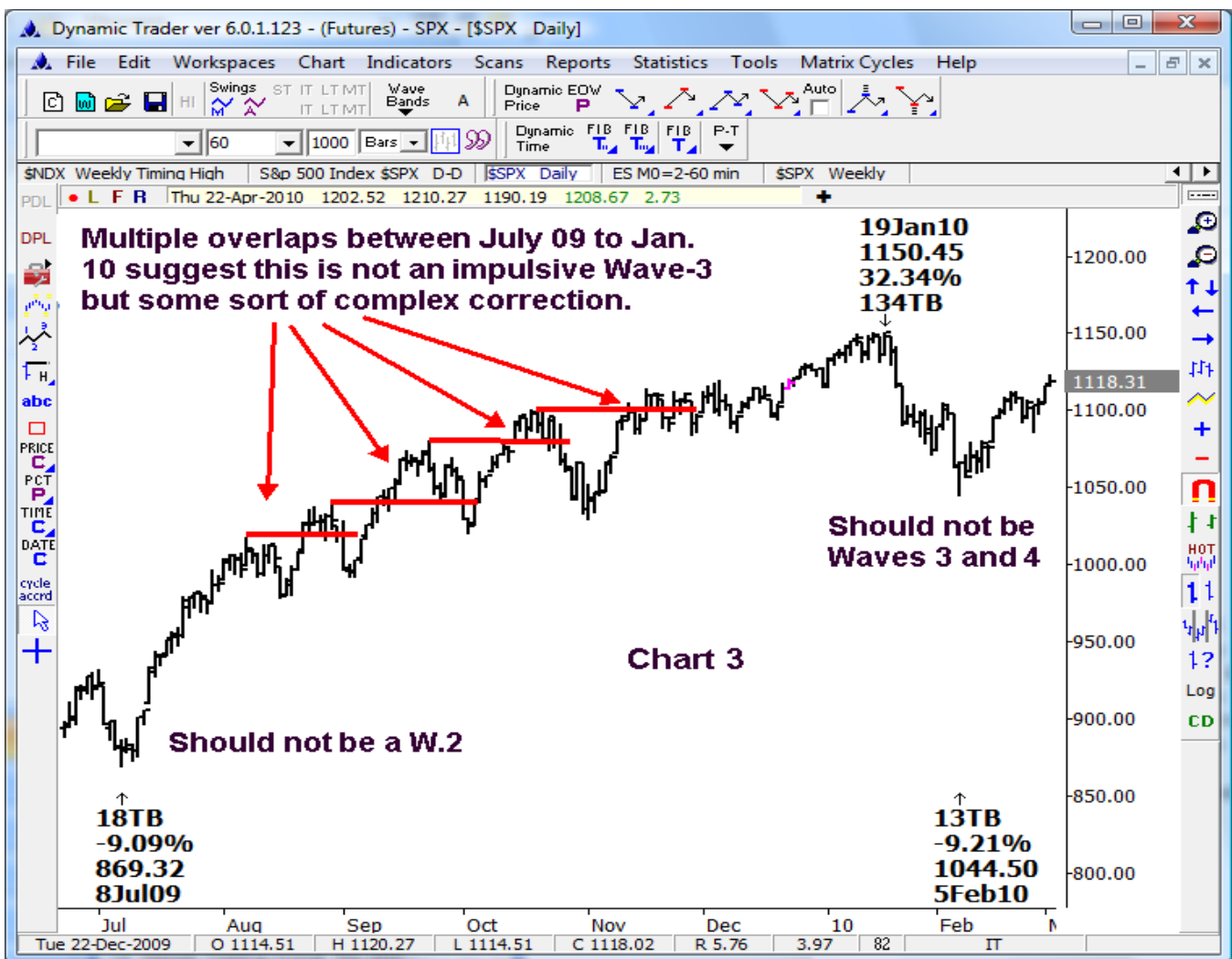


Chart 3.png

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should complete the weekly high and possibly the entire corrective rally off the March 2009 low.

The daily DT Time Band range for a daily high is April 6-16 (not shown), right in the middle of the weekly Time Band range. So far, the high is a week ago, April 15, and the SPX has been essentially sideways coming out of the daily Time Band for a high. Even if the SPX should trade to a new high, a weekly high should be complete by mid-May.

The "overlap" guideline is not flawless. Sometimes a market will make section overlaps that at a later time we find was part of an impulsive trend. Markets don't always make highs and lows in DT Time Band zones or at basic Fib retracements.

But most of the time they do. Successful trading is not about forecasting or having to be right all the time. It is about identifying conditions with a high probability outcome and acceptable capital exposure.

There is much more detail and many more "overlap" examples in "High Probability Trading Strategies" where I teach the practical and simple application of multiple-time-frame momentum, pattern, price and time strategies for a complete trading plan from entry to exit.

Robert Miner is president of Dynamic Traders Group and is the author of High Probability Trading Strategies available from www.DynamicTraders.com.

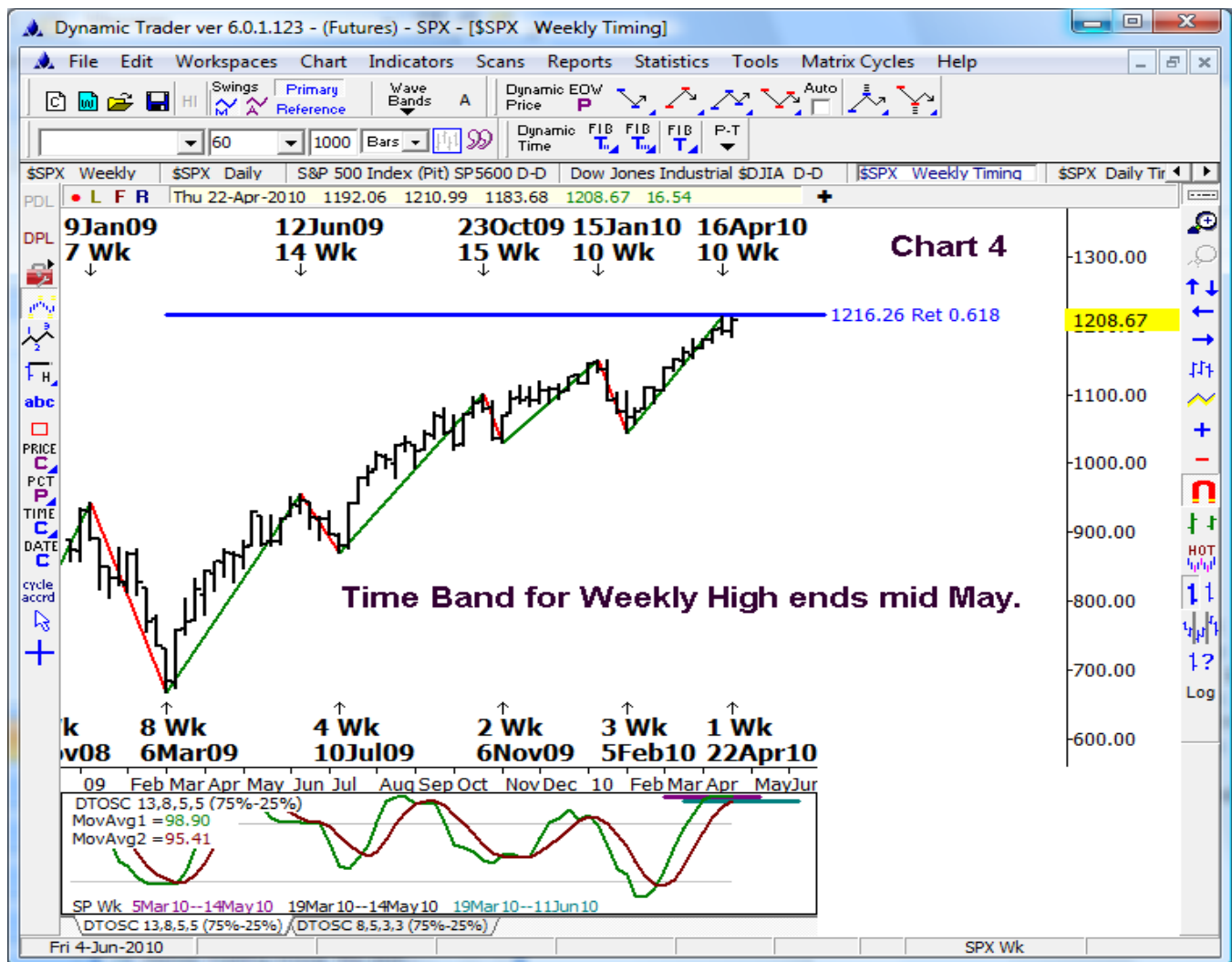


Chart 4.png

Winkleman Personal



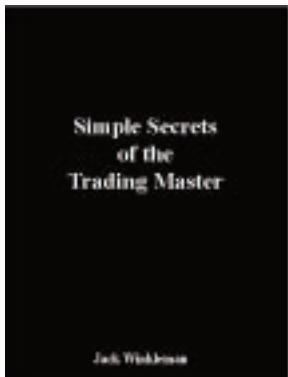
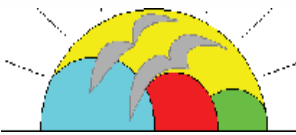
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Simple Secrets is a book put together by Mr. Winkleman telling a trader how to use past harmonic cycles for forecasting future trends. This book is a picture of the market since 1920 in Soybeans. As an additional bonus, it has a track record of the Dow Jones cash from 1900. The book gives you the key repeating cycles in the market in both Soybeans and the Dow Jones. 200 pages. Cost is \$90.00 plus S&H. Available in Traders World Catalog 800-288-4266. [Click here](#) to buy the book in the Traders World Online Catalog.

Futures and option trading is inherently risky. All decisions should be on your own. Always use stops.

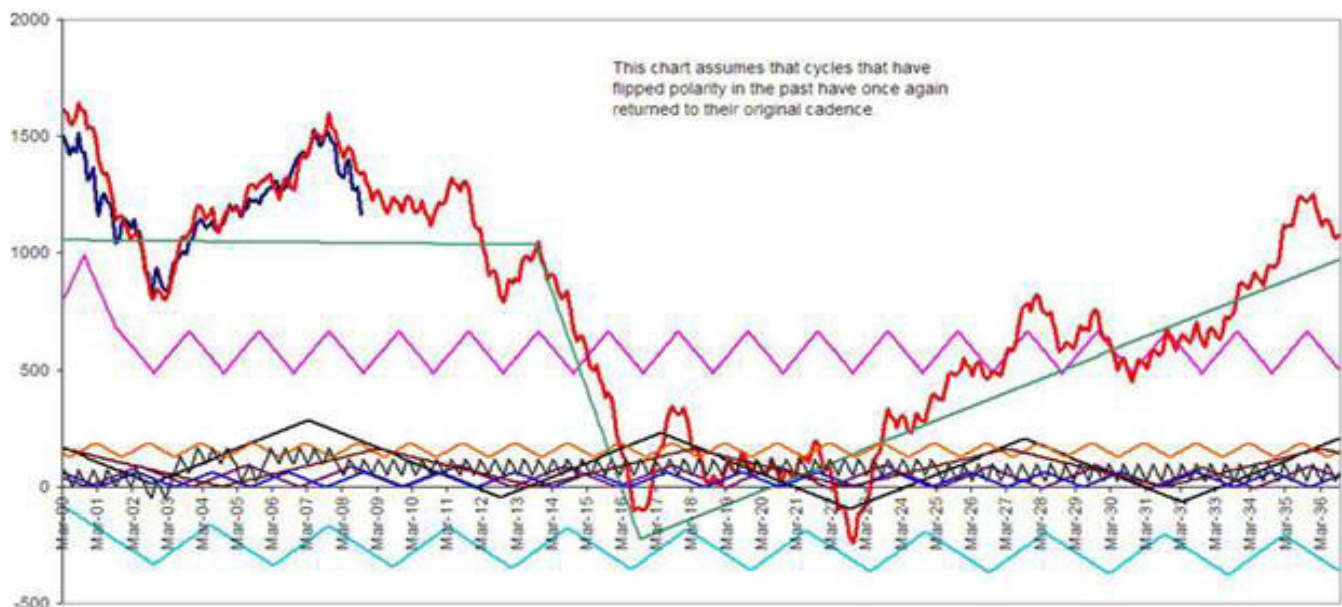
IT'S A TRADER'S MARKET!



By William Bradstreet Stewart

In these dangerous times of economic crisis, with the world teetering on the brink of Global Financial Meltdown, too many people simply remain either in denial about the true nature of the situation, or in the dark as to what to do to preserve their remaining capital, and what investment strategy to take for the near and long term future. It has become apparent that the advice of Wall Street firms, the Federal Reserve and the US Government is at best useless, if not intentionally misleading or thoroughly corrupt, so where does one now look for guidance and direction?

People are losing their homes while watching their jobs and life savings evaporate before their eyes, and in so doing, are realizing that the complex investment vehicles, multitudinous hedge funds, and long taught strategy of “buy & hold” sold to them by investment advisors are completely tenuous if not thoroughly delusional. Sure a “buy & hold” strategy may work in a 20+ year bull market, like that experienced from 1985 to 2007, or over a 60 year lifetime of investment, but



in a bear market, or in the more moderate time frames in which most people invest, such strategies can serve either to produce no returns at all, or significant losses, depending upon when the assets are purchased and sold. Take a look at the 1960's -1980's where the market sputtered up and down within a trading range for 20 years, and think about how these strategies would have served the average investor during those times. If such a market were to occur again today, do you have any idea what to do?

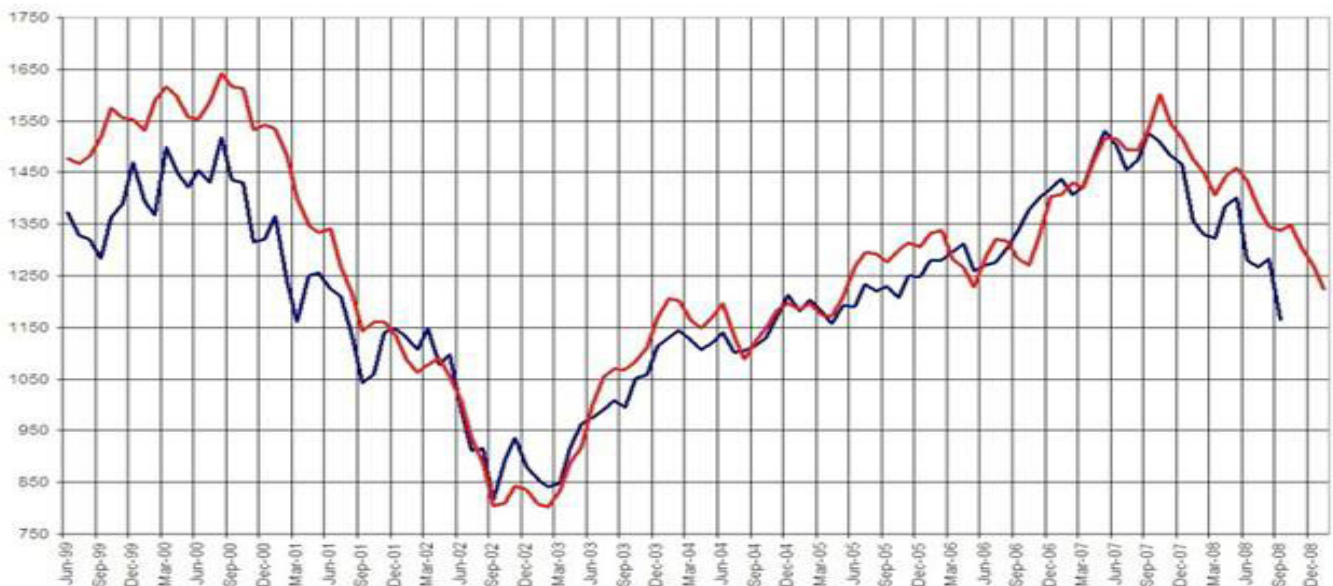
People are now beginning to realize that the concept of an ever expanding price valuation in the financial and even real estate markets, within a time range shorter than 20 years, could be a complete myth, as is evidenced by a study of the past 100 years. There are long periods when the markets make very little upside progress, and one must consider whether we may not be entering into such a time right now, and if so, what can one do to make money or even just to survive? We would like to show you some tools which we think will help to answer these questions.

The following chart presents a cycle

model of the S&P 500 from 2000 to 2036, created by Daniel T. Ferrera in his book, *Wheels Within Wheels*: (Red line = Forecast, Blue line = Current market)

FERRERA S&P 500 CYCLE MODEL PROJECTION TO 2036

If there is any chance that this cycle forecast is correct, it shows that we have entered a Bear Market with projected bottoms potentially as far out as 2022, before the next bull market begins again. Other cycle models created by Mr. Ferrera, based off of the Dow Jones, project the potential bottom in 2016-2018, sooner, but still a long way off. Other more conservative models we have seen, at best, project the next major bottom around 2013. Many of these models do project a short 1 year to 18 month bear market rally, which we have been seeing of late, but the expected highs are not overly impressive, probably nothing much more than those we've already been seeing. If there is any chance that these forecasts are true, all those now looking for a bottom in the markets to begin investing again, could be sadly disappointed with the future results



FERRERA S&P 500 CYCLE MODEL 2000-2008

of their investments over the next, at least three, if not 10+ years.

It is often repeated that there is no likelihood of seeing a bottom in the financial markets until the real estate market has bottomed. Anyone who lived in California in the 1990's, and watched while NOTHING sold for 6 years, while all the leveraged investors who had built their fortunes since the 70's went bankrupt, will understand that we are nowhere near a bottom in real estate. In fact current statistics on housing prices imply that things will probably get a lot worse before they seriously improve. And if that is true, it certainly does not bode well for the economy and markets in general. If this is the case, what are people to do to make money for the next 10-15 years?

We suggest two answers to this question, first, gain an education which will give you a better insight into the markets than has been provided by the mainstream financial advisors, and second, LEARN TO TRADE! Though we may not see new highs on the Dow and S&P for another 15 years, this does not mean that there are not incredible money making opportunities in front of us all right now, if not some of the greatest opportunities ever presented in the history of the markets. One just needs to know how to take advantage of them through foresight and strategy.

The following chart presents a blow-up of the S&P 500 cycle model presented above for the time period from 2000 thru 2008. This model was published in Dan Ferrera's *Wheels Within Wheels* in 2002. It perfectly called the 2002 bottom, the ensuing bull market, and nailed the October 2007 top to within 1 week. Those who had this book, and followed this forecast were

out of the markets at the perfect time, at an all-time historical bubble high, and many have been short the entire way down. What a shame it is that the larger financial institutions do not avail themselves of such pertinent knowledge. Had they done so, we may not have seen the massive collapse of the banking and investment industry, and along with it, much of the global economy. And Ferrera's forecast extends out for almost another 100 years, to 2108, past the time that any of us will even likely be alive.

FERRERA S&P 500 CYCLE MODEL 2000-2008

Knowing that most mainstream analysts, advisors and hedge funds have utterly failed in every way to help their clients avoid this financial disaster, it leaves the individual to his own means to attempt to navigate the dangerous waters of today's markets by himself. Obviously, there are materials available to such individuals that will assist them in this quest, books like Ferrera's *Wheels Within Wheels* or his yearly financial outlooks, but one is still left with the need to learn how to effectively trade these modern markets. It's one thing to have a general cyclic indication of market expectations, but an entirely different thing to know how to take advantage of and trade those insights in real time. If Ferrera's S&P Forecast is even close to being correct, we are in a Bear Market for the next 10-15 years, or best case scenario, we'll see a sideways trading range for most of that period, like we saw in the 1960's -80's. In this kind of market, the "buy and hold" strategy taught to most investors will be worse than useless, so people need to find a new way to make

money in these volatile and uncertain times. The ONLY way to do this is to learn to project, in advance, turning points and to trade them! With people losing their jobs everywhere, it's comforting to know that a trader works for himself, so has no fear of losing his job and joining the ranks of the unemployed, if he can trade!

For the trader, these highly volatile markets offer one of the greatest opportunities in history to generate unimagined returns. With the kind of volatility we have seen in the last two years, with intraday swings of 100's of points on the Dow, and some stocks jumping and collapsing by 50% almost overnight, those who know how to forecast and trade such swings have the regular opportunity to generate returns that would have taken decades in times past. Such trading requires the ability to pinpoint exact turning points on a daily and even intraday level. Or for a more intermediate term investor, projecting the turns on a daily and weekly time frame is all that is needed to catch the general trend of the market as it bounces from its high to low within a trading range. This is not as complicated as one may think, for with the right tools, foreseeing and trading the intermediate trends of a trading range is almost obvious. Many professional traders do this all the time, but generally the process is not taught to the common investor or beginning trader.

If one asks professional traders what the most fundamental necessities required to make consistent profits in the markets are, they will generally all boil their expertise down to a few key fundamentals. These fundamentals turn out to be, first and foremost, good risk management! Second, effective tools that clearly identify

future turning points, specifically, highly tradable points after which a significant market movement transpires. And finally, techniques which identify price level entry points, exit target points, and techniques for trend determination. It is somewhat universally agreed upon by successful traders that if you know WHEN to take your positions, WHERE to enter and exit your trades to maximize profits, as well as where to place your stops so as to limit your risk without getting knocked out of your positions, and HOW to determine the nature of the ensuing trend, that you will be successful in your trading endeavors.

Many people spend a lifetime studying numerous trading books and courses without ever finding a consistent means to achieve their desired results, though really with the right direction and proper material they could probably surmount this obstacle without great cost or difficulty. The first step is in learning to favorably bias the risk/reward equation. One must develop a "statistical advantage" before even beginning to trade, through applying both account management skills, followed by consciously biasing the risk/reward ratio of one's trading strategy. This is really the only way to make a living in the trading business. Everyone always talks about the upside of trading, believing that with unlimited potential for gain and limited losses, that it's inevitable that given enough time and resources you will eventually hit it big. However, in reality, success in this endeavor is very low, because nobody truly understands how to properly apply these principles of risk management when they first begin trading. Even many long time traders have never mastered these most fundamental ideas, and that is what

separates the successful traders from the unsuccessful.

Again, it is Dan Ferrera who has clearly realized that this problem lies at the core of most failed trading attempts, and with this in mind he developed a specialized trading course, *The Keys To Successful Speculation*, which directly addresses these issues, clearly laying out the principles of risk management in direct and simple terms that any beginning trader can quickly master and apply to their trading. Most people just don't realize that it is this side of trading that is blocking them from success. Ferrera's *Keys* provides the "statistical advantage" through risk management that will allow a trader to skew the risk/reward equation in their favor all the time.

Once this is achieved, there are many tools which will become much more effective in producing consistent profits. However, as mentioned above, the most effective way to produce better returns in one's trading will come from an ability to forecast important turning points in advance, so as to be able to identify and trade profitable trends. Many teachers and tools attempt to produce these results, but most end up being hit and miss, or are simply too complicated for the average analyst to comprehend and effectively apply. However, the new trading course by Dr. Alexander Goulden, *Behind The Veil*, presents some of the most effective and powerful techniques to accomplish this goal. Dr. Goulden uses a unique combination of geometric price and price/time projection tools, combined with some extremely powerful timing techniques which clearly identify future turning points from which tradable trends ensue. His

techniques are developed from a similar tradition and theoretical basis as those used by the great W. D. Gann, but unlike Gann, are much easier to comprehend and apply by the average trader. They involve the use of geometrical manifestation templates derived from ancient systems of metaphysics and cosmology, as well as timing tools developed from celestial mechanics, Pythagorean harmonics and vector cycles. His techniques have been shown to work in all markets, stocks, commodities, indices and Forex, and on all time frames from minute to monthly, with incredible accuracy and effectiveness, which when combined with the proper risk management techniques should help many traders discover the trading success they have long desired.

These two courses alone will provide the tools necessary to allow most analysts to trade the markets with an accuracy only the best traders possess, and to take advantage of the incredible opportunity the volatility of today's markets presents. Whether you are a conservative investor or speculative trader, these tools will allow you to call turns and trade the short or long term trends of the market, whether it is going up or down, while allowing you to limit your risk and while maximizing your returns. This kind of trading may be the only way for the individual investor or trader to make money over the coming decade of unstable markets and crumbling economies.

*William Bradstreet Stewart, Director,
Sacred Science Institute, Email:
institute@sacredscience.com,
Web: www.sacredscience.com,
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BEHIND THE VEIL

**A NEW APPLIED TRADING COURSE USING
ADVANCED PRICE/TIME TECHNIQUES TO
PROJECT FUTURE TURNING POINTS...**

BY DR. ALEXANDER GOULDEN

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We are extremely happy to announce the release of a new and deep Trading Course. **Behind The Veil** presents powerful trading techniques based upon the deepest scientific and metaphysical principles. It unveils many mysterious and difficult theories and applications similar in approach to those of **W.D. Gann** and shows a trader how to use these principles to successfully forecast and trade the markets. **DON'T MISS THIS VALUABLE COURSE!**

Dr. Goulden, a Cambridge educated scholar, penetrated many of the hidden techniques used by Gann, and has developed numerous new and original trading applications based upon similar principles, leading him to the forecasting results in seen here.

The techniques developed by Dr. Goulden will teach traders how to identify future pivot points following which profitable market moves ensue. All of the timing tools needed to forecast these pivot points and the geometric tools used to identify price entry and exit points, and to determine the nature of the ensuing trend are demonstrated in the Course. Based upon a deep level of metaphysical and cosmological insight, these techniques are easily applicable, clearly presented and shown through numerous chart examples in multiple markets, including stocks, commodities & Forex, in all time frames, monthly to minute.

FORECASTING RECORDS

In August of 2009, Dr. Goulden produced 7 forecasts in 7 different markets. His results were impressive, 7 out of 7, yielding 3,161 points in 7 days, with 7 trades, in 7 different markets!

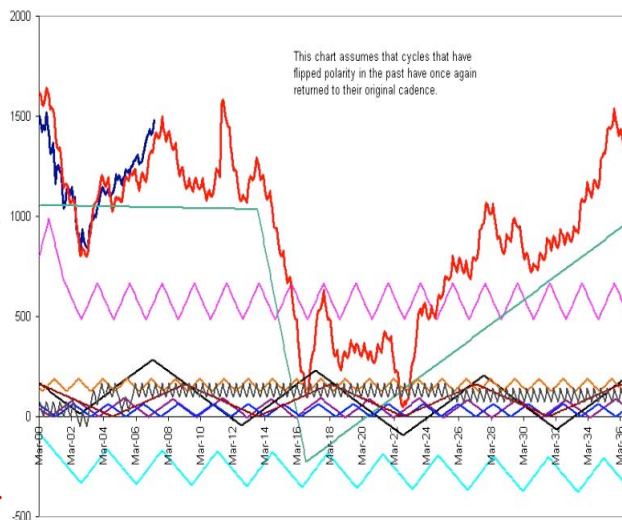
Wouldn't you like to forecast like this?

- **T-Notes 20-22 August. Result - a pivot low on 21 August, followed by a rally of 241 points to 2 Sept.**
- **Soybeans 17-20 August. Result - a pivot low on 17 August, followed by a 710 point rally in 6 days.**
- **Gold 17- 20 August. Result - a pivot low on 17 August, followed by a 780 point rally to 8 Sept.**
- **Platinum - 23/4 August. Result - a pivot high on 24 August, followed by a 607 point drop in 7 days.**
- **NY Cocoa 21-24 August. Result - a pivot high on 25 August, followed by a 257 point drop in 4 days.**
- **NY Cotton 21- 24 August. Result - a pivot low on 26 August, followed by a 426 point rally in 7 days.**
- **German Bund 21-24 August. Result - a spike low on 24 August, followed by a 140 point rally in 7 days.**

**FOR A DETAILED WRITEUP ON THIS COURSE INCLUDING CONTENTS, SAMPLE TEXT & FEEDBACK SEE:
WWW.SACREDSOURCE.COM/GOULDEN/BEHINDTHEVEIL.HTM**

FERRERA OUTLOOK FOR 2010

IN HIS BREAKTHROUGH CYCLES ANALYSIS BOOK, *WHEELS WITHIN WHEELS*, FINANCIAL MARKET ANALYST AND EDUCATOR DANIEL T. FERRERA PRESENTS A 100+ YEAR FORECAST FOR THE STOCK MARKET OUT TO 2108. AS YOU CAN SEE IN THE CHART ABOVE, HIS MODEL CALLED THE MAJOR TURNS OF THE MARKET FROM 2002 UNTIL 2008 WITH ALMOST PERFECT ACCURACY. HERE YOU CAN SEE HIS FORECAST OF THE S&P 500 GOING OUT TO 2036. IF THIS MODEL IS CORRECT, WE ARE APPROACHING MUCH HARDER TIMES THAN WE HAVE SEEN SO FAR. CUSTOMERS OF FERRERA'S WORK WERE OUT OF THE MARKET AND SHORT ALL THE WAY DOWN FROM OCT 2007. DON'T YOU WISH YOU KNEW ABOUT AND TOOK ADVANTAGE OF FERRERA'S FORECAST? FERRERA'S YEARLY OUTLOOKS GIVE THE MARKET PERSPECTIVE FOR THE UPCOMING YEAR. THE 2008 OUTLOOK IS NOW FREE ON OUR WEBSITE & THE 2009 OUTLOOK IS NOW ONLY 50.00! OUTLOOK FOR 2010 IS \$250.00.



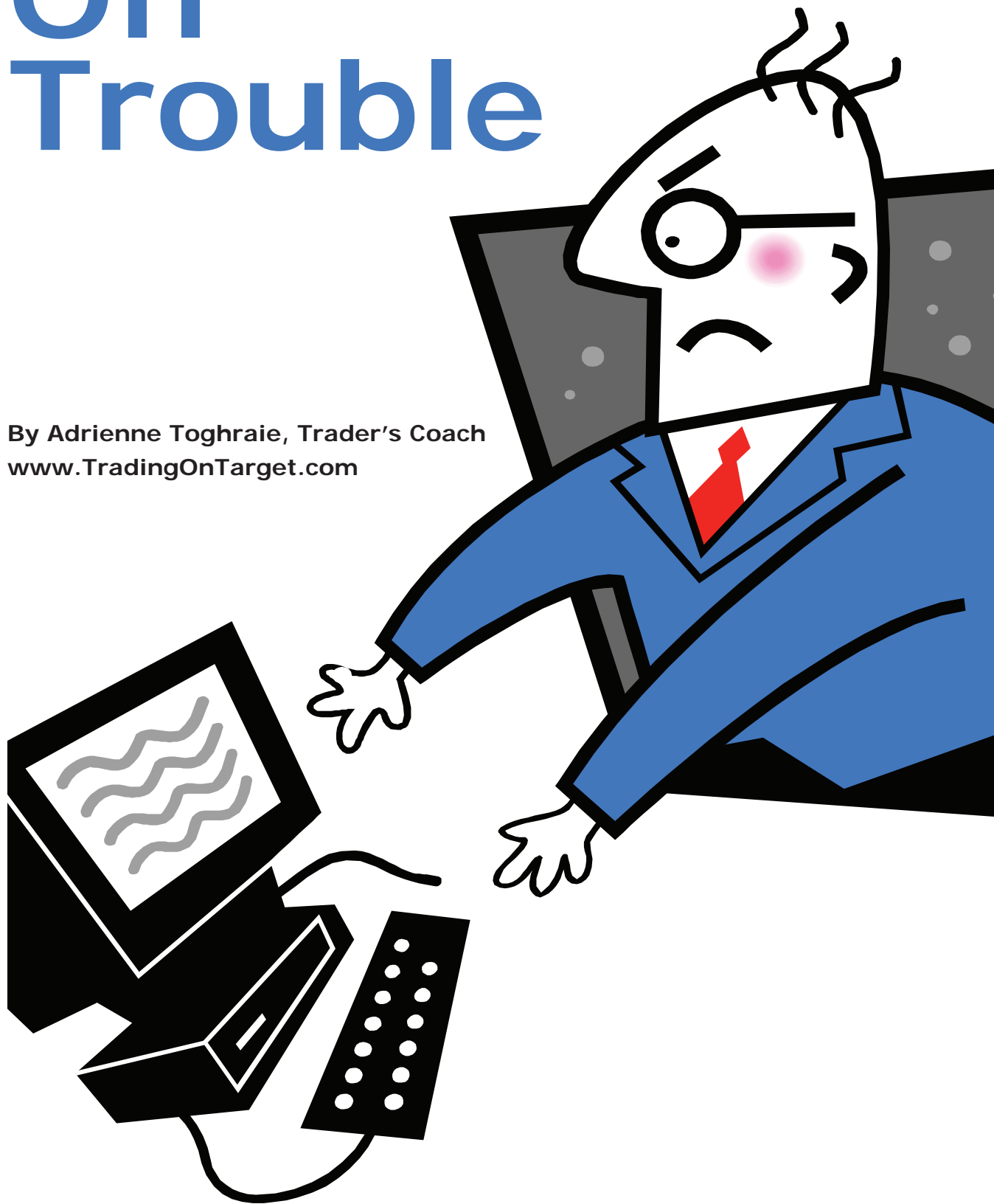
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Heading Off Trouble

By Adrienne Toghraie, Trader's Coach
www.TradingOnTarget.com



There is no pleasure watching a trader who is harvesting the crop he has sowed with self-destructive behaviors, unresolved emotional problems or poor judgments. But, it happens all the time, and we wish there were some fail-safe steps traders could take to protect themselves from these actions or reverse them before they pass the point of no return. And there are!

Identifying the problems

The first step in heading off major problems is identifying them so that they can be addressed. Here are some signs that you are heading into trouble and need to take a U-Turn.

1. You are consistently late for work, for appointments and important events. This is a sure sign that something is going on. Being late, especially when it becomes a consistent pattern, often means a shift in your values, goals, or emotional wellbeing. It can be a sign that you are becoming depressed, burnt-out or dealing with issues that are overwhelming your emotional supports.

2. Your phone has stopped ringing. Whether it is at work or at home, when the phone stops ringing and the emails stop flowing except for spam, it is a sign that the world has stopped making contact with you. The principle reason for that is that you have stopped reaching out to the world. If you are spending more and more time in your own company, more and more time in your home, possibly chained to your computer, your books or your television, your withdrawal from contact with the world is a dangerous pattern. It can mean that you are depressed, angry,

or feeling some set of negative emotions that are separating you from others. This pattern is off a self-reinforcing one and needs to be turned around quickly.

3. Your working and living space have become more and more disorganized. Aside from the fact that it is difficult to lead a productive and successful career and life from a disorganized base of operation, an increasingly messy environment is a bad sign that things are not going well. Obsessive order and cleanliness can also be a sign that things are not going in the right direction. A successful trader needs a balance between organization and flexibility to work at the optimal rate.

4. Your physical appearance has declined. If you are taking less and less interest in your physical appearance to the point where a colleague or family member mentions it to you, you are being given an important warning. A trader's physical appearance is an outward manifestation of his inner self-esteem and emotional health. If you are not showering and shaving regularly, if your clothes are not consistently clean and pressed, and if you need a haircut, something is wrong. You may have stopped caring about these things and have decided that they are no longer important. If so, there is a change in your thinking that may reflect a change in your emotional and physical health.

5. You have increased your alcohol consumption. If it is only a temporary thing in response to the holidays or a vacation or some other event such as a wedding, etc. then, this is not a sign of trouble ahead. However, if the increase was triggered by one of these innocent causes but has continued on since then, you are possibly heading for trouble. If, because

of your drinking, you have missed work or an appointment, have been stopped for a driving violation, have gotten into an argument with a friend, family member or co-worker, or have seen the quality of your trading decline, then you have a problem that needs to be addressed immediately.

6. If your relationship with your spouse has become tense or distant, you have a major problem developing. If you have become interested in others in a romantic way that you have either fantasized about acting on or have already acted on, you are definitely heading for stressful situations.

7. And finally, if you are seeing a decline in your trading, this is a sign that something is wrong. If you have been taking more losses lately than usual, or have developed a problem pulling the trigger or giving back all of your gains, these are signs that trouble is brewing. Negative patterns in your trading are always signs that a problem exists and that it must be addressed.

Taking action

So, now that you have identified the signs that trouble is looming, you will have to take action to turn this situation around.

1. What you can do on your own: One first action you can take is to sit down with your computer or a pad of paper and start listing steps that you can take yourself to address each problem. Mark those steps you are willing to take, break them down into smaller tasks that you can achieve in a short period of time. Set up a schedule for taking these steps and after you complete each step, make certain that you reward yourself.

2. What you need to do with outside help:

- For depression and anxiety problems, you will need to find a professionally trained counselor, psychologist or psychiatrist who will work with you to help you resolve the emotional problems you have already identified. The answer may turn out to be either counseling or medication or a combination of both.

- For addiction problems, you should consider an immediate commitment to a detoxification program or some support group such as AA. Problems with addictions, whether they are substance abuse problems, gambling problems or addictions to food, sex, or any other addiction need to be addressed with a total immersion. Otherwise, they will simply continue to grow in their control over your life.

- For health issues, you should start with a good medical check up, and you might want to work with a nutritionist as well as with a personal trainer to help you to get back into healthy condition.

- Trading problems may require a dual approach with you seeking help from a trading coach to deal with technical trading problems and with a trader's coach to deal with the psychological. Help can also be found in trader's seminars, workshops, and in trader support groups.

The important point here is that once you have acknowledged and identified potential problems, you have taken the first step in heading them off. But you must then take action. And always, always reward yourself for the completion of a goal!

www.TradingOnTarget.com

Phone 919-851-8288

Email: adtoghraie@nc.rr.com

Adrienne's Master Class

Presented By

Adrienne Toghraie

Master Trader's Coach
Author of 9 books on Traders' Psychology



The aim of the Master Class
is to provide Traders with Winning Psychological Models for Trading

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- ✓ Lessons Adrienne has learned to assist you in overcoming your self imposed limitations
- ✓ A success model to direct your mind towards the information you want and need to become a master trader
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Who should attend

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- ✓ Those who are struggling with earning profits as a trader
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The 'Clock of Life' is wound but once,
And No man knows the hour.
So live, love and toil with the will,
For tomorrow the Clock may be still.

Donald W. Franklin, my Father
1909-1971
29 May 2010,

By David W. Franklin

The human intellectual quest for a mathematical constant in the Markets has been in the minds of mankind for as long as there have been markets.

The idea being that a mathematical constant would facilitate knowledge of reversals in trend with greater precision.

There are two rational theories which offer an explanation for market movements:

1. The Markets are moved by the sum of the decisions and actions of millions of buyers and sellers. As it is not possible to know in real time, the cumulative effects of whether there are net buyers or net sellers for a particular security or group of securities, it is not possible to know with a degree of certainty, when a change in trend

is about to occur. This unproven theory of markets being random and impossible to know, is widely accepted to be true by thousands of market participants and observers.

2. The markets are moved by a yet unknown 'force' that is superior to the decisions and actions of buyers and sellers. The idea of "dark matter" existing throughout the universe is a comparable analogy.

THE DISCOVERY of a TIME CONSTANT

It is a given that the majority of TW readers comprehend the fact that Time in the Markets is always running down. There need not be offered a more simpler proof

of this basic truth than the fact that option Time always runs down to zero following Expiration Day.

Time in the Markets is forever running down. This indisputable fact produces an enigma. It raises to the forefront of the mind, the following question:

As Time in the Markets is forever running down, why hasn't Time completely run out?

WHY TIME NEVER RUNS OUT

The answer I have found to this question, to the best of my knowledge, is widely unknown to nearly all market participants. Here is the answer:

On the day following Expiration, Time for that Option Cycle begins anew at a higher starting value, which is a constant. That is, the "bottle" of Time which just "emptied" upon Expiration, is "refilled" to

the same value it started with when the Option Cycle began nine months prior to Expiration Day.

This renewed starting Time for the individual option cycle is always the same value. Therefore, it is a constant. As this new Time must again, run down to zero over the next nine months, we can calculate the amount of daily depreciation time must undergo. The path this rate of option time depreciation must follow is also a constant.

We now have two constants in the market:

A. The starting value of option Time nine months from Expiration Day.

B. The rate of option Time depreciation.

With these two constants, the rate of daily option time depreciation can be plotted. Such a plot reveals the true path



Figure 1

Time must travel, on it's way to zero on Expiration Day.

This known path of Time depreciation becomes the third constant: I have named this path The Straight Line of Time Depreciation©. It looks like this: (See Figure 1)

This Straight Line of Time Depreciation is fixed and constant.

However, Real Time Tracking of Total Market Time proves that option time does NOT follow the The Straight Line of Time Depreciation©. Instead, Time forms a Sine Wave pattern as it weaves above and beneath The Straight Line of Time Depreciation©.

Actual, moving Real Market Time looks like this. See Figure 2.

The graphical fact that the path of Total Market Time forms a sine wave pattern above and beneath The Straight Line of

Time Depreciation© is the reason I have named my Time calculation method The Time Sine Wave Analysis©, or TSW for short.

FACTORING OPTION TIME INTO A PERFECT CIRCLE of 360 DEGREES: THE DOW 30

I begin with the constant starting option time value of each of the Three Primary Time Cycles of all stocks in the DOW. The Three Primary Time Cycles are: JAJ0, MJSD and FMAN. JAJ0 is the abbreviation for Primary Time Cycle options that begin and expire in January, April, July and October. With this information, the correct months of the other two Primary Time Cycles becomes axiomatic.

All thirty stocks in the DOW have original, primary stock options which begin and end in one of the Three Primary Time

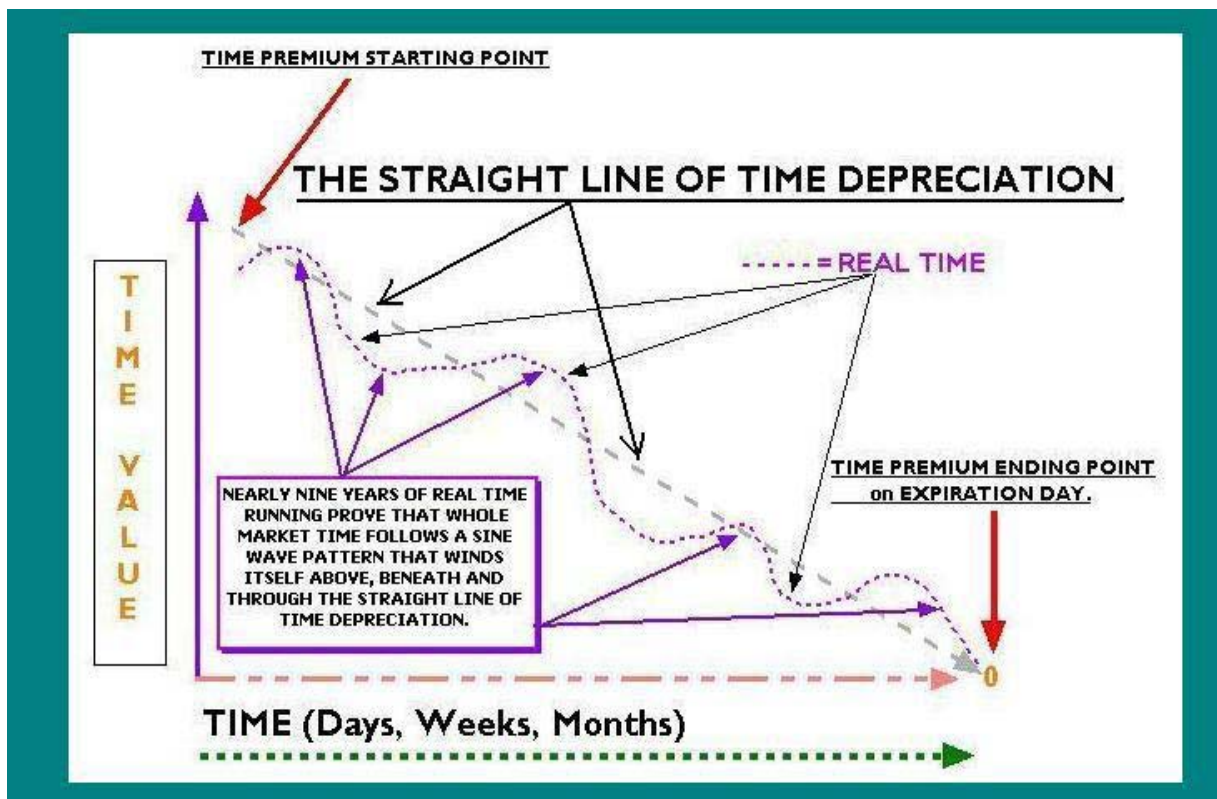


Figure 2

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Cycles. All other options are secondary and of no consequence to accurate time calculations.

HOW TO KNOW IN WHICH PRIMARY TIME CYCLE a STOCK OPTION BEGINS

Begin by going to the following website: <http://www.cboe.com/delayedquote/quotetable.aspx>

Where it states: "Enter a Stock or Index Symbol below:", put in the DOW 30 stock symbol you wish to look up. Next, 'click' on the circle where after it reads, "List all options, LEAPS..", etc, then 'click' on "Submit". After the page loads, go all the way to the bottom where the LEAPS are listed. The month that appears immediately above the LEAPS is the Primary Time Cycle for your stock.

SAMPLE CALCULATION

For the sake of example, let's say there are fourteen (14) stocks of the DOW 30 which have Primary Time Cycle options that begin and end in the JAJO Option Cycle.

To calculate how many degrees of a circle to assign to the beginning of this JAJO Option Time Cycle nine months out, you first determine what percentage these fourteen (14) stocks are, of the whole DOW 30 Market. To do this, you divide $14 / 30$ stocks x 100%. That comes to: 46.66%.

That is, fourteen (14) stocks in the JAJO OPTION TIME CYCLE represent 46.66% of the DOW 30 Stocks. As we desire to make Option Time for the DOW 30 in a perfect circle of 360 degrees, we multiply 360 degrees x 46.66% to know how many degrees to assign to the JAJO OPTION TIME CYCLE nine months out from Expiration.

46.66% of 360 degrees = 168.

As I balance Time and Distance (intrinsic option value) in my calculation, I must divide the 168 degrees first by two: $168 / 2 = 84$. Then, I assign 84 degrees to Distance, and 84 degrees of Option Time to the beginning of the new JAJO OPTION TIME CYCLE the day after Expiration. Further, the 84 degrees of Time is again divided by two, in order to achieve a balance between Call and Put Time. That is, I would begin the new nine month JAJO OPTION TIME CYCLE the day after Expiration, with exactly 42 degrees of Call Time, and 42 degrees of Put Time. This 42 degrees of Time on each side becomes a constant starting value, which never changes, unless the number of stocks in the JAJO TIME CYCLE changes. In that case I merely re-calculate the change in percentage and begin with the new correct number of starting degrees.

When this process is duplicated every day after Expiration Day for each of the Three Primary Time Cycles, you will discover that the DOW 30 has a Whole Market Time Cycle Wave comprised of NINE individual PRIMARY OPTION TIME CYCLES. Three of them are JAJO, three are FMAN and three are MJSD.

Once I understood from the works of Dr. Walter Russell, how to "...begin right..." to have the right ending...", it required nine Expiration days just to correctly setup the Whole Market Time Cycle Wave of the DOW 30!

By factoring each of the Three Primary Time Cycles into it's proportional part of a perfect circle of 360 "TIME" degrees, and tracking the sum reflected in the Whole Market Time Cycle Wave of these individual cycles forward in Real Time

over many years, there emerged The TSW PERMANENT MARKET CLOCK©.

THE TSW PERMANENT MARKET CLOCK©

Imagine a "Time" clock which is very different than any you have ever seen or heard of.

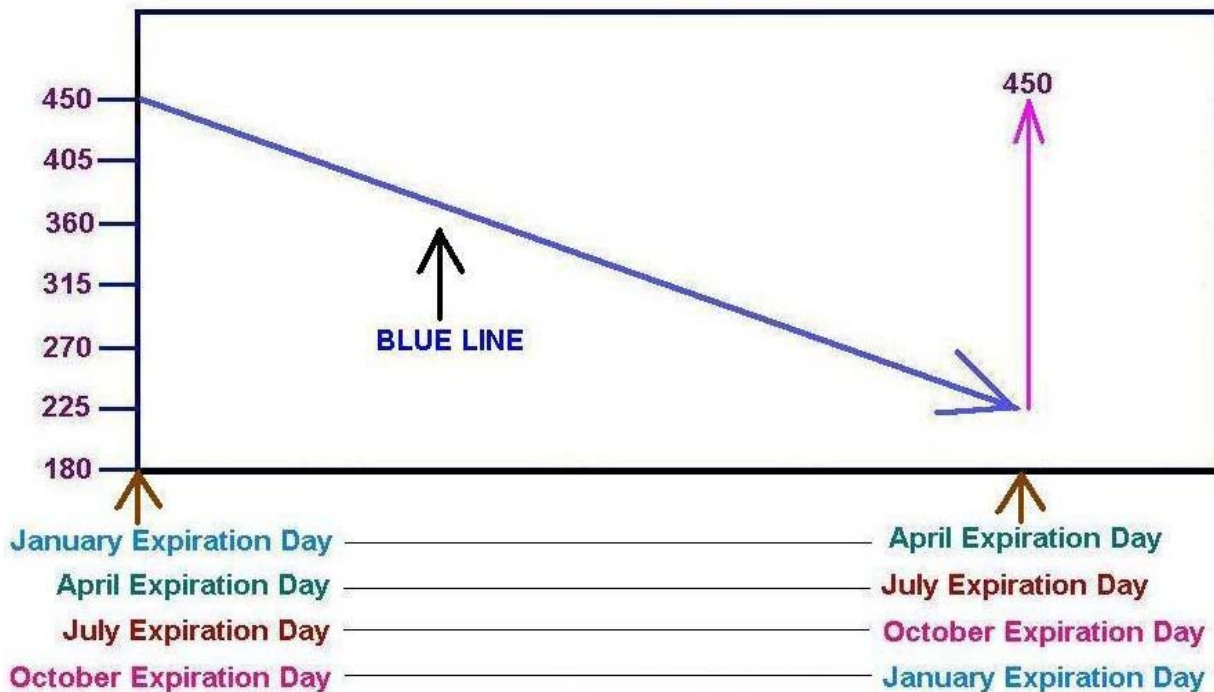
On this clock, Time begins at a value of 405/450 degrees, on the day following Expiration day of the first month of the year: January. Over the next three

months, "Time" on this clock runs down (depreciates) towards 225 degrees. Then, on Expiration day of the fourth month of the year, April, Time is reset back up to 450 degrees. This "reset" back up occurs because new options with nine months of Time value begin anew.

On a linear graph, here is how Time on THE TSW PERMANENT MARKET CLOCK© appears. See Figure 3.

This process of Time running down from 405/450 towards 225 degrees, and then

**A LINEAR CHART OF TIME CYCLE DEPRECIATION
for the TIME SINE WAVE ANALYSIS**



After Expiration Day in January, with Option Time renewed at higher starting values nine months out, the TSW Permanent Market Clock begins at a Total Time value of 450 degrees. Over the next three months, Time runs down (depreciates) along the **BLUE LINE**, as it approaches the value of 225 degrees near Expiration Day in April.

After Expiration Day in April, the identical Time Depreciation process repeats: Time runs down from a starting TSW Time value of 450 degree towards the value of 225 degrees near Expiration Day in July.

An identical Time Depreciation Cycle repeats the same values, going into Expiration Day of October, and back to January, ad infinitum.

The repetition of this Time Depreciation Cycle constitutes the mathematical foundation of The Time Sine Wave Analysis.

Figure 3

being "reset" back up repeats ad infinitum. This process explains the HOW and WHY Market Time never runs out.

I have just described to you in basic terms, what took me nearly twenty years to "discover", understand and reveal: THE TSW PERMANENT MARKET CLOCK® upon which the Stock Market "moves".

Here below is what the TSW Permanent Market Clock® looks like in circular form. See Figure 4

There are seven constant Major Time Angles on the TSW PERMANENT MARKET CLOCK®, as follows:

450, 405, 360, 315, 270, 225 and 180. The 450 Major Time Angle is the maximum number of degrees Market "TIME" may achieve. 180 is the minimum. These Major Time angles are each separated by exactly 45 degrees of "Market Time".

In between these Major Time angles are the Minor Time angles. The Minor Time angles are located exactly 22.5 degrees above and beneath the Major Time Angles.

These Major and Minor "TIME" angles form the "BACK BONE" of the Stock Market. An analogous understanding would be how your body is supported by the "FRAME WORK" of the human skeleton. Just as your body is held up by a skeleton "framework", and "moves" upon the bones holding it up, the Market is also "built" on a "skeleton framework" of "TIME", upon which the Market is supported and "moves".

Here below is a graphical representation of how The TSW PERMANENT MARKET CLOCK® appears on a straight line graph. See Figure 5.

The Time Sine Wave Analysis® VIEW FROM HIGHER UP

If one stands within a few inches of a

large tree, one sees only the bark, and will therefore, be unable to comprehend the entire natural ecosystem of the forest. This condition of viewing a Thing too closely is analogous to the parable of the six blind men of Indostan who individually examined a separate part of an elephant.

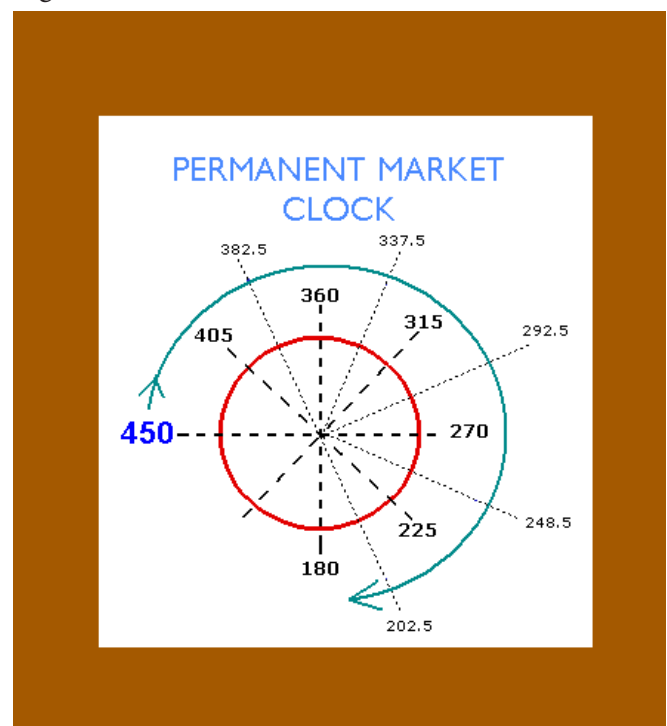
One thought it was like a rope (tail), another like a wall (side), another like a snake (trunk), another as a tree (leg), another like a fan (ear), and the last one like a spear (tusk).

While their individual close-in perspectives were factual, the Truth of the elephant's complete shape is only found with a perspective of the overall. The same principle applies to the market.

Before considering a position, it would always be best to first view the market in it's entirety from the very beginning to the current level. Then by High's and Low's within decades, and the same for the yearly, monthly, weekly and daily time periods.

From this broad overall perspective,

Figure 4



during long periods of trending Up or Down, Major tops and bottoms often occur at percentages of 100%, 1.618% , 0.618% and 50%. In applying the above principles you should find that on any one day, the Market is either in a high or low probability position of changing its current major trend. The safest and largest return on investment money is made by applying the overall perspective and 'riding' these longer term trends.

EXAMPLE CALCULATION

The Market high in July and October of 2007 was approximately 14,200. 0.618% of 14,200 = 8775.

Subtracting 8775 from 14,200 = 5425. Therefore, in the current BEAR phase, one would be on alert for a possible important

market bottom in the area of DOW 5400.

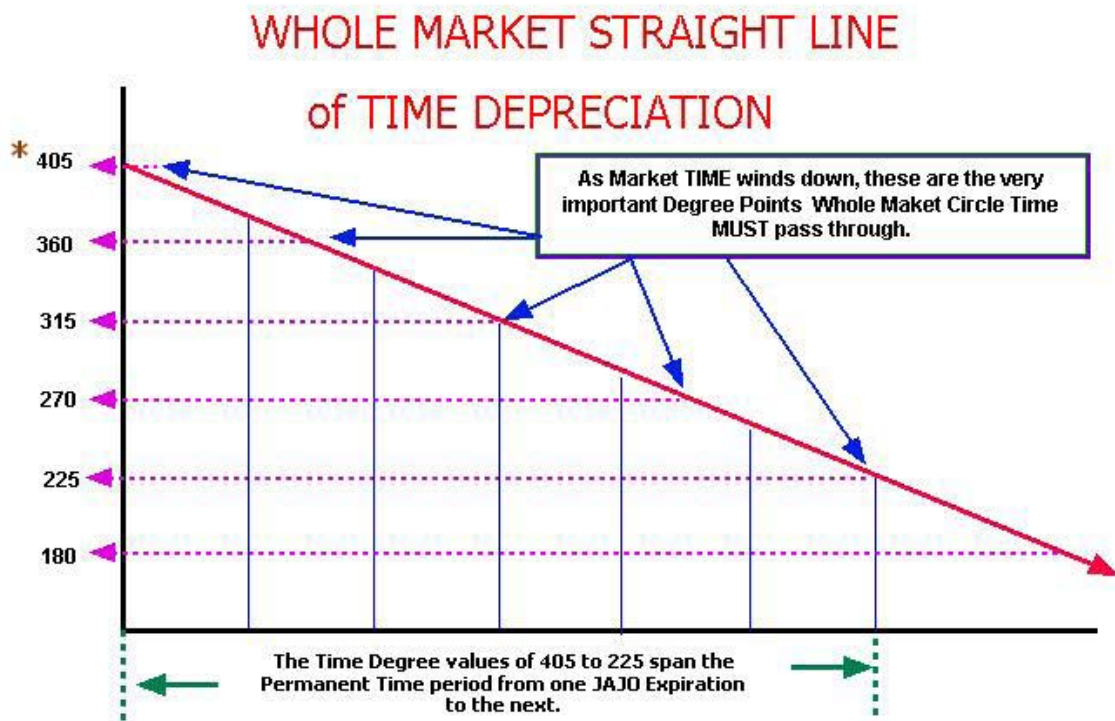
THE ENGINE OF THE MARKET: A OVERALL PERSPECTIVE

The "engine" of the Stock Market is the monetary policy of the private central bank, the FED. When interest rates are low and credit is easy to obtain, the Market rises. The broad overall trend is that of a BULL.

When interest rates are high and credit is "tight", the market declines. This is a BEAR phase. Presently, with interest rates ultra-low but credit extremely scarce, the Market should be viewed as being in a BEAR phase.

STRENGTHS of the THE TIME SINE WAVE ANALYSIS©

The Time Sine Wave Analysis excels in



* NOTE: A starting Time Value of 450 is also possible, depending on how much Time is remaining in the other eight Time Cycles.

Figure 5

two areas:

A. Calling in Real Time, the end of a Market BEAR phase.

B. Keeping one in the Major UP or DOWN trend of the Market.

On THE TIME SINE WAVE ANALYSIS© the end of a BEAR phase is revealed in Real Time with a TERMINAL 90 Degree on the TSW COMPASS CHART©. The TSW COMPASS CHART© measures the individual "Time" values of Call and Put Time on the TSW Permanent Market Clock©.

Here are three relevant examples. The Terminal 90 Degree Bottoms on 24 July and 10 October 2002, and the most recent one on 9 - 10 March 2009: See figure 6a, 6b, 6c.

Regarding B., that of keeping one in the Major UP or DOWN trend of the Market,

the following Time principles apply:

A. In a BULL MARKET, TIME on the TSW PERMANENT MARKET CLOCK© drops as the market goes up heading towards the Straight Line (ZERO) of Time depreciation. On 'dips" down to Major Time Angles, Time "grows".

Beginning at the Terminal 90 on 9 - 10 March 2009, every 'dip' down the Market made on its way to the 0.618 retracement Hi on 26 April 2010, was to a higher Major Time Angle. Here below is one such example. After making a High on 21 September 2009 at the 405 Major Time Angle, the Market went down to make a Bottom on 2 October 2009 at the next higher Major Time Angle, the 450: See Figure 7.

B. In a BEAR MARKET, the opposite

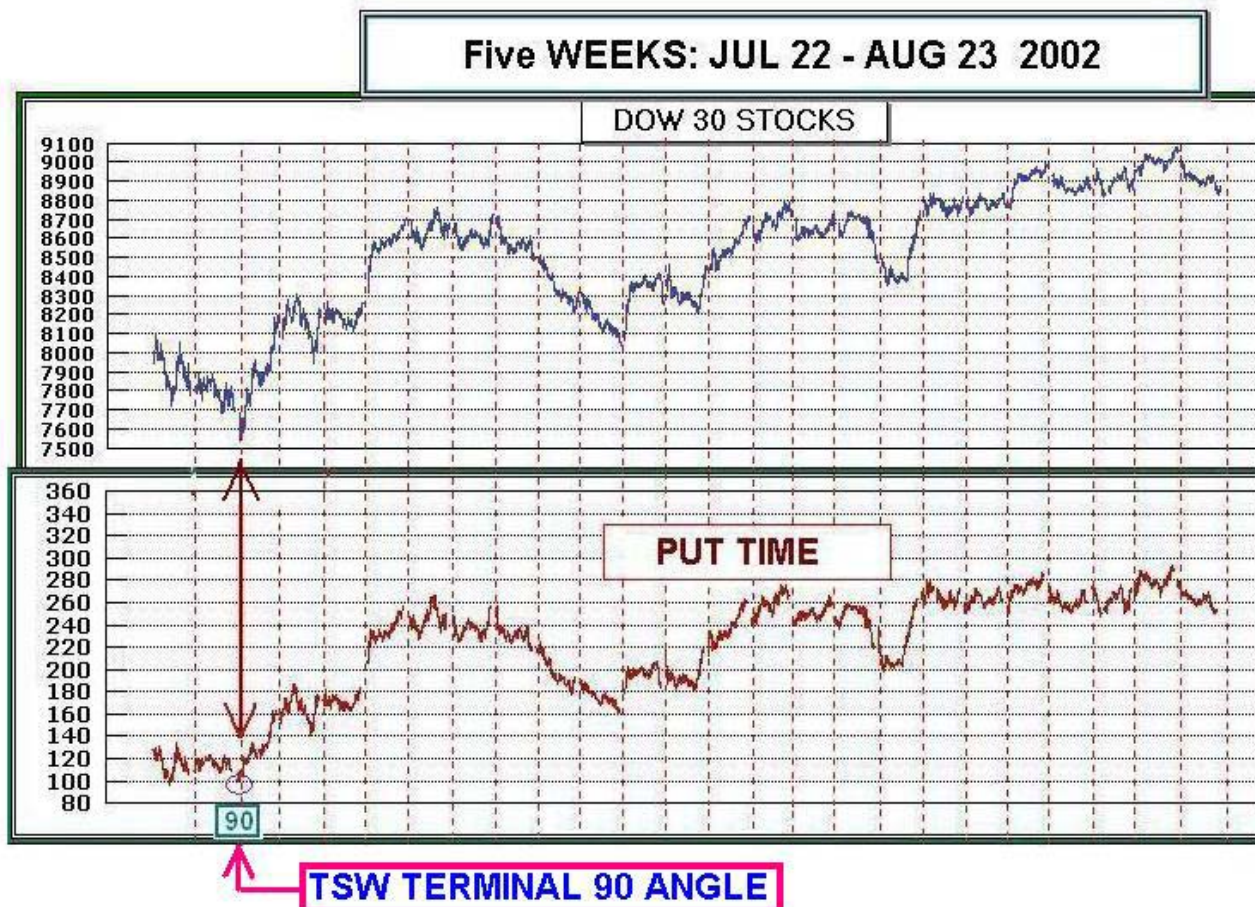


Figure 6a

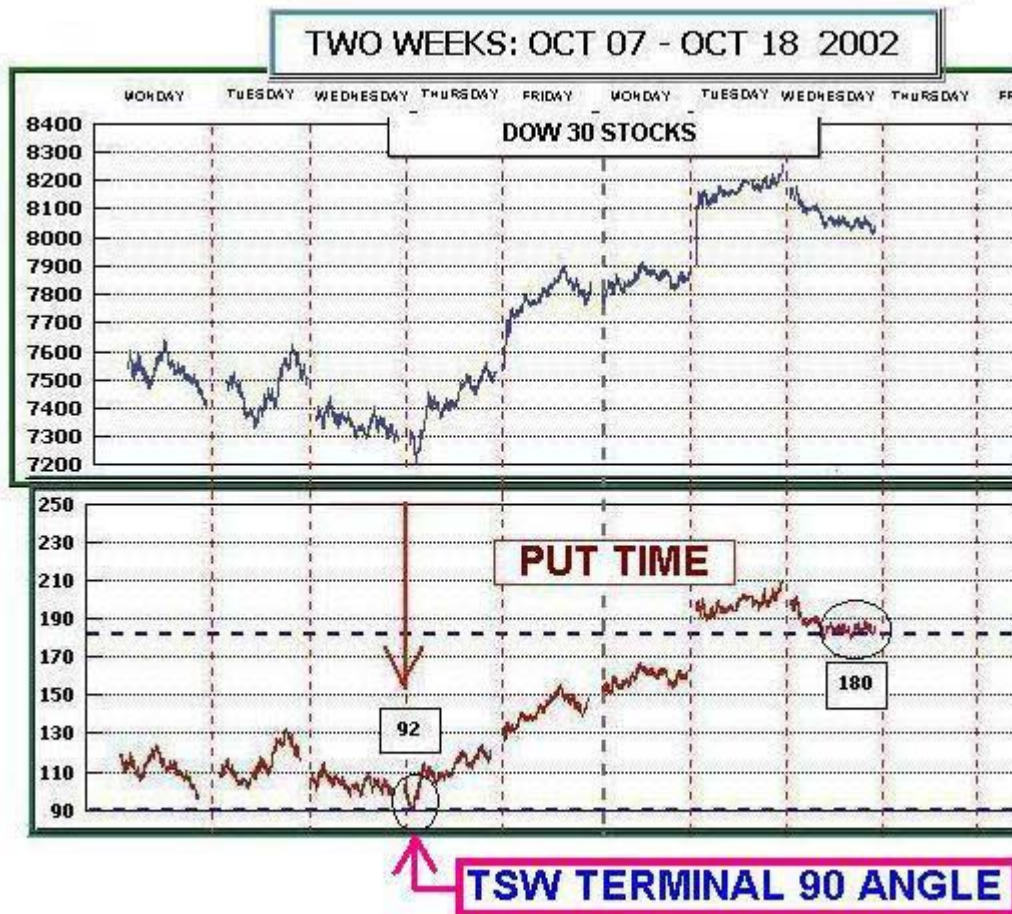


Figure 6b

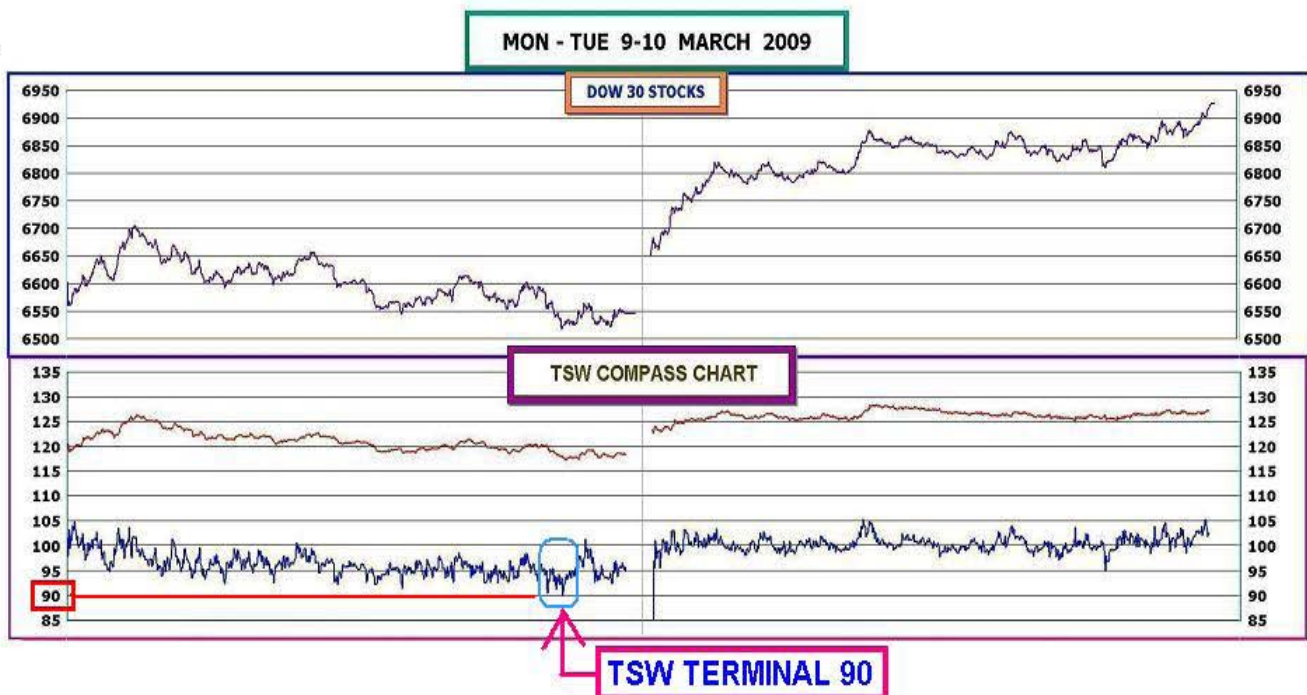


Figure 6c

occurs. TIME on the TSW PERMANENT MARKET CLOCK drops as the market goes down, and "grows" as the Market bounces up.

Here below is an example from 23 - 24 January 2008. Note how Time dropped with the Market as it came down to the TSW 405 Major Time, then grew back up to the 450 Major Time Angle as the Market rose sharply. See Figure 8.

THEREFORE, in conjunction with knowing the current monetary policy, the direction in which TSW Time is dropping or growing informs TSW what the True overall broad trend of the current Market is.

With each rotation of TSW PERMANENT MARKET CLOCK® time down or up to the next Major Time Angle, probabilities increase dramatically for a change of trend in Real Time, at that next Major Time

Angle.

A view from a higher up perspective over the past ten years, The TSW PERMANENT MARKET CLOCK® explains over 80% of all Market movement phenomenon!

In conjunction with other proven methods and indicators, TSW KNOWLEDGE in Real Time, of the constants of Major/Minor Time Angles on the TSW PERMANENT MARKET CLOCK®, provides an unprecedented "Edge" in successful trading opportunities.

Regrettably, time and space here precludes showing TSW Summary charts in their full length.

However, those who express a serious interest via email will receive JPEG's of the past years TSW Summary charts.

DOW 30 STOCKS: 21 Sept. to 9 Oct. 2009

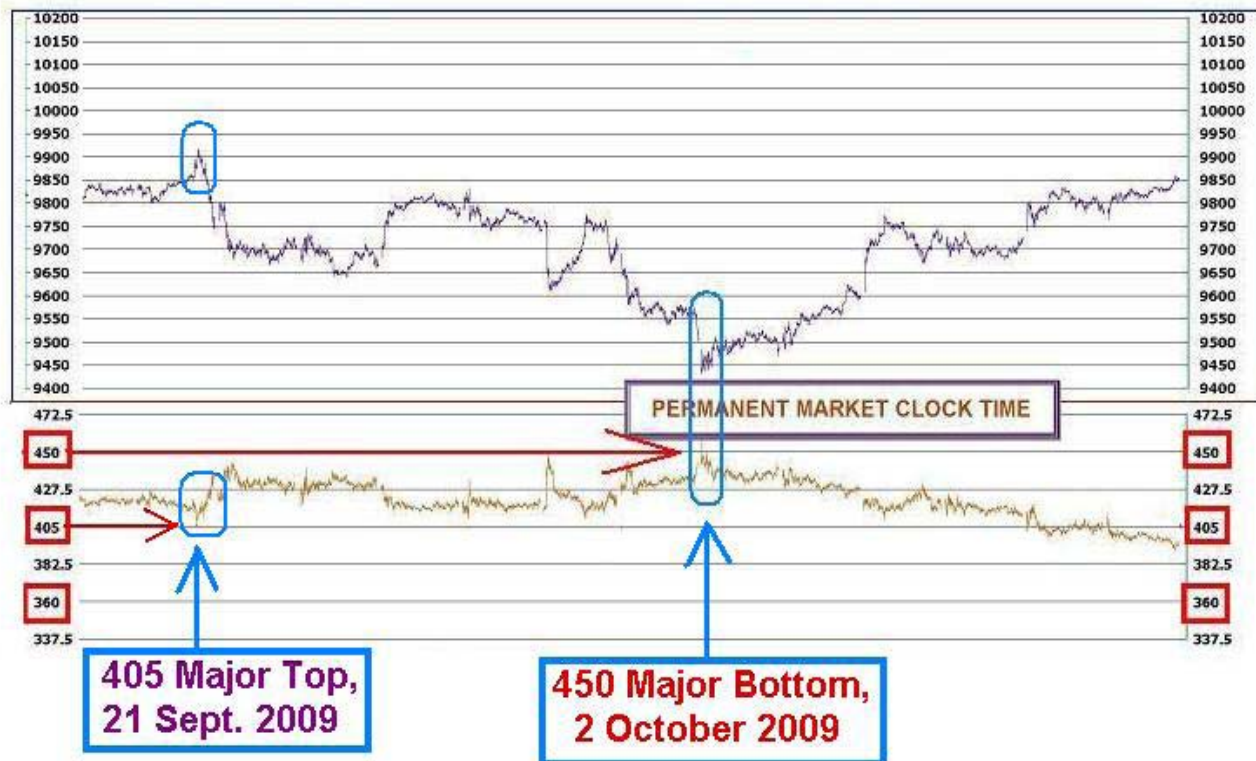


Figure 7

AUTHOR'S NOTE

The author is aware of the fact that he has not disclosed here exactly how these constants, like The TSW Permanent Market Clock© are calculated. The reader should understand and appreciate the fact that the research required to develop and prove the existence of these constants and The TSW Permanent Market Clock© has consumed over twenty five years of the Life and human capital of the Author. With this immense work and personal sacrifice given to this personal research project, the reader should understand it would be inappropriate for the author to describe in detail, every Thing there is to know about The Time Sine Wave Analysis© method.

The author will be happy to answer general questions of readers who write to him at the following email address: thetimesinewave@comcast.net.

As of the time of this article written, I am in the process of establishing a website for The Time Sine Wave Analysis©. If you wish to be informed when it is ready for viewing, please send me an email indicating your serious interest.

In the meantime, it remains the long term goal of the author to join forces with a professional trader or a trading firm who has a serious interest in the application of his unique research, for the mutual benefit of both parties.

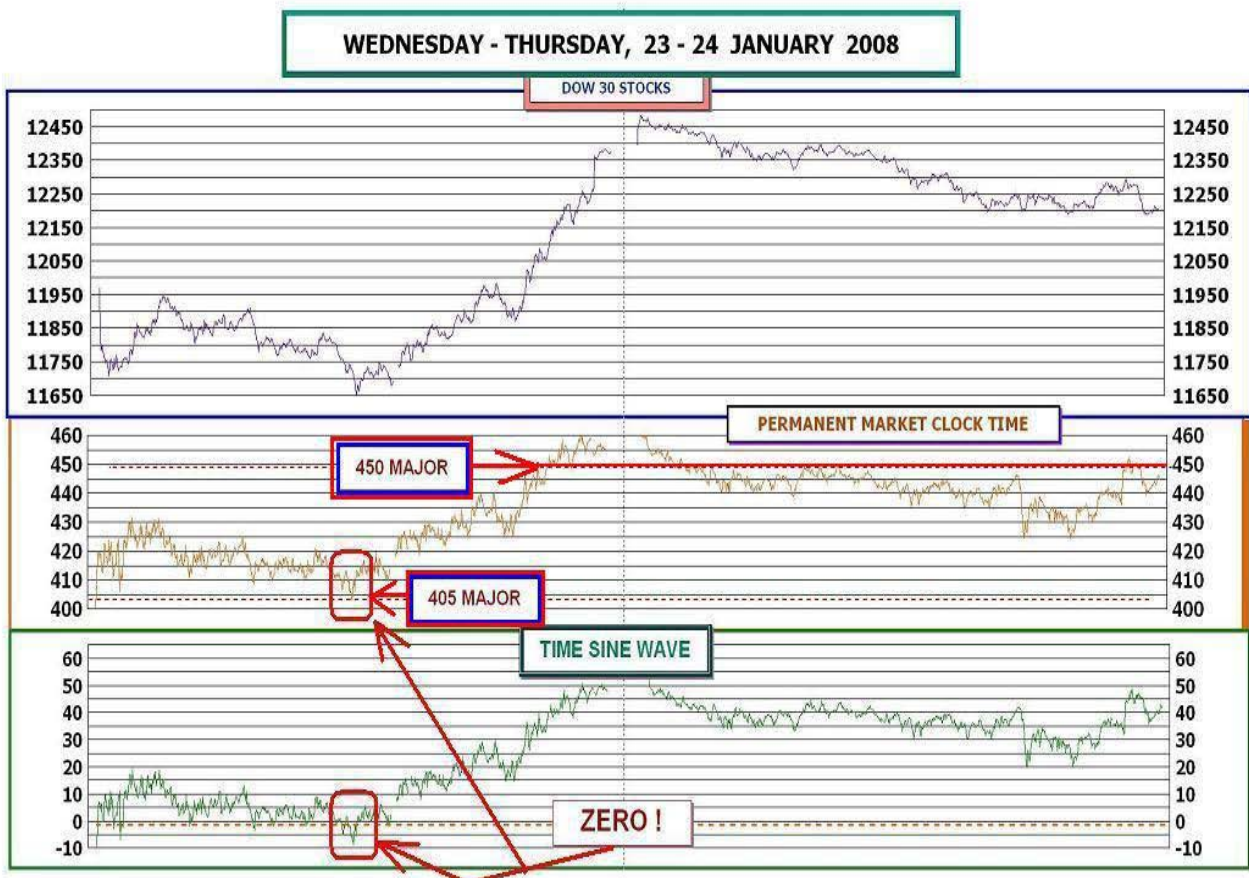


Figure 8

Super Timing Book

Gann's Astrological Method



W.D. Gann

W D Gann was one of the most successful traders of the twentieth century . While many people relate to gann swing trading, the gann wheel, the gann square of nine, the gann angle and the gann line not many appreciate that William Gann used Astrological methods for his trading.W. D Gann was a trader primarily in the first half of the twentieth century and Gann theory and Gann trading are still widely studied over fifty years later.Many of todays traders of the dow, nasdaq and commodities markets still rely on WD Gann Stock trading methods. Myles Wilson Walker has made a full and detailed study of WD Gann and his trading success and has written a unique work establishing the link to Astrology . This link is as valid today as it was when Gann was trading stocks and commodities. Gann analysis and gann theory are a fundamental part of Trading Technical Analysis and stock market theory and Myles Wilson Walker's research stands at the forefront of Gann books.

In Super Timing the formula is shown in detail. All of Gann's public predictions were analysed to reveal the one common factor. Super Timing explains all of Gann's predictions using the one formula.

It shows you which Planet will be signalling the next trend turn and it works on all markets.

As well as Gann's timing method there is the price target method which is demonstrated by his predictions and from real life examples in recent markets (this is not a planets longitude converted to price)

On this Website I have used one of

Gann's charts to prove that he really did use astrology because there are still a lot of people who think he used only swing charts, angles or fixed time periods. None of these can be used to consistently explain all his public predictions.

The real answer is in Super Timing where you will learn the pattern combination that is found in all of Gann's predictions both long and short term. You will see how this works on a swing basis as we work through whole sequences of short term trades that Gann actually did. Nothing has been omitted.

You will see why he entered the market when he did and the reason he took profits only to re-enter at a better price the next day.

The markets covered are coffee soybeans and cotton but the same method works on any market and more importantly it is still working today. When you take the time to study Super Timing you will prove to yourself that this really is the best timing method available.

The method is quite easy to learn as there is no complex Astrology (It is based only on the positions of the planets as seen from earth and their angular relationships)

There is a freeware program included that will do all the calculations. This also contains all the trades in the book plus nearly 100 years of the Dow's major highs and lows so you can see how well it has worked for yourself. You will learn Gann's price target system that solves the price part of the formula.

The book is spiral bound with a cellophane protective front and black plastic laminated back. The book is in colour and contains over 150 pages. **Price is \$250.00**

[Click to order Super Timing Now](#)

A Rare Phenomenon, Current Wave Pattern Creates Unpredictable Environment

Understanding why Today's Stock Market Is Unpredictable and the best Trading Strategies to Employ

By Glenn Neely, Founder, NEOWave Institute

The U.S. stock market has entered the center of a 20-year correction and is currently in a highly unpredictable phase. In fact, stock market predictions in 2010 – and for the next several years – will continue to be extremely challenging. This is an unavoidable phenomenon, which makes trading at this time more difficult and dangerous than usual. In this article, I discuss the U.S. stock market's current



phase of pattern development – a strange Wave phenomenon – and how it impacts trading strategies and risk management, and what it means to traders and investors.

NEoWave's phases of market predictability

The current U.S. stock market environment is an interesting phenomenon related to Wave Theory. Most people who approach Wave analysis believe the stock market is predictable all the time – as long as you can figure out the Wave count. The reality is that Wave counts are predictable some of the time – along with market predictability

– and sometimes they're not. Markets go through phases of predictability that I call Specific Predictability, General Predictability, and Unpredictability. This understanding of predictability is an important component of NEoWave technology, an advancement of Wave theory that presents logical concepts, structures, and rules. To be clear, the logical design of NEoWave is not present in the original Elliott Wave Theory.

What is the current Wave pattern, and why is the stock market so unpredictable right now? First, let's look at the chart below. This presents the high-low cash data for every six months of the S&P 500

S&P Half-Yearly Plot



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www.NEoWave.com

between 1982 and early 2010. This chart illustrates the historical Waves – and shows my stock market predictions for 2010 and beyond.

As an aside, in my book, *Mastering Elliott Wave*, I specifically address how to plot charts. You should always plot the market on a cash basis, because cash prices don't deteriorate over time like futures data. Also, the highs and lows should be plotted in order – do not put the highs and lows on the same vertical plane – this helps you create a chart that actually shows Wave patterns. If you use bar charts, you're not really looking at Wave patterns, and it's difficult to decipher Wave structure.

Let's look at the chart, starting with the high in 2000. As you can see, this was the end of a multi-decade advance. Under Wave Theory, this is a five-wave structure with a fifth-Wave extension. The pattern concluded, and we went into a bear market, which technically began on September 5, 2000. (The high was in February 2000, but the actual start of the bear market under Wave Theory was September 5, 2000.) The decline began with a strong directional move, which was extremely predictable because we were in the very early stages of a large, 20-year corrective formation.

My ability to predict stock market action for the next two years was truly stunning to many people. It was the most predictable market action I'd seen in nearly my entire career – because we were at the very beginning of a long-term formation. During this period of Specific Predictability, you can precisely forecast what will happen day-to-day, week-to-week, and month-to-month. My stock market predictions during this timeframe were extremely precise.

The center of a Wave is far more difficult to predict than the beginning

The beginning of a large formation offers a high degree of predictability, with extremely accurate stock market predictions. However, from January 2008 through 2012 (and possibly 2014), we will be in the Unpredictable phase of Wave pattern development. That's a long time to not be able to specifically predict what will happen. The interesting part of this Unpredictable phase that began in January 2008 is that it goes through a pattern of Specific Predictability, General Predictability, and Unpredictability. (On the chart, the S stands for Specific, G for General, and U for Unpredictable.)

We're in the center of a very large 20-year correction, and the center of a Wave pattern is the greatest period of uncertainty. Whenever you're in an environment of unpredictability, it opens up the market tremendously to outside influences, unexpected economic circumstances, and geopolitical events like the terrorist attacks of September 2001 (this was near the center of the 2000-to-2002 decline, which was a period of unpredictability). We're dealing with that kind of environment now, which means unexpected events, uncertainty, and fear will reign supreme for the next few years.

The center of an unpredictable environment presents a lot of uncertainty due to polarization of opinion. The market can swing in wild ways, because there's a lot of money either sitting on the sidelines or doing the opposite of what the other half is doing. If one group suddenly decides to join the other group, this can move the market dramatically and quickly.

This situation allows for randomness and unpredictability that you don't get near the beginning and end of patterns. It's like throwing an extra person on one end of a teeter-totter, which results in a sudden and dramatic shift.

Unfortunately, this unpredictable market environment will continue for several more years, certainly throughout 2010. The risk of violent, unexpected external events that could affect the stock market is very high for the entire year. Generally speaking, Wave Theory suggests that we're in a sideways or down trend, which began in January 2008. And I'm certain we'll be in this sideways or down trend for four to six years. This means the bear market will not finish until at least 2012 – and it could stretch out until 2014. At that point, the large Unpredictable phase will come to an end, and we'll move back into a General Predictability phase, like that of 2002 to 2007.

What are the best trading strategies for this unpredictable market?

This Unpredictable phase does make trading far more dangerous. As the market moves toward the center formation, our focus has to shift away from dependability on Wave structure and Wave patterns that you would expect to occur. Now, trading strategies must be based on bottom-line-oriented capital management strategies. Traders and investors need to look to market trading strategies that are outside the realm of Wave Theory.

The best way to deal with unpredictable stock markets is to use what I call second-tier technologies: strategies for trading, risk management, and capital

management that are independent of Wave Theory. Clearly, when the stock market is harder to predict, it's harder to trade. Therefore, you need to be much more careful about risk management and protecting your capital. You need to minimize risk and maximize potential. In this unpredictable environment, you need to reduce the emphasis on predicting the stock market and place the emphasis on careful, strategic trading and on strategies to preserve capital.

In the next article in this series, I will introduce the fundamentals of my revolutionary Neely River Technology. This provides a behavioral framework for traders and investors to better deal with the randomness of price fluctuations in unpredictable market environments.

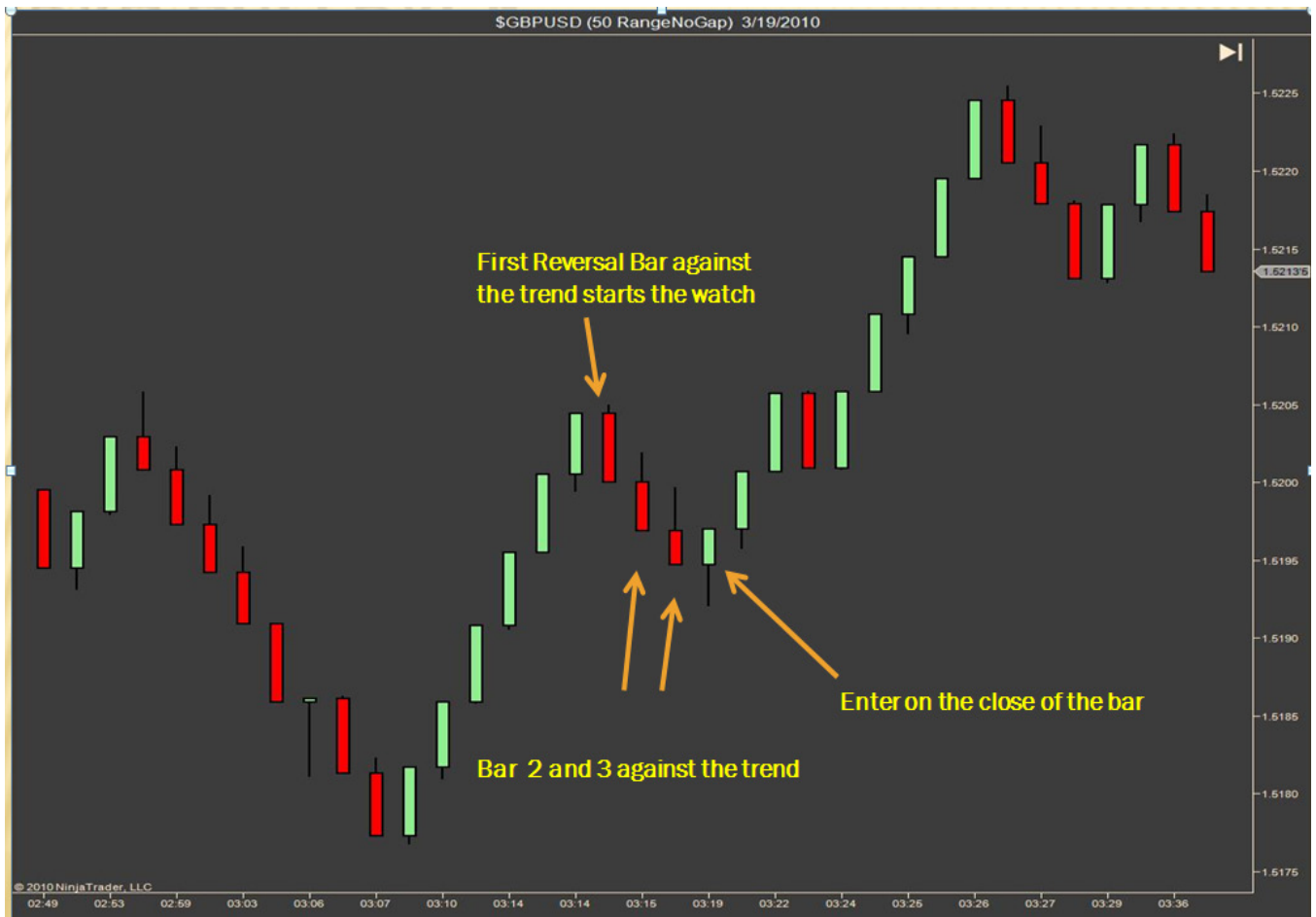
Founder of NEOWave Institute, Glenn Neely is internationally regarded as the premier Wave analyst. He has devoted more than 25 years to mastering Wave theory, stock market predictions, and successful trading. In 1990, Neely published his advanced Wave analysis process in his classic book, Mastering Elliott Wave. In the following decades, Neely continued to evolve Wave theory to make it objective, practical, and consistently accurate. This evolution produced NEOWave technology – a precise, step-by-step assessment of market structure, which results in low-risk, high-profit trading and investing. See for yourself: Subscribe to NEOWave's 2-week Trial Service. Learn more Glenn Neely and NEOWave Trading and Forecasting services at www.NEOWave.com.



The F-4 Trade and Range Bars

By Jim McQuarrie

The Signal Trading system has several different methods and trade setups based on indicators and signals that we take on a daily basis and make wonderful profits with. However, we also trade based on market structure and direction (up,



down, or sideways) not just pure signals. Therefore, recognizing when price action is approaching areas that can affect the market direction is imperative to our trading plan.

Each morning before trading, we assess market structure to gain our bearings by various methods. We examine both higher and smaller time frames to gain the perspective we need to begin looking at our market for trades. Once the market gives us something to trade, we use our smaller time frame chart to look for specific trade signals. One trade that we catch regularly on our smaller time frame is the F-4 trade-- an easy-to-use, highly profitable trade that sets up regularly in break out areas on range bar charts.

To understand the F-4 trade, we must first understand range bars. Range bars were first used in 1995 by Vicente

M. Nicolellis, Jr., when he was trying to find a way to deal with the volatility of the Brazilian Stock Markets. His testing eliminated time and concentrated on price in a vertical axis rather than the horizontal axis used in time and tick charts. Without time in the way, he could concentrate on pure price action.

Each range bar represents a specific price range in the vertical axis, and new bars do not print until that range is covered in the vertical axis. Range bars excel at eliminating market noise during price consolidations and outline patterns more clearly than tick or time charts. The patterns that range bars plot are very unique because the closing price of one bar will always be the opening price of the next, with only a few exceptions such as market down time or fast news-driven events. Using range bar charts with



multiple time frames gives an even better picture of what the market is doing in the short, medium, or long time frame.

We use three charts to get a picture of all time frames on our chosen market. We use a 5 range chart that gives us a small time frame picture to watch for trade signals along with a 45 range chart that plots high time frame and gives us daily support and resistance. Our 15 range chart plots medium time frame and shows strong trends and oscillating markets very clearly-- we use the clear patterns on the 15 range chart to set up trades either in the direction of a strong trend or at area reversals during market oscillations.

The F-4 trade sets up in strong trending markets. When we determine a strong trend on our higher time frame, we look for signals in price bar movements. F4 patterns start with a reversal bar against the strong trend direction, continue for at least four bars, and end in a reversal bar back into the strong trend direction. Often the F4 trade will form as a two-step pattern containing two pullbacks in a row consisting of only three bars each. We set an initial stop two ticks above (for a short) or below (for a long) the bar we enter on, and we move the stop to break even with the close of the bar we entered on when our trade is nine ticks in the profit. Afterwards, our final stop is then trailed by an ATR stop indicator.

Managing the F-4 trade is as easy as recognizing it. We enter the F-4 trade with multiple contracts and manage it by taking partial profits at areas based on market structure areas and higher time frame analysis. We add contracts when the F-4 trade breaks areas and pulls back with another four bar reversal. The resulting

effect of the F-4 trade is a combination of small stops and large profits in huge price runs.

The chart above shows a standard four bar pull back. The trend must have already been confirmed by a higher time frame chart. The F-4 entry sets up on a pullback of at least four bars in duration. The fourth bar or more must have a tail preceding the bar before and reverse back into the trend—such a pullback highlights the previous three bars as a pullback. The pullback can plot as single or double bar reversals.

The chart above shows a type of a F-4 trade called a 2-Step pattern. The setup took six bars to finish and plotted double three reversal bar pullbacks, culminating in a four-or-more bar pattern.

The F-4 trade has tremendous potential if used correctly. The entry trigger for the trade must always be confirmed by higher time frame market structure. The F-4 trade eliminates indicators other than the ATR stop loss and clears the charts dramatically. During our testing period with the F-4 trade, we found that the F-4 trade performs admirably by all standards without any filters in place to view our trading results; but when a time-of-day filter is added, the F-4 pattern peaks during some of the peak London and New York trading hours. The F-4 trade's best times are between 4 a.m. to 7 a.m. eastern standard time and again between 9:30 a.m. and 12:00 p.m. eastern standard time.

Remember, the trend is always your friend!
Jim McQuarrie, a.k.a., JamTheTrader
www.signaltrading.net

Researching Your Markets to Determine Profit Potential



By Gail Mercer

<i>Year</i>	<i>Number of Trading Days</i>	<i>Average Daily Range</i>
2002	252	22.68
2003	252	15.14
2004	253	12.27
2005	252	11.99
2006	251	12.70
2007	254	19.81
2008	254	36.14
2009	252	21.54
2010	55	15.75

In 2008, we saw the collapse of the financial markets, as well as massive unemployment throughout the country. We also saw an influx of new traders. Professionals who had lost their jobs and decided that trading would become their new career. They were drawn to the E-Mini Indices like bees to honey and found success. After all, the markets either go up, down or sideways. If the markets were moving sideways, stay out. Pretty simple or so they thought.

Then in 2009, these same markets

Figure1: Average Daily Range for the E-Mini S&P

<i>Points</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
<i>>25</i>	83	13	2	4	6	65	150	75	5
<i>>30</i>	43	2	0	1	1	37	123	48	1
<i>>50</i>	1	0	0	0	0	6	51	0	0
<i>>75</i>	1	0	0	0	0	0	22	0	0
<i>>100</i>	0	0	0	0	0	0	6	0	0

Figure 2: E-Mini S&P 500 Number of Days Above Twenty-Five Points

constricted in their daily ranges. (The daily range is determined by subtracting the daily low from the daily high.) Traders who had entered the markets in early 2008 and made money were now struggling just to breakeven. Most of the profits these traders realized in 2008 vanished and they were now scrambling to make it in their new profession. Somewhere along the way, they believed they had lost their trading edge. Did they really lose their edge or had the financial collapse changed the market briefly before resuming its original

behavior? In order to understand what happened, we need to compare the average daily ranges before 2008, during 2008 and after 2008.

Figure 1 (below) shows the average daily range from January to December for the years 2002 to present. The average daily range was calculated by totaling the daily movement and dividing by the total number of trading days in the year. See Figure 1.

Comparing the average daily ranges from Figure 1 (above), we can see that the financial crisis that occurred in 2008 dramatically changed the range of the E-mini S&P 500. Prior to 2008 and after 2008, the typical daily range for the E-mini S&P 500 was about fifteen points. During the financial crisis in 2008, the extremely high volatility in the E-mini S&P 500 resulted in an average daily range of more than double the average range for the previous seven years and the following one and a half years.

To understand if this volatility was normal or just short-lived, let's make some simple comparisons. Specifically, we are going to measure the numbers of days, during 2002 to present, when the E-mini S&P 500 moved:

- Greater than twenty-five points
- Greater than thirty points
- Greater than fifty points
- Greater than seventy-five points
- Greater than one hundred points

Reviewing Figure 2 (above), it is evident

<i>Year</i>	<i>Number of Trading Days</i>	<i>Average Daily Range</i>
2002	252	20.68
2003	252	31.12
2004	253	27.70
2005	252	27.70
2006	251	23.85
2007	254	21.27
2008	254	46.97
2009	252	43.15
2010	55	35

Figure 3: Average Daily Range for the Euro currency Future

Points	2002	2003	2004	2005	2006	2007	2008	2009	2010
>25	73	142	161	134	89	69	217	224	43
>30	34	84	117	90	53	35	191	189	37
>50	2	10	23	8	1	3	91	73	4
>75	0	0	0	0	0	0	30	14	0
>100	0	0	0	0	0	0	14	3	0

Figure 4: Euro Number of Days Above Twenty-Five Points

that the E-mini S&P 500 did not generally trade above the twenty-five point threshold. We can see from the chart that volatility started to increase in 2007 and the E-mini S&P 500 began trading above the twenty-five point threshold. Volatility peaked in 2008 and by the end of 2009 volatility had started to decrease again. A more in-depth look into 2007 reveals that out of the sixty-five days that the E-mini S&P 500 did trade above the twenty-five point range, only fourteen days occurred before July 2007. Looking deeper into 2009, we discover that out of the seventy-five days when the E-mini S&P 500 traded above the twenty-five point range, only seventeen occurred after July 2009.

Unfortunately, for new traders entering

the market in 2008, they entered in the midst of the volatility peak. Their trading methodology was designed for high volatility periods. Without adequate research, they were unaware of the typical movements of the E-mini S&P 500. By 2009, when volatility began decreasing, they either had to redesign their trading plan to take less profit per trade and adjust their stops accordingly or move to a new market.

For new traders, venturing into the markets can be scary. When traders move to a new market, they must set new profit targets and stops, as well as learn how a particular market moves, consider which time frames to trade, and more. If we use the approach from above, traders can

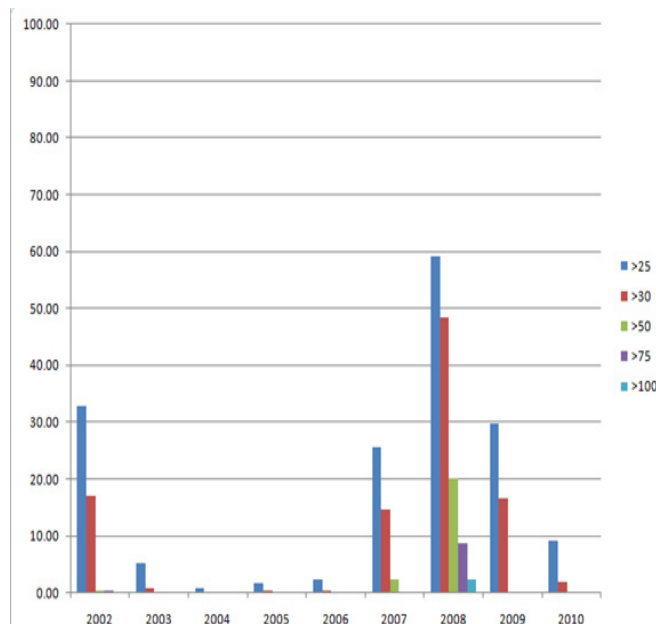


figure 6: E-Mini S&P 500 Percentages

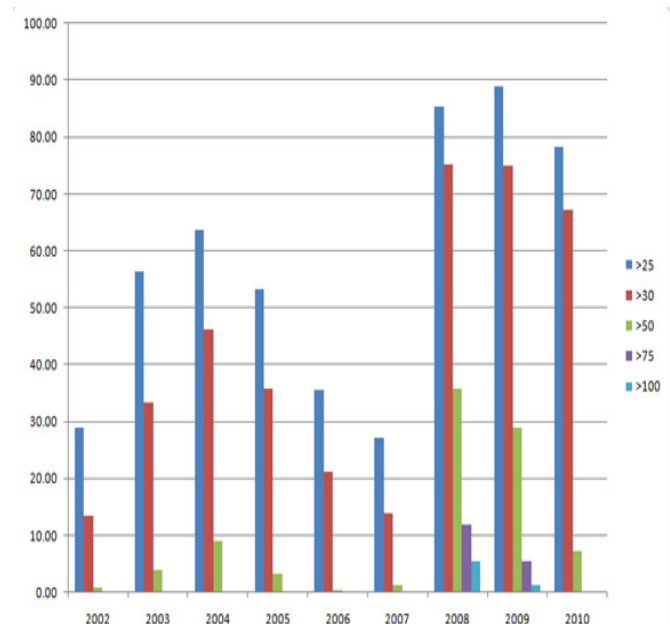


Figure 7: Euro Percentages

determine the average daily range, set reasonable profit targets, and determine where to place stops with just a few simple comparisons. Let's take a quick look at the Euro currency future.

The Euro currency future is traded under the symbols EC or 6E and has the same tick value as the E-mini S&P 500, twelve dollars and fifty cents per tick. A point in the Euro is equal to a movement of one tick. Since most traders are familiar with the E-mini S&P 500 point system and we are comparing the Euro to the E-mini S&P 500, we have calculated the points in the tables below to equate with the E-mini S&P 500 point scale, four ticks per point.

We start by looking at the average daily range for the years 2002 to present. Figure 3 (below) shows that the Euro's volatility doubled in 2008, just like the

E-mini S&P 500. Unlike the E-mini S&P 500, the Euro's volatility has not decreased substantially since 2008. Therefore, if we were to change to the Euro currency future contract, only minor adjustments in our profit targets and stops would be needed.

Now, we can go one step further and compare how many days the Euro traded above the thresholds that we set-up for the E-mini S&P 500 beginning with how many days the Euro traded above the twenty-five point range Figure 4 (below).

Figures 6 and 7 (below) show the actual percentages that each symbol traded above the given thresholds used in the tables above. As you can see, the E-mini S&P 500 has not been able to maintain consistency above the twenty-five point range. However, since 2002, the Euro typically trades above twenty-five points per day. Although the volatility has decreased slightly since 2008, the Euro

has regularly traded above thirty points, sixty percent of the time.

To determine profit targets and stops, I use a simple, yet effective method based on the average daily range. First, I find the average daily range for the last two hundred and fifty-four days then multiply this value by ten percent. I use this figure as my profit target. Then I divide the profit target by two and that determines my stop value. During the last two hundred and fifty-four days, the Euro's average daily range was thirty-eight points. Ten percent of the daily average range is three point eight. To have an even profit target number, I round up to four points. I then divide four by two and set my stop to two points. Using this method ensures a 2:1 reward to risk ratio.

Traders still have the option of staying with the E-mini S&P 500. However, they would need to decrease their expectations. The average daily range for the E-mini S&P 500 in 2008 was about thirty-eight points. Using the calculation from above, a trader could expect to make about four points minimum per trade using a two point stop. The E-mini S&P range for the previous two hundred and fifty-four days is currently only eighteen points. So, a reasonable expectation for profits would be two points per trade with a stop of one point.

Gail Mercer is a professional trader, educator, and founder of TradersHelpDesk.com. TradersHelpDesk.com provides a free live trading room, Monday through Thursday from 8:00 a.m. to Noon EDT. She also conducts three day seminars though out the county for traders of all levels. For more information, please visit www.tradershelpdesk.com or email Gail at gm@tradershelpdesk.com.

SPECIAL REPORT – BIG PICTURE PLANETARY ALERT – MAY 2010

By Norm Winski

We are now entering a new era of major planetary cycles. Over the next several months and to some degree the next few years, several of the outer planets, Pluto, Uranus, Saturn, and Jupiter, will be forming stressful 90 or 180 degree aspects to each other, to form a major "T-Square" configuration. The outer planets are those beyond Mars and represent the longest, slowest, and most powerful planetary cycles.

Please see below the legend for the Astrological symbols and on the next page two Astrological charts which are snap shots of the planets.

Chart A, on the left, is an Astrological snap shot for May 1, 2010. Please note the red lines and arrows which show where the key planets were at the time of



this writing and where they were headed. Please note how the connecting lines form a big red "T" which shows that when these planets arrive at the indicated designation, they will be either 90 or 180 degrees apart. According to Astrological theory, angles, called aspects, that are multiples of 90 degrees are considered some of the most stressful aspects. Now, please see Chart B. This is an Astrological snap shot of the planets 90 days later on August 1, 2010. Please note how the planets have clustered into three groups at 90

Astrological symbols

Planetary symbols

☉	Sun
☾	Moon
☿	Mercury
♀	Venus
♂	Mars
♃	Jupiter
♄	Saturn
♅	Uranus
♆	Neptune
♇	Pluto
♁	Earth

Zodiacal Signs

♈	Aries
♉	Taurus
♊	Gemini
♋	Cancer
♌	Leo
♍	Virgo
♎	Libra
♏	Scorpio
♐	Sagittarius
♑	Capricorn
♒	Aquarius
♓	Pisces

Aspects

♌	Conjunction	—	0 or 360 degrees
✳	Sextile	—	60 or 300 degrees
◻	Square	—	90 or 270 degrees
△	Trine	—	120 or 240 degrees
♐	Opposition	—	180 degrees
✳	Semisextile	—	30 or 330 degrees
∠	Semisquare	—	45 or 225 degrees
✳	Quincunx	—	150 or 210 degrees

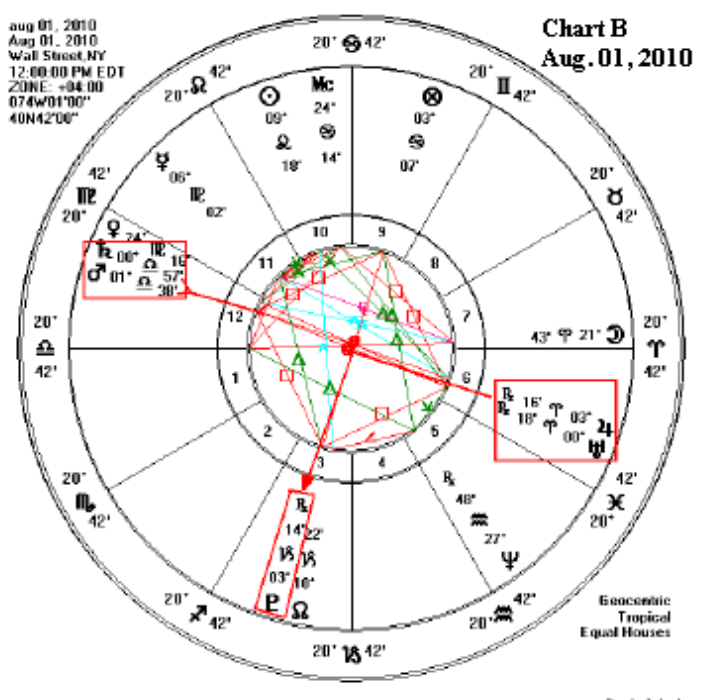
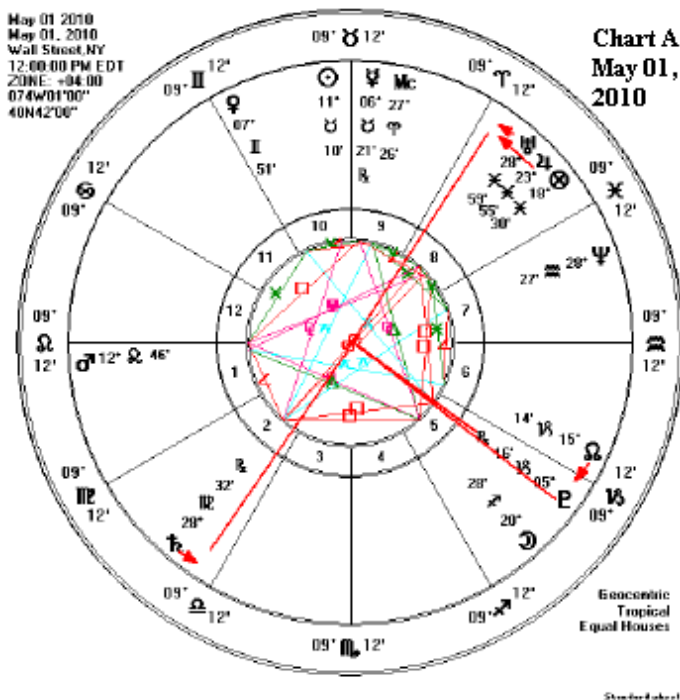
or 180 degree aspects. This is called a T-square and is considered to be one of the most powerful and potentially one of the most stressful and negative planetary configurations. According to Astrological theory, the energy of a T-square usually flows from the top of the T to the bottom of the stem of the T, somewhat like a divining rod. The planet on the stem will usually greatly influence how this energy is vented. To recap, in the 8/01/10 T-square configuration, Mars is conjunct Saturn, both of which are 180 degrees to Jupiter and Uranus; both of these groups are 90 degrees to Pluto, which is on the stem of the T. The only thing I see positive about this is that Jupiter is conjunct (same place) as Uranus, which is a 14 year business cycle peak.

The energy is likely to flow through Pluto in Capricorn, on the stem. This is a very explosive configuration.

Pluto has to do with things underground, drilling, mining, nuclear, or volcanic. Pluto is in Capricorn which is mountains and Coffee. Based on this, during this period,

I expect some major natural disaster, explosions, volcanic eruptions, politically driven terrorism or act of war. Please note that although 8/01/2010 represents a peak energy day of this window, this configuration will be in effect intermittently over many months. During the coming months, I recommend avoiding major population centers, politically sensitive or instable areas, or seismically instable areas. The ramifications for the financial markets, should the negative scenario manifest, could be cataclysmic. Overall, for the economy, this configuration represents massive cross currents in that the Jupiter conjunct Uranus, is usually a very positive economic influence, at least up to its culmination, while the other major aspects are negative. Most of the aspect components of the T will be phasing in and out intermittently over the next several months. Stay Tuned!

Norm Winski 6457 Autumn Woods Blvd., Naples, FL, 34109, 239-594-3939 or e-mail norm@normwinski.com



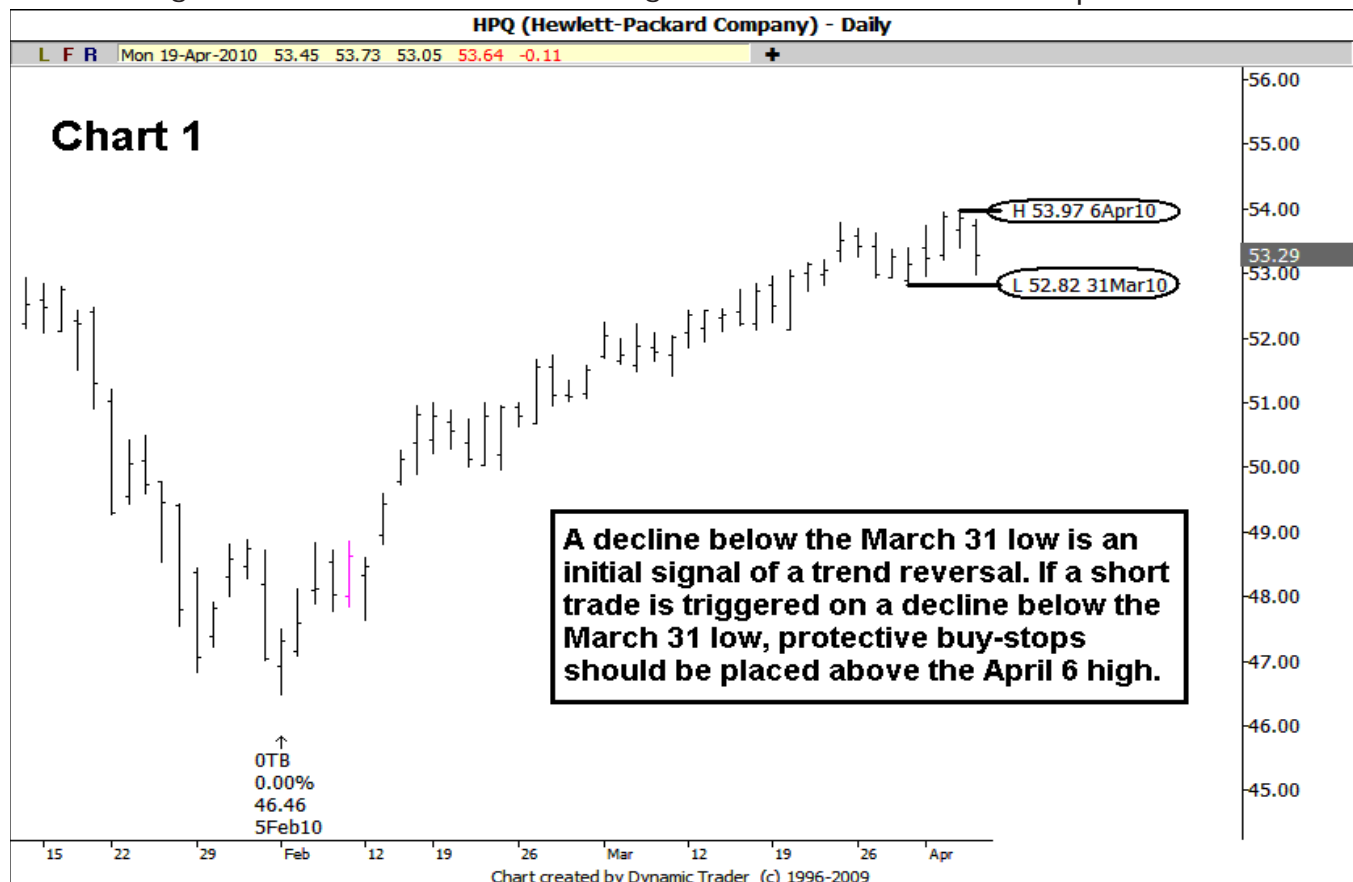
An Objective Entry and Stop-Loss Placement Strategy is Imperative to Money Management

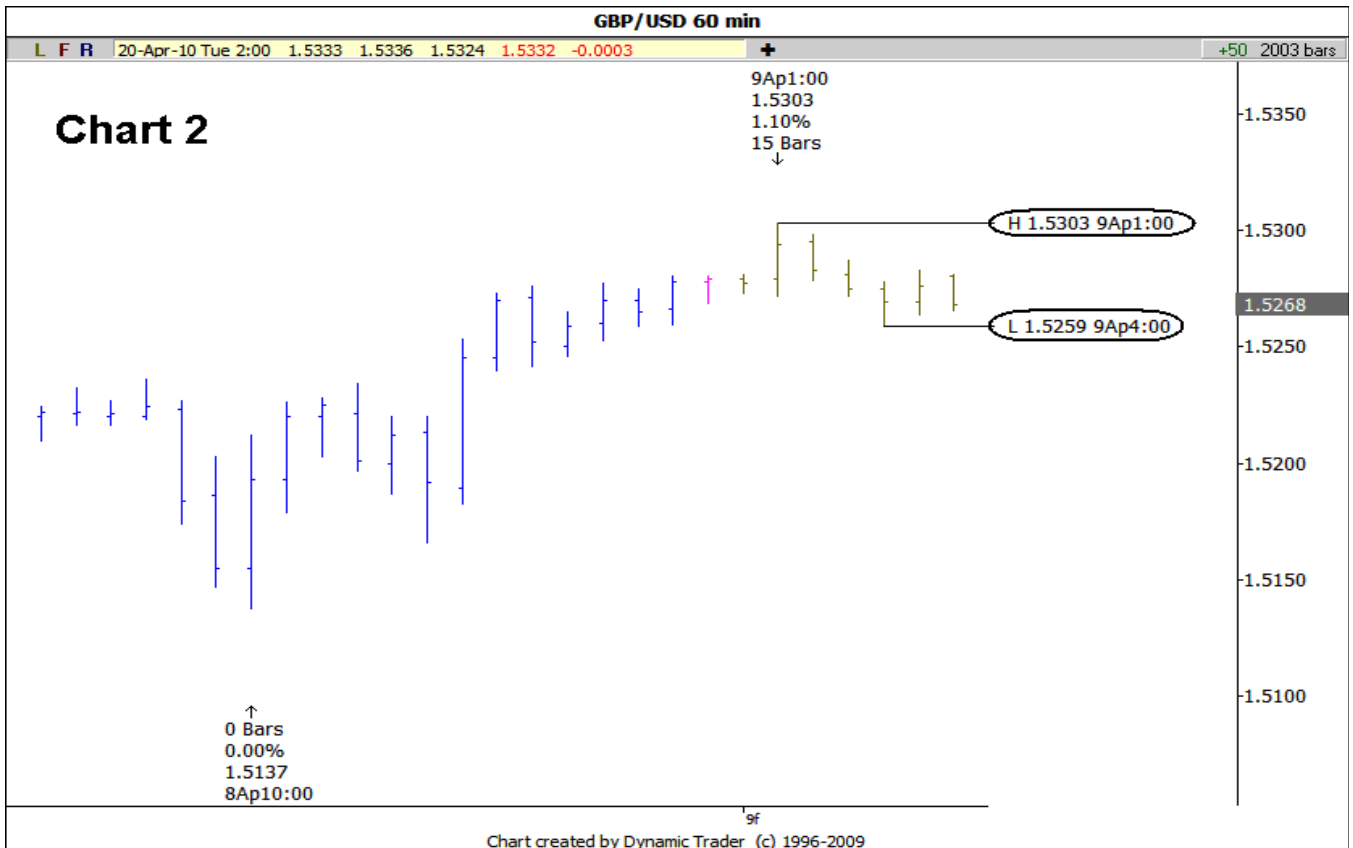
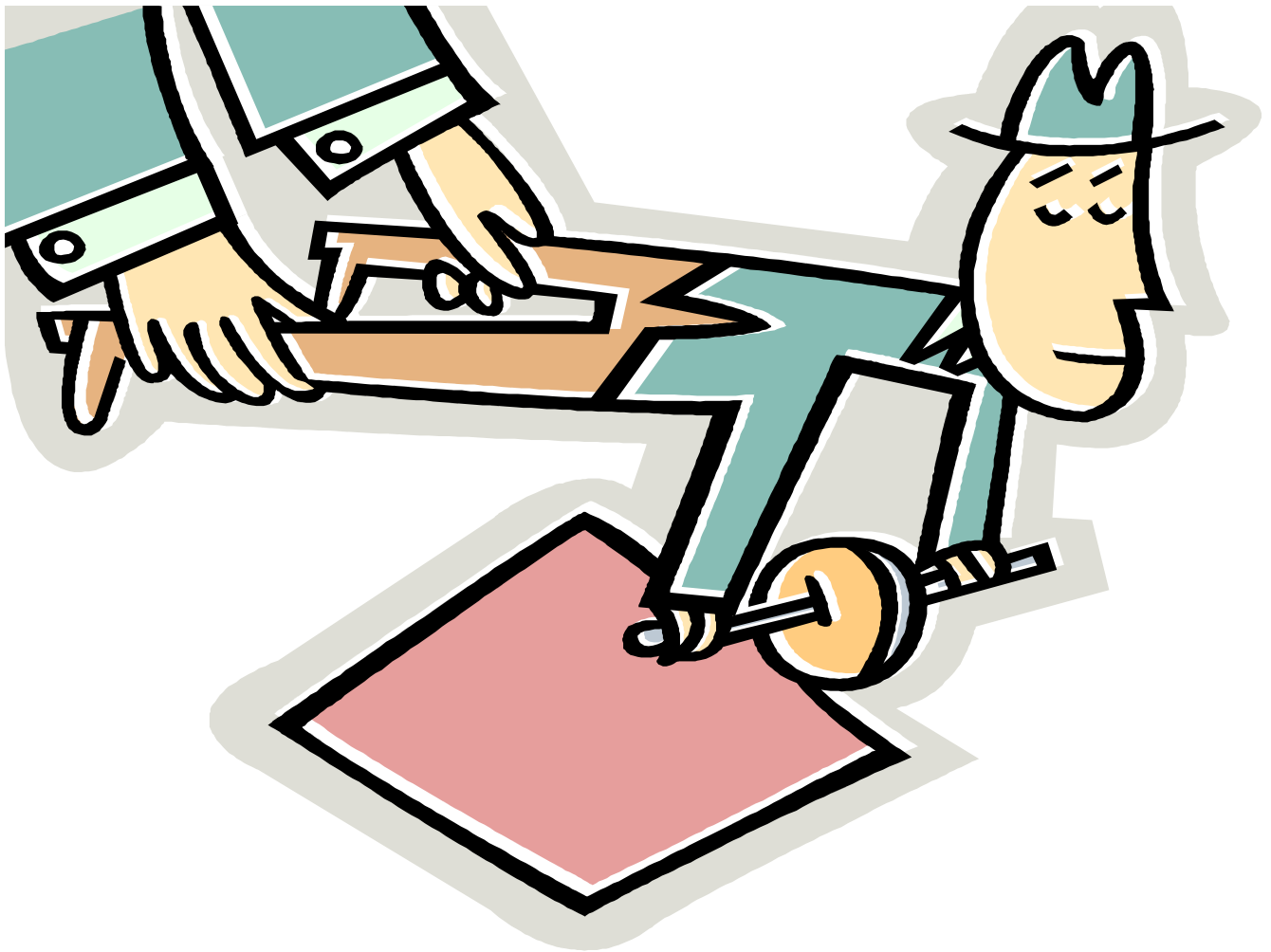
By Jaime Johnson

Dynamic Traders Group

Trading is a business and like any other business. There is probably nothing more important than a money management plan. While there are many different aspects to money management in the business of trading, one of the most important is determining the maximum amount of money that is allowed to be lost for any given trade. This will prevent a devastating loss from a bad trade or string

of bad trades. In order to abide by the "Max Amount of Loss Per Trade" money management rule, regardless of the trade strategy used, the entry strategy and initial stop loss placement strategy must be 100% objective. Once you know the price a trade will be entered and the most extreme price it may be exited for a loss, you will know the risk, the capital exposure and the "Max Amount of Loss Per Trade" rule can be applied. In other words, you will know the maximum price it will cost to





see if your analysis is correct.

A Percentage of Your Account Balance

The best way to decide on a maximum loss for a given trade is to use a % of your account balance depending on the timeframe you trade. For example, if you trade the 60 minute timeframe or below, a good percentage is from 0.5%-2%, daily time frame, 2%-5%, and weekly timeframe, 5%-10%. So if you are 60 minute timeframe trader and you decide that your maximum amount of loss per trade should be 2% of your \$10,000 account balance, your maximum loss per trade will be \$200.

For Whatever Reason a Trade Is Entered, the Strategy Must be Objective

No matter what type of trader you are, no matter what type of analysis you use, no matter what market or time frame you trade, and for whatever reason you decide to take a trade, the trade entry strategy must be 100% objective. For example, taking out a minor swing low may be an initial signal a trend has changed from bullish to bearish. Setting a sell stop to go short on the decline below the minor swing low is an objective trade entry strategy. You will know the exact price the trade will get triggered, if it gets triggered.

Place the Protective Stop-Loss Where Your Analysis is Voided

For whatever the reason you consider entering a trade, the stop loss placement, if a trade is triggered, should be where the reason is voided. Continuing with the above example, if the minor swing low is taken

out, it would be an initial signal the trend is now bearish and the last high should be the top of a bull trend. What would signal the bull trend is not yet complete? A rally above the previously swing high. Place the protective buy-stop above that high. Now you know where the trade will be entered and the initial stop-loss price. You know the risk, also known as capital exposure. You can now apply your "Max Amount of Loss Per Trade" money management rule in order to figure out how many shares, contracts, or lots you are allowed to buy or sell.

Example #1

Let's continue with the above example but apply it to an actual market. Chart 1 is a Hewlett-Packard daily chart. HPQ has been in a solid bull trend since the February low. A decline below the March 31 minor swing low is an initial signal of a potential trend reversal. Before continuing with this example, it is very important to understand this example is for money management sake only, there should be more to support a trend reversal should occur before considering this trade strategy. If a decline below the March 31 low is an initial signal the trend has turned from bullish to bearish, a decline below the March 31 low followed by a rally above the April 6 high would void the assumption that a bull high has been made. So if short trade is considered on a trade below the March 31 low at 52.81, the protective buy-stop should be placed just above the April 6 high at 53.98.

By knowing the potential entry price and the protective buy-stop price, the "Max Loss per Trade" rule can now be applied. First we need to calculate our capital

exposure which is the stop-loss price minus entry price. $53.98 - 52.81 = 1.17$. \$1.17 per share is the capital exposure. The max amount allowed to be lost per trade needs to be divided by the capital exposure. Two percent of a \$10,000 account or \$200 is the maximum amount that is allowed to be lost per trade. $200 / 1.27$ equals 170.94. Round down to 170 shares are allowed to be sold short. If 170 shares are multiplied by the price the shares will be sold short at 52.81, the cost of 170 shares is \$8977.70.

Example #2

A FOREX trader has a \$100,000 account. He trades 60 minute charts and his maximum amount he is allowed to lose per trade is 1% of his account balance which is \$1000. He is trading a full account. Chart 2 is a GBP/USD 60 minute chart. His trade strategy dictates that a rally above the 1.5303 high is a long trade set up and if a trade is triggered, the protective sell-stop should be placed below the 1.5259 low. The capital is 46 pips per lot which is 1.5304-1.5258. With a full account, one pip for the GBP/USD equals \$10. The capital exposure is \$460 per lot (46 X \$10). If the max amount allowed to be lost per trade is \$1000 two lots may be traded ($\$1000 / \$460 = 2.2$).

Gaps

While the FOREX market rarely makes gaps, the stock market very often makes gap opens which can put you in positions with more risk than you want. The best way to deal with this is to not leave an open buy (sell) stop order to enter a trade in the market over night and only place the order following the open in the morning. It is always better to trade high-volume

markets so your fill price is as close as possible to your anticipated entry price.

Money Management Is Imperative

The absolute bottom line is there is no such thing as a successful trade strategy without a money management plan. One of the most important aspects of a money management plan is to have a maximum amount you are allowed to lose for a given trade. In order to abide by this money management plan there must be predetermined entry and stop-loss placement prices and the only way to have these is to have an objective entry strategy and objective initial stop-loss placement strategy.

The "Max Amount of Loss Per Trade" is not the only aspect of a successful money management plan, but it is a critical component that must be a part of any trading plan. To learn more about what is needed to have a successful money management plan as well as a successful trade entry strategy from entry, stop-loss placement adjustments, as well as exit strategies, check out my new NoBSFX trading course at www.nobsfx.com.

Jaime Johnson is the author of the newly released, NoBSFX Trading Workshop. For complete information, go to www.nobsfx.com. For more info on the Dynamic Trader Daily Stock and ETF Reports, Futures Reports, and Forex Reports which Jaime Johnson co-authors, go to www.dynamictraders.com

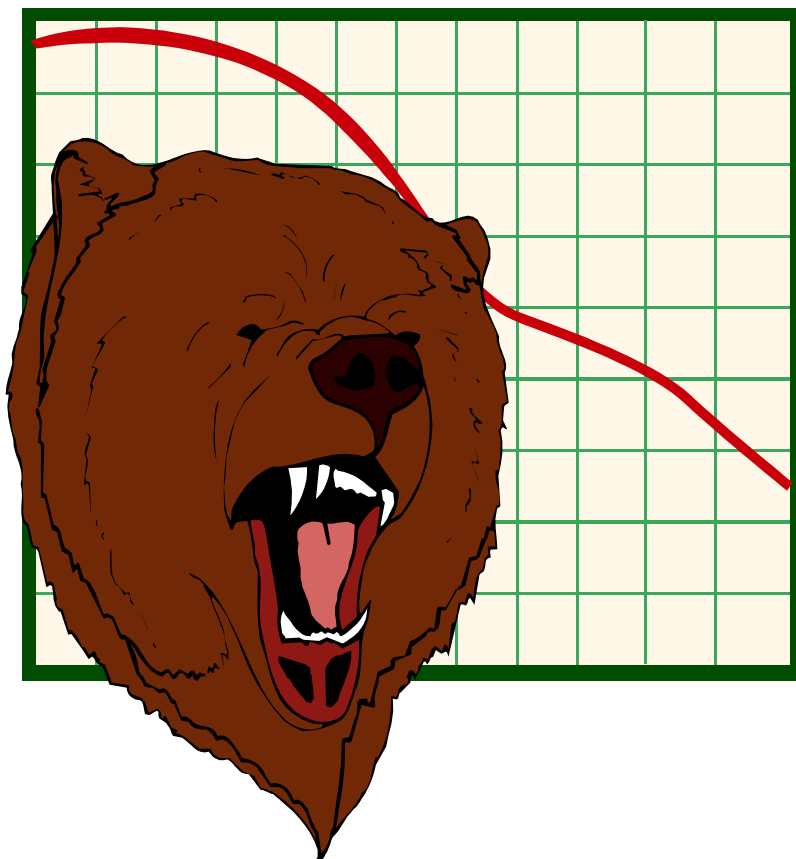
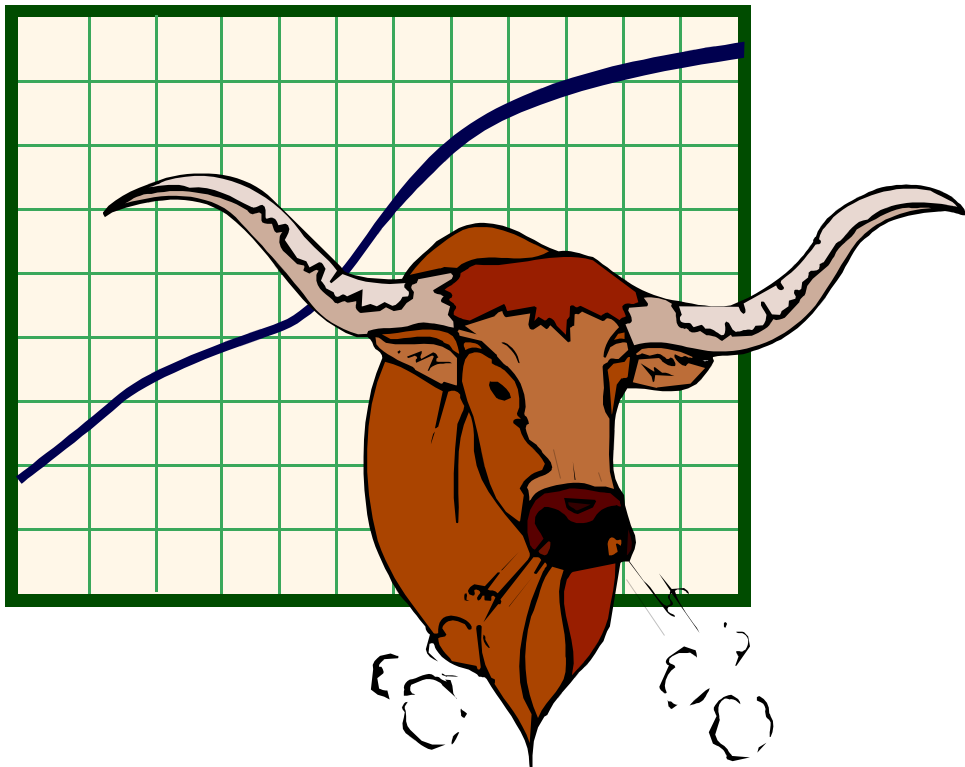
Fractal City and the Recovery Top

By Jim Forte, CMT

Article was written on April 28, 2010

This is an update to two articles I wrote in 2007 and published in Tradersworld. In those articles, I argued that a bear market of at least "Supercycle" degree would soon unfold and carry us to a dramatic bear market low in late 2012 or early 2013. It may be about 17 years from the 2000 top or 13 Fibonacci years from the 2007 top before a new secular bull market begins in earnest.

In an episode of Star Trek, The Next Generation, an alien force takes over the star ship



Enterprise through the ship's virtual reality "holodeck". The alien force needs a substance known as vertiform. Via virtual reality created on the holodeck, a cast of virtual characters on a 19th century train, hijacks the Enterprise to journey to "Vertiform City", rich in the substance it needs. While there is a strengthening view that our recovery is gaining traction, there may be larger, yet not fully understood forces that are in a control of our ship of state. These forces may be understood in both digital and analog.

I've provided a sequence of twelve charts here in PDF form at www.tradersworld.com/

[fractalcharts.pdf](#) I advise that you use the page-up and page-down keys when in the PDF file to scroll back and forth between the time periods to get a good sense of the comparisons. Some charts seek to show fractal comparisons between the market of the 1930's following the 1929 top, and the market action from the 2000 market top to present and looking forward. While history may not repeat itself exactly, I seek to show how significant portions of the market action during our current period at least rhyme.

There may be harmonic forces at play bigger than the levers of fiat currency governments. As Egon Von Greyerz of Matterhorn Asset Mgmt. says, "Sovereign Alchemy Will Fail". With the U.S. Dollar estimated to be leveraged as high as 100 to 1, the attempt at reflation faces overwhelming odds. The current reflation attempt in the short and intermediate run however, is likely to continue to drive gold higher and perhaps even the equity market, should sufficient liquidity continue to be provided. If the coordinated efforts of central governments can manage to produce or at least sustain yet another apparent boom in asset prices, it will be done through the defacto default of fiat currency inflation. So if this time it appears to be different, it will be defacto the same, i.e. wealth destruction after a massive asset bubble.

What can lend itself technically to a much more bullish stock market case are the point and figure counts taken from the inverse head and shoulders pattern extending from October 2008 out to July-September of 2009. The most conservative count that remains valid runs to 1240 on the SPX and correlates to 11,495 on the

Dow. This is pretty much in line with our Elliott and Fibonacci work.

There are however, much larger counts to support even the most bullish of outlooks. As point and figure count aficionados know, all phases of the count do not have to be realized. It is often said that you should "let the count work itself out", however in this case, there is a significant cluster of overhead resistance points that correspond to this more conservative P&F count. The additional phases of this trading range, depending on where you start the count upward, project to a multitude of higher targets on the Dow to anywhere from 11,735 all the way up to 22,620 at the very extreme. (I did these Dow calculations basis a multiple of the P&F count on the SPX.) We cannot completely dismiss these higher possibilities, but I would reiterate that this can only be achieved in an environment of continued currency debasement. This path would ultimately lead to a most dramatic bust of our financial and economic system.

The work of the great demographer, futurist and stock market guru Harry Dent lends itself to our bearish scenario. By combining demographic trend studies with waves of technology innovation and development, Harry forecasted the great stock market boom of the 1990's and 2000's and had long predicted that this great boom would bust somewhere in the 2008-2009 time frame. In his latest book "The Great Depression Ahead", Harry forecasts a great multi-year bear market as Baby Boomers downsize both their production and consumption, and as the growth and productivity benefits of the technological revolution mature. He also provides safe haven investment suggestions and



points to various opportunities in this environment.

While the behavior of Obama's administration is being compared to that of F.D.R., and that his big government policies are likely to lead to recovery as did Roosevelt's, it must be pointed out that Roosevelt came into power after much of the deflation and wealth destruction had occurred, while Obama came into power in the very early stages of this financial debacle. The quick and adept response to the crisis from both the Bush and Obama administrations has forestalled the larger necessary unwinding of the bubble, something that Japan has managed over many years and which continues. Japan in 1989 and the United States following the "Roaring Twenties" were major creditor nations. The opposite is true of the U.S. in this cycle, which will make it much harder if not impossible to spend our way to recovery. Add to this the massive unfunded entitlements looming and the difficulty of getting our international creditors to continue this arrangement.

Real estate has stabilized and retail has performed far better than has been widely expected. What is not discussed on the

TV network of the composite operator is how this is being sustained. In an effort to support housing prices and not flood the market with inventory, the Obama administration has somehow facilitated an arrangement whereby mortgage payments are allowed to go unpaid and those funds are making their way into the retail sector. As a result, there is a huge shadow inventory of homes in default and retail stocks are performing strongly. Is this a prescription for a sustained real recovery? In an average cycle downturn, Keynesian spending can buoy the economy until natural growth patterns lift you out. This reckoning however is profoundly secular. Near the end of the 1970's bear market, there were magazines declaring the "death of equities". So far on Wall Street this time around, it's still pretty much business as usual. I find it hard to believe that a new real bull market can begin without the usual prerequisite secular despondency.

While the scenario of a renewed bear market and deflation is a gravely unpleasant proposition, it will most severely impact those that leveraged up and lived beyond their means. The alternative scenario of defacto default thru currency debasement and inflation will most severely impact those who saved and chose to live within their means. The journey must be completed. It's just a matter of how we get there. Let us hope, as I referenced in my article written in 2007 prior to the crash, that we can work through this without descending into Thunderdome.

Jim Forte, CMT, JimForte@pacbell.net

Chicago Wheat Futures and W. D. Gann's Natural Squares

By Ken Gerber

One of the questions I often get about Lambert-Gann Educators' Natural Squares Calculator is how to determine what angle to use for resistance and support in a particular market.

The answer to that question is always the same – one must study the current market to determine what angle is working for both price and time support and

resistance. Working through three or four turning points should give us an indication of the current market rhythm.

The current Chicago July Wheat market is a classic example of a market that is following a very identifiable pattern both in time and price movement. The recognition of that pattern, and the anticipation of the next movement to come gives one a tremendous edge in finding great trade entry and exit points.



The chart shown is the July 2009 Wheat futures until expiration followed the next day by the July 2010 Wheat futures – thus the large gap between the close on July 14 at 516 and the open on July 15 at 595. This is how W D Gann kept his continuous commodity charts and the same methodology has proven to be correct in the current markets also.

The basic square root math of the Natural Squares is as follows

- (Sq Rt High plus or minus .5) squared = 90 degrees movement
- (Sq Rt High plus or minus 1) squared = 180 degrees movement
- (Sq Rt High plus or minus 1.5) squared = 270 degrees movement
- (Sq Rt High plus or minus 2) squared = 360 degrees movement
- (Sq Rt High plus or minus 2.5) squared = 450 degrees movement
- (Sq Rt High plus or minus 3) squared = 540 degrees movement
- (Sq Rt High plus or minus 3.5) squared = 630 degrees movement
- (Sq Rt High plus or minus 4) squared = 720 degrees movement

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The high on the chart is on June 1, 2009 at the price of 677. The low on July 7, 2009 is 484. The market then moved back up to 627 on August 3.

The price relationship between those three prices is as follows.

Sq Rt 677 = 26.02 - 4 = 22.02 Sq = 485
or 720 degrees movement

Sq Rt 484 = 22 = 3 = 25 Sq = 625 or 540 degrees movement.

The time relationship between those three prices is as follows.

June 1 to July 7 = 36 degrees in time

June 1 to August 3 = 61 degrees in time

To analyze time forward from Aug 3, the dates to watch for a change in trend are in 30 degree increments from each other. Those dates would be as follows:

Sept 2 - 90 degrees

Oct 3 - 120 degrees

Nov 2 - 150 degrees

Dec 2 180 degrees

To analyze price forward from Aug 3, the prices to watch for a change in trend are in 90 degree increments from each other. The prices in 90 degree increments between the top of 677 and 484 are as follows:

Sq Rt 677 = 26.02 - .5 = 25.52 Sq = 651
= 90 degrees

Sq Rt 677 = 26.02 - 1 = 25.02 Sq = 626
= 180 degrees

Sq Rt 677 = 26.02 - 1.5 = 24.52 Sq = 601
= 270 degrees

Sq Rt 677 = 26.02 - 2 = 24.02 Sq = 577

= 360 degrees

Sq Rt 677 = 26.02 - 2.5 = 23.52 Sq = 553
= 450 degrees

Sq Rt 677 = 26.02 - 3 = 23.02 Sq = 530
= 540 degrees

Sq Rt 677 = 26.02 - 3.5 = 22.52 Sq = 507
= 630 degrees

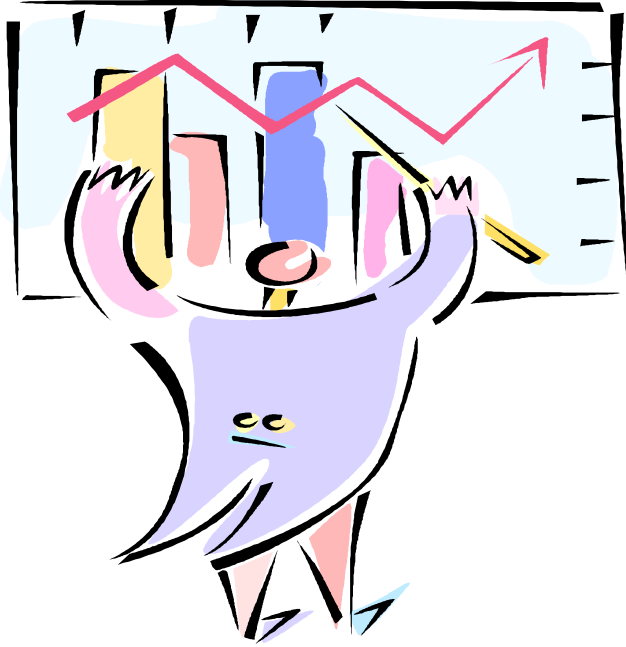
Sq Rt 677 = 26.02 - 4 = 22.02 Sq = 485
= 720 degrees

You can see from the chart that around Sept 2 the market went into another leg down showing no recognition of the 90 degree date. However the 120 degree date of Oct 3 would have given an astute Natural Squares trader an excellent place to capture short profits on the leg down and be prepared to enter the market long. Not only did the market touch the 720 degree angle price of 485 on Friday October 2, it touched there again on Monday Oct 5 before a dramatic uptrend began.

It is obvious from my research into W D Gann's original charts and writings that he used this methodology in conjunction with a forecast to determine which of the projected turning points in time would be the most likely for a change in trend. He would then use geometric angles to prove the trend change before trading the new trend.

Ken Gerber is a full-time trader who researches and teaches W D Gann's forecasting, trading, and advanced Natural Squares Calculator lessons for Lambert-Gann Publishing Co of Pomeroy, Washington. Ken and Nikki Jones also produced the Natural Squares Calculator, which was patterned after an original Gann square of nine. (www.wdgann.com)

Reconciling the Price and Volume Disconnect



By L.A. Little

The price action in the market for the majority of the past year has defied many technicians who use various measures of volume to predict direction. As prices moved higher and higher on the broad market indexes such as the S&P 500 and the NASDAQ, volume failed to confirm the moves.

Many traders predicted the end of the uptrend from March '09 numerous times; all to no avail as the market continued to walk the tightrope to higher and higher elevations. In fact, higher prices on less and less volume became such a regular feature of the market that many traders and pundits have begun to question the value of volume analysis altogether.

As a technician and a firm believer in volume

analysis, it is important to understand how prices can move higher with fewer buyers. Isn't a prerequisite for higher prices more buyers? Well, not really and that is where the misconceptions begin.

Higher Prices – Less Volume

Figure 1 depicts the S&P 500 SPDR ETF (SPY) which is a broad measure of the New York Stock Exchange (NYSE). Starting in April and at each subsequent swing point since then, volume has failed to confirm trend on the upside yet the market continued to march higher.

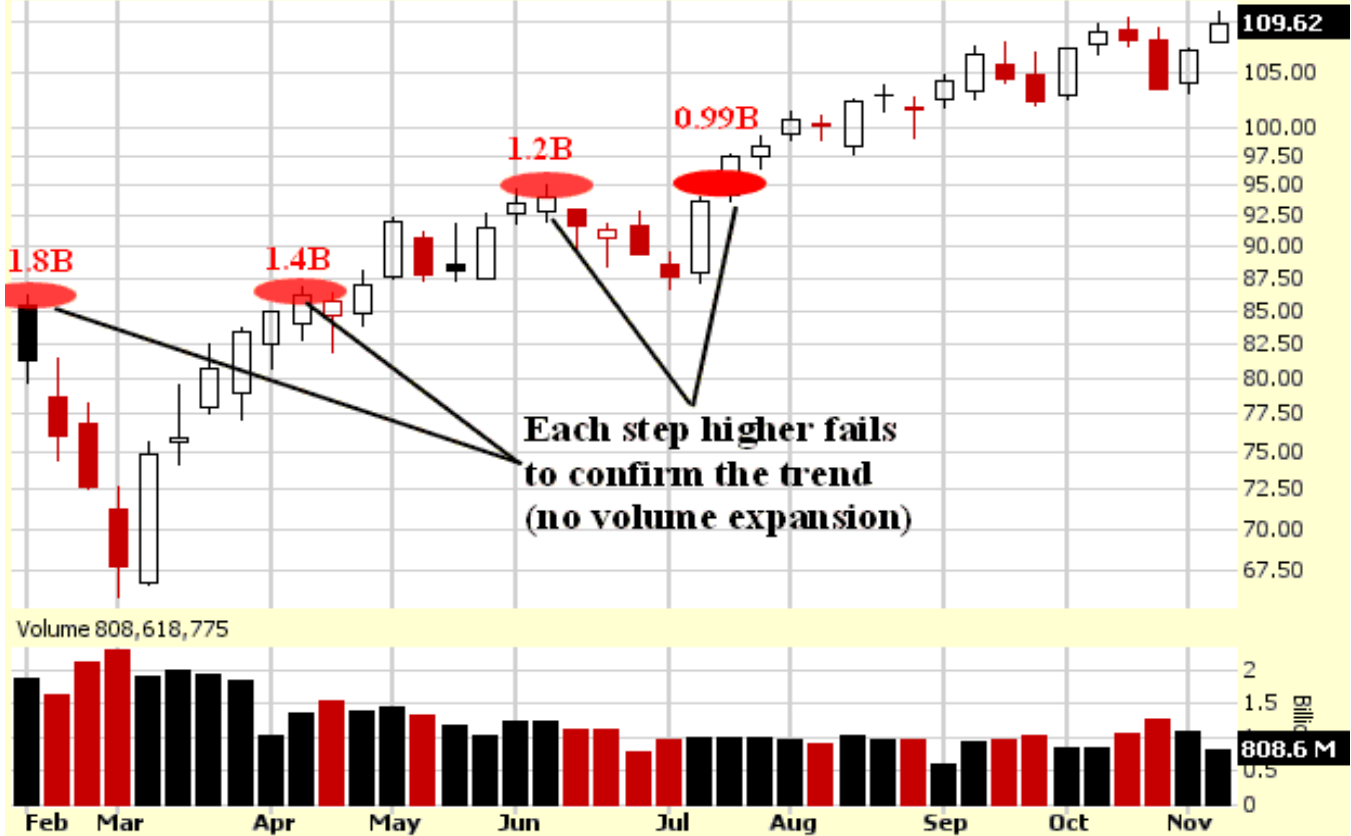
See Figure 1 - SPDR S&P 500 ETF (SPY)

How can prices work higher with less volume? Logically, when you think of higher prices you think of a greater number of buyers than sellers – but that is not the same thing as an expanding number of buyers. This is a very important distinction and is at the heart of how prices can consistently rise on less volume. Eventually, it becomes an issue, as we shall see, but it can persist for a very long period of time.

Higher Prices, Fewer Buyers!

When there are an equal number of buyers versus sellers, price is approximately equal – it doesn't move up or down. In economic terms, there is equilibrium. A simple visual showing an equal number of buyers and sellers and the willingness of buyers to buy and sellers to sell is exactly the same

SPY SPDR S&P 500 ETF 109.62 0.59 0.54%
 D: 11/09/2009 O:107.95 H:110.82 L:107.87 C:109.62 R:2.95 Y:1,032,607,966.3421

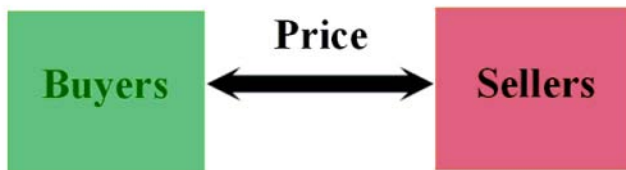


See Figure 1 - SPDR S&P 500 ETF (SPY)

implies equality. The result is that price doesn't increase or decrease.

More Buyers - Same Amount of Sellers

Equal Number of Buyers and Sellers



Conceptually, most of us think that higher prices are the result of more buyers than sellers. Visually, that would look something like this.

In a similar vein, if prices decrease, the conceptual picture of the marketplace is the opposite of the above; namely that there is an increase in the number of sellers as compared to the number of buyers.

More Sellers - Same Amount of Buyers



These two mental pictures are typically true over longer periods of time. It is usually the case that prices go up because there are a greater number of buyers as compared to sellers. Conversely, price declines are typically the result in a greater number of sellers as compared to buyers. That is what Economics 101 teaches us!

There is, however, another explanation as to why prices rise. It is an explanation that most market participants do not consciously consider even though it is just as real as the two cases previously presented.

Consider the following visual. Here you can see that it is quite possible for prices to move higher with the same number of buyers – if there are even fewer sellers.

Fewer Sellers - Same Amount of Buyers



I would argue that this is in fact what has been witnessed for the past year as prices have increased - fewer sellers with a roughly equal number of buyers. The result is higher prices and equal or less volume on average. In fact, in many cases, the total volume crossing the tape suggests that it is even worse than this. What we have and continue to witness is not an equal number of buyers, but a shrinking pool of buyers. Prices continue to rise though because the number of sellers has shrunk at an even faster pace.

For completeness, here is the alternate case where prices decline and volume contracts as well. As you can see, it's not because there are more sellers – just fewer buyers.

Fewer Buyers - Same Amount of Sellers



Consequences of a Suspect Price Advance

Assuming the above is the answer to the riddle of how prices can continue to increase with less volume, what does it mean to you? First and foremost, it gives you the context to understand why volume is important when you are considering trend. If an uptrend is not confirmed by



an expansion in volume, then what you really have is the same number of buyers or, worse, fewer buyers. The reason price rises is because there are even fewer sellers on this time frame. Eventually price appreciation will create more sellers, but until the number of sellers increase, then fewer sellers means high prices if the buyers pool doesn't decrease by as much!

The same is true of a downtrend where volume does not expand. In that case you have the same number of sellers (or possibly fewer) but even less buyers.

The importance to a trader is that, once you realize that the market is printing higher prices without volume confirmation, then you truly are at a greater risk of the trend reversing and doing so both quickly and violently once it occurs. That doesn't mean that you sell short the market assuming it the worst could happen at any moment nor does it mean that you should or must sell any long holdings you have. What it does mean is that you need to be cognizant of the fact that eventually the pool of sellers will materialize and when they do, you need to move relatively fast to protect

your financial well being.

The same is true of a downtrend. It doesn't provide you with a timetable as to when it will occur, just that it almost certainly will. If you understand this as a real possibility, then you can take precautions so that you may avoid the pain of future events.

In the case of the broad markets as represented by the SPY ETF in this particular example, this uptrend is suspect and has been since April. Lately price pressures have begun to surface and the market has stumbled, but the damage is relatively minor so far. I would not be surprised to see the market continue higher again at some point with less and less buyers once more. There will come a time, however, when the market does finally correct and in a larger way. When that happens, it will be a long trip back from whence it came. There are fundamental reasons for price appreciation - otherwise it would not occur. Over the long haul, prices do reflect the actual and potential earnings of the companies listed on the exchange. In the short run though, there are no guarantees and prices can become quite skewed. In this market environment with low volume rallies, you have to remain careful and protective of your long exposure through tighter stops protective put insurance, or higher levels of cash. Eventually a serious correction will unfold and when it does, you should have plan B ready to stay ahead of the ever challenging market environment.

*L.A. Little, Technical Analysis Today,
www.tatoday.com
Phone 303-912-9110.*

The Jehovah Cycle in W.D. Gann's "The Tunnel thru the Air"



By Olga Morales

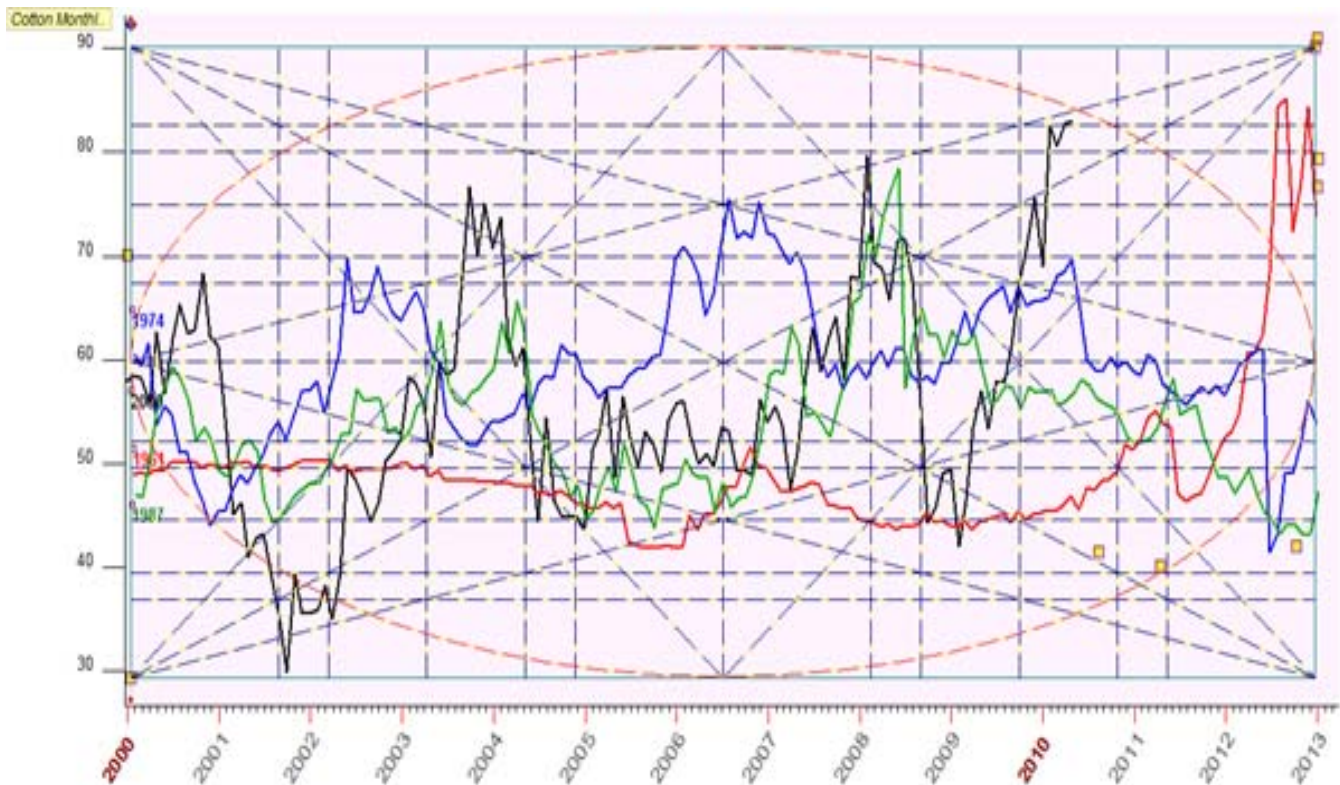


In January 2005, I was asked by a group of traders if I'd teach them Astrology so that they could decipher the coded cycles in W.D.

Gann's novel "The Tunnel Thru the Air." I was totally intrigued at the prospect of using my astrological forensic

skills, as I call them, to decode a novel left behind as a legacy for those who were prepared to knock and seek. Since that fateful day, my life and certainly the direction of my study, research and work has never been the same.

The first reading of TTTA was quick and one-dimensional. The second time, I started casting astrological charts for all



the important events in the life of the main character Robert Gordon, subsequently; I have a huge lever file full of charts and analysis. First question I asked myself, "Why was the main character Robert Gordon born on the 9th June 1906 exactly 26 years before the extreme low in cotton June 9 1932? Just a coincidence, some may say, I think not. Gann planned his novel with ingenious clues surreptitiously woven for the future seekers to unravel. Gann wrote in 'The Magic Word' that JEHOVAH was the magic word. In alpha-numeric Kabbalistic Hebrew, JEHOVAH was written IHVH $10+5+6+5 = 26$.

In 1919, Robert Gordon was involved in a car accident and spent several weeks in hospital and in the spring of 1920, contracted Malaria. 1906-1919 is 13 years, half the Jehovah cycle. Why are these details important? If you look back, in 1919 and 1920 Cotton advanced to a

high 43.75 cents a pound. The more you explore the dates of events in Robert Gordon's life, the more you come to realise that Gann was actually teaching you a swing cycle in Cotton.

"Cotton works out remarkably accurate on the 13 year cycle because around 13 years there is an extremely large, or an extremely short crop. This causes extreme fluctuations in Cotton. Go back over the past records of prices and you will see how extremes have occurred 13 years apart,"

W.D. Gann Master Commodities Course pg 225

I have a very special hand drawn chart by Gann called 13 years Cotton and Wheat Cycles. On it he began plotting a composite of monthly data starting from 1844, overlapping 13 year periods, so next were years 1857, 1870, 1883, 1896, 1909, 1922, 1935 with 1944 as the final start of the 13 year period finishing in 1960. In the

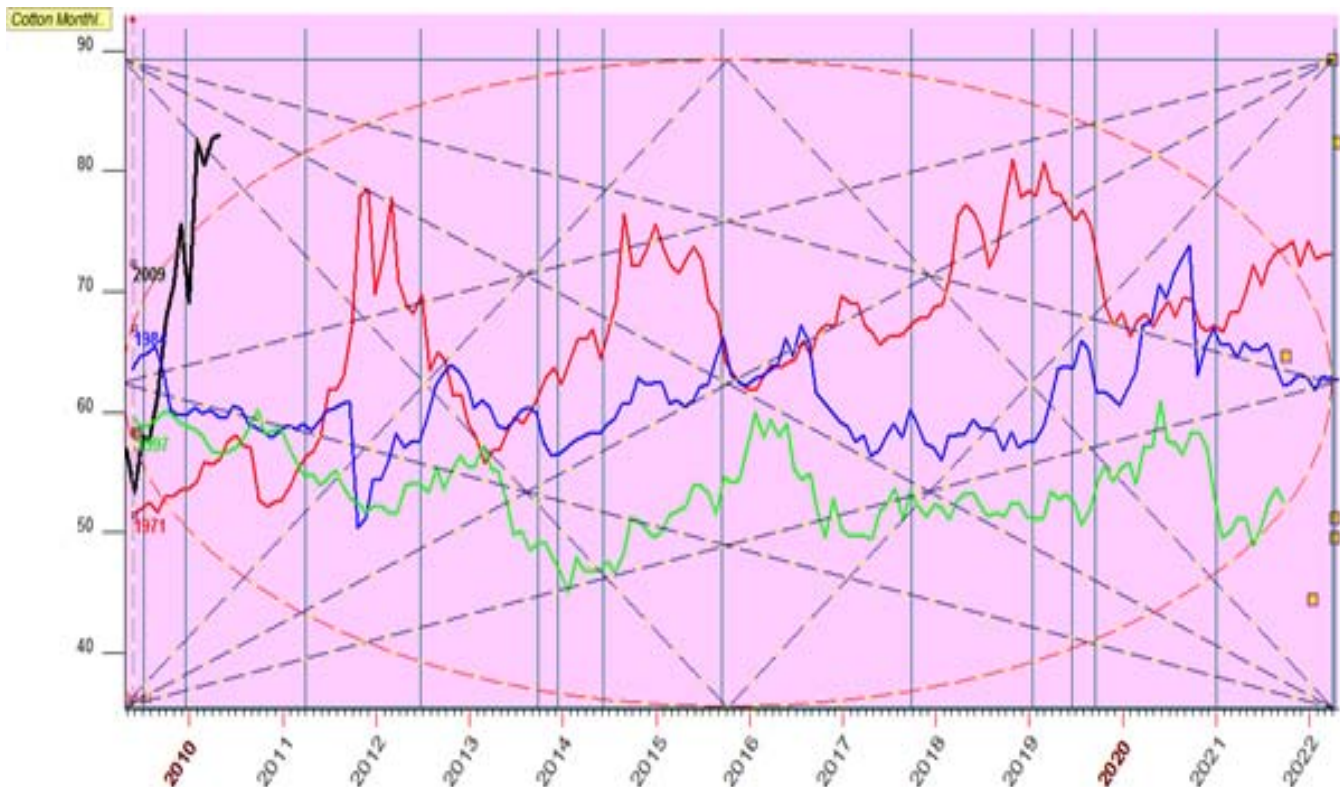


chart 1, I have continued with the same pattern, overlapping 4 x 13 year periods with the current Cotton data I had starting in 1961, 1974, 1987 and 2000. The Black price line is current from 2000 to complete in 2013.

Using Gann's harmonics, I have divided the 13 year cycle by 1/8th, 1/4th and 1/6th, astrologers know these divisions as the 8th, 4th and 6th harmonics, that is a semi-square (45 degrees), a square (90 degrees) and a sextile (60 degrees), respectively.

In terms of Time, dividing a 13 year cycle by 8 equals 1.625 years; by 6 equals 2.166 years and by 4 equals 3.25 years. We know that 13 and 8 are part of the Fibonacci series, like the thirteen-note chromatic musical scale of eight whole tone white keys and five black keys of sharps and flats. You can clearly see where the overlapping trends are synchronized and also the significant swings at the most important harmonic vibrations.

Wanting to uncover the planetary cycles, I took my analysis a little further asking myself why Gann started his 13 year composite in 1844. Casting a chart for the 1st Jan 1844, you'll discover that Geocentric Jupiter and Neptune were making a wide conjunction in Aquarius. The Jupiter Neptune synodic cycle is an average of 12.81 years, slightly short of exactly 13 years.

In chart 2, I have modified the composite starting exactly on the day of the past Jupiter Neptune conjunctions: that is, 1st Feb 1971, 19th Jan 1984, 9th Jan 1997 and 27th May 2009. I have again divided the cycle by the 8th Harmonic, that is, each time their planetary separation is an increment of 45 degrees shown by the

vertical lines. This 45 degree increment is approximately 1.6 years or 19.2 months apart. The green cycle starting in 1997 and the blue Cycle of 1984 show a very similar pattern, looking more closely, both conjunctions were in the sign of Capricorn.

Interestingly, the recent conjunctions of Jupiter and Neptune in 2009, were in the sign of Aquarius, the exact same sign where Gann started his composite in 1844, some 165 years ago, being a complete square of their synodic cycle 12.81 x 12.81.

Looking forward, if cotton follows the same pattern, long term we should see an overall decline into their waxing semi-square into March 2011, followed by a run up into their Sextile on the 9th June 2011, then major lows in Sept 2013 when they are 135 degrees apart.

Olga Morales, professional astrologer and Gann trader, has developed an independent online study course, specifically designed to teach basic to more advanced astrological techniques. The courses follow an easy step-by-step format with audio/visual tutorials produced on DVD. In the comfort of your own home, you will now have access to progressive, comprehensive and practical tools to short-cut your learning and enhance your trading. These courses are designed specifically for those interested in Gann Trading and Financial Astrology

For more information go to:

<http://www.astrologyforganntraders.com.au/>

Part of Fortune Fact or Fiction

By Rob Giordano



Can the Part of Fortune play an important part in timing a winning trade?

In the past, several researchers such as Joyce Wehrman and Jack Gillen held a special place for the Part of Fortune within their unique astrological research. According to each this "Hot" zodiac location would herald a lucky time within a persons life if they new how to locate it. They also felt the most powerful and luckiest time in a persons life was when they would have Jupiter conjunct their Part of fortune...A very rare event only transpiring about once every 12 years.

Now, for me I've been trying to test

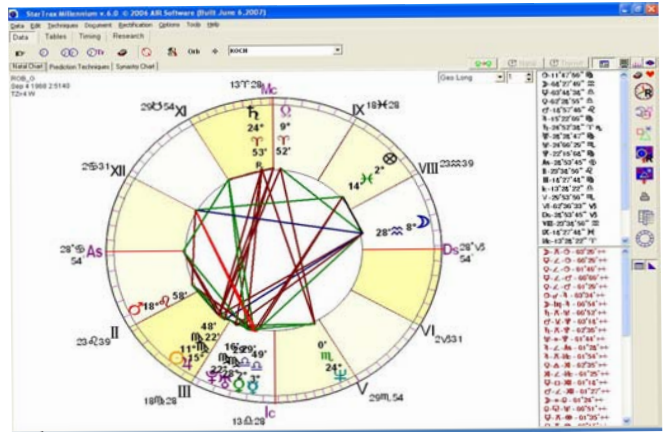


Chart1

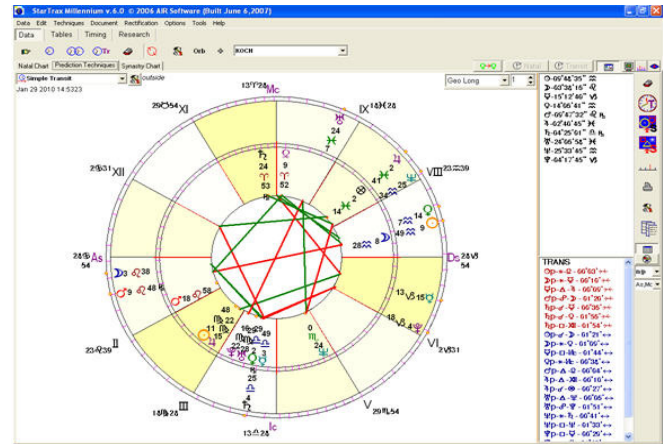


Chart2

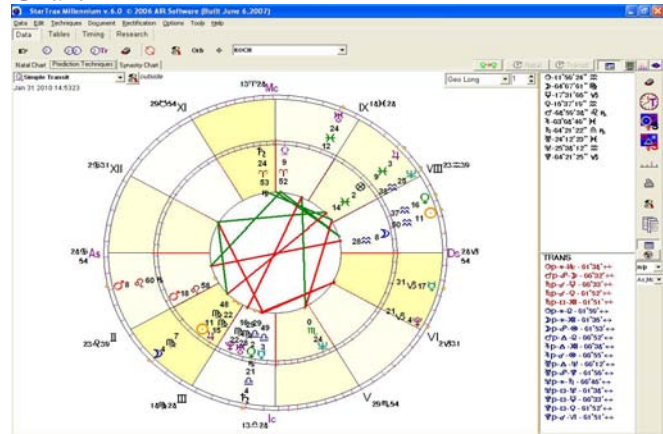


Chart3

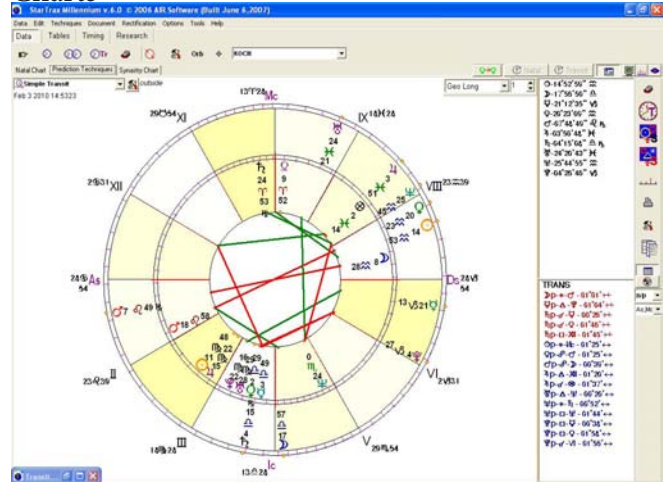


Chart4

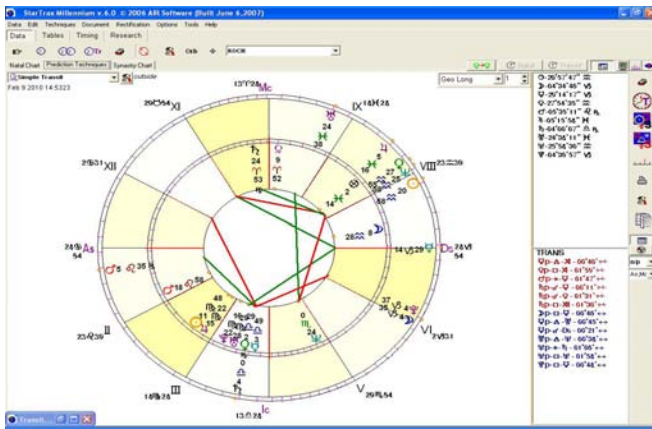


Chart5

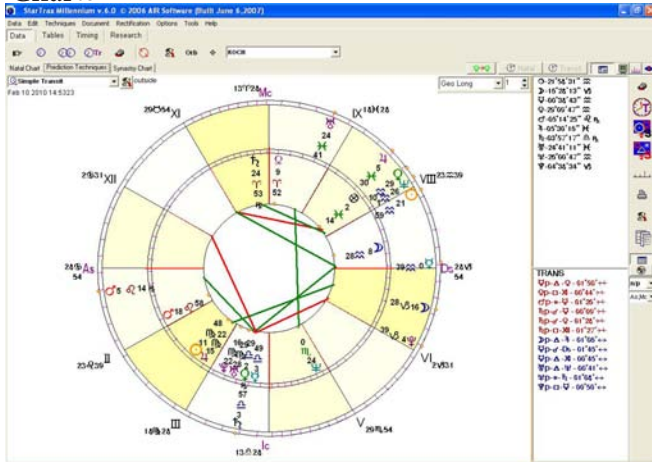


Chart6

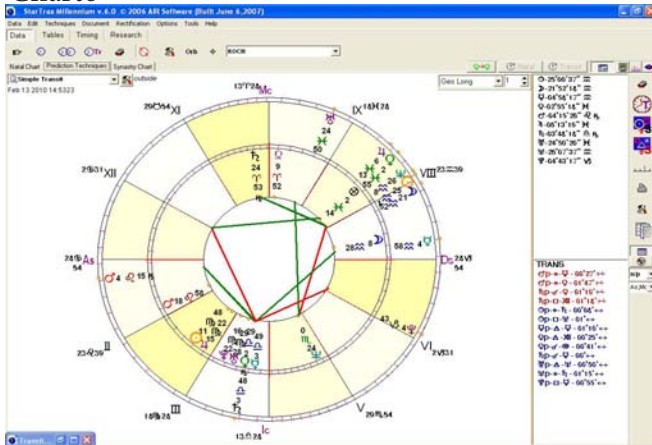


Chart7

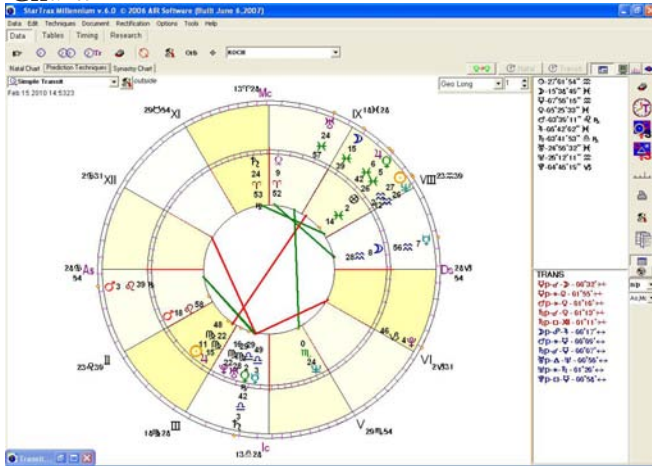


Chart8

many "Hot" zodiac degree for myself over several years with somewhat interesting and were the basis of my GGU software. My overall quest on the subject was to try to figure out if the Part of Fortune or any other hot astrological aspect would indeed produce better odds at winning...be it Trading, Horse racing or Casino gambling. Could there actually be a golden key to winning at speculative events?

I finally think I found my answer!

My "Lucky Time" over the past few months was an aspect of Jupiter conjunct my Part of Fortune which took place from Jan 26- Mid Feb 2010 ...Again this aspect only happens once every 12 years and I was finally going to get my chance to test this theory first hand!

During this period I also started testing several new astrological and mathematical cycle system based on the NY pick 3, Pick 4 casino games, horse race betting as well as incorporating several new astronomical timing methods to my software I wanted to get to the bottom of this elusive aspect once and for all.

As the aspect approached I wanted to use a 2 degree orb before and after its exact conjunction for my research as I wanted to know just when if at any time the aspect would show more promise than others.

Within the first 2 degree orb I found absolutely nothing different at my trading casino or racetrack play as I had several small hits but nothing different than most other times. I also had no wins at the pick 3 or 4 draws at all....However a new set of research tools were beginning to emerge and will be featured by us shortly in a new line of software.

However it wasn't until Jupiter was

within a quarter degree orb from an exact conjunction that my plays begin to see something very odd.....It was at this time I continuously hit the pick 3 lottery draw 6 times in 14 days!A ratio that's more or less astronomical by most lottery betters views.....I WAS HOT IF NOT ON FIRE WITH THE PICK 3!

This can also be confirmed first hand as within my Gann Grids Ultra study group several picks were put down in print days before their actual draws and hits.....This started in late January 2010 if you are interested in looking up the posts...

Log on to: <http://finance.groups.yahoo.com/group/PivotPointResearchInc>

The following chart is my personal natal chart showing my "Part of Fortune" to be located at 2 Pisces 14 Min in my 8th house...

See Chart 1. For more detailed charts go to www.tradersworld.com/giordanio.pdf

After researching each date I hit the pick 3 over the past few months starting with my first hit on Jan 29 and progressing all the way through until now I also found several very interesting points with the moon as well!

You will also over the next few charts see the Moon played a key role on almost ALL the pick 3 dates that I actually played and won when combined with the part of fortune aspect.....

The next chart is a snapshot of the first Pick 3 hit on 1/29/10.

If you take notice Jupiter was in an exact conjunction with my Part.....!

If you follow the Moon through this period you will also see it was in a 210 degree aspect to the conjunction on hit 1
See chart 2.

The next chart was the second Pick 3 hit date of 1/31/10 the moon was exactly

180 degrees or in opposition from the Jupiter Part conjunction **See Chart 3.**

The next hit was 2/3/2010 the Moon was 135 degrees from the aspectHowever the conjunction's orb was widening **See Chart 4.**

The next hit was on 2/9/2010 the Moon was around 60 degrees away from the aspect. **See Chart 5.**

The next hit was on 2/10/2010 when the moon was around 45 degrees away from the aspectThe Jupiter part aspect at that point was still widening to about a 2.5 – 3 degree orb. **See Chart 6**

The next hit was on 2/13/2010 with the moon at no real aspect but within 30 degree from a conjunction, the total Jupiter part aspect has now opened to about a 4 degree orb. **See Chart 7.**

And the last hit but NO win was on 2/15/2010 the moon was within a tight 15 degree aspect but this time past the Jupiter part conjunction...Jupiter was about 5 degree's past my parts location. **See Chart 8.**

Now what I mean by a hit but NO win was on this date I placed a 24 ticket pick 3 bet with a 50 cent combo cost of \$55.00 to win \$250.....Without looking over the tickets I walked out of the store and waited to potentially collect on my next ticket just as all the others.

What actually happened was the girl at the counter who placed my bets, correctly placed 23 of the 24 bets in with 1 exception....THE WINNING TICKET!!.....Up to this point I hit the pick 3, 6 times in 2 weeks and thought I could do no wrongI also didn't really think the part of fortune aspect had much to do with it because I started testing the aspect starting with a 2 degree orb before the exact conjunction

but never won a cent above average at the casino.

However after that final date I have only since hit 2 pick 3 plays and played many dozens of combinations up till now!..... My new calculation and system though are still pointing to the winning groups but now it just seems to be personal choice that have left me without the big wins.....

Example 1... I played the same root number bet as always (with a key root number ready to hit) but in the 5 years history the column I was playing never went more then 44 draws before a repeat..... I played it from the 18-24 draw with no hit, then from the 33-38th , then from the 40-44 and still no hit!1... so I grudgingly stopped at the 44th draw!

It came out in the 45th draw.....THAT NIGHT!.....A loss of around \$3500.00...

Example 2...Wile I was playing that column big I was also keying in on a few other roots with a key number in it and placed several other bets leaving out the double digits as I was trying to keep my bets down..... The new root with the key came out but in a double digit.....It would have paid \$3500.00

Example 3... After getting slapped around with the past bets I started keying in on a tighter money management system only playing 12 numbers within a root with a key number in it.....Playing six with a \$1 combo 2 times and the other 6 with a 50 cent box bet 3 times.....I actually flipped a coin on this play to choose what group of the 2 to combo for a \$1000.00 potential hit..... and the others would just be a consolation bet paying \$120.00..... well I hit for \$120.....from the flip of a coin I lost out on a Grand!.....This happened to me 3 more times since then....

This type of non win sequence has been with me ever since the 2/15 number error.....

So after reviewing the data I came to realize that the most wins was on the exact Jupiter part of fortune conjunction and NOT before....And it lasted up until about a 4-5 degree orb after.....

Although the number system in itself gave me 2 of the 3 numbers in the pick 3 even up until today as well as 3 of 4 in the pick 4 it was both systems combined that actually gave me the best hits.....The astro and the odds stacking mathematical cycle system for the numbers were sill however important.

So in a nut shell the "new lottery software" I'm developing is defiantly worth the narrowing down of the odds on the pick 3 and 4 number combinations but a little luck is still needed to produce the best hits.....

This in my opinion also holds true when it comes to day or short term swing trading as well

It is also the reason behind the development of our GGU software as it was built to test and see on screen many different forms of astrological and mathematical odds stacking systems!

To view other related articles or to review our Gann Grids Ultra software please visit us at Pivot Point Research at www.pvtpointmktres.com

Also please act now to lock in on our Pre-release Discounted price as our new 6.0 version upgrade will be released in July 2010!

Hopes this helps shed a little extra light on the subject of winning transits...

Also go to: <http://tradersworld.com/software/ganngrids.html>

Tsunami-Trading Software Review

The designers of Tsunami-Trading Educators, Inc. felt that most trading courses and trading software out there are not profitable. Perhaps that is why 90% of traders lose money in the market. Most traders have difficulty making money in the markets consistently. They feel that there are two categories of products out there. The first one uses subjective trading methods. They give you an array of indicators, setups and price patterns and then provide you with perfect trading examples in a 300 page manual or a DVD home study course. The problem is that the trader has to decide on his own, which price pattern they are in. If they are right and win they are on the top of the world, if they are wrong they blame themselves for not picking the right price pattern. That leads to indecision, self blame, stress and no chance of long term success. They actually have a very good point there.

The second category of trading

methodologies are predictive in nature. Citing the legendary trading abilities of the great master traders they give time and price levels based on mathematics such as Fibonacci, and astrology. There are so many of these time and price levels that at times these methods seem to be able to magically predict the future! There are so many levels and so many possible reversal points that one is bound to hit one right on. The magic of predictive trading methodologies in their opinion are the result of so many traders looking at them creating a self fulfilling prophesy. They feel that these predictive trading methodologies are subjective difficult to trade and often lead to frustration, indecision and stress.

They designed Tsunami Trading software to be 100% mechanical with no subjectivity. The software is designed not to predict the markets but to just react to them. The program attempts to read the hidden buying and selling pressure of the markets in real time using copyrighted software. The methodology is based on what moves all markets in all time frames, which are the elements of:

- 1) Price** - People buy and sell at certain price levels
- 2) Volume** - People buy more in a trend move
- 3) Momentum** - People buy more at an accelerated pace in a trend.

They developed complex mathematical formulas in this software using these elements to work with real time information



and data available from the exchanges and put them into a complex algorithm to create a single PVM number which is their answer to objectively trading the markets 100% mechanically.

The basic indicators of the program are as follows and I will explain what each of them mean:

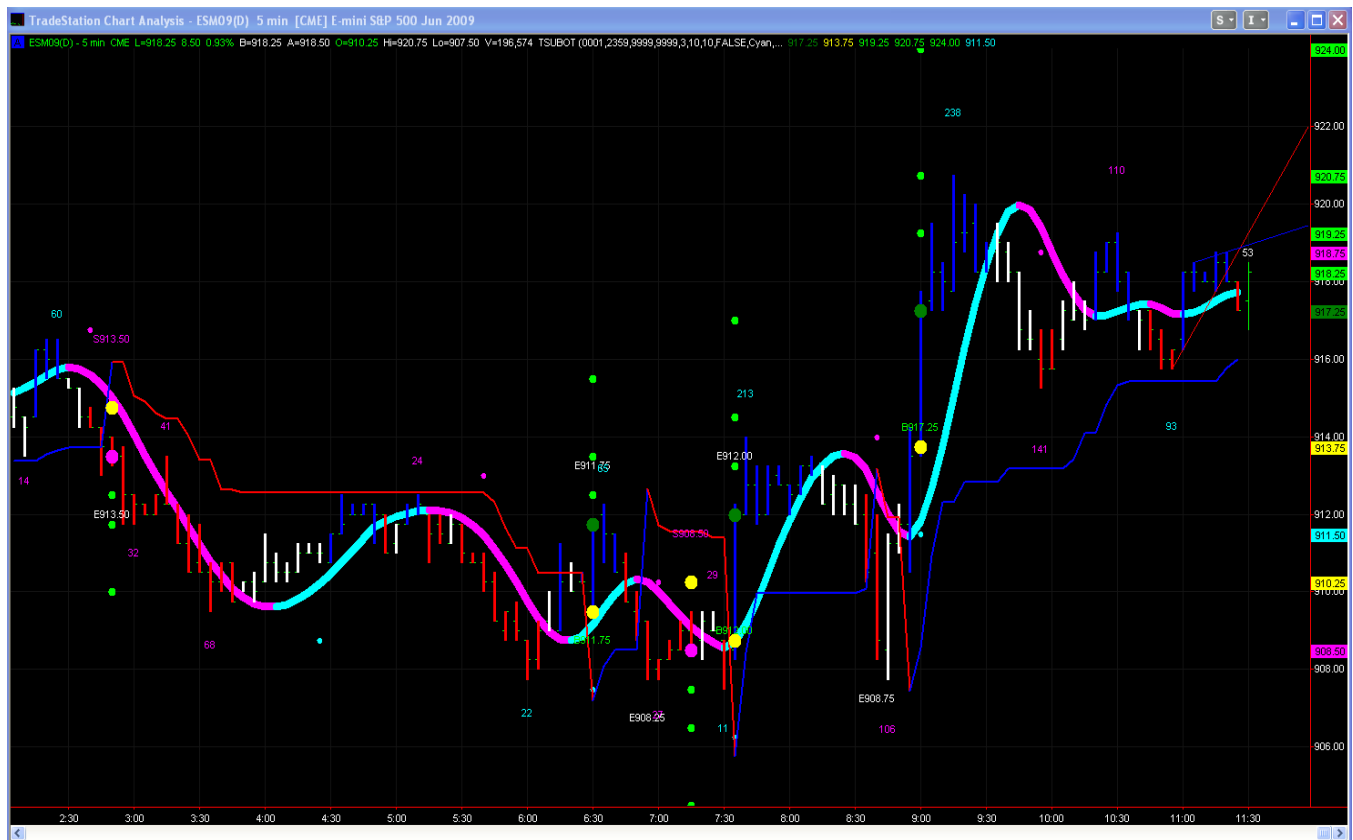
Tsunami PVM:

The PVM numbers above the price swings are termed bullish PVM numbers and the PVM numbers below the swings are termed bearish PVM numbers. The theory states that a bullish price movement should be preceded by either a increasingly bullish (higher) PVM number as compared to the immediately preceding bullish PVM number (the engines and wheel aiming up thrusting the airplane higher), OR bearish PVM numbers that are decreasing in size as compared to the immediately preceding bearish PVM number (throwing off excess

weight out the cockpit door). The PVM numbers are the white numbers given to you by the Tsunami PVM indicator and are placed right above or below every swing of the market.

Tsunami Stop

Because trends once started tend to continue, and they are always seeking to trade with the trend, once they are in a winning trade, they do not look to trade a new trend direction until the trend change has been confirmed. Tsunami Stop is their trend change indicator. It will position itself above the price bars in a downtrend and below them in an uptrend. Well this indicator really will let your winners run! Tsunami Stop requires a price bar to completely breach it and for the Tsunami Stop indicator to jump to the other side of the price bars at the bar close, to be stopped on a trade and for a new trend direction to be confirmed.



Tsunami Trender Dots:

This is a Show Me study that will simply note for you visually and with an alert if you so desire, when the Tsunami Trender indicator has changed color and trend.

Tsunami StopTgts

Finding a good entry is only 1/3 of the equation when trading. Knowing where to place your initial stop and knowing where to place your profit targets is the other 2/3 of the equation. This indicator will analyze the PVM volatility of the market and place above and below each price bar the suggested initial stop and 3 suggested profit targets. Upon entering a trade on any particular price bar, for example a buy, simply highlight the entry bar and the data window will show the Buy stop (the initial stop used for a buy trade in the scalp method), and the 1st, 2nd, and 3rd Profit targets for the trade.

Tsupaintbar

This Paintbar study uses several stacked PVM algorithms to determine with a high degree of accuracy "very bullish" and "very bearish" conditions. They will only buy the market when this indicator is blue and will only sell the market when it is red.

TsuPivot

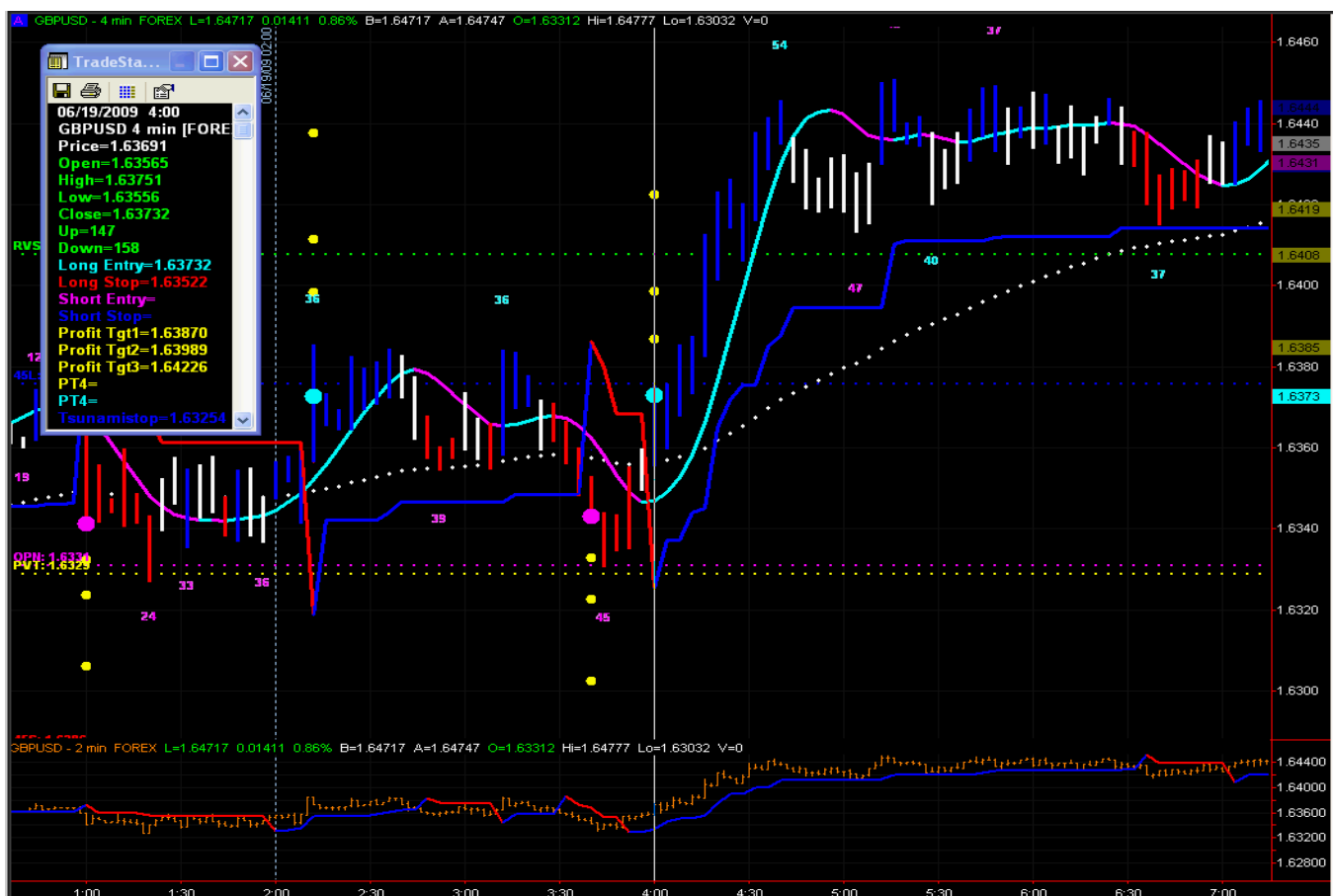
This indicator will paint on the chart for you everyday the key pivots of the day where the markets will oftentimes turn. They use a different formula than what is commonly available in the trading world.

Strategies

Two strategies are recommended with the system and are as follows:

Scalp Strategy

In this strategy, if the system is flat they look to enter on the very next occurrence



of a buy setup or sell setup. Once in the trade they use the Buy Stop or Sell Stop (the yellow dot below the entry bar is the Buy Stop, the yellow dot above the entry bar is the Sell Stop) lined up with the entry bar as the initial stop on the trade. Once a 1st profit target has been reached, the system switches to use the Tsunami Stop as the trailing stop on the trade.

Nonscalp Strategy

In this strategy, the system uses Tsunami Stop as both the trend filter and stop on the trade. The system will only take buys above Tsunami Stop and only taking sells below Tsunami Stop. The nonscalp strategy uses the Tsunami Stop also as the stop for the trade (whereas in the scalp method, the system will use the initial stop

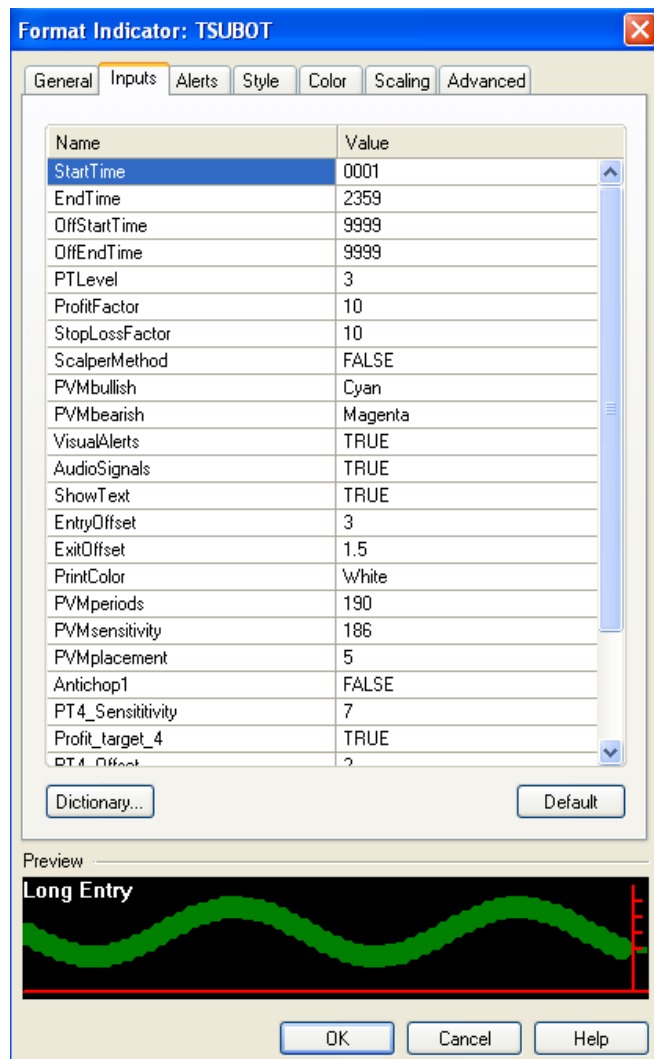
(the yellow dots lined up with the entry bar) until the 1st profit target has been reached, and then switch the stop to the Tsunami Stop trailing stop). With the strategies here are the buy and sell setups:

A Buy Setup

A PVM configuration where: The most recent Bullish (upper) PVM number is larger than the prior Bullish (upper) PVM number OR The most recent Bearish (lower) PVM number is smaller than the prior Bearish (lower) PVM number Enter long at the close of a blue Tsunami paint bar with the occurrence of a blue Tsunami Trender Line/Tsunami Trender Dot.

A Sell Setup

A PVM configuration where: The most recent Bullish (upper) PVM number is smaller than the prior Bullish (upper) PVM number OR The most recent Bearish (lower) PVM number is larger than the prior Bearish (lower) PVM number Enter at the close of a red Tsunami paint bar with the occurrence of a red Tsunami Trender Line/Tsunami Trender Dot.



TsuBot-Your Automated Trading Assistant

Great news! The company decided to make the analysis and thought process required with the Basic Indicators obsolete, and packaged it all into one indicator, they named TsuBot. If you lease TsuBot you have at your disposal, a excellent trading assistant. They took the proven algorithms of the scalp and nonscalp strategies and hard coded the whole process into TsuBot. TsuBot will color code the PVM numbers for you (Cyan for bullish and Magenta for bearish) and completely monitor market conditions for

you for buying and selling opportunities. If you set TsuBot to the scalp strategy, the rules of that strategy are followed. If you set TsuBot to the nonscalp strategy, the rules of that strategy are followed faithfully. TsuBot can monitor multiple markets for you at the same time and give you alerts that are visual, verbal, and they can be emailed to your cell phone or broker for Auto-Trading.

TsuBot has numerous inputs to customize your trading preferences once you get the hang of using the system. You can adjust such things as:

Start Time: When you want TsuBot to start issuing new system signals

End Time: When you want TsuBot to stop issuing new system signals.

Off Start Time: If you want TsuBot to stop issuing signals midday

Profit Factor: You can increase or decrease the profit targets 1, 2, 3 by changing this input.

Stop Loss Factor: You can increase or decrease the initial stop in the scalp strategy by changing this input.

PVM Periods: Allows the user to set the look back period for the PVM volatility trailing exit. The higher you set this number the slower the response to recent changes in PVM volatility.

PVM Sensitivity: Allows you to set the sensitivity of the PVM volatility trailing exit.

PVM Placement: How much to the right of the last price bar, the real time developing

PVM number, called "the floater", will be placed.

Money Management

Probably one of the most important things Tsunami teaches you is proper money management. They feel that 90% of traders lose money and many blow their accounts out before they even really get started. The most common reason for that they feel is improper money management and position sizing. It is their feeling, that if you follow their money management plan, you will finally have a chance to succeed at trading.

They recommend their 100% mechanical and objective approach that utilizes the tenets of price volume and momentum in a dynamic fashion as a better way to trade. They recommend starting out conservatively and at first trading only 1 contract and slowly building your account up. Then set a reasonable profit amount that you must make per contract before you will increase your trading size. They feel that Tsunami will give you the necessary tools you need to tweak a trading strategy with money management to allow you to be successful at trading. All your success is based on how much you work on it. To help you to be successful they offer demonstration days Monday through Thursday where they demonstrate the system in the Emini futures. Friday is member's day where specific advice is giving to help members get setup and tweak their systems to be profitable. www.tsunami-trade.com

If you want a complete non-subjective trading program with excellent trading results check this out and go to www.tsunami-trade.com

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Tsunami Trading
EDUCATORS, INC

Interview with Dan Zanger



TW How do you find your stocks to buy and has anything changed over the past few years on how you do that?

Dan Nothing has really changed on how I find my stocks. For example if anything is up a dollar or two for the day I want to know about it. I look at anything going across a ticker tape on CNBC or Bloomberg or any programs where a stock is up a buck or more. On interesting stocks I'll see what the pattern looks like then I'll go into my Daily Graphs. I get the Daily Graph chart books every weekend. I can also go online. I look at the fundamentals to see how much the earnings are up. If

the earnings are up 40 to 50% for the quarter I want to know about that. I will download the stock into my AIQ charting program and start to track it. I will also put it on my eSignal quote screen and start to monitor the stock and see how it behaves. Some stocks may be up 5 bucks in one day, however that may just be a one day wonder and that is the end of the move. I want to make sure the stock is a consistent mover before I buy it. Once you find them you need to keep tracking them. You basically have to be a stalker, keeping after them for long periods of time. Sometimes stocks start their moves up at the start of a market correction and will come down. It takes a long time to track stocks and wait for them to setup for the proper time. So that's how I find my stocks by letting the market tell me which stocks it wants to move up.

TW You used to track around 1400 stocks and went through them every night. Do you still do that?

Dan I probably now look at around six or seven hundred charts during the week. On weekends I will go through all 1400. A lot of stocks have stopped trading altogether and I have deleted those from my database. There are fewer IPOs coming out, but during the weekends I'll go through the full list of IPO's probably twice and add those that look good to my database in AIQ. By going through my full list of 1400 stocks it gives me an idea

of what is going out of favor and which groups are starting to turn up. It gives me a pretty good indication by going through my entire database as to which groups are coming up and which ones are lagging. I try to focus on the strongest stocks in the strongest groups.

TW Do you follow group indices?

Dan I follow groups not indices per se. I have never really made any money by following the indices. I am more of an individual stock picker. The stock may be in a group that is turning up. I want to be in two to four stocks in the strongest groups. Right now as this market is turning up Apple is my favorite. Other technology stocks are turning up, but I am keying on one individual stock maybe two at this time. For example 25% of my cash would be in Apple. It is really the dominant stock with tremendous earnings, modest PE number, best technology, with sensational products coming out that really no other company has. Everyone is looking to buy or own Apple products at this time. The technology sector moves the best right now, it has the best earnings with exceptional new products. Out of the whole list of technology stocks, Apple is the one. Google was very hot in 2004-2005. It was at the time a tremendous mover. Apple has big moves and continues to have the best products in the current market. In the financials, Goldman Sachs has made great moves and has been the leader in that sector but is lagging here in May badly. As a rule, I just want the best moving stocks in the strongest groups at the start of a new big move.

TW With Apple how many shares do you have and do you increase and decrease that during the day?

Dan On a spectacular move during the day if it moves up 10 to 15 dollars I might sell some but certainly not all by the end of the day. It could still have two to three big up days back to back and you would not want to sell everything otherwise you will miss a huge move. That would be a big mistake. For example, after a 4-day move I might reduce 50% of my positions then let the stock rest and make a flag pattern or some sort of consolidation pattern. When it accelerates again a week later I might add back the shares I sold.

TW Do you use cycle analysis? Do you use Gann, Hurst Cycles, or anything like that?

Dan No, I don't use Gann. I do use some time cycles periodically. They work fairly well at times and they seem more effective on the overall market. They don't really have anybody's name attached to them. These are just cycle periods such as a 10, 20, 30, or 40 day or one of those types of cycles. It is something that you can pop on your indices in TradeStation. I keep it in the background. At my seminars I teach other types of cycles such as day count cycles based on Fibonacci counts. Those work very well especially on the high beta stocks. In fact I think you can't live without them. I discovered them on my own in 2001 after 911. I noticed how the market moved with these specific counts. I started counting every move up. Next thing I noticed that everything happened with these counts. Everything roots off the number 3 pretty much. Once you get it and understand it you can move forward.

TW How do you know when a count stops at a particular number?

Dan If you get to a number and you are looking for something to happen in

the stock, if it doesn't happen it usually will continue to march on. Then you get to another number where something might happen and if the stock starts to sell down with heavy volume you are probably in for a minor correction, sell off or even worse. You could get crushed in the stock. Many times I thought the stock might be OK and continue higher even though it hit a number because the momentum was so strong and then the next minute the stock would get crushed right when it should. You don't really know until it happens. I want a win win situation where I sell some at or near the top and you are protected. You can buy it back when the stock turns up from a dip. You are rarely going to sell out your entire lot at or near the top. I rarely sell entire lots of high beta movers at once. Sell a little here and little there. If it comes down for a week and creates a descending channel and breaks out I'll add those shares back and even more shares if it's a real powerful mover.

TW So at those key points you use patterns for your buying and selling?

Dan Yes, I use patterns for buying and selling. I like rising channels for selling. I like to sell if a stock breaks a rising channel with a key reversal bar on heavy volume to the downside. I would certainly be selling into that key reversal and conversely with a descending channel I would be a buyer on a breakout. I am not a big fan of moving averages. I am more into reversal bars and buying within rising trends. Trend lines are powerful tools. They tend to accelerate. A 30 degree rising trend line may go to a 45 or a 50 degree line. The market will eventually break the line and I will be out of the stock. If a stock has moved for 2 - 3 months it is subject to a fast break.

TW How do you draw your trend lines? Isn't it sometimes an art?

Dan Drawing trend lines to me is like connecting the dots. Take the lowest points on all the bars and just connect the dots and that will give you an automatic trend line. Some institutions use end of day closings as their points for their trend lines. In the AIQ program it will allow you to draw trend lines on end of day prices. That gives an interesting point of view on stocks. You will find using line closings is a very powerful tool. You can use patterns based on closings such as symmetrical triangles, descending triangles, ascending triangles, and channels.

TW Do you have favorite patterns that you really like that are reliable?

Dan I think the descending channel for buying is one of my favorite patterns as the market has become more choppy and volatile. You are seeing more descending channels and island reversals for buying. There was an island reversal in January which started stocks on their way down. The market consolidated for a while for 3 to 5 weeks and then got up on the right side. The market then gapped back up. That created the island. Some of these islands have been very powerful. We caught RIMM about a year ago on a big island reversal and picked up about 30 points on that one. You have to be selective. Just because a stock has a pattern it still may not be worth owning. Just because it has a pattern and breaks out doesn't mean you want in on the stock. Visa broke out and had a one-day move. The next day it was down a few points and stopped moving from there. It's just a sloppy stock overall. If you buy a stock that exits a pattern and it goes nowhere just check out and find something

else. This is really just a numbers game and you need to be in the right stock(s) that move. For example pick out five or six stocks when they break out. The ones that don't move up strongly sell and double up on the powerful movers.

TW What about money management?

Dan Yes, you have to use money management. You have to be quick to exit and understand that the market does not move forever. After stocks have made their big moves and then the little ones start moving you are probably at the end of the market run. Watch your rational behavior at this time. If the market is really hot and things are starting to pop all over the place and you are all in, you're going to be all out before you know it because the market is going to break. You really need to learn to love market corrections as painful as they are. If the market has a nice break of five or six weeks and your portfolio is beat down 15 or 20%, that's the ideal situation for you. That's when you look for stocks that are setting up with descending channels, horizontal channels, cup and handles, key reversals off bottoms, island reversals and more. These are the stocks that you really make the money on. When a stock has already moved up 20 or 30% and you buy it, this is not where you make your money. That's where you lose money. You really want to be buying those tight patterns that have consolidated after the market has moved down 6 to 10 percent, or something like that. Eventually the market will start to come around. Stocks will start to exit these bottoming patterns and that's where you start to step in and buy these stocks. That's where the money is made.

TW When you get these corrections

will you ever ride these markets down?

Dan I never ride them down. You never know how far the correction will go. At a 7% correction the market might rally or it may go down to 10 percent. High beta stocks can correct 20 - 30 percent. Some of these little Chinese stocks recently corrected 50% or more. You just don't know how far they're going to go down.

TW What about shorting? Do you short the market from time to time?

Dan I have shorted periodically but I have rarely made any big money. Stocks may come down 20 - 30%. Some only correct 10 - 12% and then the market comes ripping back up. You never know which ones are going to go down 50%. I will say that in 2004 I had 160,000 shares of eBay short. When it missed earnings in January of 2004 I was short at \$106 pre 2 for 1 stock split and the stock closed the day at \$103. The next morning it gapped down another 20 points. I don't normally make money shorting stocks even though I've had some big hits.

TW What about the different time frames on charts? Which time frames do you use?

Dan I mostly use daily charts. It is 90% of everything I do. I'm looking at daily charts on my AIQ program during the day or my QuoteTracker for my real time daily charts. Twice a week or so I look at weekly charts. If a stock is very thin or very fast and is on the move I'll look at a 5 minute chart. But I rarely trade off of 5 minute charts. You just can't buy 30,000, 40,000 or 70,000 shares off a 5 minute chart. Most institutions don't use 5 minute charts. They are using 30 or 60 minute charts and certainly daily charts. I think that most of the smaller day traders trading with 200-

3000 shares use 5 minute charts. They are in and out for a 1/2 to a point move.

TW What about the IQXP program?

Dan Well I love the IQXP program. That's the Windows program from Live Wire which is a fantastic trading tool. Originally it was a DOS program. In the late 90s I was using it exclusively during the day. David Edson owns and writes the program. I contacted David and had him write in sound alerts. If stocks are trading on the ask it makes a hammer sound, and if trading on the bid it makes coconut sounds. When you have 60 stocks in your IQXP program and the market is moving up you'll hear hammers being hit across the entire basket of stocks. If the market drifts sideways and stocks start to sell off you will start to hear coconuts. If stocks are up but you can hear a lot of coconuts you know there is selling into strength. After the market falls for two to three weeks you'll start to hear hammer sounds as they buy the dips. This is a program that I paid David to write for me and he has now incorporated it into the IQXP program.

TW So do you still use that program?

Dan Daily

TW When you are sitting and trading daily how many screens are you watching? What are you watching? What programs?

Dan I have eight 24" monitors which I think is a little excessive. I don't think anybody needs to get 8 monitors. With all of these monitors you become very sensitive to light. This many monitors is a recent addition for me. I would say that if you have 4 monitors on one box you are going to do fine. I really need 4 monitors for my stocks and the others I use for cycle work and to gather information. The other 4 are not really necessary for stock trading.

TW What do you watch to give you an idea on what is going on in stocks?

Dan I watch the emini to see what patterns are setting up for some of the high beta stocks getting ready to run. If the emini is setting up for a move you might want to jump into some of your high beta stocks. You know they are going to break out when the emini does. It is amazing how basket trading has moved into the market so much. The eminis will move up and all the beta stocks move up at the same time. When the emini moves down most stocks will also move down. Stocks are hopping all around violently during the day because of this basket trading.

TW I know you have a chat room and you come in there a couple times a day to talk to the participants. How does that work with you? Does it help or hinder you?

Dan As you know I run the website ChartPattern.com. I put my newsletter out 4 times a week. We have a lot of very active traders and investors. My chat room alone has over 425 traders every day. We have a lot of institutions, banks, and hedge funds in there. I like to tell everyone which intraday stocks are on the move, which stocks are setting up to be keying in on. Some people are rather new, they don't have intraday charts or understand the mechanics of patterns and it gives them the opportunity to look at charts in real-time to see what I am seeing. A newbie might say "I don't see what he is seeing so let me look at this chart that is setting up and why it looks interesting to him". They also ask me questions. I started ChartPattern.com years ago because I like to teach and there wasn't really a good website in 1997 when I started. It's a combination of me helping out other people and I get to keep them

as subscribers and build my subscriber base. The more you fill your subscribers with knowledge the more profitable they can become and the more they are going to stick around. That's the purpose of me helping out people in the chat room. For the most part it is a distraction to me. If the market is not doing much and not moving I'll spend a lot of time in the chat room. When the market is very active I don't have that much time. I might come in 4 times a day for 15 minute sessions.

TW What about CNBC? Do you ever watch that?

Dan In the morning I like to watch the CNBC ticker tape to see if there are any high beta stocks going by. If there are just a lot of no name stocks you might just have a market in drifting mode all day. A lot of the high beta stocks like Apple and Google moving early will foretell what's going to happen to the market during the day. I don't listen much to the people on CNBC. They just give you noise. You used to have people come in with interesting stock ideas in the late 90s. When the market collapsed they stopped doing that.

TW I noticed in your chat room that you also do options. What do you think about using options?

Dan You have to be very selective in your options. Not only which options you buy but also when you buy them. I think that only one or two times a year options will really pay off for you. That's after the market has come down for a hefty correction and the market is down 8 - 10 percent and things are starting to bottom. You will see horizontal action in the market for one or two weeks and then your leading stocks will start to break out. At that point you might utilize options. I

would not use more than 10-15% of your portfolio. If the market turns down and you are wrong in your assessment you are going to get wiped out.

TW I know you used to use a lot of margin. Do you still do that?

Dan I love margin. I'll take margin over options. Again you have to be very selective on margin. I would not go on margin until you become a successful trader at buying and owning stocks without margin. You need to go two years making money on the market and understanding what corrections are about before you attempt to go on margin. Margin will just absolutely wipe you out as will stock options. The people with the least amount of money love options. They are the people that can least afford them. They have bigger dreams of being wealthy so they want to reach for the moon and these are the people that get killed continuously in the markets.

TW They say that 90% of traders lose in the markets. Is that true?

Dan I am not sure if that is true, but at my seminars I tell them that the markets are not here to give them money, it's here to take their money. They are here to shake the tree and get all of the money to fall off the tree. They do that in various ways. Suckering you into different situations and getting you worked up with greed and emotions designed to part you from your money. On CNBC for example, it is very common for knowledgeable players from respected institutions to come on and tell you they are shorting a stock when in fact they are long the stock. They want you to go short the stock so you will get trapped and start buying it at a higher price and make them money. The stuff they tell the

public on TV is all BS. It's all to get you to go the other way. It is all lies.

TW Would you say the reason most people lose is from psychology?

Dan I think it is lack of understanding, lack of homework, psychology, unchecked emotions like fear and greed. Fear and greed are the two main drivers in the markets.

TW What do you talk about in your seminars?

Dan I go through an enormous amount of material. A lot of it is psychological. I go through how to interpret earnings, fundamental work, and earnings growth. I focus on the duration of time that the markets move before they will break. I get into charts and chart patterns. I start off with a list of positive chart patterns then I go through a list of negative chart patterns. I go over the patterns and describe them in detail. I go over the Fibonacci day counts. Many of the charts I discuss are where I have made or lost money. I go through all of the scenarios where I made money. How I waited on stocks. How I stalked them for long periods of time waiting for the ideal setup and then getting in at the right time. I talk about getting clobbered on some stocks and what I specifically did that allowed me to get clocked. I teach them the psychology of how I got suckered and how I did not handle the situation correctly when I started out. I explain how I could have managed getting out of bad positions far better and reduced my losses. I also cover strategies that help traders get into positions better. How the market tries to sucker you in. Since 2006 the market has changed a lot in my opinion. They will drop a stock down 4 or 5 points and get you to think it can only continue to go down. Then

the market will rip back up over the next few days. They have new ways of shaking up the market. I go over how this has been a common practice in the market. For example, with parabolic curves I explain how they run up, how to protect yourself from a parabolic run and how to sell into it by understanding the daily bars. I cover what these moves mean, which ones are positive, which ones are the beginning of a big move up, or conversely, a big move down. It's all about the daily bars, the volume and combination of bars like two day patterns, three day patterns, one week patterns, two week patterns, and the list just goes on and on forever. I have been doing this for thirty years and the list of new things to learn is endless.

TW Would you say that your mind has developed a sixth sense by going through so many things that your mind knows what is going to happen before it happens.

Dan Yes, and it started for me around 1997. It actually came to me the hard way after I got cleaned out. My focus and determination grew by leaps and bounds in the market break of 97. From that point forward I became focused like a laser beam on the markets, the patterns, and the way stocks behaved. It is so important not to be trapped or crushed by a falling stock. It's important not to believe in a stock or a company. It's all based on the price action of a stock, the behavior, and the volume.

TW It seems to me one of your most favorable attributes is your ability to determine that you are not going to lose in the markets and nothing is going to stop you from making money in the markets. Your determination seems to show through. That you are going to succeed one way or another.

Dan I thank you. I agree I have tremendous tenacity to succeed and that they are not going to get me again. It took me years. They pretty much beat me up for several years and I just got to the point that I decided I am not going to take it anymore. You have to put a package together mentally and emotionally with chart reading, and volume. What are the signs a market exhibits before it breaks, what starts to happen before a market turns up. It took me over 6 years trading full time and getting hammered many times during those 6 years before I could put the whole package together. It really is focus, determination, homework, concentration and a lot of hours that you have to put in. I tell people at my seminars that if you are not willing to do the homework that comes with what I am teaching you here today, then don't quit your day job. You have to really want it.

TW It seems like the people in your room are a pretty good group and are trying to help each other and learn from you.

Dan We have thrown out the troublemakers and people dominating the room. We had some people who could not stay focused on stocks. We have bounced a good 30 - 40 people out of the room in the past 3 - 4 years. We have the chat police in there as you know. We don't allow politics to enter the room or four letter words. We don't want anybody dominating the room. We are here to talk stocks. What's breaking out and what is on the move. Do you see a stock that is breaking out? Are you looking at a 5 minute chart, an hourly chart, or a daily chart? Some guys like to talk doji bars, and other candlestick terms. Other guys talk regular daily bars. We try to make

it a place where really good information is being shared and people are learning. Certain people are good at different things. Like Bearman in our chatroom is very good at shorting stocks, he makes his living at just shorting. Rarely will he ever go long. There are other people in there that are the high beta traders just like I am. There are other people in there no matter how you lead them to the big winners, they just refuse to buy them and then they complain or quit and they give up trading. They just don't get it. You can lead a horse to water as they say but you can't make them drink. There are people in my chat room that can't make a dime. They refuse to buy an Apple or Google or something that is making a big move. They just have a mental block. They will buy an Eastman Kodak that is up 50 cents for the day, and avoid the big moving beta stocks that are up much more.

TW There is that psychological problem that many have. Apple started at a very low price and it is now in the two hundreds. Some people just can't buy it. It's a psychological block.

Dan For many people they don't like themselves enough to become wealthy. They have a mental block that if it's a \$150 or \$200 stock it's too expensive. Even though a stock that makes a 50% move is 50% on your money whether it is a \$5, \$10 or \$200 stock. A 50% move is a 50% move. When a stock breaks a trend line for example a \$100 stock that comes down back under the trend line \$2 and stops you out is a 2% loss. Where a \$10 stock that breaks out and comes down \$1 and stops you out is a 10% loss on your money. You lose less on your stops with higher priced stocks and it can easily move 50%, 60%

70%.

TW Dan you are extremely focused most of the time. How many hours a day do you work?

Dan Monday, Tuesday, and Wednesday I must do 14-15 hours a day because I trade full time and then research the markets and mark my charts for the newsletter. On Thursday and Friday there is no newsletter so my workday shrinks down to 8 or 9 hours. I still have to go through the charts to see what is setting up for the next day. Then on Saturday and Sunday I probably work 2-3 hours on charts and other items related to the stock market trying to find new things. On Saturday and Sunday I type the newsletter that goes out Sunday night and that usually adds up to 4 hours. This is reduced from what I used to do.

TW Do you ever take a break?

Dan I have not had a break since May of 2002. That's eight years since I have had a 1 week vacation. I do live in Miami Beach and have a condo on the water so that is somewhat like a vacation. I used to have a large yacht and we went up to the Hamptons, New York, Nantucket, and Newport Rhode Island. I would trade right on my yacht using a high speed internet connection to the computers on my yacht. I took my breaks. We would go up for 8 - 10 weeks at a time. I sold the yacht before the gas spiked up to \$5 per gallon. I love trading so much and I take a vacation and do what, more trading.

TW I am sure that on the days that you make over a million dollars it gives you a pretty good high.

Dan My market low days have a much more powerful impact on me than my high days. I became aware of this tendency in the early 90s. As soon as I would get

a big win day, the following day or week could wipe it all out because I bought on a large spike or blow off top that wasn't evident at the time. I would make 800k to 2 million dollars on that blow off top and be exuberant. Emotional exuberance can cloud your judgment and make you miss the forest for the trees. I held into the following days from that blow off top and lost every nickel I gained. You better sell into the strength and understand that this is no time for emotions. This is the time to sell and be thankful that you are going to survive another day. People ask why I am not excited and jumping up and down when I win a large amount of money. The minute you become attached to your money or let the money dominate you emotionally is when you lose sight of what is going on in the market.

TW So you have detached yourself from the excitement of the money?

Dan You better be detached and stay focused or you are going to get cleaned out. It's an old cliché but you have to be as cold as ice in this business.

TW I have always been impressed with what you were able to do. It shows with the work you put in it. You are to be congratulated.

Dan Thank you so much. It is very nice of you.

For more information on Dan Zanger go to www.ChartPattern.com

Phone 818-716-5575

Dan Zanger's

CHARTPATTERN.COM

The Zanger Report

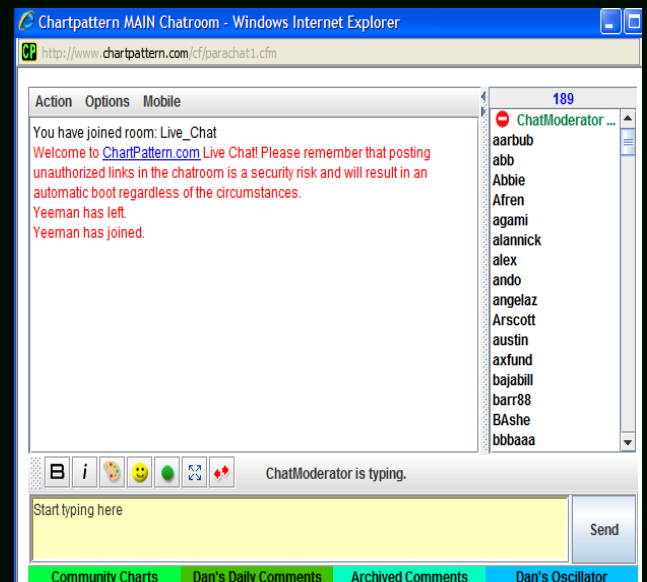
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Sonata Trading Computers

The Sonata is a professional multi-monitor trading computer based on the successful evolution of our trading computers over the last 25 years. It is very popular due to its extreme performance, which is powered by the industry's fastest and highest quality parts. It supports up to 12 independent monitors.



The Sonata offers blistering performance in an elegant, very quiet chassis and it is the one of the most reliable trading computers sold anywhere today.

So you fully understand why the Sonata is such an excellent multiple monitor trading computer, I will explain the difference.

The chassis is one of the most advanced computer cases made today. It raises the bar and has many practical improvements over the competition. It has an oversize front and top mesh design designed for superb ventilation. It accommodates a front and a rear 120mm fan. It also sports a 140mm top fan. These fans are

extremely quiet and are controlled by the motherboard bios. There is dust-control on all the mesh areas. It has top mounted controls and ports such as USB, firewire, headset and mic ports, on and off and restart buttons.

It also has a top unique external SATA X-dock for convenient clone backups of the computer.



What that means is if your main drive in the computer gets infected with, for example, a virus or a serious software glitch that you can't get out. You can then just merely pull out that drive and replace it with the clone drive backup and you are back up and running immediately.



With the Sonata there are two ways to backup your data. As I just said you can use the top SATA-X port for making a clone drive using Acronis True Image 2010 software, or you can do regular daily

backups on either internal or external drives.

Accessing inside the computer is very easy. Just unscrew two thumb screws in the back and just slide the door off.



If you have an old computer and you want to transfer the data over to the Sonata there are several ways to do it. The simplest way is just to put the old drive in the top SATA-X port. The computer will recognize the drive and you can just drag over the data from the old drive into the new drive.

Another way is to use the Acronis True Image Universal Restore software. It actually allows you to move your operating system, applications and data over to the Sonata from the old drive.

Notice that inside of the computer you see very few wires. That is because they are fed under the motherboard, which allows for better airflow. Better airflow means the computer lasts longer because all of the components stay cool and don't burn out due to extreme heat like in many other computers.

Also notice on the case the big rubber feet. This is for quietness. The hard disk drives also have cushions on them to

eliminate vibration. The front 120mm fans blow directly over the hard disk drives and keeps them cool, which allows them to last longer.

Now notice the power supply on the bottom rear of the case. It is one of the highest quality power supplies made by Corsair, coming in 650, 750, 850 and 950 watts versions. You select the version based on the number of monitors you are supporting, how many hard disk drives, amount of memory and if you are going to over clock the computer. This brand of power supplies was rated best buy by a major computer magazine. It runs cooler and it is 80% efficient tested even at full loads. It has a 140mm large fan with double bearings giving excellent airflow with minimum noise. It has 60 Ampere rails which gives the power to run the Sonata even under stress such as in fast markets. Many computers freeze under fast market conditions. Not the Sonata, it keeps running with no problems.

The motherboard is the most important part of the Sonata and is one of the best ones made. It is the winner of several customer choice awards. The design of the board is outstanding and the components are of the highest quality. It has solid capacitors and has 300% more gold contacts for faster speeds than competitors. It has high speed integrated sound and the necessary high speed internet ports for trading. It has 4 PCIE slots to support up to 4 video cards. The motherboard also support super fast memory modules of up to 1600MHz supporting up to 21GB. The motherboard can be easily over clocked using its excellent bios controls.

Most traders don't really need to over clock the Sonata. It has so much speed

and power it is not necessary, but if you want to you then need to order the optional CPU coolers. They are designed to keep the CPU cooler under overclocking stress. They come in two flavors. The heat pipe air cooled and the water cooled versions. Both do an excellent job.



Some traders feel they need that extra speed and others do not think it is that necessary.

Several CPUs are available including the dual core Intel i5 2.66GHz, Quad Core i7 930 - 2.8GHz, 960GHz - 3.2GHz and Xeon CPUs.

What about disk drives? Which one to select. There are now two types, one is the traditional hard disk drive which has movable platters and then there are the new solid state drives with no moving parts. The solid state drives are much faster and can unleash the full power of your CPU and multiple screen monitor array without being slowed down by the rotational hard disk drive. They store data in memory chips instead of on hard drive platters. Some tests indicate they are up

to 100 times faster in I/O operations per second.



What about multiple monitor video cards. Which one should you select. A lot has to do with how many monitors you want now and what you might go to later on. The motherboard can support up to four video cards. The Sonata has the choice of various video cards including the Nvidia based Geforce 9500GT, Geforce 250GTX, and the NVS 295 and 450 models with support up to 12 monitors with a maximum resolution up to 2560 x 1600.



Now you need monitors and stands. Which should you get? Currently the most popular trading monitor is the Acer 22" which is reasonably priced and has a thin bezel on all sides.

Monitor stands can hold from 2 to 6 monitors. The quad stands seems to be the most popular, with the hex stand coming in second. These stands give your office a modern space age look with excellent cable management.



Now what about support. The Sonata does come with 1 year parts and labor. Optional on site service is also provided by [Computer Warranty Services](#). If you have a hardware problem a replacement part is immediately sent to you and a tech actually comes to your home or business and installs the part to get you back up and running.

All the parts in the computer actually have warranty through the various manufactures. Sonata uses the best parts manufactures in the world and they all do an excellent job of supporting the computer. Sonata is also a partner of Microsoft, Intel, Western Digital, EVGA,

Get a free estimate configuration on the trading computer you are looking for. Just answer the questions in the form, such as number of monitors you expect to use, size of monitors, number to times you trade a day, how many programs are you running at one time. We will then send you back a complete configuration estimate with a **\$25.00 coupon off your purchase**. This is a limited time offer. **To get your free estimate click:**

Sonata
since 1986

PNY and many others. The motherboard is the brain of the computer and its manufacture fully supports our customers with 24 hr support with an 800 line using American technicians. They also have a blog where users talk about any problems and also how to improve the performance of their computers.

Finally the Sonata has a unique renewal program. The computer can be returned every 2-3 years and it can be updated to the latest technology usually for 50% less than a new one. Usually it is done by just replacing the motherboard, CPU and memory. No other computer trading company has this plan. Other companies just want to sell you a new computer every two years.

For more information go to www.SonataTradingComputers.com or call 800-288-4266.

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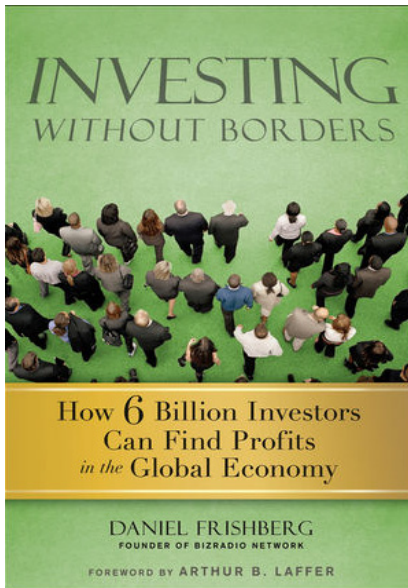
Investing Without Borders

How 6 Billion Investors Can Find Profits in the Global Economy

By Daniel Frishberg

Listed Price \$33.95

The author believes there is no little league on Wall Street. No white belts? As an investor you are immediately put in with the black belts. They are the best and brightest. If you then invest as an amateur, and you will, then your portfolio will greatly suffer.



Most investors are generally smart, but when they are exposed to the herd of other investors they follow the group mentality and start thinking like others in the group.

The author believes that if an investor avoids this trap it should mean big profits.

The author has over thirty years experience in the financial industry and with this book he feels he knows how to tell you how to break from the pack and build a winning portfolio of stocks.

The book takes you away from the outdated mentality by putting our changing financial environment in perspective.

Throughout the book the author discusses what it takes to successfully invest. The author discusses:

1) The importance of diversifying and escaping the herd.

2) Why you should invest for the long term to take advantage of the growing economy.

3) Staggering the resources being invested.

The lessons of this book go way beyond today's economic crisis. They give you the insight and the skills you need to be a proactive investor necessary to find investment opportunities in the emerging economy.

If you intend to go out on your own to invest for profits you should then read this book. According to the author short-term traders, long-term investors, beginners, supposed experts are mindlessly betting on a resumption of the 90s. That has a very low odds of happening. Most traders are also doing nothing to give themselves a market of safety in this iffy situation. That's because they aren't thinking. They are remembering.

This book provides the skill needed to transform readers into evolved, proactive investors who find diverse opportunities in the emerging economy and successfully invest both domestically and abroad.

See best place to buy book

www.tradersworld.com/archives/books_issue_47.html

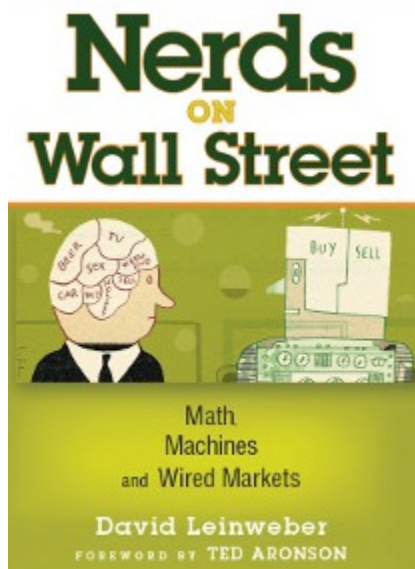
Nerds on Wall Street

by David
Leinweber

Listed Price
\$39.95



Technology has transformed all of the financial markets. In fact markets have



really been transformed by machinery for several centuries.

The author David Leinweber is a computer scientist founder of Wall Street and then became an innovator in applications of

modern trading applications to enhance both trading and investing.

This book is an excellent guide to nerds of Wall Street. Book explains how this technology is changing and evolving. Book is excellent and is engaging and entertaining.

The impact of technology in Wall Street is, of course, very profound! The author provides an in-depth look at where this technology has been and where it is going tomorrow. Explains how it created the multifaceted crisis of today.

The financial game has dramatically changed and it will continue to change over time due to technology changes.

The author throughout the pages takes a detailed look at the new players in the markets and what unprecedented opportunities are and the possible dangers in this changing environment.

The book is divided into four parts:

- 1) Wired Markets - Illustrates the history of technology upheavals in markets and deals with electric markets and algorithmic trading.
- 2) Alpha as Live - Explores the use of wired markets, and anything else you can find, to outperform market averages.
- 3) Artificial Intelligence and Intelligence Amplification - Examines how humans and machines can work together to extract useful information for investment and trading from textual sources.
- 4) Nerds Gone Wild? - Considers the roles of technology in contributing to the crisis of 2008.

Being successful as an investor involves more than stock picking, asset allocation and market timing. The author helps you go beyond the numbers to see exactly how advanced technology has become a bigger part of the modern markets.

See best place to buy book

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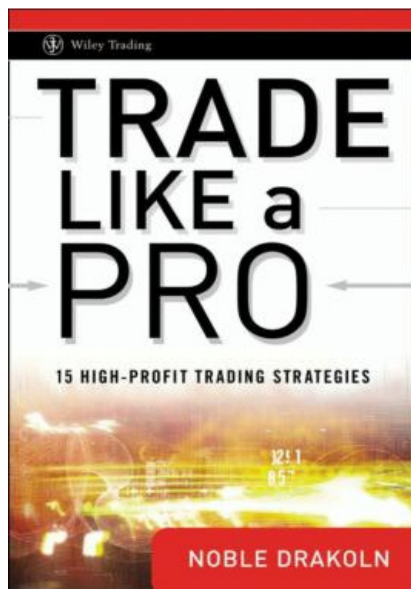
Trade Like a Pro

by Noble Drakoln

List Price \$70.00



As you probably already know the financial markets have changed a lot over the last few years. There are still some opportunities available to the skillful trader. It does take a lot of work and there are



no short cuts to trading successfully in the markets.

The author helps you look through the eyes of a professional trader and perhaps how to carve out your own path in the markets

with selective strategies that might just allow you to grow capital with preservation of capital.

This book seems to be written for the serious trader. It helps you construct trades that incorporate spot, futures and options together and perhaps diminish your risk and maximize your profit. Book also helps you to determine risk and reward of trading and how to stay in a trade.

The book explains how to transition from a basic average retail trader to a professional trader. You'll get the insights into the differences between the two and how to equip yourself for today's markets.

The book outlines fifteen different high-profit, low-risk trading strategies.

Nine of these are basic and six are advanced management strategies.

In these fifteen strategies you learn

- 1) Using options as a stop
- 2) Creating synthetic options to minimize transaction costs.
- 3) Using Straddles and Strangles to trade news.
- 4) Using collars to create limited loss/defined profit scenarios.
- 5) Using spreads to take advantage of seasonal tendencies.

All of these strategies will teach you how to improve your odds of success trading the markets.

As you know trading the markets is very difficult. To be successful you must plan your trades around successful and proven strategies. Discipline is also a large part of it. This book teaches you as a guide how to create your own trading plan that will allow you to manage risk and capture the most profit in any market.

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The Naked Portfolio Manager Why Rules Trump Reason on Wall Street

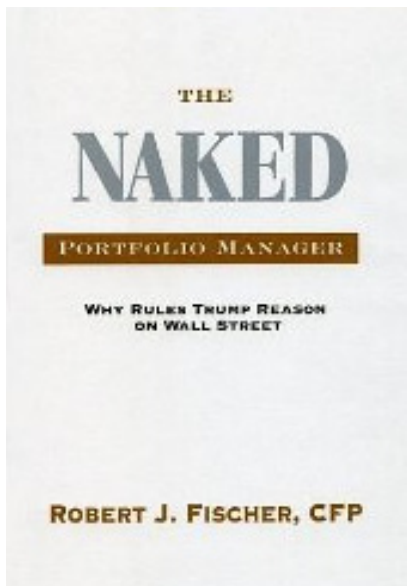
By Robert J. Fischer, CFP

List Price \$21.93



If you would like to approach investing with more confidence based on sound reasoning, then this book might just be for you.

This book actually has nothing to do with



market timing or many of the techniques given by Wall Street traders and investors. Rather it deals with something called SPM. That is Statistical Prediction Method.

The author makes the case of a new approach to investment decisions.

1) Discusses the hard facts about performance of the portfolio managers, which are the highest paid individuals in the world.

2) Discusses an examination of how decisions are made.

3) Explains with many examples how

SPMs are created.

If you then have all the facts then you could decide if an SPM would give your portfolio an edge.

The book gives you an in-depth look into the workings of decision making in the way the author applies it to portfolio management.

This book might be for you if you really want an objective look of how your portfolio is being managed with an eye to newer ways to approach managing investments.

Most people think that investment portfolios are being managed by people with high educations from the best universities. They think that they have some mystical ways for forecasting stock prices that most people would not understand.

Today a large number of managers now reject that "you won't understand" approach. They want to know what is behind it and want to make decisions using Statistical Prediction Methods.

When you had enough of that other methods that are being used to manage your portfolio then this book might help.

This book helps you to understand the disciplined rules based decision making methodologies based on SPMs.

If you want a book with cutting edge psychological principles to give your effective portfolio management then this might be it.

See best place to buy book

www.tradersworld.com/archives/books_issue_47.html

The Complete idiot's Guide to Technical Analysis

by Jan Arps

List Price \$21.95

If you have followed the market, you know that it really does not follow a straight line. It moves in waves sort of like the ocean.

The waves move both up and down basically due to news and emotions of traders. Psychology is a large part of it. It has been doing same thing over the last hundred years.

Psychology and fundamental information is what moves prices. Technical analysis used to be thought of something like tea leaves. But now today. It is now considered part of success of trading.

This book teaches you a logical and easy to understand approach to investing in the stock and future markets. It explains why and how the markets move and you



this might be the book for you.

This book gives you

- 1) Techniques to use in your investment strategy.
- 2) Explanations of the terms and topics you need to know to make wise investment decisions.
- 3) Excellent examples of technical analysis in real-like market situations.

Jan Arps has been a developer and user of technical analysis for over 40 years. He founded a successful trading software company.

He gives you:

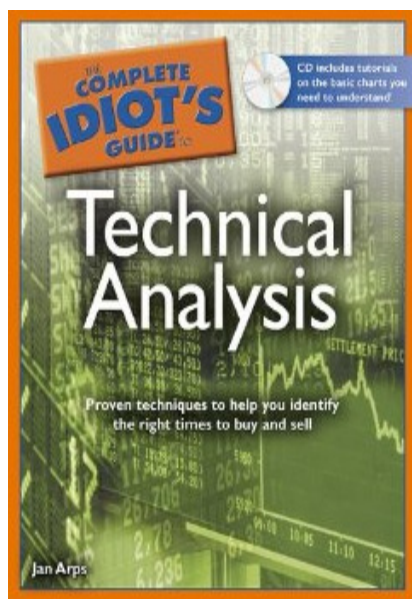
- 1) Proven trading concepts
- 2) The types of charts to need
- 3) Understanding of Market Psychology
- 4) Spotting Market Trends
- 5) Momentum Trading
- 6) Basic Techware to succeed.

The book also includes a unique audio/visual instructional CD with figures and charts illustrating market patterns and how to read them.

Jan Arps has been a developer and user of technical analysis based trading and investment concepts for over 40 years. Founder of his highly successful trading software company, he sells unique technical analysis tools for professional and amateur traders alike.

To buy book go to:

www.tradersworld.com/archives/books_issue_47.html



can effectively determine buy and sell points.

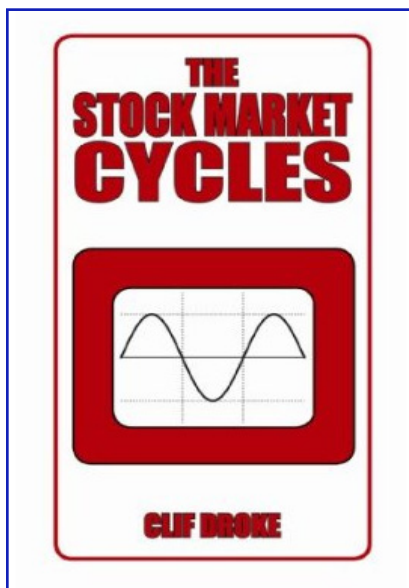
If you have spent a whole lot of time riding the markets both up and down and you want to tools to get a more educated guess on what is happening,

The Stock Market Cycles

by Cliff Droke

List Price \$37.00

In this latest book, the well known market technician Cliff Droke reveals one of his keys to understanding market movement and cycles. This is the Kress series of



yearly cycles.

The book is written in a clear and precise form which most of us can easily understand.

The book covers Fibonacci and the Kress Cycles such as:

- 1) The 2-year Cycle
- 2) The 4-year Cycle
- 3) The 6-year Cycle
- 4) The 8-year Cycle
- 5) The 10-year Cycle
- 6) The 12-year Cycle
- 7) The 20-year Cycle
- 8) The 24-year Cycle
- 9) The 30-year Cycle
- 10) The 30-year Cycle
- 11) The 40-year Cycle
- 12) The 60-year Cycle
- 13) The 120 year Cycle

He also covers the Magic number of 12, Cycles that matter the most, Oligopolies,

Kress Cycles and War and interview with the Cycle Master, Mr. Kress.

The author explains the effects of these cycles on the markets.

Chapters contain many illustrations and show exactly how the cycles influence the markets. Explains the peaks and troughs of each cycle.

Also explains how the cycles can be used to forecast the markets and even economic behavior.

The author is the editor of the Momentum Strategies Report newsletter and is recognized as an expert in the area of momentum trading.

He is also author to these books:

Moving Averages Simplified

Elliott Wave Simplified

Technical Analysis Simplified

How to Read Chart Patterns for Greater Profits

The Second Coming of Christ

Channel Buster

Gann Simplified

Turnaround Trading and Investing

America's Housing Bubble

See best place to buy book:

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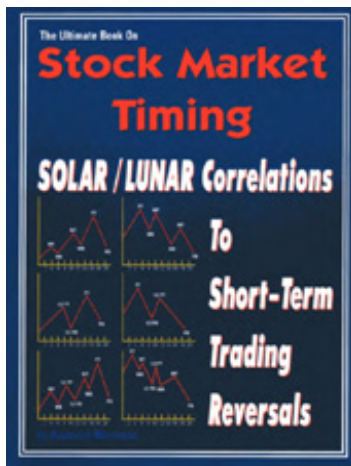
The Ultimate Book on Stock Market Timing Vol. IV

Solar-Lunar Correlations to Short-Term Trading Reversals for Short-Term Traders and Day Traders



By Raymond Merriman

This is the 4th book in the series on The Ultimate Book on Stock Market Timing



by Raymond Merriman.

This book was written for the short term trader of stock market indices. It covers all of the Sun-Moon, Sun Mercury, and Sun-Venus combinations and

their correlations to 4% or greater reversals in the Dow Jones Industrial Averages, The NASDAQ Composite Index, and the Nikkei Japanese Stock Index. It organizes these frequencies into the highest and lowest probabilities of correlating with an isolated low or high from which a 4% or greater reversal will unfold.

These studies are based on the daily data of the DJIA over the past 60 years, and the past 16 to 18 years of daily data on the NASDAQ and Nikkei. From these studies one can clearly see which 1-3 day (and in most cases, just 1-2 day) time bands each month are most likely to coincide with a short-term trading reversal. The information is invaluable for those who prefer minimum exposure in a position of high probability reversal zones, or for

those who like to trade only selectively but for fast and quick potential profits. With this book, you will know ahead of time which days have the highest probability of a trade able reversal and which have extremely low probabilities of a reversal in these indices.

What was studied in this book:

Dow Jones Industrial Average

Nasdaq Composite

Nikkei

Sun in Aries

Sun in Taurus

Sun in Gemini

Sun in Cancer

Sun in Leo

Sun in Virgo

Sun in Libra

Sun in Scorpio

Sun in Sagittarius

Sun in Aquarius

Sun in Pisces

Mercury Messages

Venus Volatility

Solar-Lunar Highlights

Sorting Results for Moon sign correlations within each Sun Sign

The studies on the Dow Jones Industrial Average in the book were the most reliable. This was due to the fact that there is so much more historical data available. In the book daily data covering the past 60 years were used for the DJIA.

The study was conducted with the software program FAR for the Galactic Trader produced by P.A.S. Inc. The program is also very useful for anyone using astrology in their trading. In addition to using the FAR for the Galactic Trader many traders can just as easily use an ephemeris in order to determine the position of the

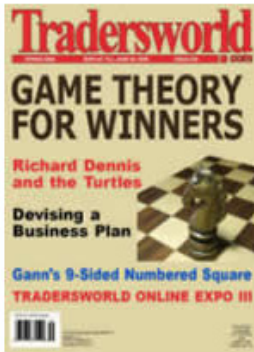
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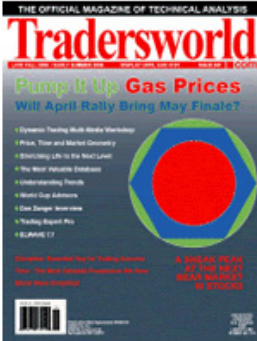
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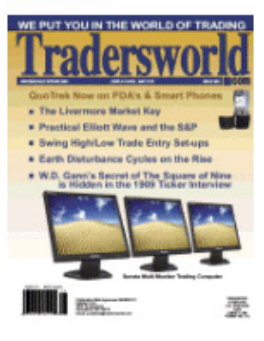
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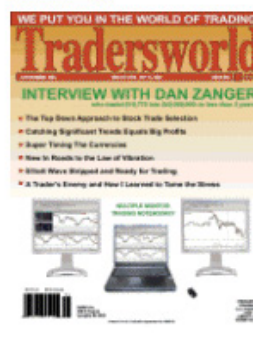
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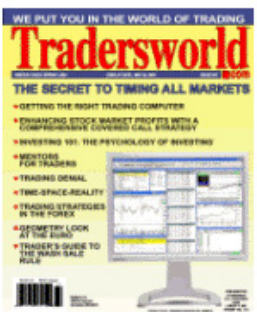
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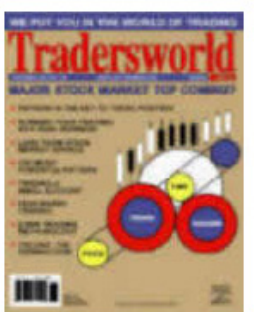
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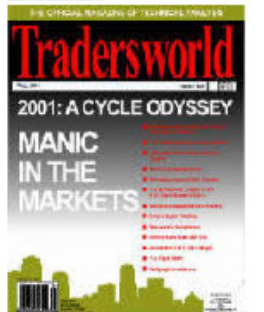
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[Issue 31](#)



[Issue 30](#)

planets and the moon on any given day for trading purposes. The ephemeris recommended is the American Ephemeris, published by ASC publications. Use the 10-year ephemeris, such as the 2001-2020, because of its detailed aspectarian. It provides the exact time in which the Moon enters and leaves each sign of the zodiac.

How does one trade the knowledge of this book.

- 1) First identify the 1-3 day (usually 1-2 day) time bank when a solar-lunar combination is in effect that has a higher than expected correlation to a short-term trading reversal.
 - 2) Identify an isolated low or high in this time bank.
 - 3) Enhance the potentially profitable entry using intraday technical studies.
- a) Use a combination of time intervals

for these studies such as the 30-minute, 5-minute, and 1-minute.

- b) Use either stochastics or RSI looking for divergence.
- c) Look for reversals in the market.

This book is a necessity for any trader interested in using astrology for trading. From the studies in the book, one can clearly see which 1-3 day time bands each month are most likely to coincide with a short-term reversal. Mr. Merriman found the lunar cycles and Sun-Moon signs that correlate consistently with tradable highs and lows in the markets. The information is invaluable for those traders who prefer minimum exposure such as day-traders in a position of high probability reversal zones, or for those who like to trade only a couple times per month, but for quick and fast potentially profitable trades. With this book you will know ahead of time which days have the highest probability of a tradable reversal and which have extremely low probabilities of a reversal.

For those who are interested this work, but who do not want to do the work to find the potential reversal Solar Lunar Correlations, Mr. Merriman does keep up these studies constantly. He reports the times when solar-lunar reversals are due in every issue of his MMA Cycles Report and also in the weekly MMA updates to these reports. You are welcome to be a subscriber to either the daily reading for solar-lunar values in DJIA as well as the Silver market.

Raymond Merriman, *The Merriman Market Analyst*, www.mmacycles.com, phone 248-626-3034.

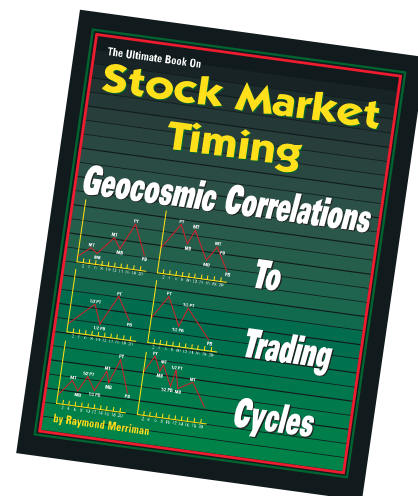
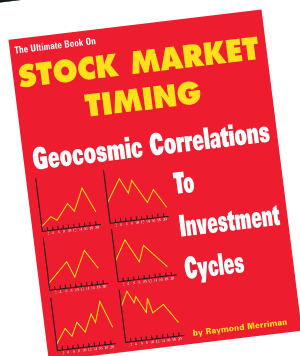
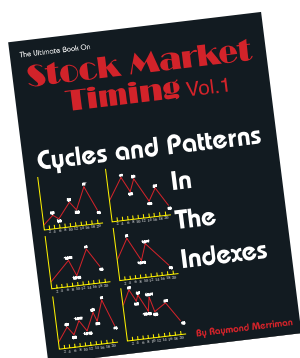
The image shows a page from the American Ephemeris for July 2002. It is divided into three main sections:

- LONGITUDE:** A table with columns for Day, Hour, Minute, and Second, and rows for each day of the month. It lists the longitude of the Sun, Moon, and planets.
- DECLINATION and LATITUDE:** A table with columns for Day, Hour, Minute, and Second, and rows for each day of the month. It lists the declination and latitude of the Sun, Moon, and planets.
- DAILY ASPECTARIAN:** A table with columns for Day, Hour, Minute, and Second, and rows for each day of the month. It lists the aspects between the Sun, Moon, and planets.

American Ephemeris page used in book

Would you like to Pinpoint 4% Short-Term Trading Reversals in the U.S. Stock Market with Incredible Accuracy ?

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The Ultimate Book on Stock Market Timing - Volume 4 SOLAR-LUNAR Correlations To Short -Term Trading Reversals

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\$95.00 (postage and handling \$5.50 USA, \$12.50 Canada, \$13.50 for overseas.)

This is the most comprehensive analysis yet of all the Sun-Moon combinations and their correspondence to price movements in stock indices available today. It examines 60 years of daily data on the Dow Jones Industrial Average, and the past 16 – 18 years of daily data on the NASDAQ Composite and Japanese Nikkei Index. The probability of 4% or greater reversals is assigned to each Sun-Moon combination. Thus when a Sun-Moon combination with a high correlation to 4% or greater price swings is in effect, a trader knows that this 1-2 day period offers a high probability for an isolated low or high to form, from which the market will reverse a substantial amount in a very short time. This is the ideal situation for short-term traders: high profit probability with a minimal amount of time exposure (risk) in the market. This is the "edge" that traders seek!

"Ray Merriman has done a remarkable job of isolating high probability time periods to trade. This book is an excellent addition to a trader's technical toolbox for short-term and intraday trading, and also for identifying ideal entry time periods for longer-term moves and cycles."

- **Walter Bressert**

World-renowned cycles' analyst, and President of Walter Bressert Asset Management Company

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OmniTrader 2010

This is a review of the OmniTrader 2010 using three of the trading modules available. I wanted to see what the program could do with a selection of systems that I have read about in various books. Who of you have not read a book on chart patterns, Hurst Cycles, and wave trading? These are the plug-in modules I selected to put in and test in the OmniTrader 2010 program.

OmniTrader 2010 is the latest program release by Nirvana Systems. It comes with several trading strategies. The strategy engine runs these systems, which allows you to scan opportunities across your selection of stocks. The program gives

C	Symbol	Sig	PD	Setup	Bars	Pos	SigType
	\$INDU	↓	●	■	15		Short
	NTAP	↓	●	■	11		Short
	LVS	↑	●	■	19		Long
	GLD		●	■			None
	SPXU	↑	●	■	15		Long
	DBA	↓	●	■	44		Short
	\$NDX		●	■			None
	\$SPX	↓	●	■	11		Short
	ADBE		●	■			None
	APKT		●	■			None
	BIDU	↑	●	■	2		Long
	CSTR	↓	●	■	18		Short
	IBM	↑	●	■	19		Long
	KO	↑	●	■	36		Long
	NBIX		●	■			None
	NFLX		●	■			None
	QLD		●	■			None
	TNA		●	■			None
	VMW	↑	●	■	19		Long
	DECK	↑	●	■	29		Long
	SDS	↑	●	■	15		Long
	SLV	↑	●	■	5		Long
	CRM	↑	●	■	2		Long
	AKAM		●	■			None
	SNDK	↑	●	■	9		Long
	AAPL		●	■			None

Chart 1 - Focus List

you buy and sell signals in its symbol list, identifies chart patterns and setups across multiple time frames. For each signal you



Chart 2 - Trending Template



see a signal, a pattern and a setup enabling you to find profitable trades. See Chart 1 Focus list.

OmniTrader also gives excellent charts giving multiple chart styles, automatic scaling, multiple indicator panes to help you trade more effectively. You get automatic trendline alerts, color charts and even pre-determined chart templates that identify bullish and bearish conditions in the market. There are several built-in templates included:

- 1) Reversal
- 2) Standard
- 3) Swing
- 4) Trending

Look at the trending template. I really liked how it worked. See Chart 2 Trending Template.

The program can also help you manage your trades once you have placed them using Visual Brokerage. Chevrons appear on the right side of your charts allowing you to customize and full automate your money management including scaling and pyramiding techniques. It is connected to several popular online brokerage firms.

There are also several plug-ins you can get for Omni Trader. Here is a list of them:

- 1) Chart Pattern Systems
- 2) Nirvana's Darvas Box
- 3) Hurst Cycle Trader

- 4) iTLB 3.0
- 5) Nirvana's Pring KST
- 6) Turtle Trader
- 7) Volume Systems
- 8) Wave Trader
- 9) Woodies' CCI

In this review I selected 3 plug-ins and installed them in the Omnitrader. I was curious about how they would perform together.

1) Chart Patterns Systems - Chart Patterns Systems finds and allows you to trade the most powerful chart pattern events as they occur in the market. It even has the ability to recognize 16 candlestick patterns.

2) The Hurst Cycle Trader gives you the Hurst Strategy and two powerful tools than can be used to improve your trading. These are the new shifted Moving Average Envelopes which can draw shifted bands around price and project them forward. You also get the Hurst Cycle Trader system which combines these tools into Hurst signals.

3) The WaveTrader 2.0 allows you to find the waves that move in the markets. Entry points for longs and shorts are identified in the WaveTrader. It works because markets sell into weakness on a lower high and buy

into strength on a higher low.

So now let me explain how the three modules that I selected work. The Pattern Recognition Module when activated displays a pattern toolbar which sets the strength of patterns show in the chart. The strength of 1 is the weakest and the strength of 5 is the strongest.

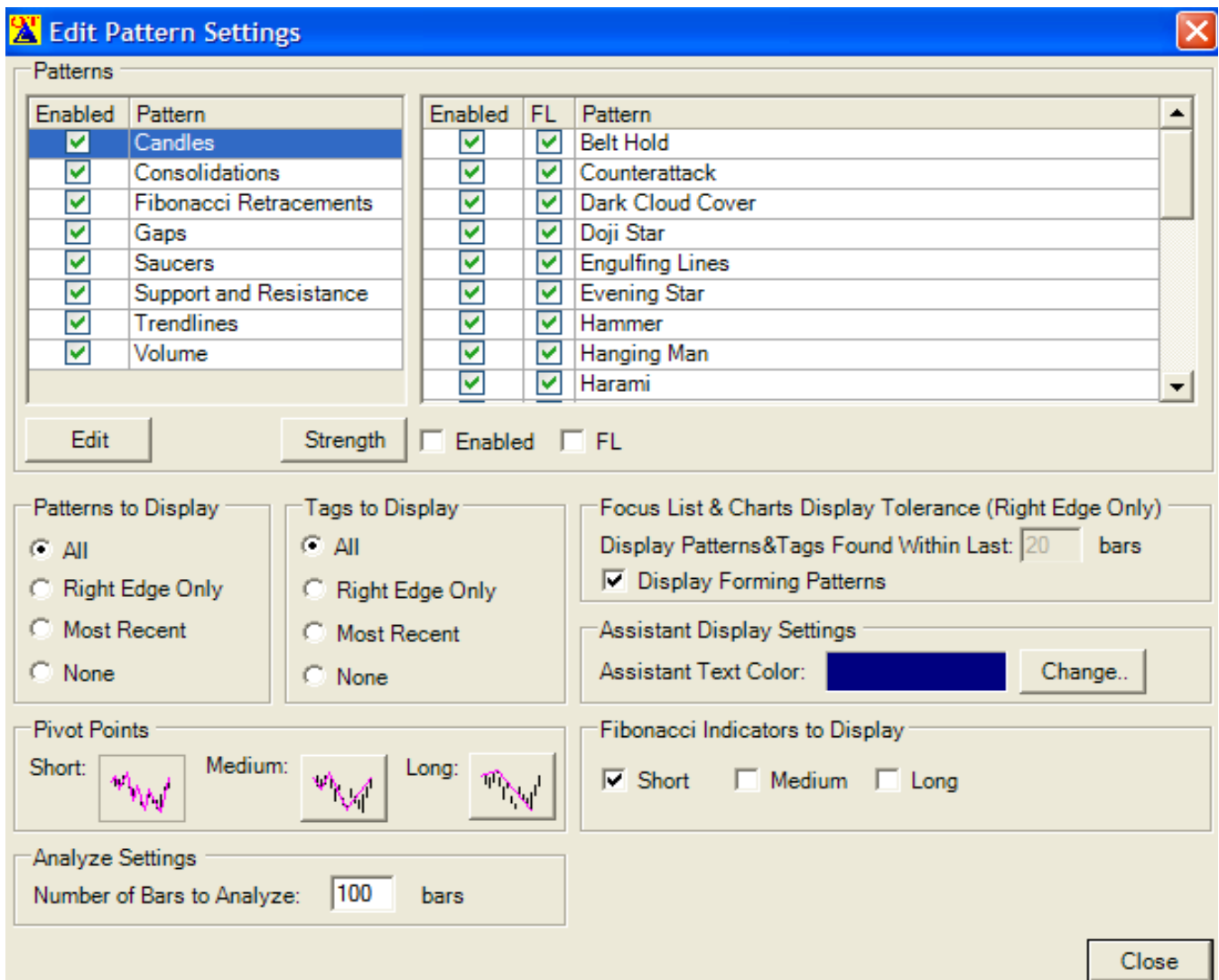


One has to experiment with the strengths to determine what works best on the chart.

It is quite easy to edit the patterns you want activated on the charts. See Edit Pattern Settings. See Chart 3 - Edit Pattern Settings.

Hurst Cycle Trader plug-in was easy to install. The module includes the Shifted Moving Average indicator, the HCT system, the Hurst Cycle Trader Strategy and the Hurst Trade Plan.

The Shifted Moving Average is used to find the cycle envelopes. These are found by shifting the moving average half the span of the defined term. Using a 14 period moving average a half span shift to the left would envelope the cycles. The Hurst Cycle Trader system generates long signals when a major cycle low lines up with a minor cycle low and the Valid Trendline is broken. The Hurst Cycle Trader RT can be applied to intra time frames. It was designed for 5-minute charts. This is what I used in this review.



See Chart 3 - Edit Pattern Settings

The third module WaveTrader 2.0 also installed easily. It uses pivot points or Zig-Zags to find waves in the market. These pivot points represent market reversals. These pivot points represent trading opportunities and they are the basis for the Wave-Trader module. This module has several strategies such as the WT Short Term, WT Long Term, WT Trending, WT Reversal and the WT Real Time Strategy. In this review I'll be using the WT Real Time Strategy. This strategy is similar to the other ones but it does require higher lows and higher highs to occur in the same trading session. This allows the strategy to adjust to current market strategy without being influenced by the previous session.

In this review I used all three plug-ins inside of the Trending Template. See Trending Template Chart 2.

I found it was beneficial to use all three plug-ins together. Using the Hurst Cycle Trader the two cycles would come close to the same level and give a signal. See the middle of the chart 2 where the high was made. Next the WT Real Time would many times give a signal in the same direction confirming the Hurst Cycle signal. The TRII trending oscillator from the trendline template would also turn red confirming the trend down as well as the oscillator. Notice all the trendlines and patterns are automatically recognized and drawn on the

chart giving you constant guiding signals. These signals are given via the red and green diamonds on the chart. By moving your mouse cursor over the top on one of the diamonds, it tells you what the signal is. In the middle of the chart where most of the sell signals came, the diamonds gave a rectangle top, 38% reversal, falling reversal and many other negative sell signals. This really gives you a feel of the market and what action to take.

The OmniTrader was an excellent program to use. The different plug-ins worked together nicely. I could see even added some of the other modules to see how the program would perform. I was not able to test the Visual Brokerage, since I did not have accounts with the various brokerages. But I could see it benefits. This is only a small part of what the OmniTrader 2010 program can do. I have only scratched the surface. I recommend the OmniTrader 2010 to any serious trader on investor in the markets.

For more information go to:

<http://www.nirv.com>

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The Market Oracle Report Review

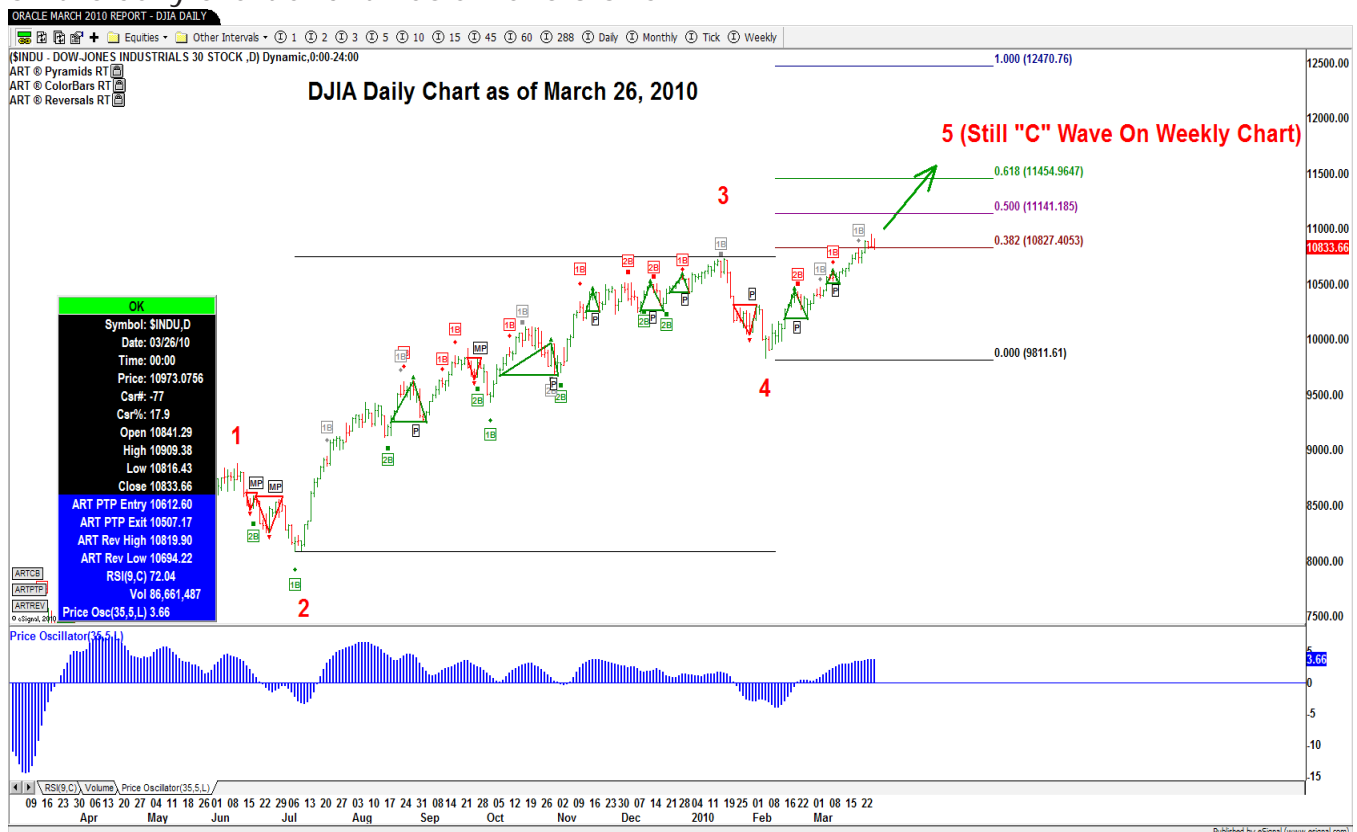
The Market Oracle is a report published by Bennett McDowell of TradersCoach. It is a monthly report which forecasts the Dow Jones Industrial Average on a daily, weekly and monthly timeframe. Additionally it gives Mr. McDowell's five favorite trade setups in the markets using the using the ART® Software, Elliott wave, and the advanced trading techniques as outlined in The ART® of Trading book. In this review we will only focus on the DJIA coverage.

The written subscription Oracle reports are emailed to subscribers on the 2nd Friday of each month.

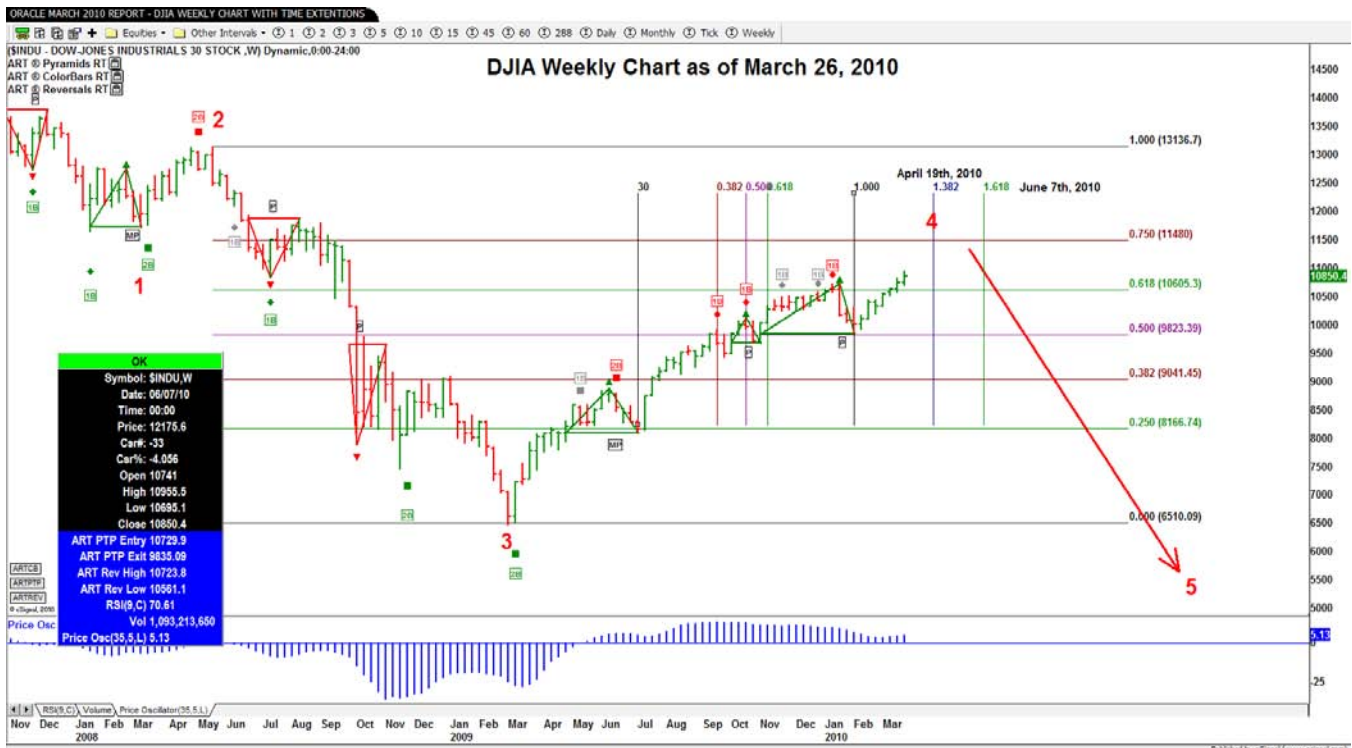
This review is an examination of the March 2010 report that came out the market was at 10,852.31. The report indicated that the market was in Wave 5 on the daily chart and it was a wave 5 of C

wave on the weekly chart. It indicated that the short term upside may last another 4 to 6 weeks or it could end anytime. The report indicated that the C wave can be tricky. The monthly chart indicated that when the market turned down we would be in Wave 5 of Wave 3.

The report also indicated that in analyzing the Fibonacci Time extensions that there were two important dates approaching. One was 1.32 and the other was 1.618. The 1.32 marked the week of April 19th and the 1.618 marked the week of June 7th. Also two additional dates were indicated, the week of April 12th and the end of the week of May 31st. The report indicated that there might be some price reversals at some of these dates. Some might be at the end of wave 4. Also another monthly chart was shown, but instead of the price oscillator at the bottom of the chart it was replaced with an RSI indicator. Mr. McDowell indicated that when the RSI pierces the lower band or red line in the



Dow Jones Daily Chart



Dow Jones Weekly Chart



Dow Jones Monthly Chart

chart there is a high probability that the final low was not in place yet and that the bearish impulse trend of the market is not over. This also indicates that we are in a bear market of great significance.

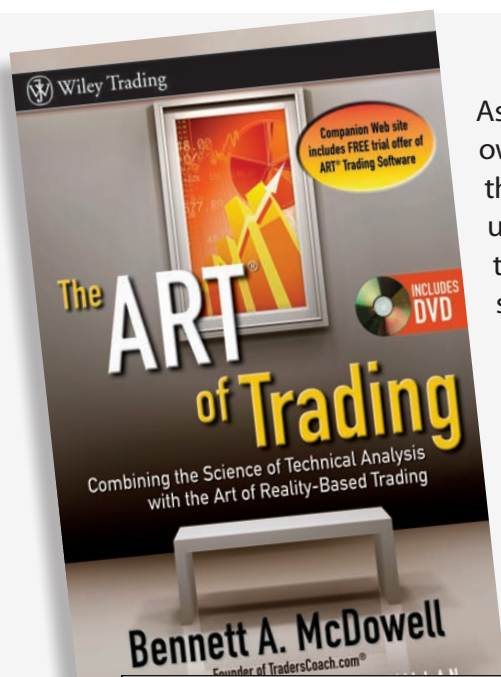
So what happened so far? How did the report fair? Overall it looks like the report was right on in its bearishness. Today is June 24th and the Dow Jones stands at 10202, 600 points lower than when the report came out. The week of April 19th was the actual high in the market and based on Mr. McDowell's overall comments it looks like we are in for more downside in a serious bear market.

For the latest forecast please go to this link.

http://www.traderscoach.com/forms_free_report.html

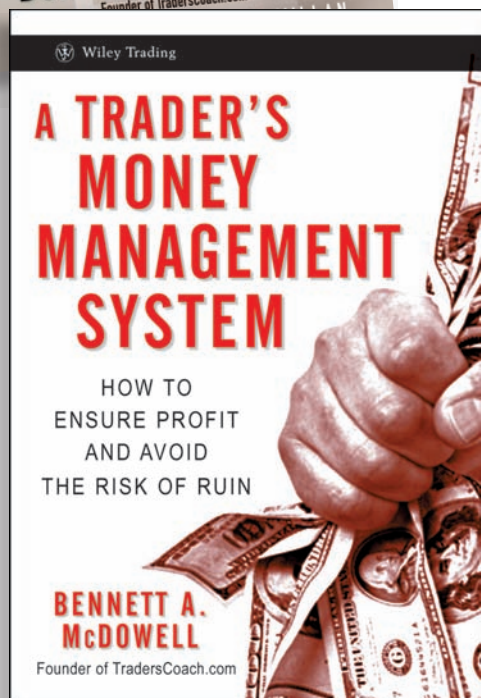
For more information the Oracle Report, the Elliott Wave Home Study Report, The ART® of Trading Book and the ART® software contact www.traderscoach.com

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Bennett A. McDowell (San Diego, CA) founded TradersCoach.com® in 1998 and is an expert in technical analysis and complex trading platforms. He lectures nationally and writes articles for many prominent trading publications. McDowell is also a recognized leader in trading education.

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If you are a technician using both short term and long term data, it is very important that you have a reliable data vendor. The company that always comes to me is CSI data. They have been around since the beginning of our magazine in the 1980s. They accurately report complete data for stocks, futures, options and mutual funds as well as Briese's Commitments of Traders (DOT) data. Ninety-nine percent of coverage reaches back to the first trading data for each respective market. Personal and private users can access up to ten years of history, depending upon the market category. Users can arrange for more history if desired.

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The data base is installed in your computer with the installation software and is maintained automatically with updates via the internet. You can export to most charting and trading software, Data formats include CSI format, Metastock, Ascii, Excel and most software application formats.

Futures magazine did a review of CSI's data accuracy in 1999 and the results were very impressive. They showed the percentage of errors & omissions the lowest of all available data services. They did an extensive test of every company from CBOT, MJK, Prophet, Quote.com, Pennacle, Reuters, Bridge/CRB, Omega Research, Genesis and Dial Data. Reliable and accurate data is very important for technical analysis. Inaccurate data can produce misleading results and cause serious error in technical analysis as well as losses. So it is extremely important to have accurate data for your analysis.

CSI Data has excellent fast studies such as Back Adjusted, Gann, and Perpetual contracts.

Unfair Advantage is included with CSI data is their Unfair software. It is designed around one or more user-defined portfolios representing the various futures, stocks, funds or options that you want to follow. All items in the portfolios are grouped and exported automatically at distribution time. Portfolios make it easy to access charts and studies and work with multiple analysis products.

Unfair software can review the extensive history of any series in both chart and table form. You can simultaneously display studies superimposed over the data on the charts. You can also select the bar frequency of any time series from daily,

weekly, monthly, quarterly and annually. Lines may be drawn in selected colors and study curves may accompany the pricing data.

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Recently CSI made available over 100 trading systems called their Unfair Advantage Fast Studies.

Many Unfair Advantage users make trading decisions based upon customized technical analysis. Others rely on technical trading systems they have purchased to generate buy and sell signals. In either event, such systematic procedures can now be investigated in advance of committing funds to the market. TSPE is a Monte Carlo Simulation that will interpret your actual, simulated or projected track record and determine whether you have a chance to achieve a pre-set monetary goal before exhausting your capital stake. Too often, the success of a trading system

depends heavily upon the experienced trading sequence of profits and losses. Rare windfalls can make an otherwise poor result appear to be a great trading system. Since TSPE randomizes the mix of profits and losses under the assumption that each profit or loss is an independent outcome, the result becomes much more believable. This tool is FREE to all UA subscribers, and should be used before embracing any trading system. By thoroughly examining your proposed trading approach, you will know how much capital you must put at risk to accomplish a given likelihood of fulfilling your goal

The MultiMarket Analyzer is designed to help you trade many markets as a correlated group. It functions as a natural tool for evaluating market dynamics. MMA statistically determines which markets are leaders, which are followers, which are correlated and which are redundant. Then it lays out its understanding of the current econometric picture with an emphasis on probable direction. Access it through the Trading Tools menu and identify your desired group of markets.

The Market Scanner enables the trader to write custom indicators and studies to follow and predict market action. The analyst can capture market statistics on stocks by exchange identification (NASDAQ, NYSE, AMEX, all mutual funds, etc.) to sort and filter this data to reveal a list of stocks or commodities that meet a particular criterion. For example, one might want to reduce a list of stocks down to all stocks that are priced between \$10 and \$20 per share, or all stocks which have just risen by over 25% in a single day, or all stocks that have just broken out of a 5 or 10-day low or high. The Market Scanner

offers a very simple way to examine large volumes of data with relative ease. Your indicators can be written in VisualBasic or Perl, both of which are built into the UA product.

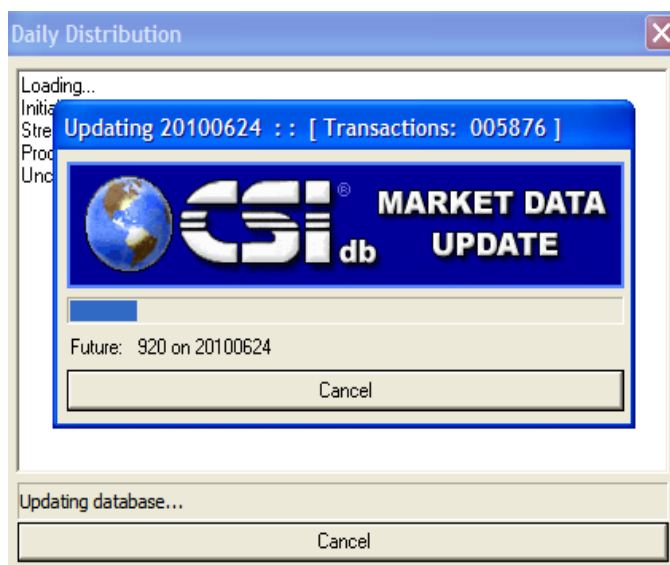
To familiarize the user with this the custom programming offered within both the Advanced Studies in the UA charting module and MarketScanner, several sample Perl program codes are included. These guide the user through the initial learning experience. The Emerging Markets Study is an exclusive CSI product and a promising trading tool, for which the complete code is supplied to every subscriber. With this sample study, one can quickly review the history of many thousands of stocks and identify every stock that meets the condition of

1) flat market behavior, followed by

2) accelerating upward or downward market movement.

There is much that the UA analyst can do to expand on this capability to identify potentially profitable opportunities, or one can simply use the tools supplied to create useful original studies.

Unfair Advantage comes with software



Downloading Market Data

that will transform raw futures contract data for a given commodity into a single continuous series. This forces any futures series comprised of many delivery months into a single series that can be analyzed over an extended period. This type of data is suitable for individual study or for simultaneous analysis of multiple continuous series. The available options include:

- A time-weighted Perpetual Contract® data series, which reduces a given futures market into a single continuous series using a constant future-period-forward perspective measured in days and months.

- A back-adjusted series in which individual contracts are concatenated over time and adjusted by a delta difference (to provide smooth continuity to the data) as each contract rolls from the current month to a more distant month. Delivery months visited may be dependant upon either a given calendar date relative to the start or end of the month or the magnitude of volume, open interest, either volume or open interest or both volume and open interest, etc. Precise roll timing may be controlled according to the availability of delayed volume and/or open interest reports relative to the current trading day.

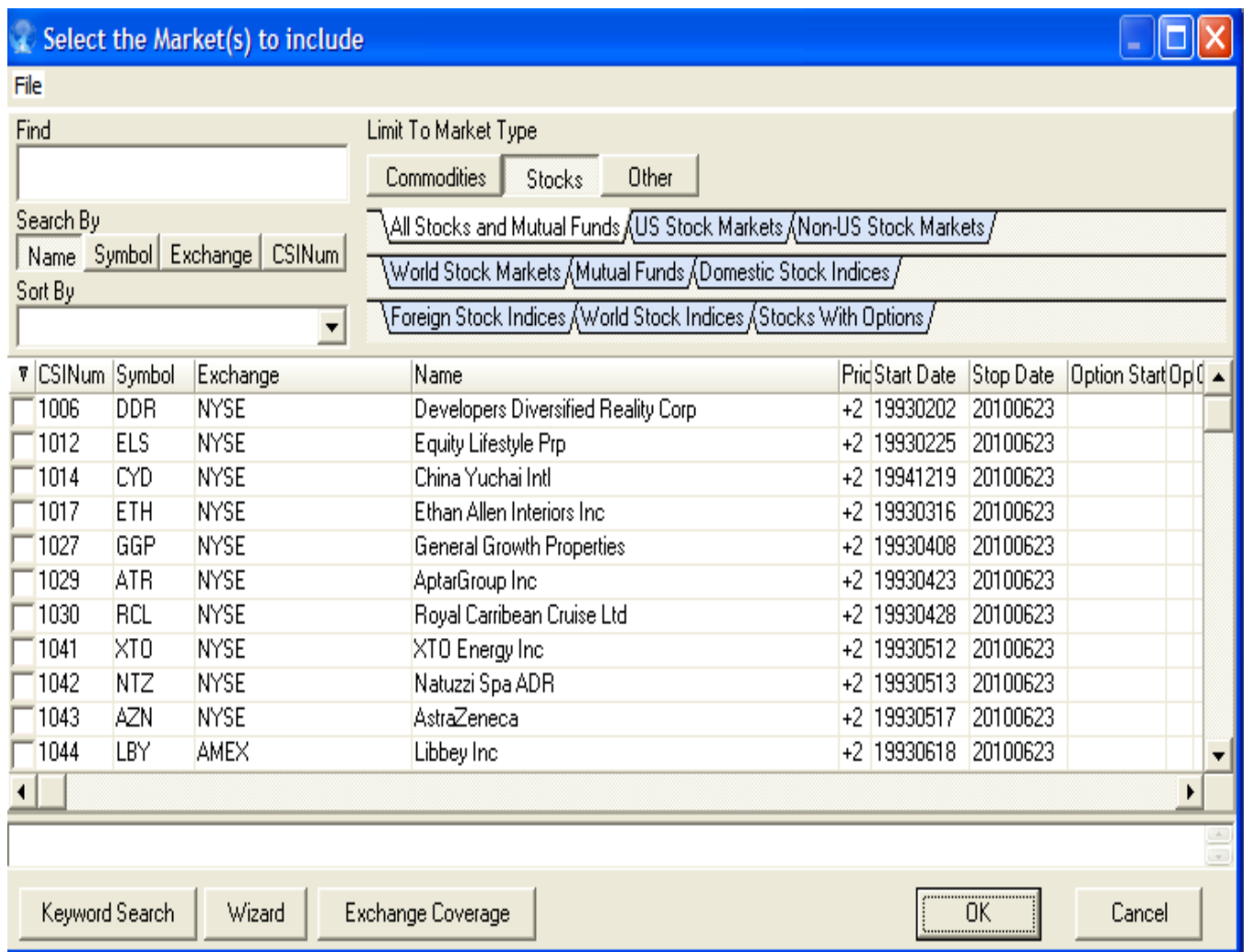
- A proportionally adjusted series, which is quite similar to the above back-adjusted series, except that the delta adjustment is done in percentage terms. This minor difference helps to avoid situations where a back-adjusted series might move into negative territory. A proportionately adjusted series cannot move into negative

territory, but it can approach zero.

- A Gann series, in which historical data is transformed into a series comprised of successive historical segments of the same delivery month over successive years. Using this algorithm, the output continuous series becomes a compilation of all July deliveries, for example.
- A Nearest Future series, which is an artificial contract representing a concatenation of successive contracts over time, reflecting the price, volume, and open interest of the Nth nearest future. In this option, there is no attempt to account for step-size jumps or drops in price as contracts change from one to another.

CSI also supplied Commitments of Traders (COT) information. Steve Brieze, editor of the Bullish Review, has compiled a unique database of the weekly COT data. The CFTC reports on the open interest positions of large and small traders for all regulated commodities, and this market sentiment is known to be an indicator of future market movement that favors the larger commercial interests. Also included are the COT indices Mr. Brieze has created for each market to simplify interpretation.

CSI also supplies Unique Chart Studies not available anywhere else such as the At The Money Study. It is available only to subscribers of CSI futures option data, this study graphically presents a band around a price chart of any given market



Easy to Select Security to Chart

that supports option trading. For each output, the put premium is added to the close and the call premium is subtracted from the close. The study reveals expected volatility limits for the underlying time series, which lie between the put and call lines. An advantage of this presentation is the implication of knowing whether buying an option may be less expensive than invoking a protective stop.

Another unique study is their Seasonal Index. Unlike competitive seasonal tools, UA's Seasonal Index Study depicts seasonal tendencies by employing forward-looking analysis for individual markets. It is unbiased in that it does not use the future to force the index to appear like the past. UA's Seasonal Index is cumulative

- based upon daily increments of data by adopting a 251-trading-day year. This unique formulation allows it to learn over time. The statistical nature of this study makes it a helpful tool in predicting future market movement.

CSI Data is compatible with several software packages including TradeStation, Vantage Point, Delta Society International, Trend Simplicity, TradingBlox, TradeGuider, Aberation TradeSystem, Inc., Webtrading, OmniTrader, Insider TA, Tradecision, Financial Data Calculator and Turtle Trader.

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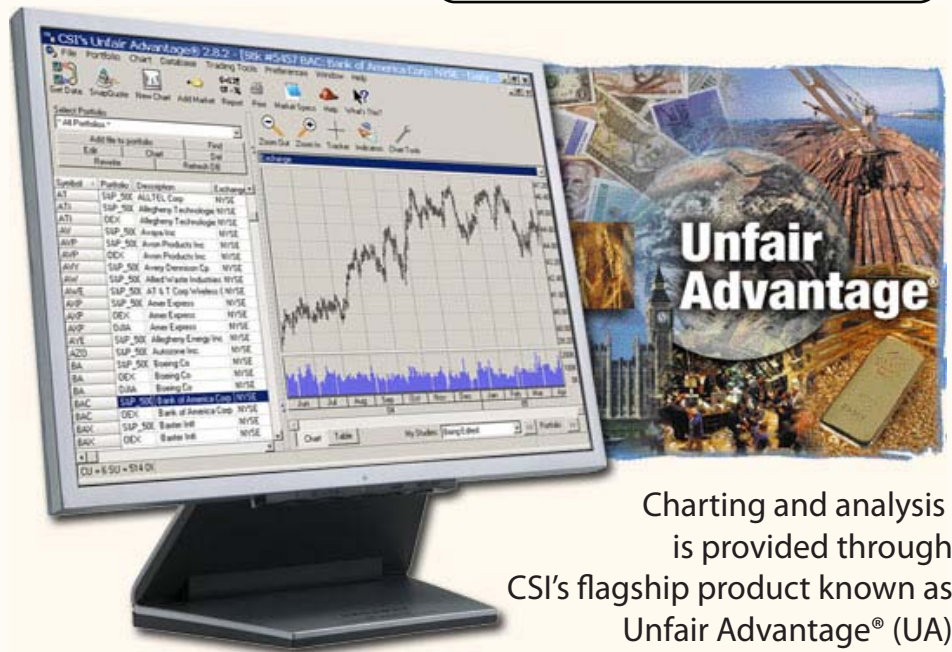
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MTPredictor RT on NinjaTrader 7.0 Review

By Larry Jacobs – Editor of Traders World Magazine

The MTPredictor RT analysis software is now an add-on to the NinjaTrader 7.0 charting platform. This is a review discussing how it works inside of NinjaTrader. MTPredictor

enables five automatic setups to be found automatically in real-time. They can be in any time frame that you select.

The five setups it can recognize are:



TS1 – abc as part of Elliott Wave 2 correction

TS2 – abc as part of Elliott Wave 4 correction

TS3 – general ABC correction

TS4 – larger- degree ABC correction (users more earlier swings)

DP – Decision Point™ (end of trend)

Also you have the Wave Price Target (WPT) support and resistance levels for setups, projected profit targets, full risk/reward analysis and position sizing. Position sizing is based on your initial value of your account and the percent risk you are willing to risk. In this demo I put in \$20, 000 for account value with a 2% risk on any one trade.

You also have historical trade analysis

in which you can learn from past signals using 'history triangles' and you have the Elliott Wave Tool to find additional setups on charts using the Elliott Wave analysis. When you see a history triangle you can click it to see what the analysis was at the time and what actually happened.

Additionally you have the High Volume (VSA) Spike™ Indicator which alerts you to trapped buyers or sellers.

NinjaTrader has many advantages such as:

- 1) Multiple Order Entry Screens
- 2) Advanced Charting with Order Entry
- 3) Advanced Trade Management
- 4) Powerful Real-time Market Scanning
- 5) Trade System Development & Backtesting



- 6) Automatic Trading
- 7) Trade Performance Analysis
- 8) Simulation and Market Reply
- 9) Additional Analytics

If you want to execute live trades through NinjaTrader you can purchase a license key to unlock live trade executions.

NinjaTrader also provides unlimited access to educational services such as documentation, daily online interactive product trading sessions, weekly trading education, and webinars.

You need access to one of the data services below:

Barchart.com, eSignal, Interactive Brokers, IQFeed, MBTrading, TD

Ameritrade, TradeStation, Yahoo Finance, and others.

There are a large number of brokerage firms that also work directly with NinjaTrader. Through them you have the ability to place orders directly on the chart.

Installation of MTPredictor into NinjaTrader as an add-on was extremely easy with no problems whatsoever.

Now let us go through to see how the program actually works.

In this review I have a 3 minute chart using the reverse ETF, SPXU, on the chart. By right clicking the mouse you can pull up the complete menu with a popup box or you can view a limited menu at the top.



See the top of the chart - Analysis, Risk/Reward/Decision Point, EW Int, EW Mnr and Clear. See Chart 1 and 1a.

On the chart 2 you see a signal given in the lower left of the chart, which was a TS4 setup. This is a long signal which was the larger-degree ABC correction. To activate the analysis you click on the colored bar to the right of the signal. This gives you the place where to go long, number of contracts/shares/lots based on your capital, stop point and initial risk and your target with the risk to reward and potential profit. See Chart 2. The Clear button on the top right of the chart will

clear this analysis.

The Decision Point can be enabled by clicking the Decision Point tab and clicking the pivot point bar. The Decision Point gives you the end of the trend where you might sell out. See Chart 3. I clicked the high made at 8:46 to give me the DP green bar that ended the trend.

You can also click the tab at the top for either the Intermediate Elliott Wave pattern – EW Int, or the Minor pattern – EW Mnr. This finds the current Elliott Wave count based on the pivot you are looking at. I have clicked the EW Int in chart 4 and you see 2 or B wave at the top. You can also at any time erase this count on the



chart by clicking the Clear button on the top menu of the chart.

It is very easy to do the analysis of the chart by clicking the top menu buttons or by the right mouse click button.

The software also has the Risk/Reward tool. It can only be accessed at the menu at the top of the chart. It is a manual tool that requires three mouse clicks. The first mouse click is at the original entry point, second mouse click is on the stop bar and the third point is where one gets out. See chart 5. This can be done anywhere you want. The stop point can even be clicked on the ATR (average true range) stop point.

In the program you can also follow the VSA High Volume Spike. This means the price bar is 'unusually' high volume and means that it is a possible reversal or wash out of the market at that point. It works nicely on the DP points.

The VSA High Volume Spikes as well as MTPredictor setups can be setup on the Market Analyzer so you don't have to monitor a large number of charts. The Market Analyzer can alert you to a particular market in a particular time frame without the charts being open. It is very neat and easy to follow a large number of markets. It is almost like a scanner. You still need



Instrument	AskPrice	BidPrice	LastPrice	MTP VSA (3min)	MTPredictor(3)	MTPredictor(5)
SPXU	37.86	37.85	37.82	108K		
DELL	12.85	12.84	12.85	770K		
INTC	19.95	19.94	19.95	809K	C[TS3]	

to go to the chart and analyze the pattern and make sure everything looks ok. In Chart 6 I have three stocks monitored with both the 3 and the 5 minute time frames. INTC gave a setup so I went to the chart, see Chart 7 and I clicked the Analyze button on the menu. It is not to say you must take the trade, but go to the chart and take a look.

One of the advantages of using the NinjaTrader platform is that you have all the additional tools available. There are dozens of indicators that can also be employed in the program to help with the analysis of the trade. See Chart 8.

There is also a large number of drawing tools that can also be used from ordinary trendlines, Fibonacci retracements and



extensions to ellipses, rectangles, arcs, etc. See Chart 9.

Drawing objects help make the chart clearer even working with the MTPredictor Signals. In chart 10 I have drawn triangles and the Bollinger Bands on the real time 1 minute chart. It helps you to see how easily the MTPredictor signals work in the market. Note the two TS4 sell signals. These are ABC corrections in a down market.

So MTPredictor is a nice add-on to the NinjaTrader platform. You have the

full power on NinjaTrader along with advantages of the MTPredictor program. This is a very nice combination.

For more information with this review please go to:

<http://www.tradersworld.com/software/mtpredictor.html>



From The Trading Desk of Jeff Rickerson

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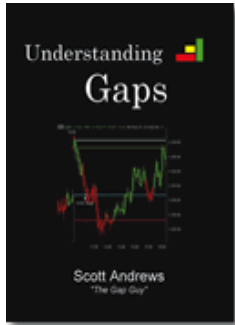
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gives the benefit of his painstaking and thorough research into gaps and how they might be profitably traded. He starts with an explanation of gaps, what they are, and examples of several types, all with illustrations. Most existing literature on the subject stops here....which is just the bare beginning of the coverage in this valuable and informative book. The results of extensive research into gaps are presented, and cover a myriad of approaches to analyzing them...including seasonality, day of the week, gap size, where the gap occurs relative to the previous day's range, and many other aspects...with exact probability studies for each approach.

The balance of the book deals with Andrews' own approach to trading gaps, and is replete with numerous examples and illustrations of trades he has personally made. He offers useful counsel and observations based both on personal experience and on his research which

will provide solid guidance for traders interested in learning a methodology based on gaps. It should be noted that the entire focus of the book is on trading the opening gap in the S&P E-mini futures. Andrews ignores the "night session" and considers an opening gap as the difference between the close at 4:15 PM EST and the opening the next morning at 9:30 AM EST.

This book reads easily and flows smoothly, is well written and will serve as a valuable resource for serious traders.

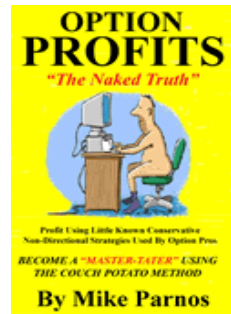
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By *Mike Parnos*. Trading is an equal opportunity vocation. It doesn't matter if you're Shaquille O'Neal or Mini Me, Fat Albert or Twiggy, Jack Welch or Jack Kevorkian. The point that I'm making is that trading

is a skill that anyone (almost) can learn and have for the rest of your life. All you need is a computer, a little bankroll, a willingness to learn - and, of course, a teaspoon of common sense and a tablespoon of self-discipline.

I did it my way. I learned - by reading, by listening and (unfortunately) by a lot of expensive trial and error. But I persevered and I made it. I'm not wealthy by financial standards, though I'm not worried where

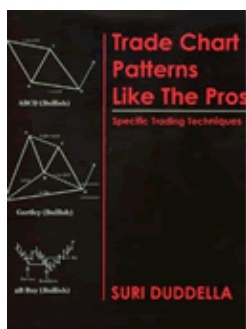


my next meal is coming from. Why? Because I've learned how to consistently take little chunks out of the market. Those who have attended my two-day advanced seminars, have an excellent grasp of these concepts.

I've paid my dues. Hopefully, my dues will cover some of the mistakes you would otherwise make. Examine the strategies in your arsenal. In this book, you'll find a variety of strategies - primarily non-directional. Ask yourself: Which strategies do you know thoroughly? Which strategies do you know how to enter and monitor? Do you know when and how to exit? Do you know how to fix the trade if it goes bad? Do you know when to cut your losses and move on? Each strategy has its own set of answers to the above questions. If you're confident that you can handle all of the above in one or more strategies, you're probably ready to proceed.

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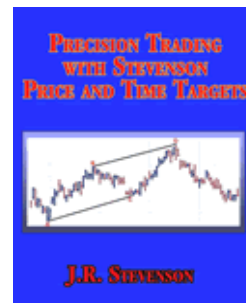
By Suri Duddella A comprehensive trading manual focusing on 65 specific chart patterns and solely on price action. Provides exact guidance on how to trade each pattern from a seasoned trader. Has received rave reviews from many sources. We have had a number of our customers call us looking for this hard-to-find book, which is available only through the author or through Traders Press. Check out the sampling of reader reviews and our own review below and you will see that this is an exceptionally valuable new book for serious traders. Get



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By J.R. Stevenson JR was "legendary"



among the brokers at ContiCommodity and at Prudential for his consistently accurate price and time projections. He has decided, at the urging of his family, to reveal

his knowledge of this technique, which is amazingly simple and easy to use in any time frame and in any liquid market. JR currently day trades the S&P E-mini contracts actively using this technique. Other than to a few members of a chat room where JR has heretofore been known as "Baldy", it has never before been revealed to anyone, over all the years he used it. "The method described in this valuable trading manual is especially relevant to and useful to those involved in day trading in the E-mini stock index futures markets."

-----J.R. Stevenson

Trade The Patterns The Revolutionary Way of Trading the CCI

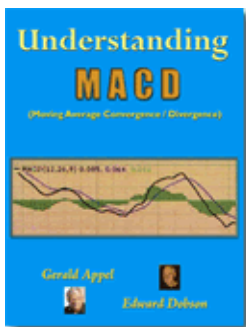
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By Ken Wood Woodie is sharing his time-tested methods with the world because his personal philosophy and the CCI Club motto has always been, "Traders

Helping Traders.” More than 30 years ago Ken Wood, also known as “Woodie,” discovered a revolutionary way of trading on the CCI, a little-known moving average index. Woodie noticed that patterns forming on the CCI reveal how the market is moving. The CCI is a leading indicator, and Woodie figured out how it could help him get into a trade ahead of standard trend lines. Over the years, as Woodie perfected his techniques, he quietly built an online following of millions through Woodie’s CCI Club.

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Price: \$24.95 Buy Now



By *Gerald Appel*
 MACD Moving Average Convergence-Divergence is a highly effective and practical trend-following indicator which is widely available on most technical analysis software programs.

Traders and investors with this indicator at their disposal would be well advised to learn as much as they can about it and how to use it to improve their trade timing and selection. This comprehensive guide to MACD is a one-of-a-kind one-stop reference that will prove a valuable addition your trading library. It includes a bullet point summary overview of MACD, a detailed bibliography detailing all known references and articles relating to MACD, with annotation showing unique points covered in each source, and a major research report on MACD written by and originally published by Gerald Appel (and priced at \$50 for this report alone). This report, written by the originator of this

indicator, is the most definitive and in-depth material available on MACD. It alone is worth far more than the modest price of this booklet.

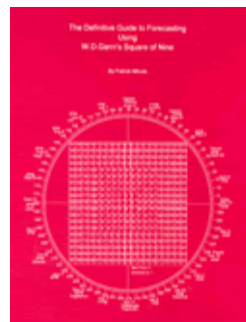
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By *Granville Cooley* This set of books [included within this bound volume] is not about pulling the trigger. It is not a system on how to make a million dollars in the market in the morning. It is about

certain mathematical and astronomical relationships between numbers and their possible application to the number of W. D. Gann.

The Definitive Guide to Forecasting Using W.D. Gann’s Square of Nine
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By *Patrick Mikula* It has been almost ten years since I wrote a book about W.D. Gann’s forecasting tools. I wanted to return to this subject with a book that would stand the test of time. This book was

written with the intention of creating the official book of record for all the Square of Nine forecasting methods. I believe I have achieved that goal. This book contains virtually very Square of Nine forecasting method.

Complete Stock Market Trading and Forecasting Course
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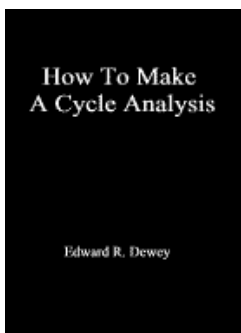
By *Michael Jenkins* The author is a



serious, highly successful, professional trader. In his two books, *Geometry of the Stock Market and Chart Reading For Professional Traders*, he shares some of his ideas on how he trades. Hungry

for more of his ideas and direction, many of his readers literally begged for more. Jenkins has written this complete course in response to these requests. In his books, Jenkins explains, among other concepts, how he uses some of Gann's methods and techniques, but he never mentions Gann. In this course, by contrast, he specifically states that many of the ideas are those originally developed by Gann, and he goes into great detail on how he personally uses these ideas and techniques. If you want a detailed, in depth course on how to use Gann in your own trading, this may prove to be what you have been seeking all this time.

How To Make A Cycle Analysis Price: \$350.00 Buy Now

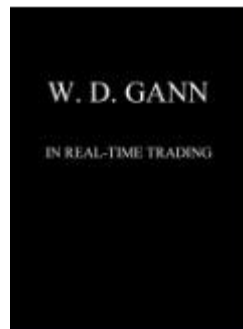


By Edward R. Dewey
Approx. 630 pages, with charts. This how-to manual on cycle analysis was written by E.R. Dewey in 1955 as a correspondence course. It provides step-by-step instructions on the

elements of cycle analysis, including how to identify, measure, isolate and evaluate cycles. The most elaborate cycle course ever written, by the star of cycle analysis, founder of the Foundation For The Study of Cycles. This course had a limited release in the 50's at a price of \$350.00. It has been

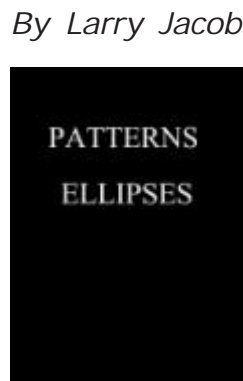
unavailable since then.

W.D. Gann in Real-Time Trading Price: \$69.00 Buy Now



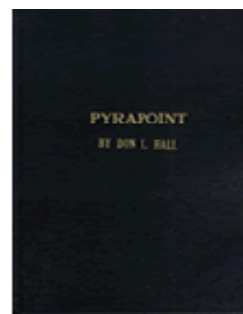
By Larry Jacobs If you feel that you would like to do short term scalping or swing trading in the markets, then this book might be for you. It illustrates many short-term Gann mathematical trading techniques which have a high tendency to work intraday. Various intraday time frames are shown and how they can be used together to keep you in the direction of the market. 200 pages

Patterns & Ellipses Price: \$49.95 Buy Now



By Larry Jacobs Stocks and futures move in elliptical paths. When a market makes a gap, its price action usually passes into a new sphere. All its activity will remain in the current sphere until it moves into another new sphere. This new book tells you how to use ellipses along with detailed chart patterns to determine if a stock or futures contract is bullish or bearish. 100 pages

Pyrapoint

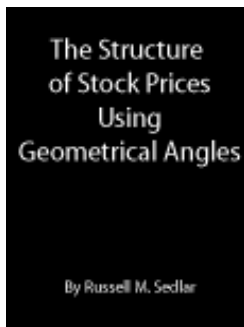


Price: \$150.00 Buy Now

By Don Hall Mr. Hall discovered a secret from one of Gann's associates "Reno" who shared a desk with him on the floor

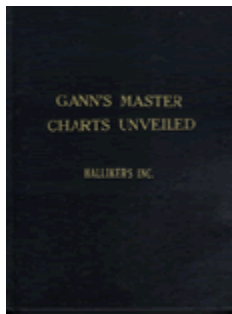
of the Chicago Board of Trade. Apparently Gann carried a piece of paper with him to the floor every time he made a successful recorded trade. Mr. Hall found out what that paper was and developed the Pyramid trading method around this. An easy to understand trading software program was fully developed. It creates a natural trend channel and areas of both support and resistance. It's clearly tells you when the trend changes. 300 pages.

The Structure of Stock Prices Using Geometrical Angles
Price: \$49.95 Buy Now



By Russell M. Sedlar "This chart based book shows how the Geometrical Angles described by W.D. Gann, when used is this newly discovered way, literally become the controlling force of stock price fluctuation, causing tops and bottoms to form and trend lines to be determined."

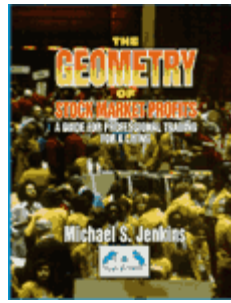
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By Larry Jacobs Complete 100 page book explaining how to use Gann's Master Square of Nine Chart, The Gann Hexagon Chart and the Gann Circle Chart. Many articles on the square of nine are also included from past issues of Trades World Magazine

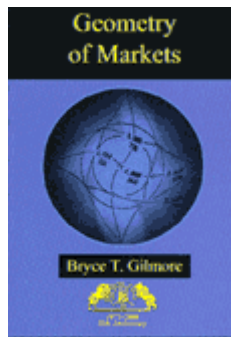
The Geometry of Stock Market Profits
Price: \$45.00 Buy Now

By Michael Jenkins This book is about Jenkins' proprietary techniques, with



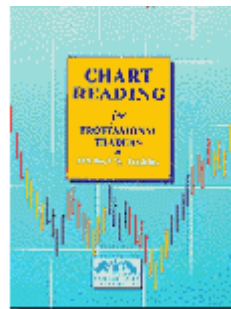
major emphasis on cycle analysis, how he views and uses the methods of W. D. Gann, and the geometry of time and price. You'll high angles are important & how to draw them correctly and more.

Geometry of the Markets
Price: \$49.00 Buy Now



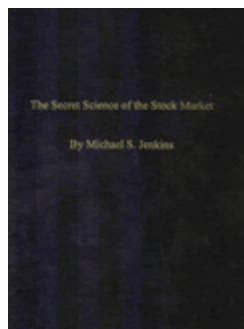
By Bryce Gilmore Book explains the theory behind time in the markets, Ancient Geometry and Numerology, Squaring Price Levels, Time Support and Resistance. Heliocentric Planetary Cycles.

Chart Reading for Professional Traders
Price: \$75.00 Buy Now



By Michael Jenkins This book is a complete, comprehensive study on reading charts, forecasting the market, time cycles, and trading strategies. Explains reversal of trends, when to expect them, and

how to know the trend has change. Shows you how to forecast with great reliability how long the new trend will last and its price target.



The Secret Science of the Stock Market
Price: \$149.00 Buy Now

By Michael Jenkins In this book Mr. Jenkins gives

a start to finish 'scientific' examination of time and price forecasting techniques starting with basic line vectors and advances the concepts to circles, squares, triangles, logarithms, music structure and ratio analysis. These concepts are developed into a comprehensive method that allows you to forecast any market with great accuracy. Mr. Jenkins demonstrates how a few simple calculations would have predicted many of the greatest stock market swings of the past seven years with accuracy down to the day and price targets within one point on the market averages. This new book advances the work started in his other books and course but goes much further revealing little known secret methods only a very small handful of professionals know and in many cases he reveals proprietary techniques never before revealed to the public at any price. The chapter on the Gann Square of Nine is much more complete than 90% of courses available selling for hundreds to thousands of dollars more. This chapter alone is worth several times the cost of the book but the secret ratio analysis at the end of the book will truly change your trading habits forever. When you finish this book there is little left to learn about advanced trading and forecasting techniques with the rare exception of astrological methods, which are not covered in this work. This book goes from beginning concepts to the most advanced so anyone can greatly benefit from reading it. All concepts are demonstrated with actual chart histories. It is not, however, for the casual investor who does not want to take the time to calculate a simple square root on a hand held calculator. If you liked Mr. Jenkins' previous books and/or his trading course,

then this one will easily surpass your expectations.

Gann for the Active Trader New Methods for Today's Markets Price: \$75.00 Buy Now

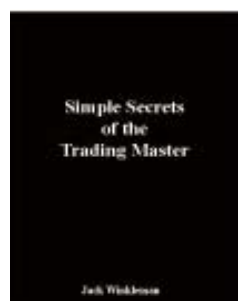
By *Dan Ferrera* In this ground breaking



new book, Gann expert Dan Ferrera presents a number of new techniques for trading in today's markets which build on and expand the trading methods of the legendary trader of yesteryear,

W.D. Gann. It is exceptionally difficult to learn how to use Gann's methods effectively...and this outstanding new book is a treasure chest for those interested in Gann's work. Includes a bonus 80 page Gann mini-course! In writing this book, I wanted to pass on the fact that trading is a profession, just like any other traditional profession and as such should be run with a strict set of business operation rules.

Simple Secrets of the Trading Master Price: \$90.00 Buy Now



By *Jack Winkleman* In the ebb and flow of the markets over a longer time such as one year or more, it is important to know what the market has done in the past. Certain years seem to follow the patterns of

previous years with uncanny likeness. This is a book put together by Mr. Winkleman and is a very valuable tool. This book tells a trader how to use past harmonic cycles for forecasting future trends. This book is a picture of the markets since 1920 in

Soybeans. As an added bonus, it has a track record of the Dow Jones Cash Index from 1900 - 2006. Cycles are nothing more than repeating patterns. Trends follow cycles. This book gives you the key cycles in the market. All you need to know is what those repeating patterns are. That is why the historical charts become so valuable and this is why this book is so important. With the content of the book along with charts, it is nearly 200 pages in length.

Dan Ferrera Materials:

Wheels within Wheels

Price: \$450.00 Buy Now

The Art of Forecasting Financial Market Cycles Numerous Diagrams. Breaks down the 16 primary component cycles of the DOW Jones Averages, producing an accurate map of the last 100 years of history, and projecting the cycles ahead to 2108. Includes all Excel Spreadsheets with all cycle calculations and charts, and the 100 year projection DFT Barometer.

The Gann Pyramid; Square of Nine Essentials Price: \$395.00 Buy Now

A course on the Square Of Nine, W. D. Gann's most mysterious calculator. This course is full of never before seen principles and techniques of analysis using Gann's Square of 9, with detailed explanations of their applications to the markets. Introduction; Navigating With the Square of Nine; Bible Interpretations Related to W. D. Gann; What Gann Said About the Square of Nine; Six Squares of Nine; Square of Nine Time Applications; Price Targets For Support & Resistance; Using A Square of Nine Table; Time As a Price & Price as a Time; Gann Angle Projection.

Gann's Mass Pressure Forecasting Charts

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Mr. Ferrera develops a theory of how Gann most probably created his Mass Pressure Forecasting Charts. "Of all the Gann forecasting techniques known, the Mass Pressure Formula has been one of the most closely guarded secrets. In fact, there are very few "Gann Experts" that even know how to create a Mass Pressure Chart or anything about the nature of its construction. CycleDF Program This unique spreadsheet program allows you to experiment with a multitude of different cycle lengths, phases and amplitudes to generate a summation wave or cycle composite for any market data.

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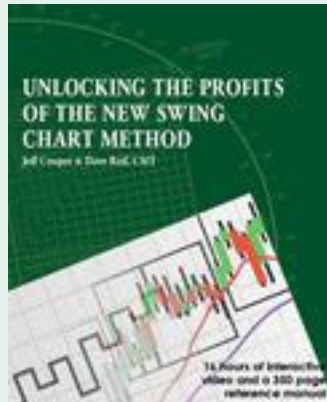
Mr. Ferrera, has put together a unique stock market report that clearly shows how two dominant long-term cycle patterns have predicted every major Bull era then graphically projects this cyclic model 16 years into the future and then describes how the stock market is likely to unfold over the next 100-years!

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Builds on a more sophisticated cyclic model of market behavior by focusing in on shorter cycle lengths. While the first report focused on really long term stock market cycles, the second report concentrates mainly on cycles that are 5-years or less in length to model the intermediate trends that occur in between each Super Bull and Super Bear market phase.

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8-DVD bound set with 302-page manual

"This is the course you traders have been looking for."

The power of this revolutionary method unfolds in over 300 full-color charts. The methods are the result of years of trading, untold lessons from the market and countless hours of studying by Cooper and Reif. What's equally as extraordinary as the systems is the very rare talent that these men possess to convey concepts that are this complex and incredibly effective in a way that is understandable and immediately applicable. Follow along as the strategy is applied to the entire history of the Dow from the 20s till today. Dave's direct enthusiasm and Jeff's wit and confidence are only strengthened by the definitions and explanations provided in the complete preface and appendix. You get every piece needed to implement The New Swing Chart Method.

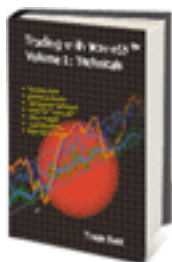
Get the most understandable explanation of Gann's Square of Nine theory we've ever seen presented. You'll carry that theory into practice as Cooper and Reif detail their personal trading secrets designed to forecast prices and easily see the tops and bottoms before they happen. Reg. \$2500.00 **Now on Sale for a limited time. Traders World Catalog.**

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The Handbook of Market Esoterica: Price \$495.00



This trading book deals with the true nature of price and time, magic numbers in the market, volume cycles, market geometry, astro trading, numbered squares, and unveils a secret Astronumerology system which unifies astrology and

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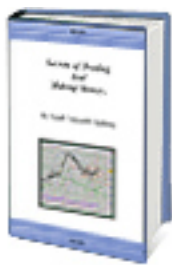
Secrets of Forecasting using Wave59™ Tools: Books 1 and 2 by Neall Concord-Cushing. Price \$149.75



Neall is an experienced trader who has been using Wave59 since the beta testing days. In this comprehensive 2 book set, he explains his unique forecasting techniques using Wave59 tools. Book 1 describes Static Time Counts, Bar Counts, Cycles, Pitchforks, Gann Angles, and the

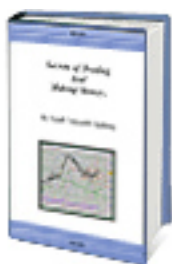
Vortex. Book 2 continues with Retracement Levels, Channel harmonics, Mirror Images, placing the Vortex using Rings of Price/Time, Vortex grids, Zero point projections, plus instructions on how to bring it all together into a unified system of forecasting. Includes a bonus chapter on Gann's Tunnel Thru the Air. All purchasers of the books will be given access to a private forum moderated by the author where they can discuss these techniques and ask questions.

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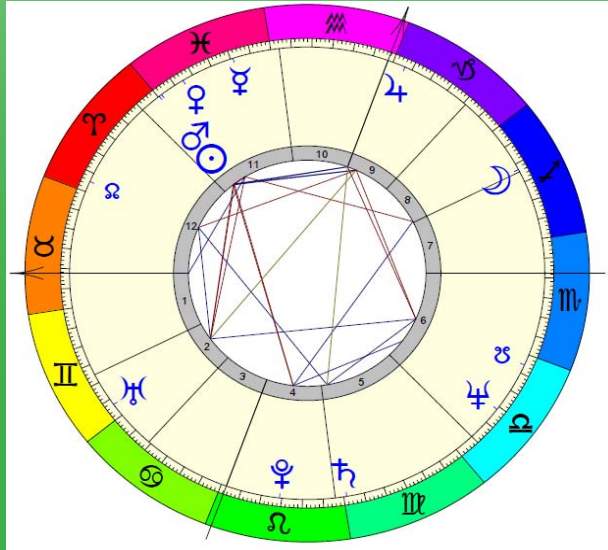
In this book the author focuses on some of his basic theories such as The Seven Golden Keys to unlocking unlimited trading profits/success. He introduces his UNIFIED THEORY of Price/Time and THE POINT OF SINGULARITY. Also introduces to the reader Albert Einstein's method of predicting price movement. Reveals his Price/Time Quadrant Analysis and why knowing these four quadrant's are important to maximizing trading profits. Learn the Anatomy of Picking a Top or Bottom and the simple formula for Trend/Profit as well as the Four Key principles to generating MILLIONS in trading profits! He discusses the Cracking the Code & Unlocking the Secrets of Trend/Profits. Finally learn "How to Accomplish your Investment Goals and the Secrets of The Riches People.

The Art of The Trade II by Jeff Rickerson Price: \$34.95 now \$24.95

In his second book on trading the author reveals what Albert Einstein had to say about predicting prices; (most traders never have learned this valuable trading idea by the one of the most profound thinkers of our time!) How to apply a simple rule to generate 16 times more profit and how to properly design and develop trading systems and the three most important aspects in trading. He also discusses his Market Timing Matrix. He also discusses his Dynamic Trend Syntax and Delta Neural Analysis. You will also learn a simple formula for calculating buying/selling pressure within a market and how to trade it and The Ten Laws/Principles of Price Trend. Also covers Options Trading Made Simple. Author also goes into how to use volume and price when trading.

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TW What makes Murrey Math (any) better?

Answer: No learning curve, just open up the software program and click the yellow file folder in the upper left hand column and a box will appear requesting (only) two parameters, which market symbol you are going to type in (not us) and how many minutes candle do you choose (not us) for the time required for you (not us) to see the market action for you to understand where to go long or short (not us).

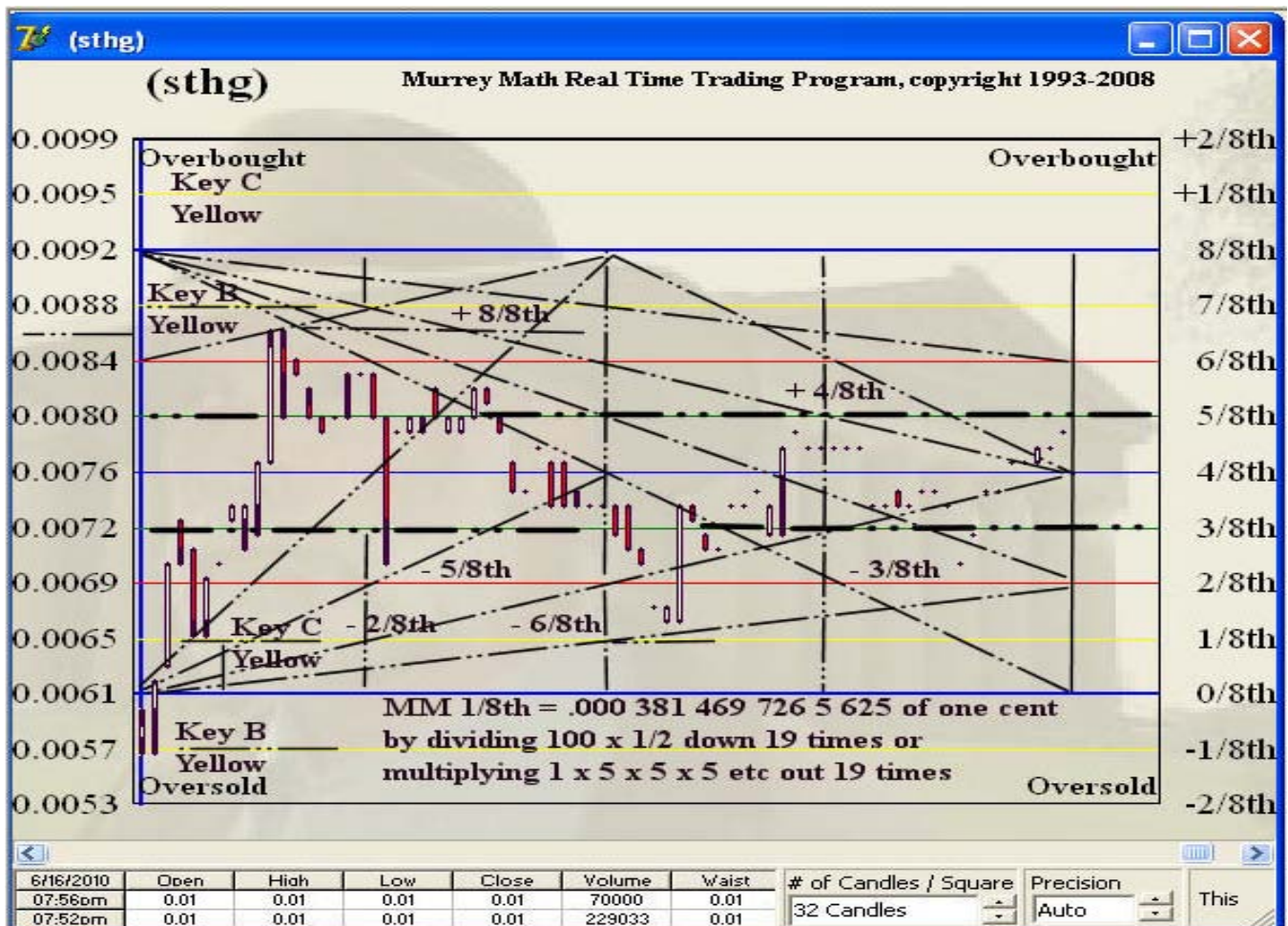
Sample: You want to trade the S&P 500 Index; next open up the yellow file (in upper left hand corner) and the box comes

up and you type in the symbol for the S&P 500 Futures.

What is the symbol, you call eSignal and they tell you, we don't know. Each data vendor may have different letters.

Now, after you know the symbol for the S&P 500 Futures, month and year contract you want, you choose the minutes from 2 minutes to 60 minutes (we don't tell you) will give you the time you desire to trade intraday.

We offer two services: 1) software sales and 2) education sales, which are never combined, since all traders buying software programs (already) know how to trade. If you want education, please send



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The Murrey Math Real Time Software Program will take a few seconds and go out and "automatically" figure out for you the best MM 0/8th and MM 8/8th off the minutes you asked it bring up for you.

TW Does your real time software have indicators?

Answer: Yes and no: you are allowed to use: VIX Index and Trin and Tick and advance decline, but no others, since they are always late.

Example: Look at VIX index set to the Murrey Math Real Time Software Program "live" real time on June 22 2010 set to 40:1 ratio to the Dow 30 Futures Sept. Contract.

Result: you "see" VIX Index: every reverse (exact) Fractal: ratio: Percent: 39.0625 to .390625 against the Dow 30 Index.

Vix Index created by MBA Professor

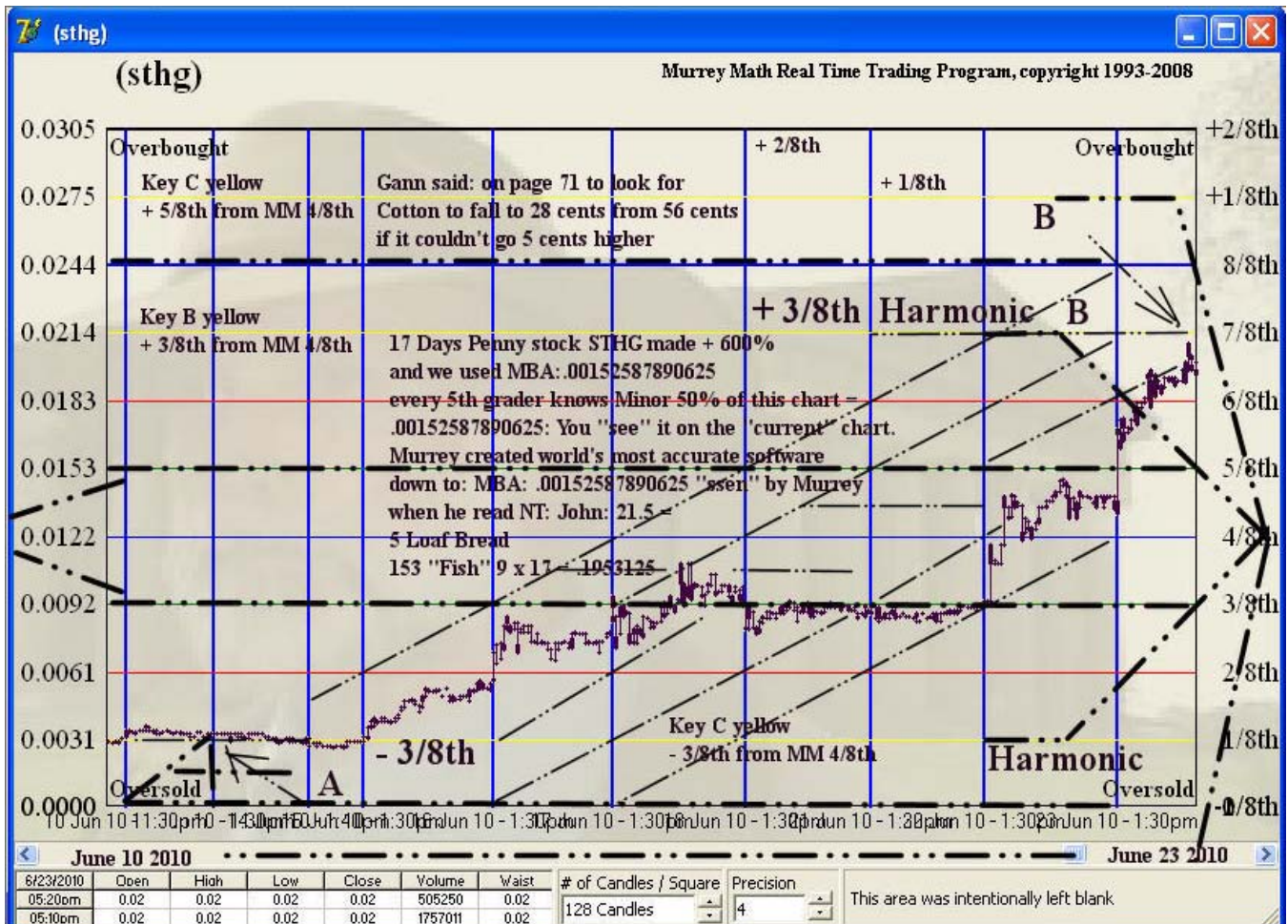
Bob Whaley when he was at Duke's Fuqua School of Business and now he is at Vanderbilt University's Owen Graduate School of Business, Nashville, TN on 1313 21st Ave South and it is 3.125 blocks from 1717 17th Ave South at M.I.T.A. University: established 1993: 17 years now.

This MM RT software program has been using (only) one number since 1992 - 1993 for all markets, so you don't have to memorize random sets of numbers every 13 weeks, when the futures markets are reset after Triple Witching.

TW How does it work?

Answer: you know how many minutes and which market you want to trade and we supply you with the exact price from what you required of us, not from us to you.

TW Can you open the syntax and create new formulas inside the Murrey



Math Software?

Answer: No. We created this software for traders, not computer geeks, or those who want to destroy our 5th grade Math Logic created by Murrey's 169 + 1 IQ.

TW How accurate is it?

Answer: 100% accurate down to: the smallest amount you can trade: Penny Stocks at MM 1/8th MBA: .00 15 25 87 89 0625 of one cent.

Know it alls: "go to the hip" and bring out \$3.125 million and bet us our software will (not) work accurate between zero and 2.4414 cents, please don't do it, you'll lose.

Penny Stock: STHG:

June 20 – 23 2010

Please look at this MM zero to 2.4414 cents MM 8/8th and this Penny Stock knows as MM 1/8th .003175 of one cent and Minor 50% at 1/2 this number:

MBA:.00152587890625 of one cent, which = World Record Math Logic with no fun duh mental.

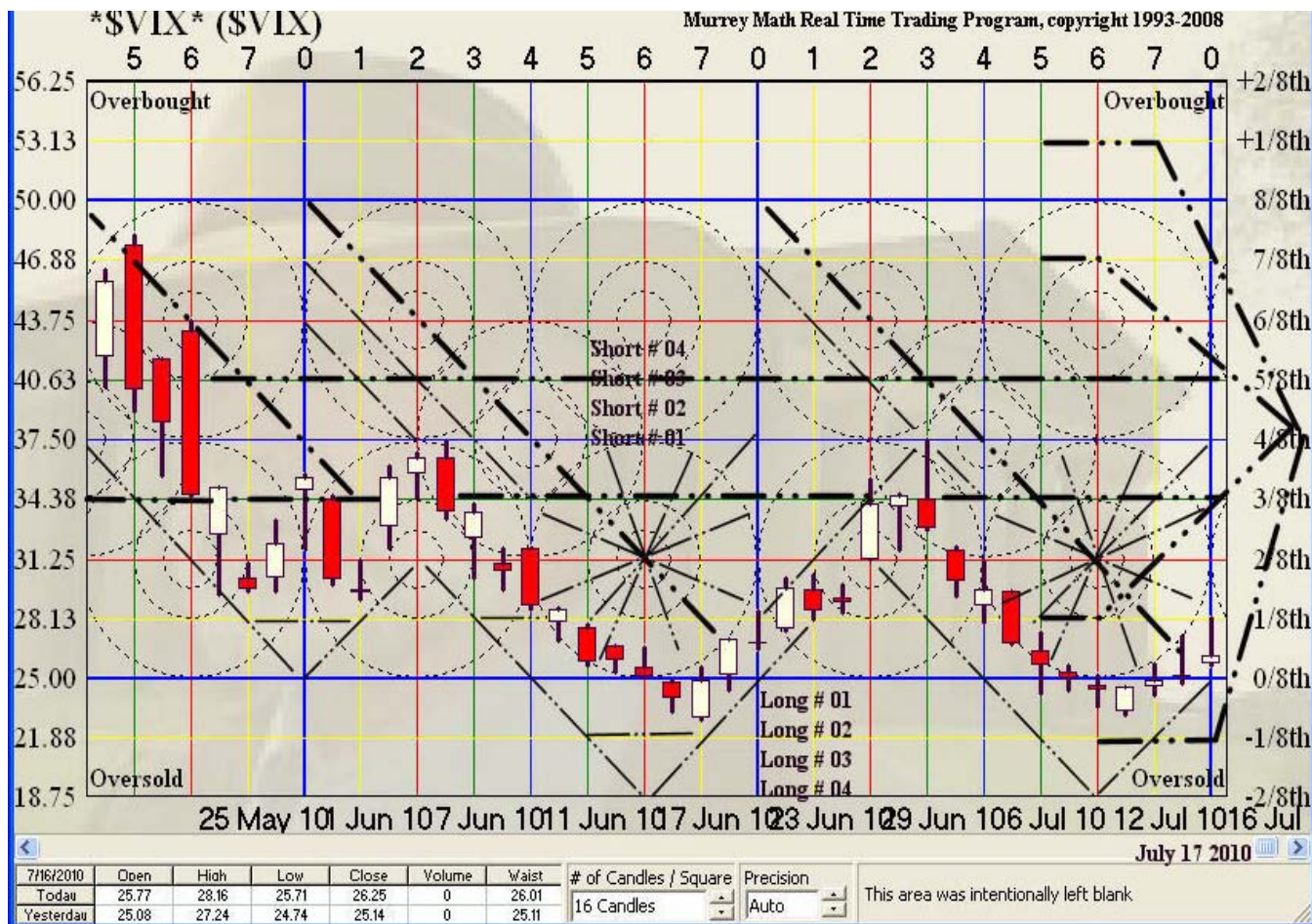
Now, let's look at another MM chart of STHG and fine tune it down to 1/2 MBA: .00152587890625 to .000762939453125. it calls every reverse of Penny Stock: STHG live real time.

Now, let's take it down 1/2 one more time to .0003814697265625 accurate reversals with MM Real Time Software Program.

TW How did Murrey see it?

Answer: Read John: 21.5 and at 17 years old at 17th column at Parthenon was "voted in" Master of the Fives: 5's by multiplying 5 x 5 out 19 times to equal .0003814697265625 of one cent, which was the exact reversals of STHG Penny Stock lie real time intraday.

1929 Crash all time highs were Oct. 1929 set to Murrey's Squaring of the Fives:



5's .000 381 469 7265 625.....381 closing price on Dow 30 Index 1929 October

What normal, sane human would read about fun duh mental on a stock at less than one cent? Where is your time better spent?

Who resets the futures prices and the spreads?

Answer: Murrey Math Real Time Software Program: in Nashville, Tennessee by T. Henning Murrey: Master level Trader # 17 for 17 years on Oct. 09 1993 at fifty.

Please look at MM charts:*

1) Dow 30 Index 16 Day Chart and Intraday: Live set to ten minutes.

2) S&P 500 Index 32 Day Chart and Intraday: Live set to ten minutes,

3) Nasdaq Index: 16 Day Chart and Intraday: Live set to ten minutes,

TW How did you do it?

Answer: Type in symbol and ask for time and it appears for you.

TW How accurate is it?

Answer: 100%

TW What does 100% mean?

Answer: The spread between the futures and the cash is exact at the start of each new 13 week (64 day) period set to the premium of Murrey Math Time and

Murrey Math Fractal Price at: .1953125 for the S&P 500 Futures: Nasdaq Futures and 19.53125 for Dow 30 Futures, the 1st day of (each) new 13 week futures and options expiration period. Since all Logic is set against: right: wrong and you way, the exact spread of the Dow 30 futures is $19.53125 \times 3 = 58.59375$ points off from the Dow 30 Index cash market. As Murrey Time moves to the right, this number: 19.53125 will go down by the fraction $\frac{1}{2}$ and finally equal (almost) par the cash to the futures on the last day of options expiration at the end of the 13 week Murrey Math Price Time Period.

NYSE: located in NYC

TW Why don't they set the (exact) spread?

Answer: Too many crooks shaving points on Wall Street.

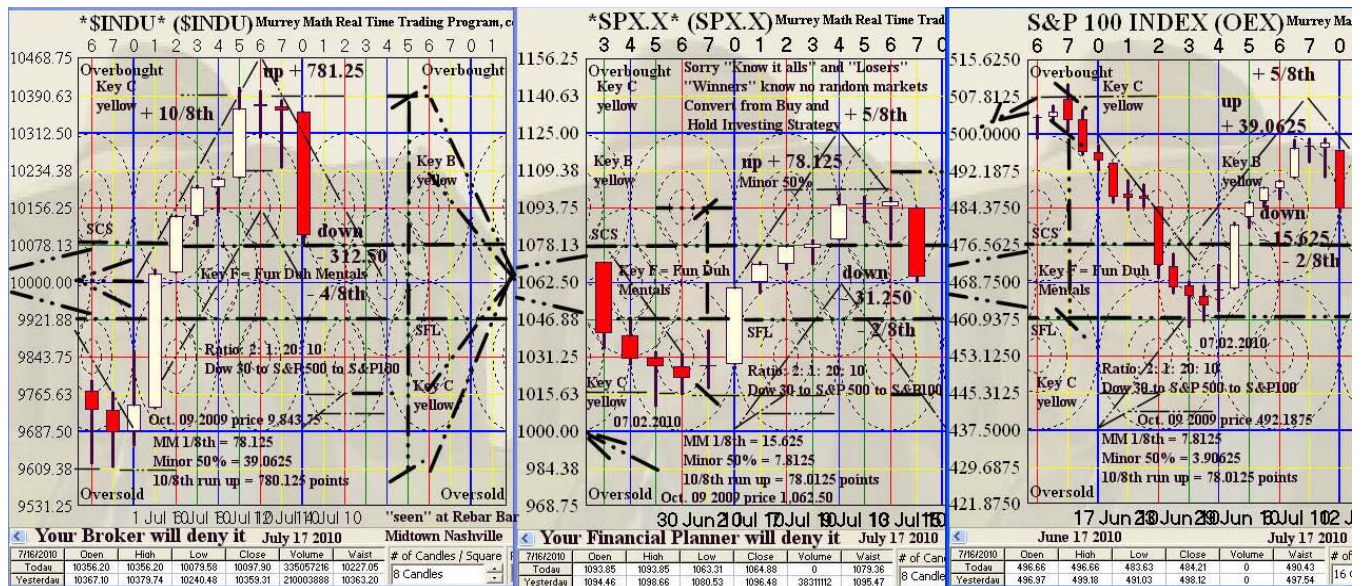
CME: located in Chicago

TW Why don't they set the (exact) spread?

Answer: Too confused with everyone having a different opinion on what's happening: what's up, what's going down?

Look at these different markets set to the same number: Fractal: Spread

1) ES UO = S&P 500 and YM UO = Dow



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Murrey in '92 – '93 "sees" the markets set to 153 "fish" and 5 Loafs of Bread Article.

CLICK HERE

30

2) ES UO = S&P 500 and \$SPX = S&P 500 with (exact) spread set by Murrey

3) YM UO = Dow 30 and \$INDU = Dow 30 with (exact) spread set by Murrey

How did Murrey "figure it out," there are no random markets?

Answer: Murrey saw it in Bible: John: 21.5.

Murrey's: **5 Loafs of Bread and 153 "Fish" will always give you a MM Price ending in five (5) or (0)**, so every MM Price is an exact % called a Fractal running from one to another of 17 Octaves, but

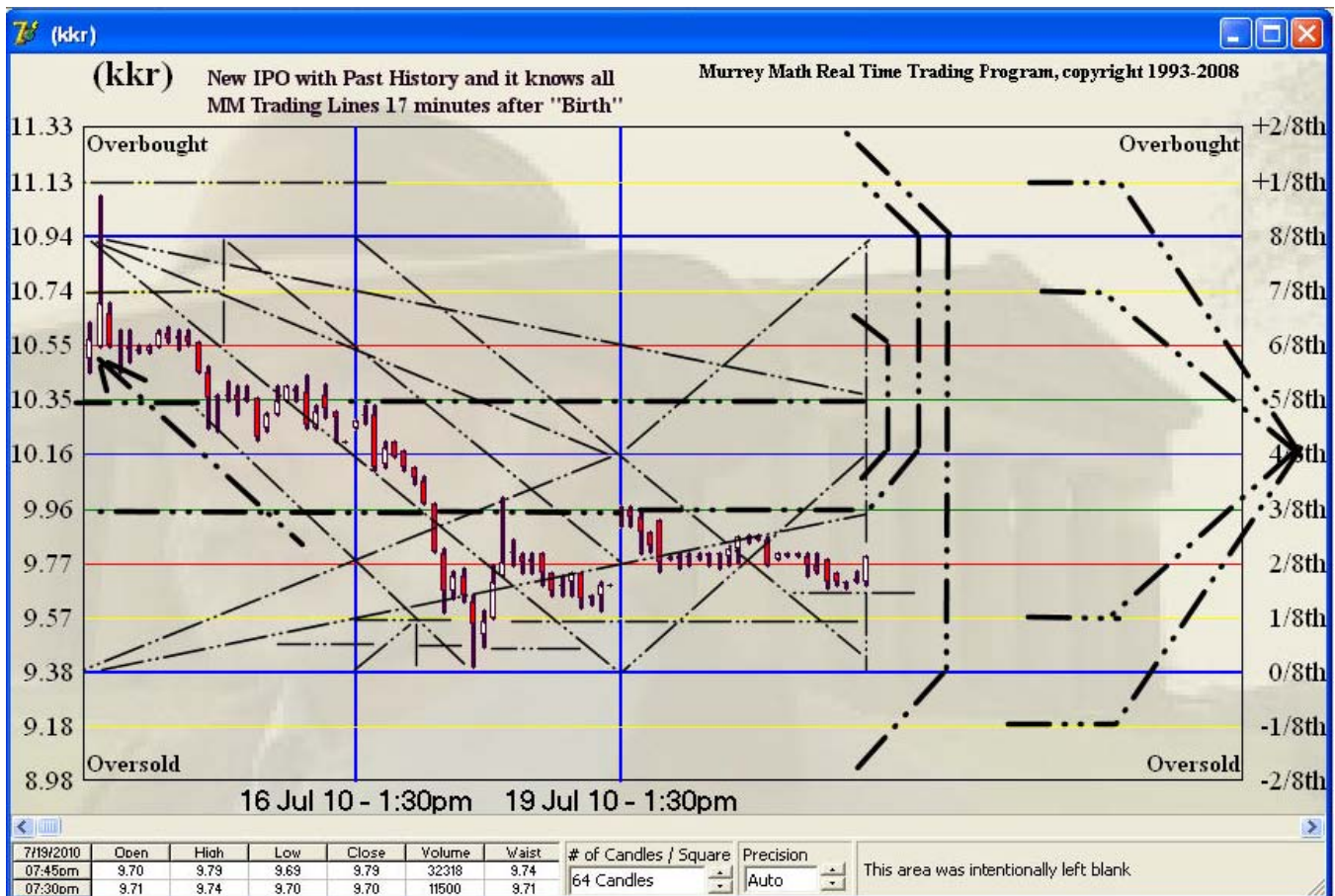
staying most of the time in 9 Internal trading Octaves. All Religions celebrate the Festival of the Octaves, unless you are atheists or Agnostic, right? See next article.

45 Days of "Live" Real Time trading of the Dow 30 Index and we had most closes exactly on Murrey's Trading Lines he set in his book in 1992 – 1993 and published in 1994 – 95.

One Day Intraday Trading out to 256 Time Frame and the Murrey Math Real Time Trading Frame Software Program accurate down to 4.8828 cents on Dow 30 Index: sign up now.

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