THE OFFICIAL MAGAZINE OF TECHNICAL ANALYSIS

TRADERSWORLD

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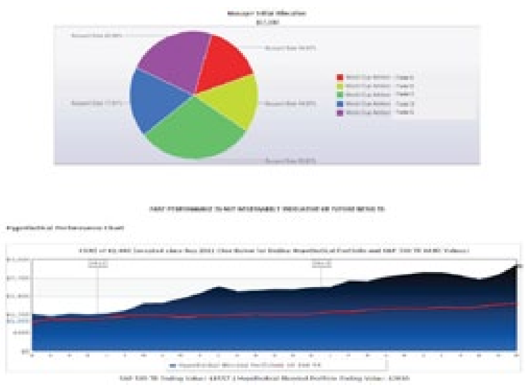

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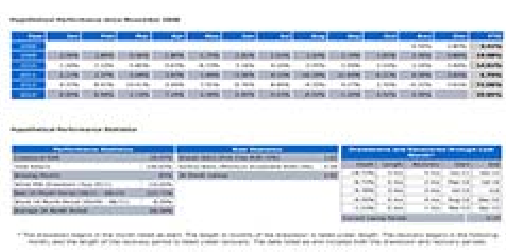

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Is it Really So Hard to Make Money with Trading?

By Daniele Prandelli

Yes, this is my question: is it really so hard to make money with trading? Because actually it seems to most that it is quite hard. I struggled with this question for many years. I used to hear sometimes from someone: “you know, I have my work, but during the day I do some trades with stocks from my office and it’s easy to earn 50 or 100 Euro per day”. Yep, sure, then my question then is: “well, if you can earn 50 or 100 Euro per day so easily, then why don’t you earn 500, 1000, 5000 per day, if only you *risk* more money?”

We are surrounded by Gurus, advisory services, and everyone is continually discussing how they can forecast this and that. Even on Internet we see ads where they say: "I earn $300 per day, and now I’m telling you how, it is so easy you just need a computer, and an Internet Connection and that’s it...” I’m sure that you have probably seen these kinds of advertisements, and I think, yes, sure, it is so easy... but I don’t know why, probably because I’m such a stupid guy, that I spent more than 12 years studying the market and trading, and I just don’t think it is as easy as everyone says.

In my experience, I have learned that the first thing to do is to not believe anyone, at least until I see real numbers, and by real numbers I mean actual trading accounts. Because when you have the opportunity to work, for example, in a Bank, as I did, and you can see the results of many traders, saying that 95% lose money trading would be optimistic. I also never understand why it is so hard to find people that show real accounts with real results. If I am going to sell a product for trading, the best way to do it is to show the actual results, don’t you think? Because the purpose of trading is to make profits. We buy food because it feeds us, a car because it carries us, and trading tools because they make profits for us.

It’s nice to reflect upon what Gann said: “You should never buy a method from a man who has not made money with it.” Quite simple, isn’t it?! I spent so many years following people and studying materials from people that were not really able to make profits. It is important that you verify the success and ability of the one who is going to teach you something. This is the first important thing that I can teach you.

But now I’m telling you something else that quite surprised me. I have come to understand that actually most people are not as interested in making money as they are interested in trading in a way that they like. This means, to make it clearer, that they care more about what they like than they do about profits. Having become aware of this, I saw that I was the same. I wanted to be perfect and I wanted to do trading in the way I liked, not in the way that made me profits. The results were that I was always excited but always a loser.

Like me, people grow in this field inspired by the Myth of WD Gann, the perfect forecaster, always knowing the perfect turning points...

But the amazing Gann also taught precise rules about how to manage a trading position. He taught people to use a stop-loss, but this part is commonly overlooked, as if, for some reason, it is obvious or unimportant. I still often read his work, and now I see how good he was, extremely good, and I understand why he said to use specific rules, rules that are the core to making money over time.

Of course we are all fascinated when he says that everything is ruled by Mathematics and we can forecast the future if we know the causes, but still he was able to be right 8 out of 10 times. We have to accept this truth before anything, that this job works in the field statistics.

I have pursued perfection for too many years, wasting my money because I couldn't accept when my forecast was wrong. But everything changed when I understood that we have to work with a money management and trading strategy. We don't need a strategy when we are perfect, but we are not perfect! So, if you are a loser, wake up! You can do it, but it is time to see the reality! I'm a trader, and I know just one method that makes me money with constancy… my method. I don't want to be arrogant, I'm just sincere, and I even feel stupid to say that after 12 years, I know just one method. But, where are my real numbers? You shouldn't believe to me just because I'm saying something.

At the moment I'm writing a new book where I will show all my trades that I have done from July 23rd to October 25th this year, just 3 months where I have produced a profit of +58.79% starting from a capital of $40,500, with over 600 trades in Gold, S&P500, Soybeans and Corn Futures. This final amount includes all Commissions and Fees that I pay monthly to receive the real-time data that I need, so it means it is the REAL PROFIT. Following is the REAL Activity Statement for this period of my Trading Account. You can also see it on my Blog: http://iaminborsa-eng.blogspot.it/2013/12/prandelli-2014-forecast-bulletin.html where you will also find further documentation of my trades that were given to the subscribers of my blog and of my Forecast Bulletins for the S&P500, Soybeans and Corn this last year… See Illustration #1.

Now that I have shown some real results, you will possibly consider that I might, just might, know what I'm talking about.

So let's get back to the main point. My first question was: IS IT REALLY SO HARD TO MAKE MONEY WITH TRADING? Well, actually, not at all, but I also mean yes, it is, but not because of the Market. It is enough to buy when we see it going up and sell when we see it going down, easy, it means follow the trend. But there is another component, a fundamental component that we are not considering, that being the human being. It's not nice to say that the problem is the human being, but in this field, I'm sorry, this is the problem, but it is also the solution! When we speak about a human we speak about desire. The Brihadaranyaka Upanishad sums up exactly what I want to say:

You are what your deep, driving desire is.
As your desire is, so is your will.
As your will is, so is your deed.
As your deed is, so is your destiny.

Yes! The Market is the Mirror of this amazing, powerful and awesome quote! I'm going to investigate this side of trading in my new book, where I will show my own personal solutions that brought me to be aware of my actions and turn them to the right approach and attitude to make profits.

To prove that WE are the problem and not the Market, I'm now going to show you why I think the Market is not the problem because, in truth, making money is not hard: See Chart #1.

This is the S&P500 over the last 16 years. We can see that there are up and down movements, and this is good, because it means that, first of all, it IS possible to make profits, because it is the movement alone that allows us to produce profits. I'm explaining this as if if we were children, because this is the right approach. It must be simple.

Now the question is: when do we buy or sell? The Chart looks quite a mess. We see up and down movements without any particular order. The movement looks random. So, to create a strategy, we simply need a bit of order. So I'm going to add just a line, and this line

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Activity Statement

July 23, 2013 - October 25, 2013

Help

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Account Information

Name	Daniele Prandelli
Account	
Account Type	Individual
Customer Type	Individual
Account Capabilities	Cash
Trading Permissions	Forex,Futures
Base Currency	USD

Net Asset Value (NAV) In Base Currency

	Prior Period	Current Period			
	Total	Long	Short	Total	Change
Cash	40,546.21	64,373.19	0.00	64,373.19	23,826.98
Interest Accruals	-7.55	0.00	0.00	0.00	7.55
Total	**40,538.66**	**64,373.19**	**0.00**	**64,373.19**	**23,834.53**

Mark-to-Market Performance Summary in Base

	Quantity		Price		Mark-to-Market P/L				
Symbol	Prior	Current	Prior	Current	Transaction	Prior Open	Commissions	Dividends	Total
Futures									
ESU3	0	0	--	--	-1,367.50	4,330.00	-245.22	0.00	2,717.28
ESZ3	0	0	--	--	-2,817.50	7,080.00	-249.24	0.00	4,013.26
YG DEC 13	0	1	--	1,352.4000	-345.28	2,918.28	-98.82	0.00	2,474.18
ZC DEC 13	0	1	--	4.4000	-1,750.00	1,087.50	-265.32	0.00	-927.82
ZC SEP 13	1	0	5.4075	--	1,075.00	-2,200.00	-270.68	0.00	-1,395.68
ZS AUG 13	0	0	--	--	2,900.00	3,500.00	-16.08	0.00	6,383.92
ZS JAN 14	0	0	--	--	325.00	-512.50	-64.32	0.00	-251.82
ZS NOV 13	0	0	--	--	2,400.00	6,925.00	-916.56	0.00	8,408.44
ZS SEP 13	0	0	--	--	100.00	0.00	-16.08	0.00	83.92
Total					**519.72**	**23,126.28**	**-2,142.32**	**0.00**	**21,503.68**
Total (All Assets)					**519.72**	**23,126.28**	**-2,142.32**	**0.00**	**21,503.68**
Broker Interest Paid and Received									-14.67
Other Fees									-471.54

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Page: 1

Mark-to-Market Performance Summary in Base

	Quantity		Price		Mark-to-Market P/L				
Symbol	Prior	Current	Prior	Current	Transaction	Prior Open	Commissions	Dividends	Total
Total P/L for Statement Period									**21,019.47**
Time Weighted Rate of Return									58.79%

Realized & Unrealized Performance Summary in Base

		Realized					Unrealized					
Symbol	Cost Adj.	S/T Profit	S/T Loss	L/T Profit	L/T Loss	Total	S/T Profit	S/T Loss	L/T Profit	L/T Loss	Total	Total
Futures												
ESU3	0.00	6,365.14	-3,647.86	0.00	0.00	2,717.28	0.00	0.00	0.00	0.00	0.00	2,717.28
ESZ3	0.00	10,314.70	-6,301.44	0.00	0.00	4,013.26	0.00	0.00	0.00	0.00	0.00	4,013.26
YG DEC 13	0.00	6,385.56	-4,294.88	0.00	0.00	2,090.68	383.50	0.00	0.00	0.00	383.50	2,474.18
ZC DEC 13	0.00	2,202.82	-3,435.46	0.00	0.00	-1,112.64	184.82	0.00	0.00	0.00	184.82	-927.82
ZC SEP 13	0.00	2,499.96	-3,748.32	0.00	0.00	-1,248.36	0.00	0.00	0.00	0.00	0.00	-1,248.36
ZS AUG 13	0.00	6,383.92	0.00	0.00	0.00	6,383.92	0.00	0.00	0.00	0.00	0.00	6,383.92
ZS JAN 14	0.00	478.56	-730.38	0.00	0.00	-251.82	0.00	0.00	0.00	0.00	0.00	-251.82
ZS NOV 13	0.00	22,267.68	-13,859.24	0.00	0.00	8,408.44	0.00	0.00	0.00	0.00	0.00	8,408.44
ZS SEP 13	0.00	244.64	-160.72	0.00	0.00	83.92	0.00	0.00	0.00	0.00	0.00	83.92
Total	**0.00**	**57,232.98**	**-36,148.30**	**0.00**	**0.00**	**21,084.68**	**568.32**	**0.00**	**0.00**	**0.00**	**568.32**	**21,653.00**
Total (All Assets)	**0.00**	**57,232.98**	**-36,148.30**	**0.00**	**0.00**	**21,084.68**	**568.32**	**0.00**	**0.00**	**0.00**	**568.32**	**21,653.00**

Illustration #1

is not random. Just as you need a strategy, you also need knowledge. But don't worry, it is not hard to get knowledge, just your will is enough, a will to study, and everyone can study. See Chart #2.

With this one line, which is a simple Planetary Line that you can learn in my first course "The Law of Cause and Effect", our chart begins to have a bit of order. This line is dividing the chart into an upside and a downside. Often the line stops the trend and when it is crossed, we can see an acceleration.

Can we make money with just this knowledge? I think yes. We have just to create a STRATEGY. My strategy is quite simple: always be LONG above the key level. This means to be LONG every time we see 2 bars above the line, with a stop just under the line. It means we will be always FLAT under the line, closing the position when we see 2 bars under the line. Why two bars? Because we need a confirmation of a movement over the line, it's not enough to see a movement over the line for 1 point. What about taking profit? You can just use a simple rule where we take 1/3 of our position every 200 points of profit. At +600 our position will be closed with an amazing profit.

I'm giving you just a simple, absolutely simple tool and a simple strategy to make profits. The line comes from my studies, but the profit comes from my strategy, my patience and my discipline over the years. And this is just one line! Can you imagine what we can do with more lines? And even more with other simple but practical studies like this? And then

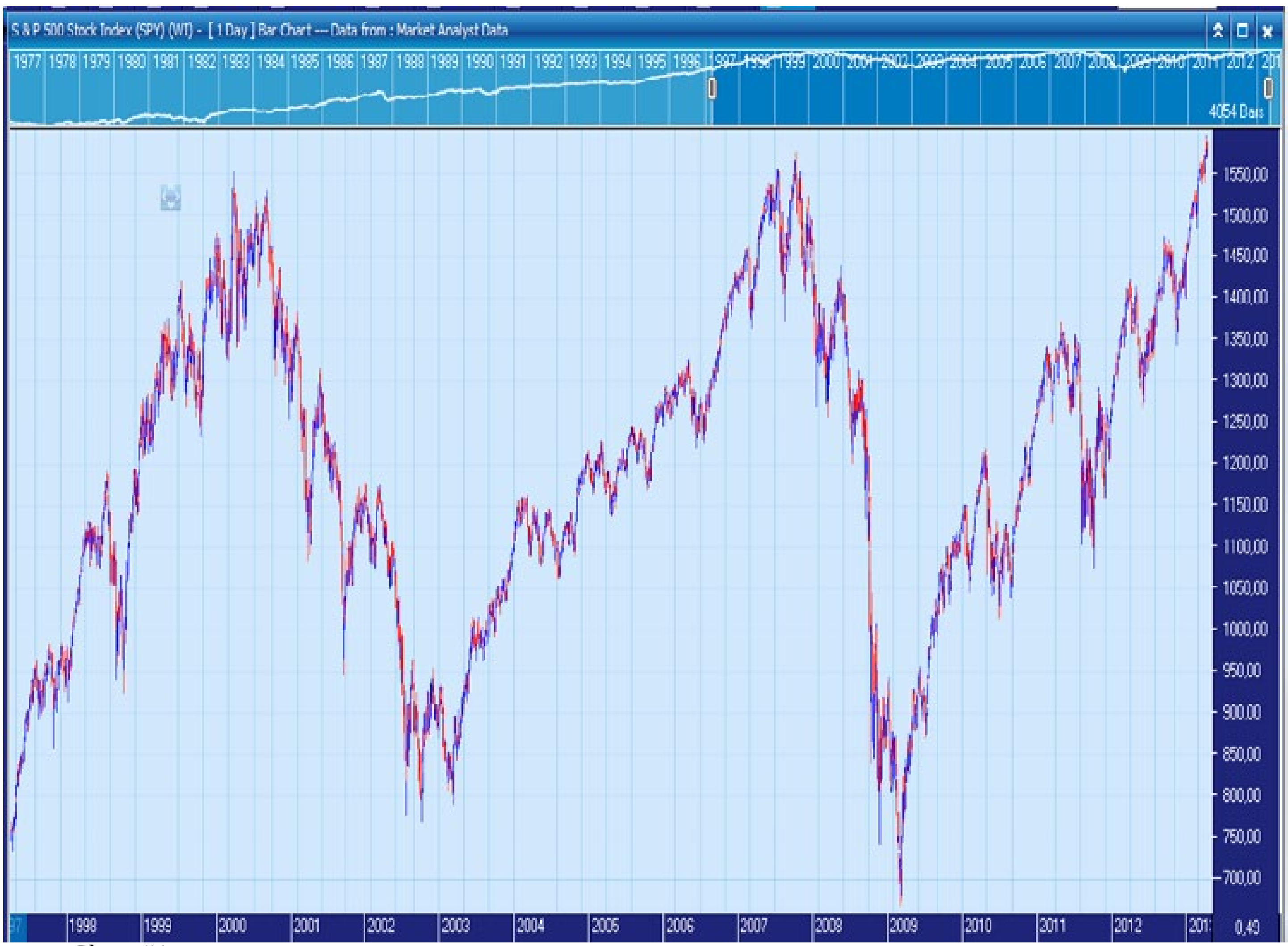

Chart #1

imagine what more can be done with a Time forecasting model like my PFS?

Let's ask again the main question again: IS IT SO HARD TO MAKE MONEY WITH TRADING? Absolutely not, with the right tools! But the problem is that people don't have patience to wait, and are not disciplined. So, even if they have studied a lot and their strategy is good, they will lose money because they cannot follow their own strategy. I'm saying this because I have just shown you a way to make money, but 95% of people are still losing money.

This is exactly what I'm going to speak about in the new book that I'm writing. Solutions! After studying a lot, it's probably time that you start studying yourself, because if you are still losing money after having read many books, as I did, the solution now is to be found within yourself. Don't get me wrong, I'm not saying that you have to stop studying, not at all. But you don't have to study just books, because in this way you lose the simple nature of what is the most common element to failure, the understanding of oneself! It is because of the misunderstanding of yourself that you make difficult that which, in truth, is easy. I'm telling you this from my own personal experience. People study books, but they fail to study themselves and to really learn why it is that they cannot follow simple runs and make what is a failure into a success.

If you are interested in knowing more about my work, you can find more information on

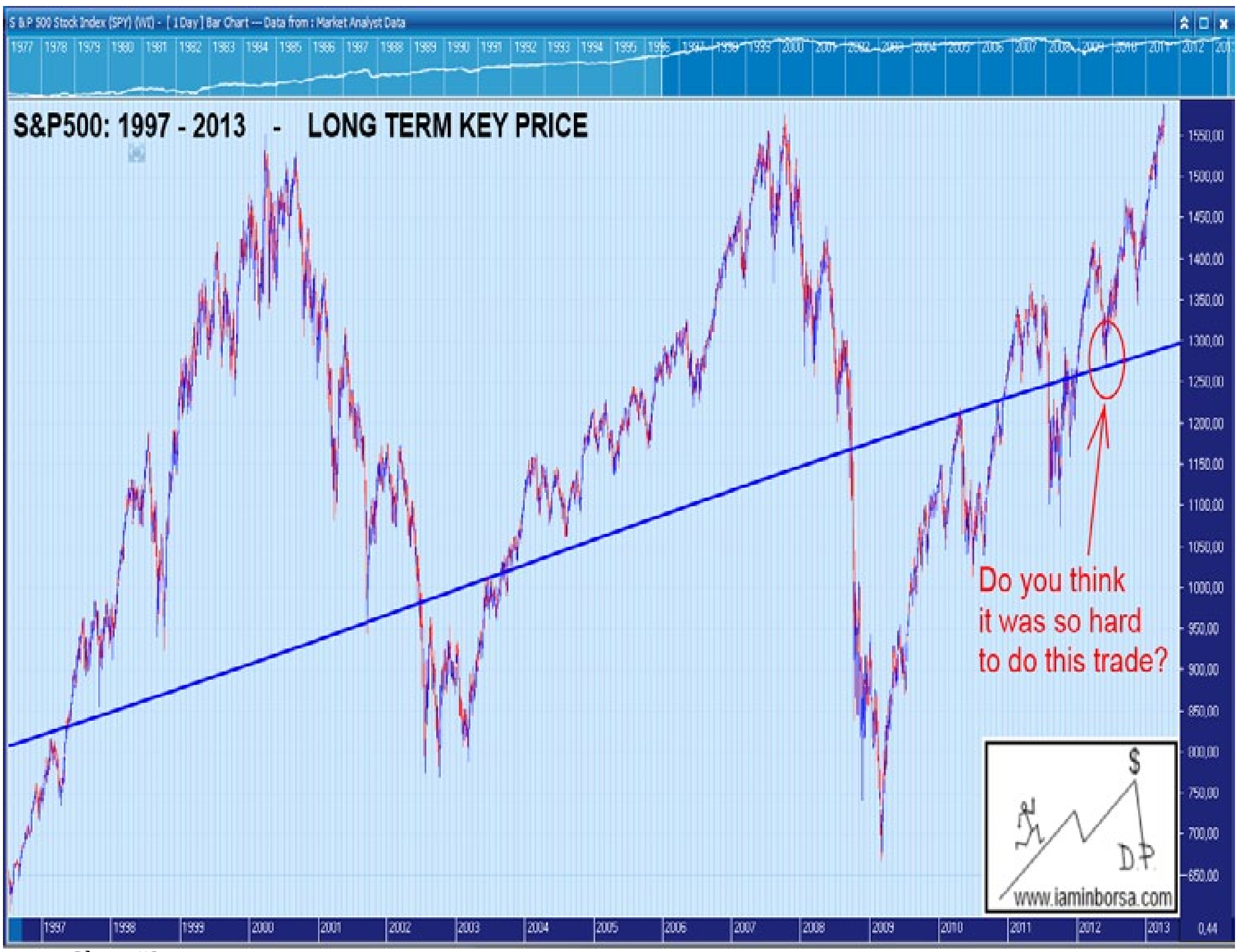

Chart #2

my Blog http://iaminborsa-eng.blogspot.com where you can subscribe to the Daily or Weekly Report Service, or at the Sacred Science Institute website: www.sacredscience.com, where you can find my Forecast Bulletins for 2014 which cover the S&P500, Corn, Soybeans and beginning this year Gold. If you want to learn some simple but very clear tools and strategies to trade the markets successfully, then my two books: “The Law of Cause and Effect” and “The Polarity Factor System (PFS)” are a great place to start. They distill my 12 years of hard learned experience into practical tools that anyone can learn to use in a short period of time.

In the first book, I give all the rules for using Planetary Lines, and in the second book I show a way to create a forecasting model for the S&P500 and other markets, and then show how to use these together with a trading strategy to make the kind of consistent profits that are shown in my account statements above. These two books present ALL of the rules and the tools that I use myself to do ALL of my own personal trading with the results that you have seen above. I have no secrets that I keep from the public, but only straight forward, practical methods and strategies that anyone can learn without difficulty. The problem is: are you ready to make it easy to make profits? Or do you prefer to lose, by fighting against yourself? All it takes is a little bit of proper knowledge and discipline, and you can go from being one of the 95% that lose to one of the 5%, like me, who win.

Daniele Prandelli
www.sacredscience.com
http://iaminborsa-eng.blogspot.com

Dream Trading Success

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

In order to reach a dream there must be pictures and dialogue. The more vivid the pictures and detailed dialogue, the more you impress upon your mind's eye that you are serious about heading in the direction of your dream.

Ground Hog day

Every year for the last nine years I hear from a trader who explains to me in detail why he cannot work with me privately. It is important to note that he contacts me without my reaching out to him.

I looked back at the letters he has written me over the years and they are basically the same in content. What this tells me about this trader is that the pictures that he has created are not compelling enough to justify making the kind of changes that he thinks he wants, or he just feels he should be able to do it without any assistance.

I asked him to write me a letter where he saw himself as already achieving his dreams for being a profitable trader. Here is some of what he wrote:

"I see myself as being a philanthropist to children. If only I could stick with my strategy, and overcome the fear that holds me back from making the profits I know I can make. In this picture I'm happy and my family is very encouraging. It is unlikely that my family could ever be encouraging, because it is not in their nature to be so."

The superfluous dialogue needs to be removed from his dialogue and so do the conflicting pictures that he gives himself.

Dreaming the positive dream

Contrast the above trader with a trader who sent me this letter three years ago:

"I have been through your Home Study Course 5 times while getting myself ready to be a successful trader. In 3 years I should be ready to launch my career with enough money, and a good strategy that is part of my business plan. My family is almost as excited as I am and supports me towards my goal. I see myself giving them a good life."

I am happy to report that this trader is now living his dream.

Strategy for dreaming

Make sure that negative dialog and pictures are not a part of your dream. You do this by:

• Creating a dialog about how you want your life to be in a year and then in five years

• Be succinct with the words you use, example:
I am happy, wealthy, and healthy, and know and follow a good strategy

• Make sure that every part of that dialog is positive by having a friend or spouse check out your words
• Create a picture of yourself as if you have already achieved that dream
• Detail what you see to your friend or spouse and make sure that they listen for anything that might sound like something that could keep you from this picture
• Dream this dream repeatedly adding detail to the picture, example:
I see myself with a big smile looking at a summary of all of my bank accounts; there are worn golf clubs in the background. It is a sunny day and my family and friends can be seen outside the window preparing a feast to celebrate our success.

Conclusion
The dreams that you dream are the future that you prepare your mind to receive. When you dream about being a successful trader, make a conscious choice detailing what that looks like until your emotions compel you towards the right choices.

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Adrienne Toghraie, Trader's Success Coach

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Cycles vs. Periodicity

Do you understand the difference?

By W. Bradstreet Stewart

W. D. Gann once clearly defined the basis of his forecasting calculations as follows: ***"Mathematical science, which is the only real science that the entire civilized world has agreed upon, furnishes unmistakable proof of history repeating itself, and shows that the cycle theory, or harmonic analysis, is the only thing that we can rely upon to ascertain the future. My calculations are based on the cycle theory and on mathematical sequences. History repeats itself."***

In this quotation, note Gann's mention of Mathematical Sequences, in connection with his cycle theory. Everyone knows what cycle theory is, but this mathematical sequencing has long been considered one of the most mysterious and complicated elements of Gann's work. It is essentially something so misunderstood, that almost no Gann expert even discusses it at all. The only other person who seriously approached this topic was Dr. Jerome Baumring, in his ***Gann Harmony: The Law of Vibration*** course series, where he ongoingly emphasized the importance of understanding the difference between CYCLES vs. PERIODICITY!

Daniel Ferrera's 2002 course, ***Wheels Within Wheels, The Art of Forecasting Financial Market Cycles,*** gave one of the most masterful presentations of the science of creating composite cycle models from underlying cyclic sine wave components. His models have proved highly accurate over the past decade, calling most of the major market turns and trends from 2002 to 2013, with further projections going out 100 years into the future. However, the study of PERIODICITY is something entirely different, and is a subject so little understood, that most people think it is just another word for cycles, leaving most Gann analysts unaware of this most important of his techniques.

Baumring defined Periodicity as "a sequence of events that occurs at a predetermined interval (cycle)," but he repeatedly emphasized that it was NOT just about finding and combining these underlying cycles, as so many analysts see as the final summation of Gann's cycle work. The interaction of Cycles and Periodicity is something far more complex and important than just composite wave models.

It is something more like the sequencing of wheels and gears in a clock, where the rotation of one brings a sequence of rotations of others, which at particular intervals bring about a set of actions, like the ringing of bells, or the movement and chirping of a Coo Coo clock. A Periodicity, being a "sequence of events," is essentially a PATTERN that occurs over a period of time, and which recurs at various periods throughout history, mysteriously to most, but with perfect logic for those who understand the SEQUENCING of the cyclic periods of such recurrences.

Standard cycle work merely scratches the surface of a far more important level of order defined by Periodicity. This periodic order is like a sort of DNA code, as Baumring taught, wherein a limited number of underlying building blocks (patterns) are sequenced together to define a higher order structure with a mathematical logic to it.

Many traders who work with pattern recognition know that for each year there will generally be a few matching years from the past which will model the current market action with great accuracy in price, time or both. Gann teaches to look back 10, 20, 40, 60, 90 and numerous other cyclic variables in the past, to try to identify the active cycle for the current period. But with so many variables and options, analysts either become confused, or create models that are too generalized due to averaging in too much data or using the wrong or inactive sequence segments.

Baumring used to emphasize, "you MUST match like with like!" You cannot match a pattern in a Bear market periodicity with one in a Bull market sequence and expect the patterns to behave in the same way. There is a precise logic that determines which of these specific cycles or repeating patterns will be active at any particular time, and without this, you will likely be matching apples with oranges.

But when one knows which of the many Gann cycles are actively presenting the mirroring market patterning sequence for the current time period, one can generate high correlation probability models of market action, showing the most probable variances in patterning from similar repetitions of this sequence in the past. This is what Gann and Baumring really meant by "Pattern Recognition," which goes far beyond just finding similarities in pattern formations, but rather understanding the logic of WHEN and WHY those formations will be sequentially occurring, and what will be the potential variations or alterations between them.

Unfortunately, Gann never gave any clear or detailed instructions on how to understand his science of periodicity, and Baumring only taught these principles privately to his students, so very little written record of his explanations is available. However, Dan Ferrera, after applying these principles for over a decade in his yearly Outlooks, which present a forecast and analysis of the general market and economy for the coming year, has taken up this staff and written a new course that lays out this science with a clarity that neither Gann nor Baumring were willing to openly explain. In this new course, ***Economic & Stock Market Forecasting: W. D. Gann's Science of Cyclical Periodicity Sequencing***, Ferrera distills this critical and complex science into a lucid and practical textbook revealing the process of generating a periodicity analysis with more clarity than has ever been presented before.

To demonstrate more clearly how this science works, let's take an example from Ferrera's Outlook for 2009, written in late 2008 as the market was still plummeting from the 2007 high. What is particularly useful about Ferrera's Outlooks is that he presents not only one Gann based methodology in his analysis, but multiple technical, cyclical, periodicity and other perspectives, giving a well-rounded view and forecast of the most probable expectation for the coming year and often several years to follow. In this 2009 example, Ferrera presented a model for the years 2009-2013 from BOTH the perspectives of pure cyclical analysis AND of periodicity sequencing, two completely different and non-correlated forms of analysis which gave the same results.

The first image shows Ferrera's DTF Barometer which was first published in his 2002 cycle modeling course ***Wheels within Wheels***. The DTF Barometer is a purely cyclical model which breaks down 16 underlying cycles from the Dow Jones Average and combines them in a summational wave model which then projects out to 2108. The image below shows the segment from 2008 to 2013 which accurately forecasted the precipitous collapse from 2007, the major low in 2009, and the powerful bull market seen through 2013. See Chart #1

The next image, taken from the same page of his Outlook for 2009 shows a secondary model taken from a completely different approach, that of periodicity sequencing. This model was created at the point where the red line ends, in late 2008, before the final low, and similarly projects the explosive bull market through 2013. However, where the cyclical model (based on longer term cycles) shows more of an smoothed curve defining only the major trends and turns, the periodicity model gives greater detail of the actual pattern of the move, also defining the explosive breakout Ferrera projected for Sep-Oct 2010, as well as the intermediate top in Apr-May 2011 with its reaction, followed by the powerful bull market into 2013. See Chart #2

In the Outlook for 2009, Ferrera's commentary on these two models was as follows:

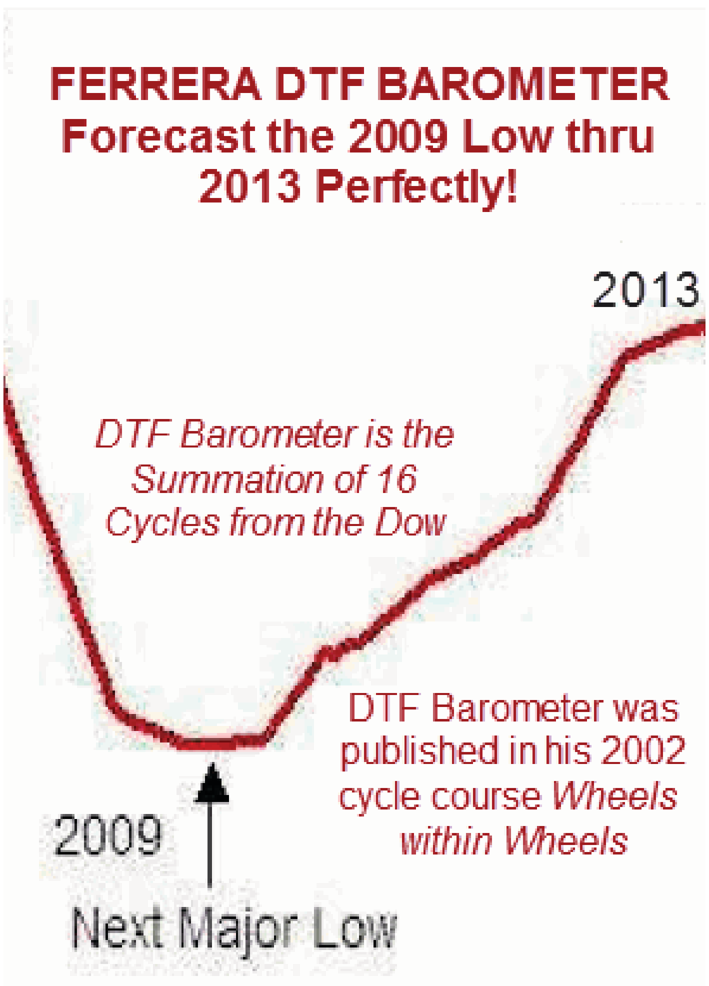

Chart #1

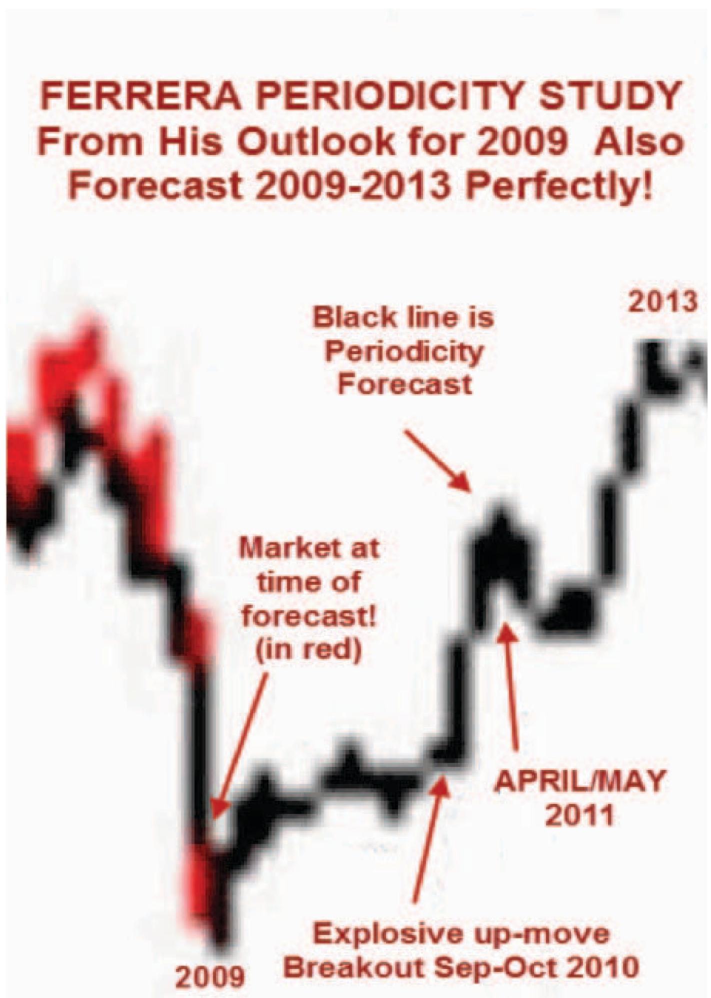

Chart #2

"It is interesting to note that the periodicity projection lines up extremely well with the 16-cycle summation wave or composite, i.e. the "DTF Barometer" over the forecasted period (2009-2013). Since they are derived by totally different processes, it adds credibility to Gann's statement that history repeats. Mark Twain said that "history doesn't repeat itself, but it does rhyme," referring to the fact that the future isn't an exact match of the past, but it has many similarities. Therefore one should understand that the art of forecasting is an art and not an infallible science. I have put my neck out on the line for over 10 years and have fortunately had an excellent track record thus far. The method itself is an art, but it can produce uncanny prognostications that can forewarn you of times ahead. The only way one can forecast is through the analysis of history and the belief that there is nothing new under the sun." ***Daniel Ferrera, Outlook for 2009 p. 11-12***

From these examples, one can clearly see that our dear W. D. Gann's methodologies, without question, produce accurate forecasts of the coming market far in advance, IF one understands how to properly apply that technology as Ferrera does. His Outlooks from 2008 through 2013 have continually demonstrated Ferrera's skill and acumen in interpreting and applying these complex techniques that Gann worked

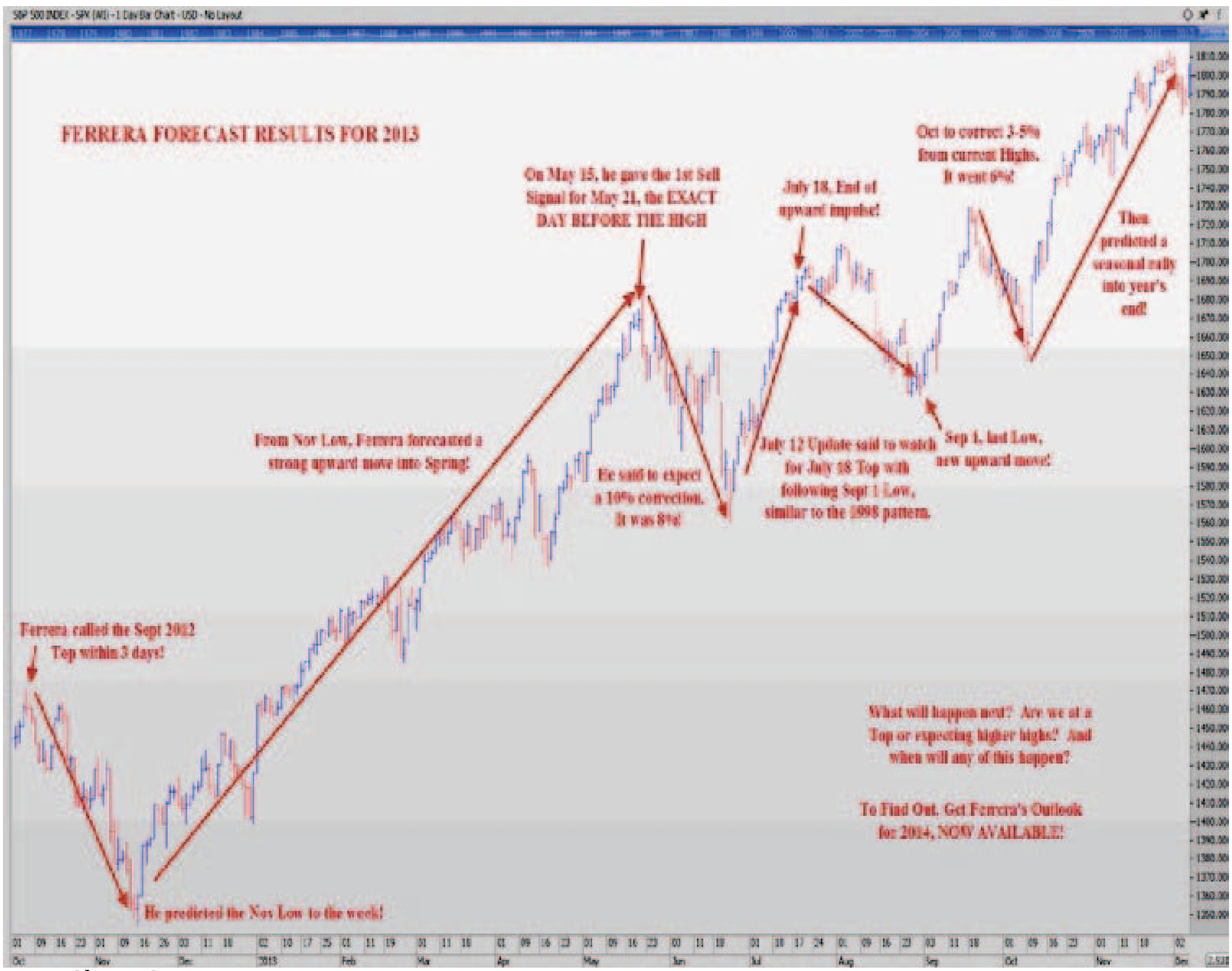

Chart #3

so hard to develop, but also to disguise. And his latest course, ***Economic & Stock Market Forecasting,*** finally presents these techniques in a logical, practical format that will assist both new and long term Gann students in penetrating these more complex and misunderstood tools from Gann's arsenal of analytical technology.

With a thorough understanding of these techniques, any trader can produce similar results to Ferrera's own forecasts, which have been proven for more than a decade. Everything Ferrera uses to generate his yearly Outlook forecasts is clearly laid out in his new course. A quick look at the results of his forecast and ongoing analysis of the market from 2012-2013, as presented in his Outlooks, will demonstrate the potential that can be achieved with a real understanding of Gann's science of prediction, as seen in the following chart. See Chart #3

With the market continuing to break through to new all-time highs and beginning to enter an exponential growth phase, supported, artificially perhaps, by the Fed's Quantitative Easing and global capital flows from insecure economics and banking systems, we are, without question, entering a critical phase in the market and global economy. Every savvy analyst knows that the market never goes up indefinitely, and the harder it rises, the harder it falls…

As Gann, Mark Twain, the Bible, and those "in the know" well understand, history truly does repeat itself! In the face of a sovereign debt crisis and the impending tapering of QE3 by the Fed, how long can the market continue its exponential rise? Until a blow off top in late 2015 as Martin Armstrong's Economic Confidence Model predicts? Or as Armstrong also warns, will it invert, creating a completely different scenario?

The truth is, no one absolutely knows for sure, because the market, like life, is fluid and transient, evolving and ever changing, and even the very best analysts must read the influences as they progress in real time. Even the great WD Gann had forecasts that were wrong, though this did not necessarily affect his trading. This fact does not negate the value of real knowledge, intelligent analysis, and trained foresight. For without that, what are we left with? Hope, fear and indecision! Up, down and sideways… that's all the market ever does. The only choice is to be caught up in it and suffer the consequences, or to read it in advance, and take advantage of it through foresight.

The best advice for any investor or trader is to invest in your own education! And if you lack the time, money, or intellectual prowess to take that responsibility upon yourself, your next best bet is to invest in quality information to assist you in making your decisions. Without either of these, you are left on your own to ride the waves of emotion and confusion that the general public is forever subject to, caught in a rip tide of determinism, and sucked off-shore to an uncertain fate. Better to take your fate into your own hands, since no one is ever going to do it for you.

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Break the Mystique about Hedge Funds - Prepare like a Pro-Trader

By Thomas Barmann from NeverLossTrading

What you're about to read will change your view of money, investing, trading.

Hedge Funds carry this overwhelming mystique that they are the only way and instrument to produce extraordinary returns long-term. Requesting an average minimum investment in excess of $1 million surely makes Hedge Funds an exclusive club; however, do they really hold what they promise? Take a look at the year-to-date-October performance and you definitively know that you can do better in particular with the use of an advanced trading system like NeverLossTrading.

Hedge Fund Performance by October 2013

Hedge Funds	October	Year-to-Date
Clive Fund	-4.59%	-13.73%
Keynes Leveraged Quantitative Strategies	2.33%	-7.04%
Eclectica	-0.10%	-3.45%
QVT	-1.77%	-2.55%
Bievan Howard	0.30%	1.44%
Graham Global Discretionary Enhanced	3.10%	2.63%
Hudson Bay	0.28%	3.87%
Bluemoauntain Credit	0.69%	6.06%
Winton Futures Fund	3.14%	6.58%
Capula Global	0.36%	7.21%
Tudor BVI Series 1	0.84%	8.43%
Eminence	0.60%	8.47%
Pershing Square	7.90%	8.50%
Davidson Kemptner	0.76%	8.71%
Maverick	-0.73%	9.01%
King Street	0.85%	9.66%
Fortress Marco	0.21%	9.90%
Pine River Class B1	0.76%	10.10%
Millennium	0.91%	10.13%
York	2.21%	11.52%
Hutchin Hill	1.68%	12.55%
Renaissance Institutional Equities - B	6.56%	13.61%
Moore Global	0.89%	13.71%
Silver Point	0.48%	14.41%
Strategic Value Restructuring	1.12%	14.41%
Perry Partners	2.13%	15.25%
Caxton Global	0.47%	15.72%
S&P 500	4.46%	23.16%
Train Partners	3.87%	35.15%
Owl Creek	1.90%	36.44%

Investment Fund Performance		
Best	Year-to-Date	
SEP Value Realization Fund	58.74%	
Senvest Partners LTD Class A	56.40%	
BRK/A	29.04%	
S&P 500	23.16%	
Best in Class	200%	of the S&P 500
Excellence	50%	of the S&P 500
Good	at	S&P 500

Most Hedge Funds performed way below the S&P 500.

Some even lost money, while the market gained 23%.

If you don't care about your own money, nobody else will.

Learn to be a private investor or trader.

Take your financial future into your own hands.

Understand that you enter a professional business and you need to be prepared to trade or invest, else, money can go quick.

Those who fail to prepare, prepare to fail.

contact@NeverLossTrading. com for a private consulting hour

Source: HSBC Zero Hedge

Hedge funds as all other forms of institutional investment have one key problem: Size. The amount of orders/contracts to exchange requires gradual action and makes them slow.

As a private investor you can spot and follow institutional actions. By your ability of opening and closing positions on the spot, you can achieve much higher returns than those funds ever be capable to strive for.

Set yourself up and learn to be a private investor or trader.

Don't forget, you want to enter a professional business and those who fail to prepare,

prepare to fail.

See a short list of critical questions you need to be capable of answering prior to entering the markets on your own:

What to Trade	When to Trade	How to Trade	Trade Preparation	Control System
Asset Know-How Market Knowledge	Situation Analysis Trade Selection Entry, Exit, Stop	Market Access Time, Range, Tick	Critical Times Lot Size Mental Preparation	Journal/ Statistics Risk Management

If you are not yet ready to answer those questions at ease, get a coach to help you find the trading system and style that suits your individual risk tolerance and personal trading situation.

NeverLossTrading offers a wide variety of individual focused programs for day traders, swing traders and long-term investors. Find the program that suits you best (click the highlighted mentorship for more information):

Focus	Mentorship	Specifics	Trade Initiation
Day Trading	**NLT HF-Day-Trading**	Frequent Trades	• Momentum-Volatility Changes • Swing Points • Volume Differentials
	TradeColors.com	Confirmed Moves	• Candle-Color-Sequence
Swing & Day Trading	**NLT Top-Line**	• Scanners • History • Comparison • Correlation	• Strong Institutional Price Moves • Swing Points
Swing Trading	**NLT HF Stock Trading**	Frequent Trades	- Momentum-Volatility Changes - Swing Points - Volume Differentials
	TradeColors.com	Confirmed Moves	- Candle-Color-Sequence

The easiest way to play in the league of professional traders is to act like they do:

Professional traders have their support- and control network in place, which we aim to replicate with NeverLossTrading, regardless if you act as a full-time or part-time trader or investor.

The Support- and Control Team of Professional Traders

Pro-Traders have Analysts, Back Office, Risk Management and leading guidelines, helping them to be successful. Each element is critical for their trading success. NeverLossTrading is helping you to build yourself up to compete with the Pro's: Step-by-step.

	Professional Environment	NLT Coaching for Private Traders or Investors
Trader	Makes the decisions Has focus, knowledge, systems Produces performance	Follow the entry and exit indicators of NLT Evaluate Reward/Risk, Odds-Ratio per trade Execute orders and adjust lot sizes
Analyst	Trade preparation: - Ready on time - Data preparation - Order concept - Information	Select symbols to trade from the NLT-Alerts Decide for time frames to trade Specify preferred signals or trade setups to choose Prepare for times you do not want to be in a trade (news announcement, earnings announcements, find those on the NLT News Announcements Tab)

Back Office	Order follow up: - Win/Loss - Long/Short - Symbols/Situations	Trading Journal - Every trade documented - Score Card Analysis - Adjustment Proposal (coaching)

The final and most critical stage in your trading plan is Risk Management.

In respect to the risk management, most private traders/investors act unprepared by:

Not predefining key price action points, where the original trade assumption is no more valid.

Lacking a system for limiting risk and adjusting position sizes in direct relation to the odds ratio.

Having no maximum draw down allowance in place.

Failing to prepare applicable trade adjustment methods for turning losers into winners.

Depending on your trading focus, NeverLossTrading builds various business plans together with you during your mentorship. Take a look at the principles applied for stock trading:

	Professional Environment	NLT Coaching for Private Traders or Investors
Risk Manager	Guidelines and rules for the average and maximum risk to accept; the relative lot size, according to the associated risk and odds ratio. *The calculation of the odds ratio is part of the NLT-Mentorship.	Maximum Risk per trade (Cash Model, Stock Trading Example): - 1.5-times the reward (SPU calculation) - Day Trade: 0.75% of capital at risk - Swing Trade: 2.55% of capital at risk - Long Term: 7.50% of capital at risk Lot Size - ½-Lot at increased risk (Purple Zone e.g.) - 1-Lot at normal conditions - 2-Lots at Odds-Ratio above 2.0 - 3-Lots at Odds-Ratio above 3.0 Maximum Drawdown Allowed - After three bad trades ½-size - Max loss of 10% of capital then ½ -size - Five bad trades: Back to the drawing board Trade Adjustment Methods (cash free stock trade adjustments) - First price-adjustment level action - Second price-adjustment level action *Futures-, FOREX-, Option Trading require a separate business plan.

Find the risk assessment as part of the NLT-Stock-Trading-Business-Plan (explained below), where you can see how we calculate for each return the associated average and maximum risk, considering that capital preservation is the most critical factor to stay in the trading business.

By following high probability trade setups and by having all critical elements of a professional trader in place, you will be in the position to long-term trade and focus on making meaningful returns.

Why meaningful? Acknowledging a direct relation of risk to reward, a clearly defined maximum risk per trade helps all traders to define meaningful reward expectations and prevents the danger of overleveraging positions.

Let us jointly build a business plan for a Stock Trader, assuming a $100,000 trading account, where the trader wants to trade full-time and decides for the following split of the funds:

Day Trading: 40% of the available funds. Three trades per day. Leverage 4-times.

Swing Trading (1-5 days): 40% of the funds. Two trades per week. Leverage 2-times.

Long-Term Investment (1-5 weeks): 20% of the funds. Two trades per month. No leverage.

In this example, we are assuming a risk adverse trader with the following principles:

Never risk more than an average 3% of the cash capital: Typical for an IRA holder.

Never risk more than 5% on average, using margin in day and swing trading.

Trading Business Plan for NeverLossTrading HF Stock Trading

Type Trading	Investment Share Example	Base Assumptions
Day Trading	40%	A minimum achievable return of 0.5% of the stock value: Stocks with trade potential provided by NeverLossTrading Alerts.
Mid-Term	40%	The average price move potential of NLT-selected-stocks at confirmed signal is 1.7% on cash with a trade duration of 1-5 days.
Long-Term	20%	The average minimum return on a long term investment is assumed at 5% (weekly SPU).
Trading Capital	$ 100,000	The maximum acceptable risk is 1.5-times the expected return.

Asset/Capital	Return on Cash Per Trade	Trades Opened and Closed	Probability for Success (minimum)	Return Expectation (average)	Return/Week Expectation	Cash Return Expectation Per Month	Return on Cash Per Month	Average Risk/Trade	Max Risk/Trade	Margin Leverage	Leveraged Expectation Per Month	Leveraged Risk Per Trade	Maximum Drawdown Per Trade to Capital
Day Trading		Per Day											
Stock Trading	0.5%	3	66%	0.5%				0.50%	0.75%				
Capital	$ 40,000			$ 200.00	$ 1,000.00	$ 4,000	10.0%	$ 200.00	$ 300.00	4	$ 16,000	$ 1,200	3.0%
Swing Trading		Per Week											
Stock Trading	1.7%	2	66%	1.7%				1.70%	2.55%				
Capital	$ 40,000			$ 680.00	$ 680.00	$ 2,720	6.8%	$ 680.00	$1,020.00	2	$ 5,440	$ 2,040	5.1%
Long-Term Investing		Per Month											
Stock Trading	5.0%	2	66%	5.0%				5.00%	7.50%				
Capital	$ 20,000			$ 1,000.00	$ 1,000.00	$ 2,000	10.0%	$1,000.00	$1,500.00	1	$ 2,000	$ 1,500	7.5%
Total	$ 100,000					$ 8,720	8.7%	$ 1,880	$ 2,820		$ 23,440	$ 4,740	4.7%

Commissions were not included in the calculation.

The model above considers 66% positive trades, which is the basic trade goal every private investor should aim for (watch this video for details...click).

The cash-trader (IRA holder and stock trader), using this business plan aims for a monthly income of $8,720 (8.7% return). Utilizing a margin account, the trader would aim for a monthly income of $23,440 (23.4% return). Compare those trade targets to the year-to-date performance of the major hedge funds and you know why we express that private investors have a sound chance to outperform institutional investments by far.

If you chose leveraged instruments like Futures, FOREX, Options, specifically laid out business plans will be worked up with you, helping you to act responsibly as the trader you want to be. Please consider that profits cannot be guaranteed and past performance cannot always be taken indicative for future results.

With the knowledge NeverLossTrading shares in the mentorship classes, you will learn to:

Only accept trades with a limited risk

Trade frequently, regardless of the asset class you choose

Take profits at pre-defined price points

Reinvest for compounding interest

To learn trading this way: Call +1 866 455 4520 or contact@NeverLossTrading.com

At this point, you might ask yourself why this should be doable.

We give you the following arguments; however it is you to keep the dedication to follow those principles:

Reasons for Private Trader or Investor Success:

Institutions, by the high amount of investments have to act gradually and we can spot and trade along with their actions.

As a private investor, you can enter and exit entire positions at once and beat the best hedge fund managers in all dimensions: Speed, average price entries and exits, capital turns, and with that on total returns.

If you take meaningful risks and you learn how to profit from up – and downside market moves in all account types, you will be ready to trade the markets long-term.

To make this happen, you need:

Discipline to trade at NLT signals and only trade when the odds are in your favor.

Trade preparation and pre-orders for assets with NLT Signals.

Exit at the set targets.

Hold your stops to bring your trades to target.

High participation rate on possible trades.

Accept only trades with low risk and low drawdown rate.

Leverage lot sizes on extra high probability setups.

Reduce lost sizes at increased risk situations.

Add to positions when additional signals confirm the trade direction of an early trend signal.

Please hold yourself accountable and assure that all gears of the pro-trader are established and working in your favor.

Learn trading the NeverLossTrading way: Call +1 866 455 4520 or contact@NeverLossTrading.com

We are looking forward to hearing back from you.

Thomas

NeverLossTrading

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Opportunity Diversification

Maximizing Returns Across Multiple Markets

By William Stewart

One of the greatest problems many traders face in making greater profits more consistently is the lack of opportunity to find numerous trades with significant point moves. Most people trade only 1-3 markets so that they are limited by the volatility and price ranges of those markets, which often become stuck in congestion zones, or simply do not provide significant point moves during some months or years.

Some traders attempt to compensate for this by intraday trading, attempting to catch more, but smaller swings. The problem with this is that there are fewer technical tools and significant cycle impulses within that short time frame to give clear, quality signals which produce strong moves. It also requires a larger time commitment to trade intraday, forcing one to stare at a screen all day, time which many busy professionals simply do not have. The lower returns are further eaten away by the larger number of commissions and fees charged.

The solution to this problem comes through an approach we call ***Opportunity Diversification***. Imagine if you had a simple means which provided you with only the highest probability trades in each market each year, those which are most likely to produce the strongest point movements. Rather than trading just one or several markets continuously, you could instead expand the focus of your trading to as many as twenty different markets by trading them only on an intermediate-term time scale at the points where they have the highest probability of producing a significantly volatile move.

It is obvious that much greater profits could be generated by this kind of strategy. Why is this? Because most markets only make somewhere from 4-8 significant point runs each year, the rest of the time remaining stuck in accumulation or distribution zones. Trading during these trendless time periods is a useless endeavor. The market will often whipsaw back and forth, eating up profits by hitting stops, and wasting a trader's time by focusing his analysis on ongoing work with very little return potential. If one knew when to look at each market with the highest expectation of returns, one would not waste one's time in this way, and would provide himself with much greater profit opportunity.

However, in order to grasp this opportunity, a trader must have a particular knowledge set, one that identifies these key trading points, and the best way to accomplish this is through the science of cycles and cyclic impulses. When a trader learns how to determine the most important cyclical impulses in each market throughout the year, those with the highest probability of producing strong, volatile, tradable moves, he will discover the greatest profit potential available to a trader. Through diversifying one's trading across multiple markets, with a focus on intermediate-term position trading, a trader can produce larger profits with less effort and lower risk.

Once a trader is able to identify the KEY time windows in which to expect a strong move, then the application of simple technical tools like price retracements, Andrews Pitchforks, or Gann Angles are enough to take advantage of a strong trade without having to do a long and detailed analysis of each market. The trader simply awaits each time window, applies his most trusted technical indicators, and places a well risk-managed trade once every month or two in each market. Even if only half of his signals produce a significant trade, the risk management will limit losses and let profits run, and the diversification across multiple markets will produce much larger profits than are available through the mastery of any single market alone.

The problem is that most traders are incapable of trading in this way because they lack a means of identifying these KEY time windows across multiple markets. If they study various courses which are capable of producing such results, they are limited by the time required to do an adequate analysis of each market sufficient to identify these Key time windows each year. Since few traders are able to commit their full time to market analysis, this leaves them in the position of lacking the adequate opportunity to expand their profit potential, requiring them to seek other means of earning their living, giving with even less time for analysis, a never ending cycle leading to a seeming endless lack of fulfillment in trading.

The alternative solution to this problem is to find a service which can provide the time windows for these high probability trades at an affordable cost. This is where a service like ***The ICE Reports*** becomes an essential tool in this strategy. ***The Institute of Cosmological Economics Cycle Forecast Reports*** identify these high probability trades in 20 different markets, allowing traders a new approach to trading with much higher and more consistent profit potential! At a cost of only $10-20 per signal, the ***ICE Reports*** identify the 2-4 major cyclic impulses and 8-10 secondary influences

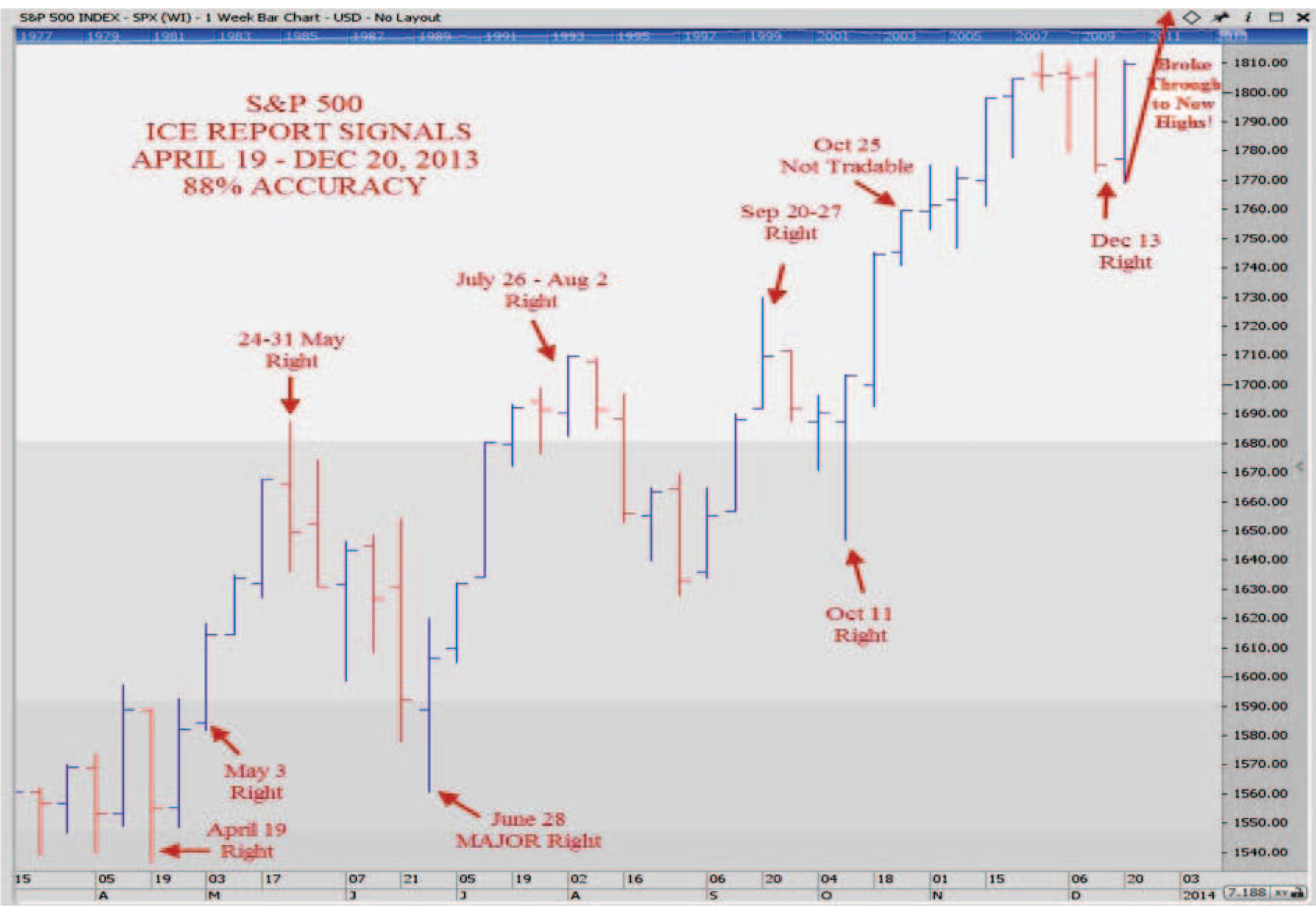

Chart #1

each year across some of the most popular Stock, Index, Currency and Futures markets.

By selecting several to many of these reports in markets that a trader finds of interst, he can extend his trading potential by several times, with little extra work, other than the timely application of his trusted tools to take advantage of these high probability time windows which produce explosive moves or significant trends. Traders familiar with strategies that allow added risk management with greater profit potential, like Options strategies, can even take relatively easy, stress-free positions across multiple markets which do not require significant attention, or delicate stop-loss monitoring.

An example of such time windows indicated by the signals produced in the ***ICE Reports*** can be seen in the following S&P500 chart, where we have shown the signals given from March through December 2013, which had an 88% accuracy rate: See Chart #1.

On the S&P, 7 of the 8 signals given for 2013 produced significant moves or caught the primary trends for the year, with only one signal producing a sideways dampening effect which was just not tradable. Almost any trader could put on an intermediate position at these indicated points and have taken very little heat as the market broke into its primary trends. Or even easier, purchasing a options position at these points would have completely limited risk with excellent profit potential.

For those who do not have the time to do their own detailed analytical research, but would like to trade according to this kind of approach, we recommend you take a very close look at ***The Institute of Cosmological Economics Cycle Forecast Reports. The ICE Reports*** represent the output of more than 25 years of the most dedicated research into advanced cycle theory and Gann analysis. In over 15 years of development, these techniques have been carefully integrated into a software-based proprietary analysis and forecasting system. This system employs a complex array of sophisticated analysis algorithms and has a development cost in excess of $1,000,000!

The information contained in ***The ICE Reports*** has been available over the past decade in various layers of complexity, but only to professional traders and institutions. ***The ICE Reports*** now, for the first time, offer this knowledge into the hands of individual traders. These reports have distilled this broader and more complex institutional analysis down into its most fundamental element for trading: TIME! W. D. Gann always emphasized that Time was the most important factor. Any trader who knows the time window of a coming move can use standard technical analysis and risk management strategies to take maximum advantage of it.

We think these reports will provide traders a critical advantage in helping to identify ongoing opportunities for intermediate term position trades with consistent profitability. For those looking for greater diversification in their portfolio, there are currently 20 ***ICE Reports*** available for the S&P 500, NASDAQ, Aussie All Ords, Apple, Amazon, JP Morgan, Euro-Dollar, Pound, Yen, AU$, Swiss Franc, Gold, Silver, Copper, T-Bonds, Crude Oil, Coffee, Soybeans, Corn and Orange Juice. For more information on ***The ICE Reports***, including 5-10 years of historical timing points and past report results, please contact us, or see our website: http://www.sacredscience.com/ICE/ICEreport.htm

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NEW FORECASTS AVAILABLE FOR 2014!

THE INSTITUTE OF COSMOLOGICAL ECONOMICS CYCLE FORECAST REPORTS

ADVANCED CYCLE FORECASTS IDENTIFYING THE MOST POWERFUL MOVES EACH YEAR IN 20 MARKETS!

12 KEY YEARLY TURNING POINTS IN 20 DIFFERENT MARKETS - 75% ACCURACY!

AVAILABLE FOR THE FOLLOWING MARKETS:

STOCK MARKET INDEXES

S&P500 – NASDAQ – AUSTRALIAN ALL ORDS

FOREX CURRENCIES

EURO/US$ - POUND/US$ – YEN/US$
SWISS FRANC/US$ - AUSTRALIAN$/US$

STOCKS

APPLE COMPUTER – AMAZON – J.P. MORGAN

FUTURES

GOLD – SILVER– COPPER - 30YR T-BONDS – CRUDE OIL - COFFEE – SOYBEANS – CORN – OJ

***THE ICE REPORTS*, represent the output of more than 25 years of dedicated research into advanced cycle theory and Gann analysis. In 15 years of development, these techniques have been integrated into a software-based proprietary analysis and forecasting system which employs a complex array of sophisticated analysis algorithms at a development cost in excess of $1,000,000! The timing methodologies developed in this system move far beyond standard cyclical modeling and projection techniques to the fractal and proportional nature of market movements. www.SacredScience.com/ICE/ICEreport.htm**

STATEMENT OF INTENT

The intent of the *ICE REPORTS* is to identify the 2-4 Major, and 8-10 Secondary MOST POWERFUL CYCLE IMPULSE POINTS throughout the year, in each market, giving the highest possible returns thru giving the exact timing of the dominant cyclic influences during the year and trading those HIGH PROBABILITY positions which lead to profitable intermediate term runs or significant major trends.

- **IDENTIFY & POSITION TRADE ONLY THE STRONGEST MOVES IN EACH MARKET**
- **PROPRIETARY DYNAMIC, EXPANDING AND CONTRACTING CYCLES WITH LINEAR & NONLINEAR TIMING**
- **CYCLE PROJECTIONS INDICATE THE MOST IMPORTANT CYCLIC POWER POINTS EACH YEAR, CONFLUENCES OF STRONG CYCLES**
- **5-10 YEARS OF DOCUMENTED HISTORICAL TESTING DONE IN REAL TIME**
- **LAST YEAR'S DOCUMENTED FORECAST RESULTS – 75% ACCURACY RATE!**

FOR A DETAILED WRITEUP ON GOULDEN'S COURSE INCLUDING CONTENTS, SAMPLE TEXT & FEEDBACK SEE:
WWW.SACREDSCIENCE.COM/GOULDEN/BEHINDTHEVEIL.HTM

BEHIND THE VEIL

AN APPLIED TRADING COURSE USING ADVANCED PRICE/TIME TECHNIQUES TO PROJECT FUTURE TURNING POINTS...

BY DR. ALEXANDER GOULDEN

FORECASTING RECORDS

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!

Dr. Goulden's advanced technical trading course Behind The Veil presents powerful trading techniques based upon the deepest scientific and metaphysical principles applied in a different way than courses in the past. 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 analyze and trade the any market on any time frame.

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 identify PRICE LEVELS, TIME TURNING POINTS, AND TRENDS, through proprietary HARMONIC, ASTRONOMICAL & GEOMETRICAL techniques developed by a Cambridge scholar.

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Interview with Mathew Verdouw of Market-Analyst

Larry - When and why did you become interested in the markets and How, when and why was the Market-Analyst software created?

Mathew - In 1996 I had started a software engineering company and was contracting to various companies that needed custom software built. While I was between contracts, I was introduced to a trader that asked if I could help him test a trading system. It sounded like fun so we got to it. I had to virtually build a complete TA framework which became the first Market Analyst. From then on, I have been interested (perhaps better to say fascinated) in the markets and more specifically in Technical Analysis (so much so that I have now just completed all the Charted Market Technician exams from the MTA).

Larry - Explain all that you go through to put together a new method into the Market-Analyst.

Mathew - It always amazes me that what seems like it should be a quick process can take so long, but we are determined to make sure we do it right. Usually the process starts with an idea, either generated internally, from one of our clients or one of our partners. We then do a high level design to decide how it will work. This is easy if it is an indicator as we make it fit the same model as all out other indicators, but sometimes a new chart style needs to be developed and that can take a bit more time.

Once the high level design is complete we now do a thorough search to ensure that there are no copyright breaches. When an individual has put in their time and effort into developing a technique that is not in the public domain, we want to make sure that they are recompensed for that. Many of our partners choose MA because of our attitude in this.

At this point we are now into the detailed design phase - this is usually quick and we are then right into the coding. Once the method has been coded, it gets passed to our test team who try it with every conceivable data source from tick charts to year charts to complex spread charts. These guys will do their utmost to break the program. In fact I'm sure our programmers have vodoo dolls of the testers because the most common quote I hear will be "no one in the real world would do that" while the tester smirks that the complex test of adding the method to a moving average of an oscillator of a Gann Swing chart and then inverting it failed. With thousands of clients all over the world, our experience shows us that our clients do some crazy things, its much better that we anticipate those early.

Alpha testing complete, it is then passed to the Beta Testers, these are a group of our clients that are technology junkies and just love having the most recent version now. Their feedback is invaluable and helps us refine all new work. Usually we leave a method with them for a week or so. If all is ok, the new method is then promoted into the next "Stable" release that we do.

So there is quite a bit to it. Often people are astounded at how long it can take when they have provided the logic and sample code, but as you can see, there are quite a few steps that we need to go through.

Larry - You have many different technical analysis methods in your software. Which ones are your personal favorites and why?

Mathew - In my position I feel really blessed as I get to sit with so many experts and hear how they use their Technical Analysis. I can see the value in everything (though never all at the same time, Egad! you'd go crazy). I have to confess that I had ignored indicators like RSIs until I learnt from Constance Brown how the position of the peaks and troughs can tell you if we are in a Bull or Bear Phase. Was that ever an eye opener!

A personal favorite for me has always been the Gann tools, its why there are so many available in Market Analyst. I think it is because of my engineering background. Gann is all about mathematical relationships,

Chart #1

the merging of two unrelated axis (time and price) by the price unit. Obviously running a company like Market Analyst keeps me busy with many different tasks, but when I get back to researching Gann ideas, whole nights pass by full of "Oh Wow!" moments.

Another one is a new tool that is really quite astounding. It is based on support and resistance zones calculated from volatility. It's a wild concept but the results for a momentum indicator are as good as many of the Gann tools that I have ever used.

Larry - Can you show one of your favorite methods will some chart examples?

Mathew - The ND Research Risk Reward Plot is a great one to show as I add it to all charts I'm looking at since it helps me see where I am in relation to volatility based support and resistance. I think it is in part because the understanding that my potential reward is limited to the distance from the current close to where i expect resistance to be, and my risk from the current close to where support is expected (in a Long scenario), has been a blinding flash of the obvious to me personally. No matter what tool i look at now, I am always thinking "Where do i expect support and resistance? and what does the risk reward ratio look like?".

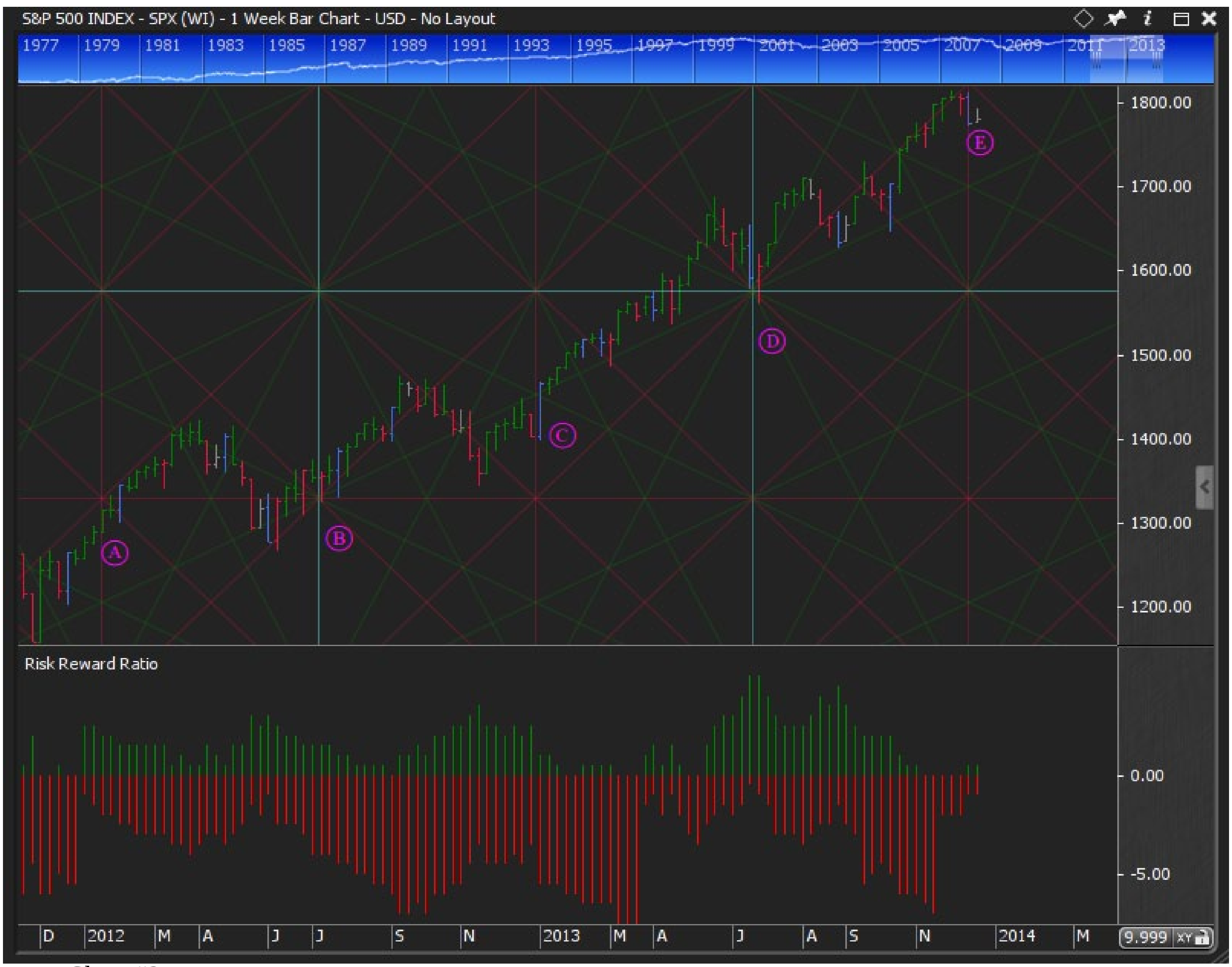


Chart #2

See Chart #1.
The double histogram is a measure of ATRs from close to defined support and resistance. If the price is bouncing on support, then obviously there is more potential reward. In situations like that, the green is greater and the red diminishes. Its not a perfect system, but it is definitely one of the best tools like this I have ever worked with.

Here is an example how I use them with Pi Squares from the 2007 top. (Note: Pi squares are Gann Squares where I take the high and multiply it by a factor of Pi - always really interesting). Some of the most important signals with any Gann Technique are the vertical time signals.
See Chart #2.

The issue I have always had with Gann Squares, and many other timing tools, is that when do I know if the signal is valid and when should i ignore it? In my early trading I was exclusively using Gann and there were days when I was the Guru picking the exact turn in the market! Then days where I was the dunce and just gave it all back again. What I have learnt since is that with Gann style trading I need to layer in other techniques to give me some perspective. Even the humble RSI can help a lot. but my favourite is the Risk Reward Ratio tool.

In this case, I am looking for a confluence of signals here using the very different styles. Let's go through the letters on the chart:

A. The market approaches the vertical line, this could be a turning point. The RRR is skewed to high potential reward so we do not expect a reversal this time.

B. The market came down to the intersection point of the Gann Squares (those points are like magnets), but the RRR was balanced, so no sustained change in trend.

C. Similar to B, the RRR is balanced and no major change.

D. This one is interesting, the market had been down for a month as we approached the signal date and the RRR was showing the highest reward for over a year. In this case we just need to wait for confirmation and we are set.

E. Very recent! Here we have a signal date again and we are seeing no reward and moderate risk. It is not an absolute SELL signal, but there is no real strength there either.

Sorry if I got side-tracked here. It's hard to speak about my favourite techniques without jumping into a thorough explanation of what they are.

Another tool that I love paying with is the Geometric Polygon in our Gann Edition. At Market Analyst we have done a lot of work on making sure that geometric tools can work as if you were working on paper by locking the time and price ratio. The result is that we can do on the computer many of the geometric ideas that Gann himself was toying with. In this case I simply select points 1 & 2 and then tell the tool I want it to be a Octogon, you can see how significant the lines are.
See Chart #3.

p.s. If you ever work with Gann tools, watch the intersections of the lines. They're far more important! Even the points where two

Gann Fans intersect are really important.

Larry - What sets your software apart from the other competitors?

Mathew - In the end I think this comes down to our philosophy in a few keys areas.
1st we believe that there is still so much to be developed, so many new ideas and new ways for TA to be used. Markets adapt and the techniques we used ten years ago are not quite as effective today, so you need to have access to emerging techniques and not just ones that are just the same as all the rest. Our clients love that they are always getting fresh ideas with Market Analyst.

2nd if one of our clients can not work something out, we consider that to be a design issue rather than a support issue. Our goal is to make tools that are so intuitive our clients do not need to call our 24 hour support lines.

3rd, we are obsessive about getting it right. Market Analyst 7 was completely re-written because we believed that we could do it better with all the experience that we had from 6 previous versions if we started again. There

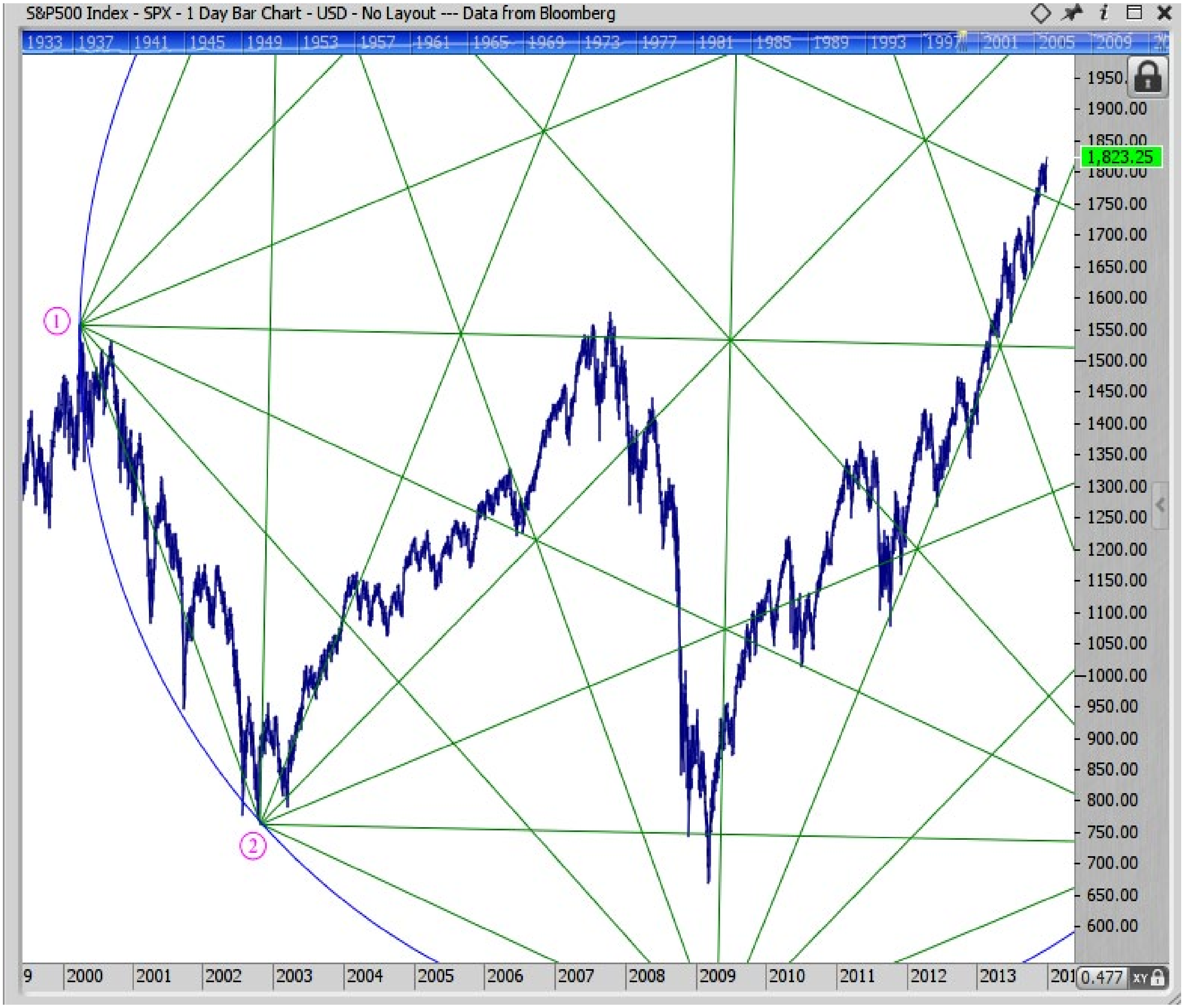


Chart #3

are no sacred parts to Market Analyst, every module is under continual review to make sure that we are producing the very best software. In fact at any one time we have well over 2 years of developments planned which continue to bring benefits to our clients.

4th, we listen to our clients. We are engineers first, Market Analyst is an engineered product that has been crafted based on the years of feedback that we have received. We will not dictate to our clients what is right or wrong, instead we aim to facilitate what they are looking for. We are only successful as a company if they are successful as traders.

Larry - If a trader would purchase your software how would you recommend using it? What methods in the software would you recommend using and why.

Mathew - It is almost counter-intuitive for me as a software vendor to say, but software is not the starting point. Education is. Any product like Market Analyst is jam-packed with all sorts of techniques from simple averages to the most complex astronomical tools. We have to because we cater to such a wide audience. I would strongly advise against buying software and trying every technique that it has available to see what works. Rather, the most important thing any trader can do is learn what technique resonates with them, get some education, set up their trading strategy, document the rules and learn how to manage their trades. The reality is that too many people are looking for the "perfect" indicator which stops them from being a successful trader. We call them "Indicators" and not "Certainties" for a reason! My biggest mistakes in trading happen when I believe that my indicator is a certainty.

Once you have a strategy and you understand money management, then it is time to open the software. Once the software is open, it is critical that the strategy is thoroughly tested. In Market Analyst we have a "Training Mode" that helps with that. Here the trader can hide the last few years of data and start adding it back one bar at a time and simulate buying and selling as the data comes in. At the end, the user has a clear idea of how they performed with real data.

Larry - Do you have anything in Market-Analyst that would give a trader an advantage?

Mathew - Market Analyst is a tool box, just as a construction worker can buy cheap tools to build a house and get the job done (and often that is what they do first to save money), they soon realize that buying the better quality tools will get the job done faster, better and with a lot less anguish. Our aim is to let a trader use the knowledge they have, get the answers they need and do it fast so they can spend more time enjoying the fruits of their trading. The knowledge, technique and discipline come from the trader, Market Analyst is just the toolkit that helps them get the job done. The advantage? I would say that it is that Market Analyst is very flexible and as a trader's education increases, Market Analyst will be there every step of the way supporting them.

Mathew Verdouw can be contacted at www. Market-Analyst.com email: Mathew@market-analyst.com

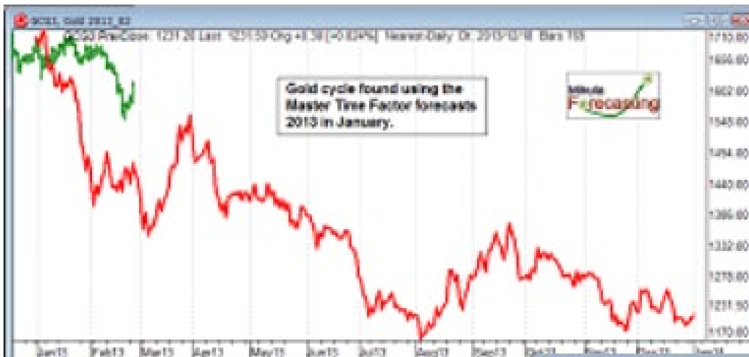
Gann Masters Charts Unveiled Amazon Kindle Book $6.97

Most of Gann's books and courses were written in a veiled language as said by the trading community. What this means is he buried his techniques in his courses. It's there, but the reader has to read and reread his material several times to get anything of trading value out of it. Gann's material is extremely complicated and the trader must have a strong background in mathematics to full benefit from it. Some experts think that he did not put in the books and courses what he really traded with, even though the price of the courses was an unbelievable $3500 at the time he sold them. Converted into today's prices, it would be equivalent to $50,000. He kept the good trading secrets for himself or for those few who could afford to pay him the asking price of $100,000. One of the trading methods that Gann kept to himself was the use of Pythagorean Square. He also kept secret the hexagon and the circle charts. He went to the land of the Pyramids to study the Pythagorean Square to find its secrets. It's believe that he found someone over there who explained how it worked and how it could be used in the markets. We know that Gann used the Pythagorean Square because he was found carrying it with him into the trading pit all the time. This square was hidden in the palm of his hand. How did he use this square? Why did he not discuss the use of this square in his courses? There is only one page covering the Square of Nine in all of his books and courses. Was this square his most valuable tool? These and all the other squares Gann used will be discussed in detail in this book with many illustrations and examples to prove how they work. It almost seems that Gann kept the secret of how to use these charts to himself for two reasons: these charts tell the real mysteries behind the market; and if other traders knew how to use these master charts, it might have hurt his trading. Also included in this book are many of the archived articles previously written in the Gann and Elliott Wave and Traders World magazine on the Square of Nine. These articles are included so you can get a different viewpoint from experts in the field. ...It is just like a professional athlete, he trains over and over again and when he is out on the field he doesn't have to think when he plays, it becomes automatic. You too, must train over and over again using these methods with historical data before you are ready to go out on the field to play or trade.

Mikula Forecasting Service

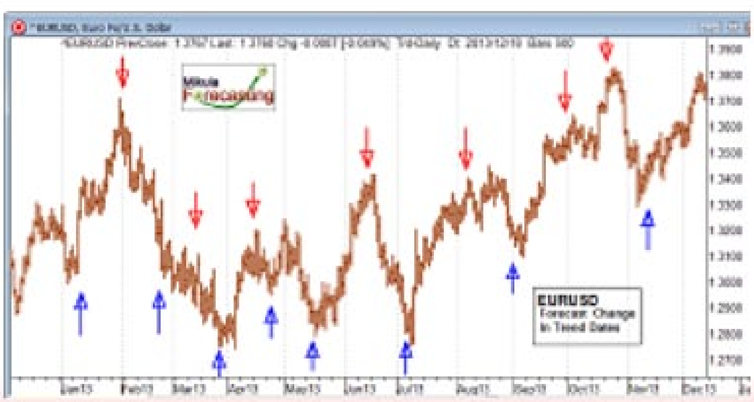
http://mikulaforecasting.com/wordpress/

My forecasting service uses W.D. Gann's Master Time Factor to find the historical cycle that is repeating in a market. To understand this look at the top two charts below. These charts show the cycle I used to forecast gold in 2013. In January 2013 I identified the cycle that was going to repeat in gold in 2013. The first chart below shows gold data as green bars through February 2013. The red line is the cycle I determined was going to repeat in 2013. This cycle was published in January 2013 in my forecasting service, and was used through 2013 to make weekly updates to the forecast. Now look at the second chart below to see how the forecast worked out.



The chart to the right shows the full year of 2013 gold price data as green bars. The red line is the historical cycle published in January 2013 and was forecast to repeat in 2013. You can see the 2013 gold market repeated the historical cycle very closely.

I use this technique to forecast Gold, Silver, Interest Rates, EURUSD, DJIA, Rough Rice, the Hang Seng Index and Soybean. This is a subscription service which updates the forecasts once a week.



Here is another example of my forecasting service. The chart on the left shows the daily EURUSD for 2013. The red and blue arrows are all the change in trend (CIT) dates that were forecast in 2013. Each CIT date was forecast two to three months in advance. If you trade the EURUSD look closely at this chart.

If you think this type of forecast can help your trading visit our web site below to learn more and see the current subscription rates.

http://mikulaforecasting.com/wordpress/

Market Breadth Indicators

By George Krum

A rising tide lifts all boats.

Although the meaning of this aphorism is usually associated with the idea that improvements in the economy will benefit all participants, it applies equally to the stock market. When liquidity and market breadth are strong, odds favor that the majority of stocks will be advancing. The opposite is true for periods when liquidity is drying up and market breadth is weak. Market breadth, in fact, is one of the few tools that can be used to trade the major indices without even looking at price. Yet, there's very little written on the subject compared to the vast literature devoted to every other indicator imaginable.

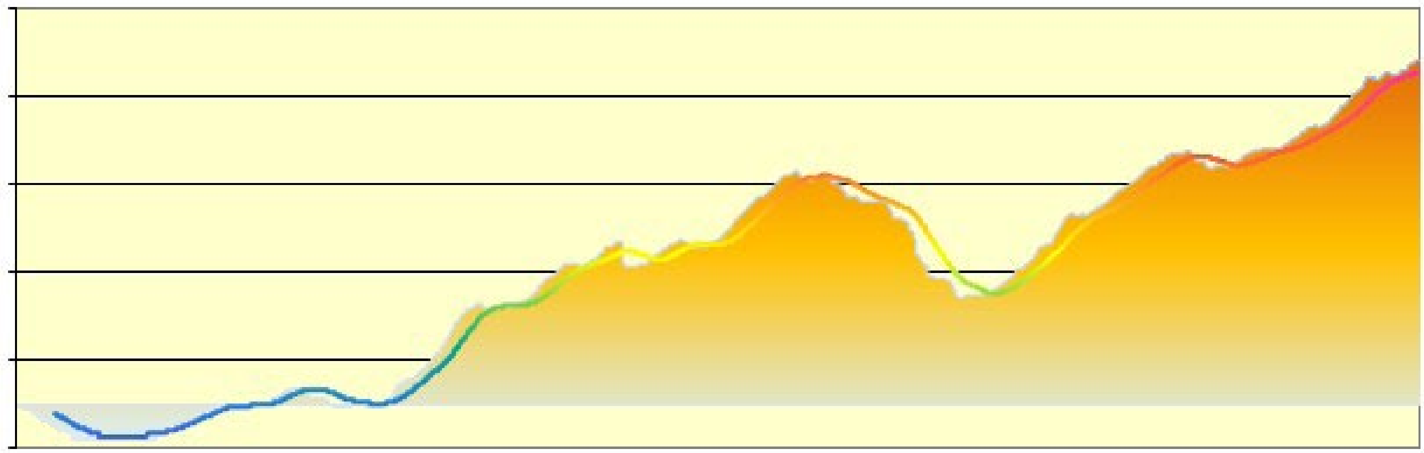
As Gregory Morris noted in the foreword to his book *Market Breadth Indicators* published in 2006, "market breadth is generally misunderstood, misused, and more often than not, it is totally ignored by most". In his foreword to the book, John Murphy observed that "with today's computers, traders are limited only by their own creativity and imagination in finding ways to incorporate market breadth into their trading and investment decisions".

In this article we'll start by analyzing what some key market breadth indicators have to say about the current state of the market, and after that we'll discuss some of our own market breadth indicators and the ways you can use them for your benefit.

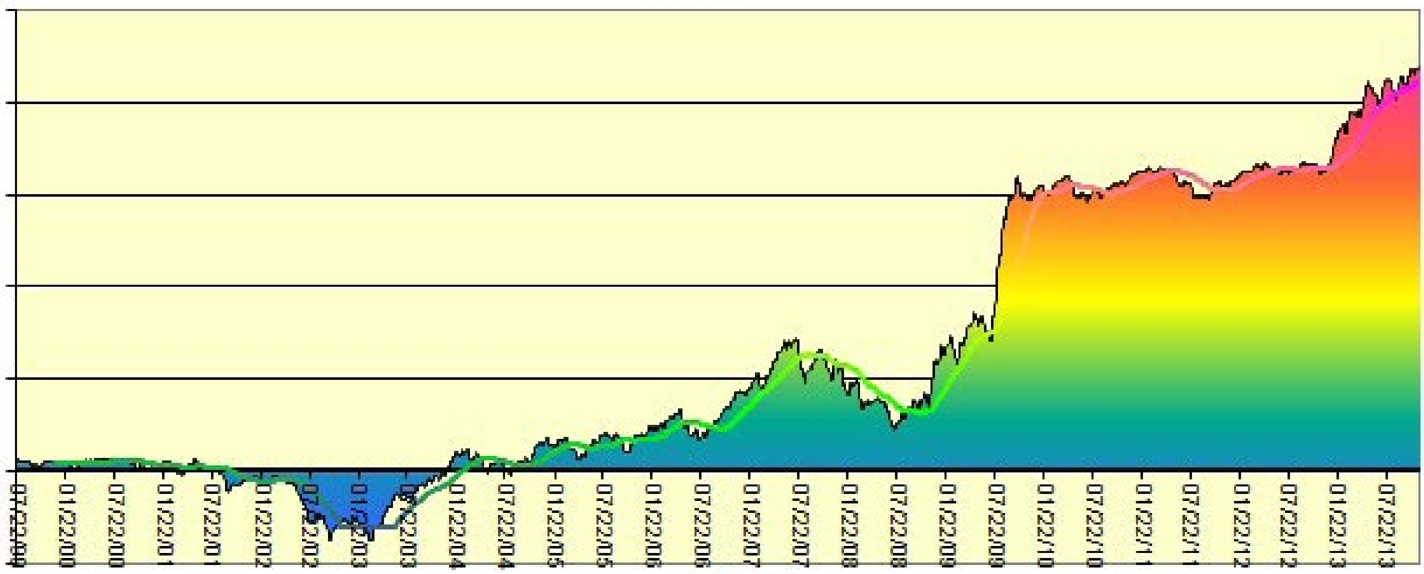
Market breadth usually is calculated on the basis of advancing and declining issues, up and down volume and new highs and new lows for a given exchange (e.g. NYSE, NASDAQ, AMEX). Not surprisingly, the simplest breadth indicators are usually constructed using these three variables. As one would expect, a rising advance decline line, up down volume line and new high new low line are bullish for stocks and vice versa. As noted by Murphy in the foreword cited above, the daily NYSE AD line has a tendency to peak ahead of the rest of the market. This happened in 1998 – 2000, when the AD line peaked in 1998, while the market continued rising until 2000, and again in 2007, when the AD line peaked in July, 2007, while the averages advanced until October of that year.

So far (early December '13), although there have been legitimate concerns about an inflating stock market prices, weak economy and emerging valuation bubbles since the market trough in '09, all three basic breadth indicators have been in an uptrend, confirming the rally in the indices (DJIA, SPX, NDX and IWM):

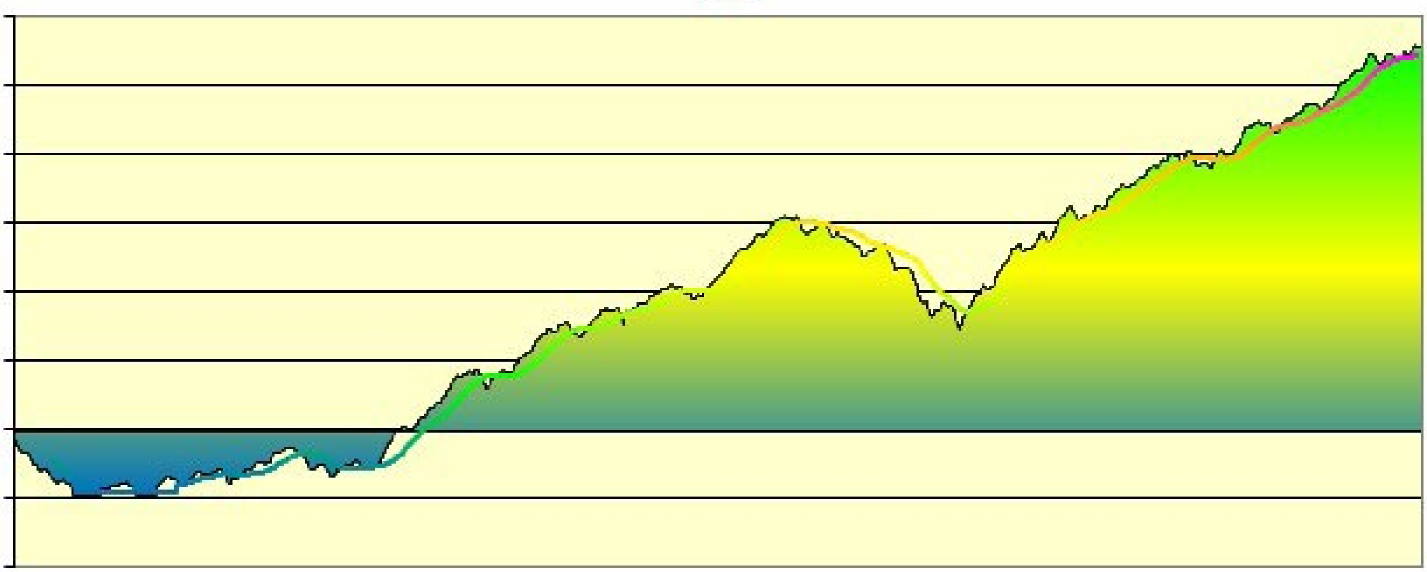
NH/NL



AV/DV



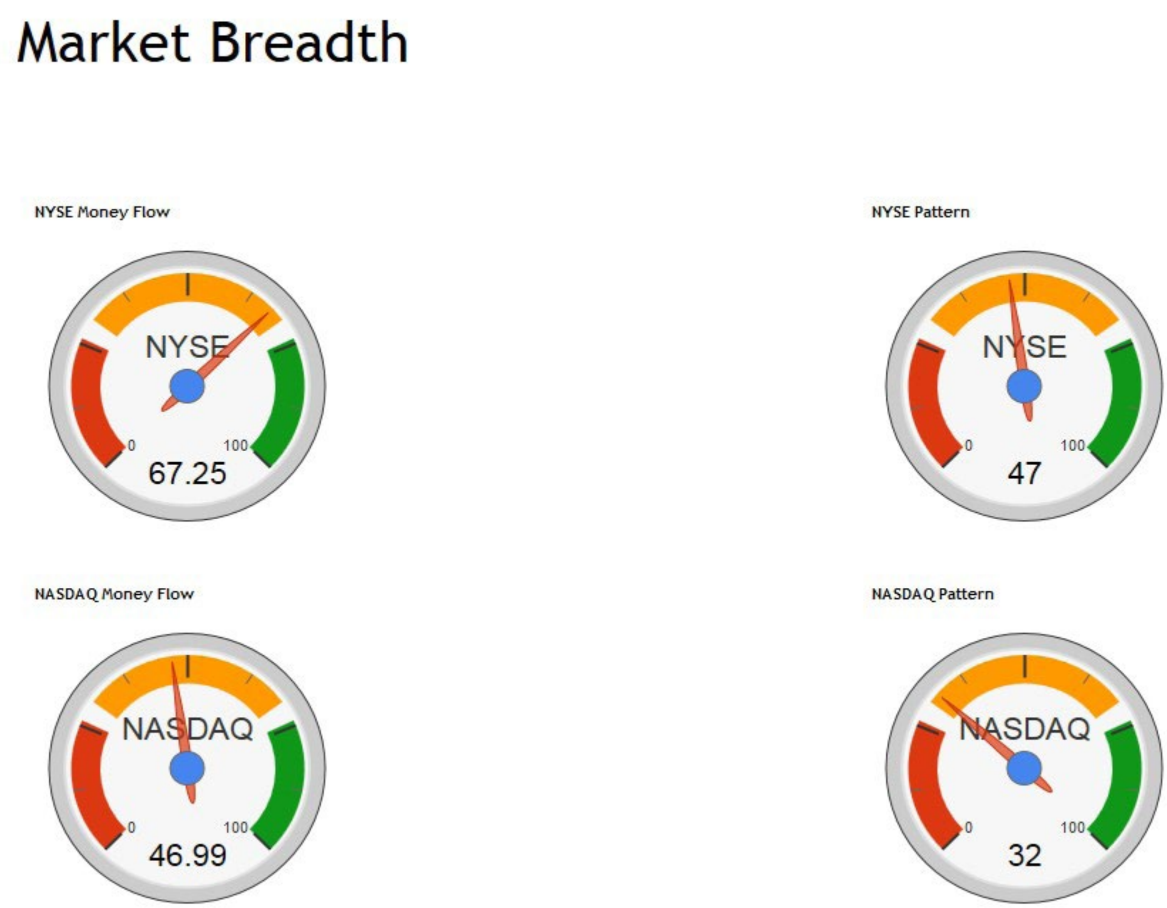
AI/DI



Another, more sophisticated way of examining market breadth is to examine the relationship between advancing/declining issues and advancing/declining volume. The most popular indicator in this category is the Arms or Trin index. It compares the volume of rising stocks to that of declining stocks, and produces an indicator that trends in the opposite direction of the market. Most traders are probably familiar with the saying: "When TRIN is high, it's time to buy, when TRIN is low, it's time to go". The problem with TRIN, however, is that there is no exact measure of what is high and what is low. Therefore, technicians resort to incorporating moving averages and other TA tools in order to better isolate tops and bottoms. There are obvious ways to build an oscillator type market breadth indicator that will alert to market tops and bottoms without exceeding certain predetermined boundaries, like 0 and 100 for example. In fact, we've been using several such indicators, depending on the time frame we're interested in (short, medium and long), and below will discuss some of them.

Once you go that route, you'll gain quickly some interesting insight. Namely, that whether the indices move up, down or sideways, market breadth without fail becomes overbought/oversold on a regular basis. In a very strong uptrend, declining market breadth will manifest itself through a temporary sideways move which will be followed by resumption of the main trend. The same is true for a strong downtrend: while market breadth is getting overbought, the index will move sideways before the downtrend resumes.

Let's start first with a very short, intraday time frame. To monitor market breadth in this instance we use two gauges. The left gauge monitors market breadth (we call it Money Flow) in its pure form, while the gauge on the right monitors the overall level of stock participation at current market breadth levels (we call it Stock Pattern):



(Chart courtesy of MarketInternals)

As a rule of thumb this is what you can expect from this indicator.

When Liquidity (left gauge) is within the green or red zone -- expect strong, directional trading, when the daily range may reach and exceed the R3/S3 pivot lines.

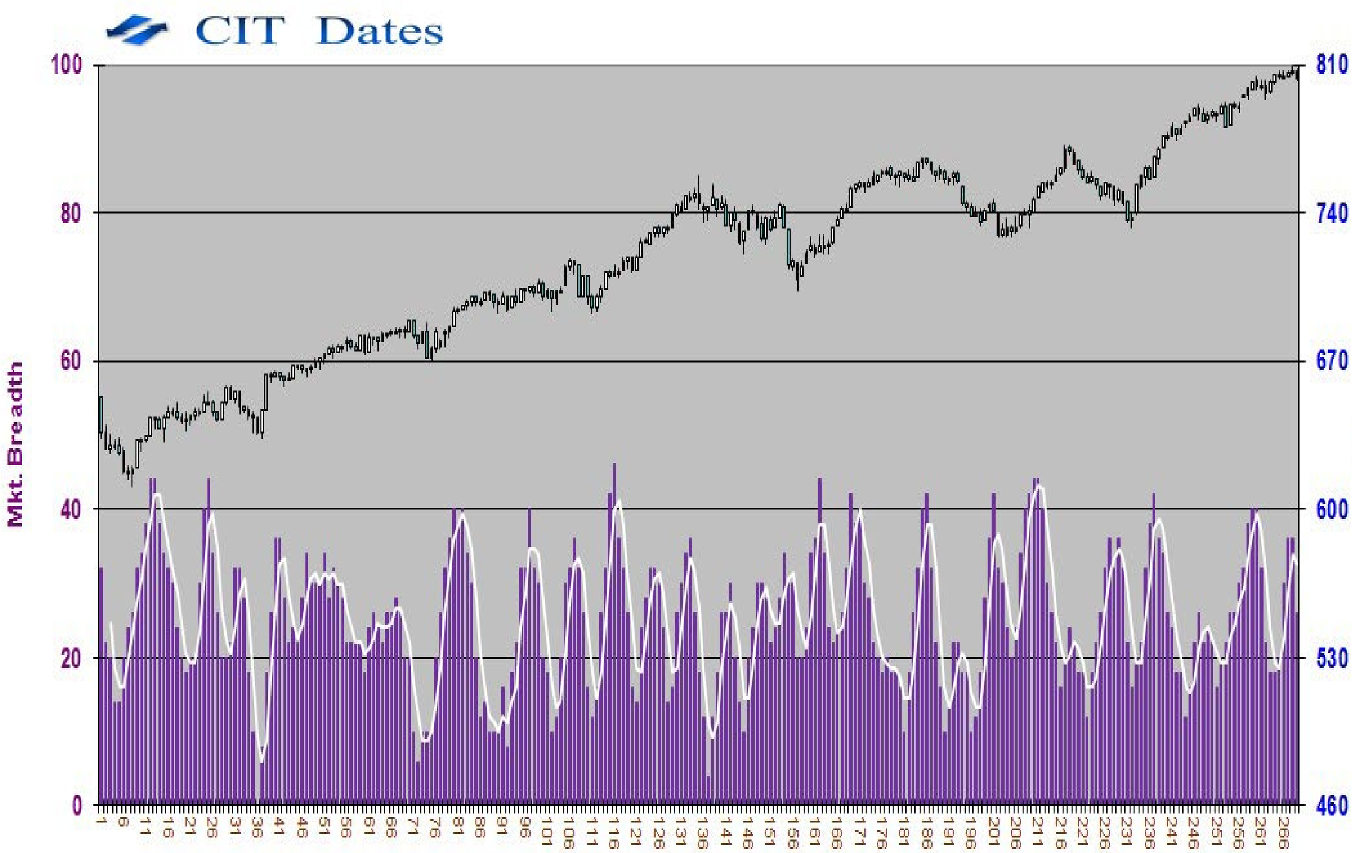
When Liquidity is in the yellow zone -- expect choppy, range bound trading, when the daily range usually remains confined within the R1/S1 pivot lines.

Market pattern (right gauge) reflects the real time mood of stock market participants. Readings within the yellow zone are a sign of indecision and lack of strong bullish or bearish commitment among traders.

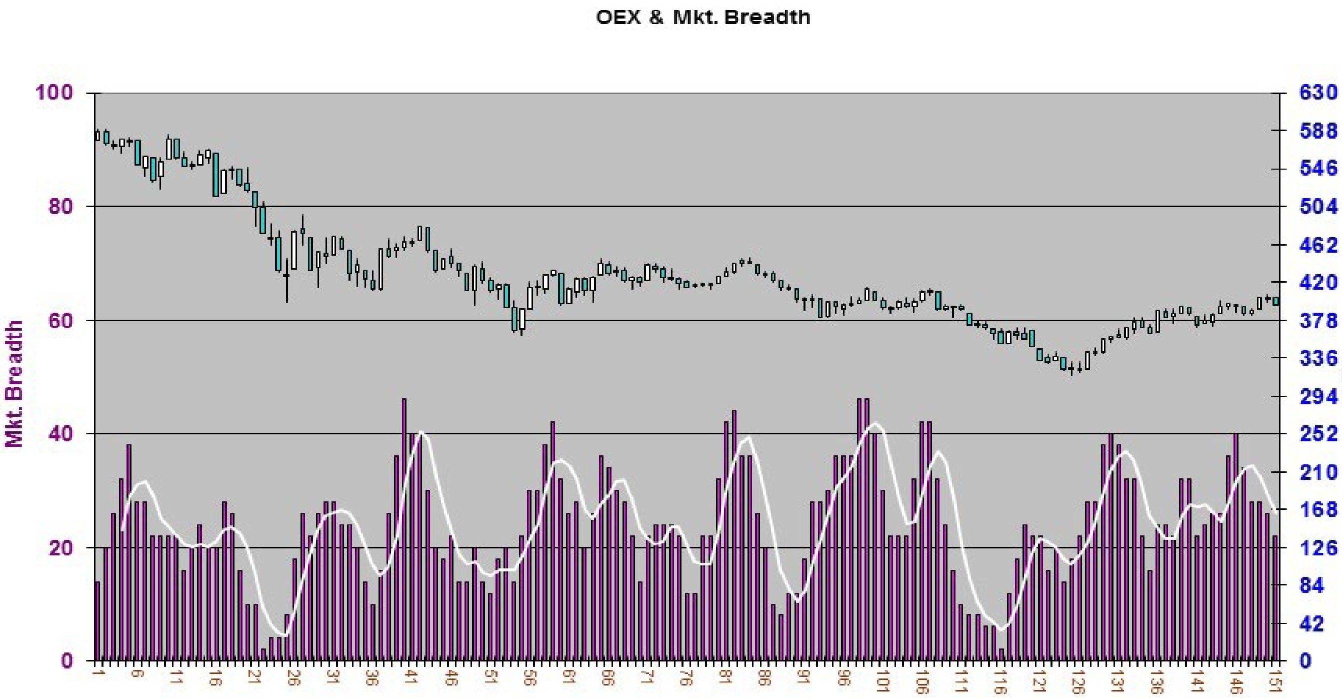
Opening gaps pose real problems for short-term traders and one does not have to settle for the usual fade the gap and keep your fingers crossed strategy. By monitoring the liquidity gauges after the open you can take the guessing out of this process. Just keep an eye on the indicator's readings for signs of weakening or strengthening, and you will be one step ahead of the crowd.

You can follow these live, real-time market breadth indicators at marketinternals.blogspot.com.

Now let's switch to the daily time frame. You'll be hard pressed to find another indicator that better highlights the cyclical nature of markets, and human nature, as the daily market breadth indicator:

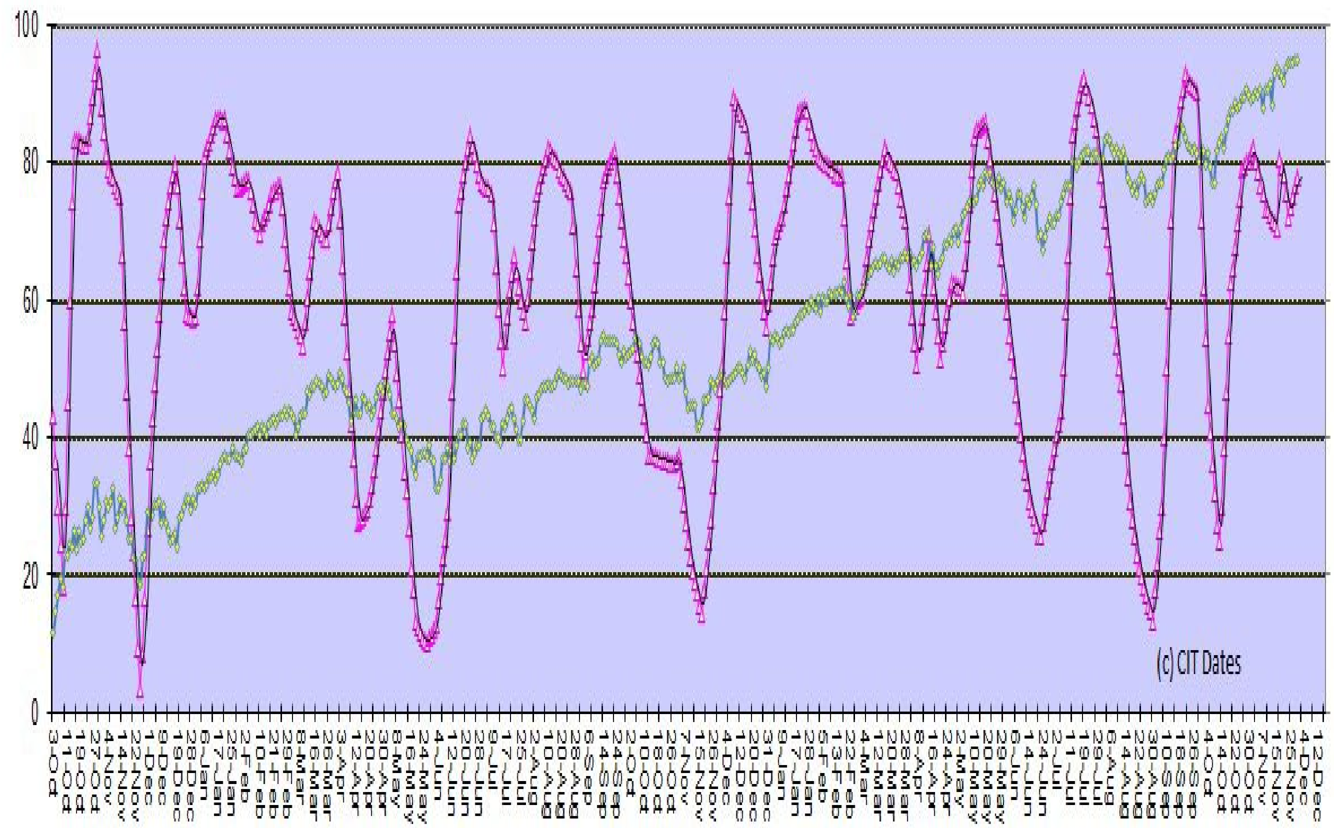


Here the interpretation is slightly different. Readings above 36 are overbought, below 16 – oversold. And it works the same way in bull as in bear markets, as the chart below from August '08 to May '09 attests:

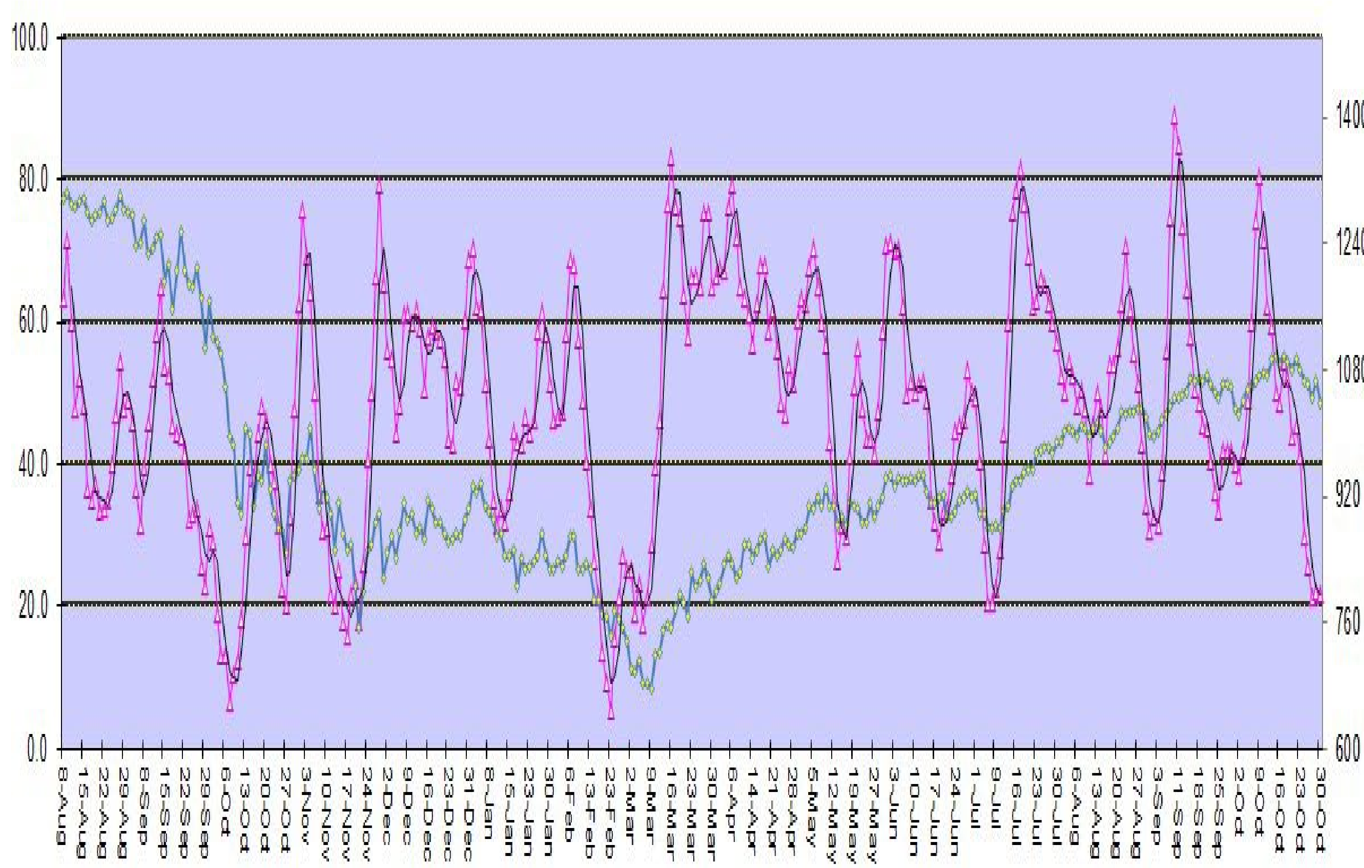


In addition to overbought/oversold levels it also allows you to spot negative and positive divergences and get early warning signals about impending trend changes.

Finally, we can manipulate market breadth data to get weekly readings (ranging between 0 and 100):



Here you'll note how the indicator refuses to drop below 50 during bull runs, and how readings below 25 have caught all significant market troughs. And again, as the chart below will show, it worked in the '08 – '09 bear markets as well:



If you look closely, you'll notice the positive divergence in February – March '09, which signaled the start of the current bull run. We regularly monitor and discuss this indicator on our blog or in our Safehaven articles.

In summary, we cannot emphasize enough that you ignore market breadth at your own peril. In today's information and technology age, there is a lot more readily available data, besides price and volume, that can be harnessed to your trading advantage. You can learn to interpret the many market breadth indicators available, or, just like John Murphy predicted, with a little focus and imagination you should be able to build your own indicators.

www.OddsTraderApps.com

Actions & Attitudes of Successful Traders

By Larry Gaines

Mistakes sabotage every area of our lives, and trading is no exception. The good news is that we learn from our mistakes. In fact, seeing mistakes as learning opportunities is the popular approach to viewing human error and with good reason since they provide learning lessons aplenty, albeit often excruciatingly painful ones both in the psyche and the bank account. In over 3 decades of trading, I have probably seen every trading mistake possible, and I've even made most of them.

As in life, mistakes seem to recur until we own them and modify, at which time we overcome that particular error and move on to the next. The good news is that you can learn by observing and studying the behaviors and habits of successful traders who have already been in the trenches and learned from their mistakes. This practice can shave years off of a trader's learning curve. It's all about adopting the powerful actions and attitudes of successful traders.

There is no perfect trader or perfect system but in order to become a consistently good trader you must constantly be observing not only the markets, but also other experienced traders to gain knowledge and wisdom. It's a never ending journey, like most valuable pursuits, but it can be an extremely rewarding one, both personally and financially.

When you model top trader's actions, you make more money. It's that simple. They've figured it out from years of experience, and you learn from them how to make more money in much less time. In this article, I'll review some of those lessons that can be overcome from modeling consistently successful traders, most of which cost nothing.

1. Consistently getting in or out of trades too soon…or too late

The culprit behind this common error is trading from fear or greed instead of following a chosen strategy. In trading it's not always about trading the right option, the best model, or the perfect entry; it's way bigger than that. If your attitude is not right, and your trading related actions aren't right, then even the best technicals can't help generate profitable trading results.

Studies show that 60% to 80% of trading success comes from a trader's mental and emotional state. Great traders are always working to keep their emotions out of their trading. By developing a state of detachment when trading, you can neutralize those emotions that can otherwise control your trading actions.

2. Being a lone ranger

Everyone knows that the nature of trading is to go it alone. Trading attracts the introverted analytical thinker who generally thrives on hours of uninterrupted time to completely focus on the next great trade or indicator. The focus time can be beneficial, but the lack of accountability and team camaraderie is not. Being someone who has spent decades in the enthusiasm of a live trading room, complete with both shared cursing and celebrations, I can say that camaraderie is real, and it's an asset. The value of camaraderie explains the proliferation of virtual trading rooms over the past few years, and my drive to have created one of the first.

3. No plan for success or goals

Have you ever noticed how easy it is to jump into a trade that is outside of your trading plan? A plan encourages self-discipline and accountability. A good plan includes the following features.

- Capital allocated to trading
- Defined risk reward
- Time frame for holding trades
- Working hours
- Parameters around paper vs. real trading
- Structured time for accounting and review
- Tested model or system

Start with a plan and stick to it. Review it often and adapt it as you learn and improve.

4. Trading a model that doesn't work

Time and expense are usually the perpetrator with this costly saboteur. The perfect analogy is buying something that doesn't work when you've gone shopping just so you haven't wasted your time. The trader thinks about how long it took to learn the system, or the investment, often in the thousands, that was made to purchase the model. The solution is to buy a proven system from a demonstrated expert, and get the support to correctly learn and implement the model swiftly.

5. Not thoroughly reviewing trades and accompanying charts

Let's face it; it's much more enticing to trade than to review trades, but the reality is that successful trading comes from reviewing what you did that worked, and doing more of it. It's that simple. Without consistent time dedicated for review, this can't be done.

Take time to review each trade; this is your money, and your business. Write the answers to the following questions in a log:

- What worked?
- What didn't work?

- What were the indicators doing?
- What time of day was the trade made?
- Why was the trade placed?
- Why was the trade exited?
- Could a slight tweak have made the trade more profitable?

6. Not accounting for trades

Have you ever known a trader that likes to do accounting? Traders love the excitement of the trade, but hate the boredom of all the surrounding responsibilities, such as accounting, taxation and documentation. Boredom, avoidance of responsibility and denial are the backing behind this common slipup. It's a lot easier to think about that great winning trade you made than to look at hard after commission numbers. Numbers don't lie, but they are a strong teacher for how to improve results because they allow you to see what's working and do more of it.

The solution is to schedule time for accounting. It's so easy now with downloads from most brokers. With zero costs, you'll then have the numbers to reveal the most potent answers you can get to improve your trading results.

7. Delay in setting up your trading platform for maximum potential or using an inferior trading platform

There's no denying that it can be time consuming to master a new trading platform. Traders will sometimes stay with a broker for years to avoid learning a new and better platform. This procrastination is costly and damaging to a trader's success. There are a few remarkable trading platforms that are free just for doing business with that broker waiting to be capitalized upon. There is no excuse for not using a top notch platform. Many trading programs offer coaching on setting up their favorite platforms which can save time and frustration.

8. Lack of goal setting

As Peter Drucker said "What gets measured gets done". This paradigm is a step above accounting and review. Goal setting is about taking the big picture view of your overall life and money. Take this a step further and think about what your life will be like upon achieving those results.

Define what you want to make from your trading business. Review it often. As Drucker said, measure your results, and then compare them to your goals. This motivating habit drives you to do the mundane, like to accounting. It drives you to show up to trade when you want to play golf instead on that perfectly beautiful day.

9. Trading with the emotions of fear and greed

Trading emotions could be an entire book, and it often is; your beliefs about money go all the way back to your childhood. What was happening in your childhood home around money? Was there never enough? Were you taught to manage money? Was there predominantly fear or greed? As woo woo as this sounds, taking a few minutes to think about this unseen force can quickly and easily help you spot those same patterns in your trading.

The way successful traders overcome this powerful saboteur is by trading from a plan, which allows complete detachment. A simple exercise to discern whether emotions affect your trading is to paper trade for a few days. Notice if the results are different from real trading. Of course, live trading can provide slightly different results due to the actual fill; take this into consideration, account for it and try to see how differently your trading results are when real money is not changing hands vs. when it is. This easy little application can reveal powerful insights about how your emotions may be hurting your profits.

Another clue is to notice how you feel when you trade. Does your heart race when you place a trade? Are you unable to leave your charts beyond the time designated in your trading plan? These are signs of emotional trading. Some of the best traders in my virtual trading room have consistently exited the room promptly at 9:30 daily. They are done, based on their trading plan. It's unemotional and detached.

Fear causes traders to miss out on winning trades, or close trades before the optimum exit. Greed causes traders to stay in trades beyond their planned exit, or to take trades outside of their plan. Emotions exhaust traders.

First, recognize your money patterns and own them. Choose to not allow someone else's past issues affect your trading results. Again, the crucial key is to detach emotionally from your trading. The best way to detach is to trade from a well thought out plan.

As you read this article, which points made you squirm the most? The most uncomfortable points will be the first area to focus on to improve your trading results. Discomfort signals denial or expansion. The great thing is that most of the points above are absolutely free. That's a risk reward you don't see often in the trading world. I'll take it.

About Larry Gaines - Larry helps individuals generate greater income from their investment capital with less risk exposure. He founded PowerCycleTrading.com and the Power Cycle Virtual Trading Room following over 30 years of professional trading experience in the commodity and equity markets. During his tenure as head of an international trading company that often traded a billion dollars' worth of commodities in a single day, he learned first-hand the necessary elements of a successful trading system and the use of options. Using this in-depth knowledge and experience, Gaines developed the Power Cycle Trading™ Model to allow for greater profits with a more disciplined, systematic degree of trading success.

Year End Portfolio Window Dressing... What's In It For You!

By Steve Selengut

As investors, and we all are investors these days, it is important that we understand the idiosyncrasies of year-end Stock Market activity. Investing can be a minefield for those who don't appreciate the non-economic, and non-business, factors contributing to year-end market volatility.

As "traders" we have already figured out that volatile markets are our VBF!

"Portfolio Window Dressing" (PWD) volatility produces security pricing that is more a function of next year's institutional marketing programs than it is a reflection of the economic forces that we would like to think of as primary price determinants.

At year end, PWD causes transactional cross currents that stir the opportunity pot with more volatility than at any other time of the year.

When the media reports that: "PWD based volatility is rocking the financial markets", do your eyes light up with renewed holiday spirit, are you rubbing your hands together in anticipation of profiting from the annual, and totally irrational, portfolio repositioning ritual? Will you be doing any PWD of your own?

There are at least three forms of PWD; each of which will reinforce your good feelings about trading and not-so-good feelings about institutional Wall Street, the tax code, and a corrupt financial regulatory landscape. Don't let the bad vibes keep you from the financial benefits of year-end madness.

The best known variety of PWD involves the wanton selling of portfolio "losers" and replacing them with the year's "best performers". Yes, there always seem to be losers, or weak sectors, that just don't participate in the current rally. Here's a sample Investment Grade Value Stock (google IGVSI) Watch List:

http://www.sancoservices.com/WatchListSample.pdf*

*This listing is an illustration only; nothing is being recommended in any direction, and the data is not current.

You'll find that, this particular morning: utility stocks, chemical companies, and some discount stores are the worst performers/best opportunities. From other sources, you would note that high quality REITs and managed income Closed End Funds are equally attractive.

PWD makes fund managers look smarter on year-end holdings reports sent to major clients, and may make fund performance numbers appear more attractive to prospective "fund switchers". It forces prices within weak sectors to fall even further while artificially raising the market values of the big winners.

Obviously, all fund managements will take part in the ritual if they choose to survive. Eventually, institutional managers stop pumping up prices to hysterically (and historically) insane levels and dive back into the (not-so-awful-really) losers that they just discarded ... but not until thousands of well meaning financial professionals initiate portfolio rebalancing exercises within millions of over-equity-weighted portfolios.

Is this a trader's paradise or what. Let the games begin.

Here's a chart that shows the interactions of the S & P 500, Investment Grade Value

Stocks, and an index of dependable-income Closed End Funds from pre-financial crisis highs 'till now:

http://www.sancoservices.com/MCIMvsSP500.xls

PWD is neither investing nor speculating, yet no one seems to care about the ethics, legality, or "Buy High, Sell Low" trading being done within client portfolios. This is precisely what is happening now to income Closed End Funds and a smaller than usual number of high quality equities that didn't participate in the Federal Reserve funded rally of 2013.

Yet another artificial demand factor that's pushing the stock market to the brink...

A more subtle form of PWD takes place throughout the calendar quarter, but is "unwound" before the Quarterly Reports reach the printer. In this less prevalent (more fraudulent) variety, managers invest in securities that are out of sync with the fund's published investment policy during a time when their particular specialty has fallen from grace with the gurus.

Adding commodity ETFs, or popular emerging market issues to a Large Cap Value Fund, for example, may improve performance but at far greater risk than unit holders had bargained for. The inappropriate securities are replaced before the fund's holdings report is prepared, hopefully enhancing results... but possibly not.... and if it doesn't work out so well, there's a third kind of PWD.

This one is referred to as "survivorship bias". Here, poor performing funds are merged with other family members, making the fund "family" sport more attractive numbers. "All of our funds beat the S & P"... uh huh!

I cannot understand why the media doesn't dig more deeply into these practices. Perhaps ninety percent of the price movement in the equity market results from institutional trading, yet institutional money managers seem more concerned with politics and marketing than with investing.

They impress their major clients with their brilliance by reporting ownership of all the hot tickets and none of the major losers. At the same time, they have manipulated their performance numbers and made "Buy High, Sell Low" the accepted investment strategy of the industry.

How many major plan trustees/managers/fiduciaries want to be caught with in-the-red egg on their glossy faces when performance meeting time arises? Can ETFs help?

ETFs, at least the sector variety, should be more stable entities because of their "un-managed" nature. But what's to stop an ETF provider to Cherry Pick the sector market place for best performers, while he removes the inevitable dog or two.

Yes, this is bad news for the multitude throwing their 401k contributions under the upcoming correction bus, but it is really good news for experienced traders who understand that a lot of quick-on-the-keyboard- smallish-profits can add up to a big number of profit-taking cash prior to the inevitable KABOOM....

PWD is everywhere. All products with market value growth as their objective are subject to some form of face/job saving manipulation. So what's a trader to do when receiving so many tainted and inaccurate signals from so many directions, and for so many different reasons?

Analytically, the quarterly anomaly of artificial demand for some investments, and unwarranted weakness in others, throws almost any individual security or market sector statistic totally out of whack with the underlying company and sector fundamentals.

But the performance numbers get even fuzzier when you throw in the impact of the ever-growing list of index ETFs. I don't think I'm alone in thinking that the real meaning of security prices has less and less to do with corporate fundamentals than it does with the morning line on popular ETF ponies... the dot-coms of the new millennium.

(Does anyone remember the "Circle of Gold" chain letter from the seventies? How many 401k plan participants do you think will be able to unload their ETF "letters" profitably a few months from now?)

Finally, there's the (self-inflicted) tax code variety of PWD... investor's rushing around taking losses on perfectly good investments to avoid paying capital gains taxes. Instead of standing on the roof pounding their chests with pride, many successful traders blow it all at year end by selling the very securities they should be riding into next year's race for more quick and easy profits.

If losing $100,000 on perfectly good companies and income positions yielding 6% or 7% tax free to keep from spending $25,000 or $50,000 in taxes makes sense to you... turn in your trading credentials.

Still, even if you know better than to participate in such absurd behavior, you do need to consider the opportunity it provides. One would never suspect (what with millions of taxpayers gleefully losing billions of dollars every year) that the purpose of investing is to make money. Tax loss selling puts easy money in traders' wallets.

Here's a four time per year trading recipe you should master. Get out there and buy the March, June, September, and December 52-week lows in IGVSI equities and strong-distribution-history income CEFs; wait for the early next quarter bounce (particularly the "January effect" we often read about); pocket some easy short-term (the most hated variety) profits.

Note that "year-end" PWD may start as early as October, particularly in Closed End Funds.

Don't want to pay taxes on your profits? Make charitable donations, support some worthwhile causes, or hire your favorite investment manager (the fees are tax deductible). Try to understand that: a dollar you still have is better than any two you never had.

What have you done to help replace the infernal(sic) revenue code?

Combined, these PWD issues raise an interesting question: is it possible to decipher the true value of a share of common stock when market price is a function of company fundamentals, artificial demand for index derivatives, various forms of PWD, and tax code hysteria?

This is an unfortunate condition that we traders have used to great financial advantage. With security prices less closely related to fundamentals such as dividends, profits, and market share; and more closely related to MPT hocus-pocus and artificial demand factors; the only (sensible) operational alternative appears to be trading.

Wall Street Portfolio Window Dressing

Buy the downtrodden IGVSI companies that Wall Street is throwing out the window and take your profits on those that have risen to (reasonable) target prices... and try to get it done before the big players do. But wait, isn't that the success recipe used in Market Cycle Investment Management portfolios?

Interesting place, this Wall Street...

Steve Selengut@sanserve Join my Linked In network

Repetition

By Al McWhirr
www.EminiScalp.com

My approach to trading is somewhat different than what many traders are accustomed to. There are many traders who are successful using indicators. There are those traders who do quite well incorporating large stops. And there are those who trade to a variety of numbers, numbers that have occurred in previous sessions. There are those traders who guess, "well, the price has moved up 10 points and it is bumping off the 200 period moving average, so it must be a short." There are the roomies, those who trade from the consensus of what most people in their chat room think. In short, there are many traders who incorporate a considerable number of tactics in their trading pursuit.

A key learning ingredient, as I have found to be true over my 41 year teaching career as well as my 20+ years as a trader, is repetition. Yes, repetition. History repeats itself, and the market repeats itself. In order to learn a musical instrument such as the violin, guitar or banjo, a key element is repetition. That is, doing the same thing over and over again. Repeating a song, repeating a driving route, repeating any series of steps will train the brain. Of course, repeating bad habits or doing the same thing over and over again with terrible results can be disastrous.

If you have had the pleasure of reviewing my website or reading my book, or have read any of my articles, you should have realized that I am a strong proponent of repetition in trading. I believe that people are creatures of habit and this habitual nature will lead either to success or failure. As an example, let's look at the criminal element. As far as law enforcement is concerned, a very high percentage of those who consistently commit crimes have an "MO", or a "modus operandi." When a crime is committed, those investigating the particular incident will look at repeat offenders who have committed similar crimes in the past. These repeated criminal habits can leave clues that the experts look for. In many cases, this is one way of apprehending the offender. And these guys wonder how they got caught.

How about the regular law abiding citizen? Normally, they live by routine and they have habits as well. They will get up at a certain time every day, they take their break and lunch at a certain time and they may even stop in the deli whereas the guy behind the counter asks "having the same Joe?" This routine goes on day after day. Why would trading be any different? Traders make either the same mistakes or achievements, day after day, because of habits, although they may not visibly realize this. For the most part, traders will repeat what they have done previously. This repetition is consistent.

A while ago, a fellow trader purchased one of my methods. He wrote me an email after a day or so which read in part : "your stuff says the same thing at different times." It's called repetition. In any case, at least he read the related material. This is certainly a sound starting point. Repetition and reinforcement are the keys to learning.

See Chart #1

As I mentioned at the beginning of this article, my trading is different from most. I don't trade the news, I don't try to determine if price is going up or down. News reports are not important to me, in regard to my trading, as I only react to the news. I only care about what I see on my charts. As a trader, you do not know what is going to happen, and guessing should never be an option.

There are those traders who trade to and from numbers that have occurred in previous trading sessions. This can be a very viable method of trading, but it can have shortcomings. For instance, some traders may take an entry when price gets to a certain number. At times, this number can be 5 to 10 points away from the current price. They may have a goal of taking a trade if the price goes up to a certain price and a short if the price goes down to a certain price. The problem here is that the price may be so far away from the current price that it becomes a waiting game. A trader could spend an hour or two just waiting for price to get to where their proposed entry is. If the price does not reach the goal, or if the conditions change because of the time it took the price to reach this area, or if an entry is taken and there is a stop out, then what? How long must you wait for another opportunity? See Chart #2

Using indicators for trade entries is a trading staple for many, as most traders use this type of method. But, the focus should be on the price, not an indicator, as price is all that matters.

In short, there are a variety of methods available and a great number of ways to trade these methods. If you are not a successful trader, you may want to take a self inventory and try to determine what is happening and you may want to revisit your trading goals. How do you plan on achieving them? What mistakes have you made in the past? Have you learned anything from them? I am a chart trader, I trade what I can see. If there is a number that has merit and it is far from where the current price is, I don't think about it until it comes into view. I look for consistencies on the charts, instances that occur repeatedly day after day. They are there, you just need


Chart #1

to take the time to look for them.

In many cases, trading issues are not a result of the method, it may be the traders emotions. Traders may feel that if they change the method, since it does not seem to be working for them, that all will be better with the next. To be candid, not much has changed in the method department over the past years. Settings may have changed or another indicator may have been added to the mix, but by and large, it is pretty much the same as it always has been.

A while back, one of our EminiScalp traders called to let me know that he had purchased a new computer and needed a new registration. As we were conversing, he mentioned that he was very happy with his method and that he had 17 profitable trading days in a row. He was thrilled. But, he said it was all done in SIM. When he went live, he got anxious and the emotions took over. He had been using our method for about a month. Realizing that this circumstance had nothing to do with the method, he asked just how he could overcome this emotional turmoil. My advice to him was to stay with it. By repeating the same trading over and over, the confidence should build and the degree of emotional difficulty should decrease over time. This is where many traders have issues. They believe their failure to be successful is the fault of the method and as a result, they move on to another, often with the same results as experienced previously. See Chart #3

In my observations over the past years, I believe, no matter what method is being used, a trader is truly a scalper. They may not believe they are, but the emotions make this scalping a reality. A trader can stay in a trade until the cows come home when in SIM mode. Trade real money, and once they are in a trade, they can't wait to get out. This is common. So, if it is happening to you and it is so common, then why not take advantage of it. Since your goal is profit, take small profits and exit the market. Then, wait for the next setup and do the same. Of course, you have to be able to determine entry areas. This is where the viewing of one chart can be of help. This approach of all in, all out, for a trader working with a new method, is suggested until your confident builds.

Chart #2

Instead of jumping all over, stay with one chart and become familiar with this chart. Over time you should notice recognizable similarities from charts compared to previous sessions. Of course, this is not an overnight process, as it does require screen time. But since you will be viewing only one chart, without multiple indicators or charts, the process should be less demanding than your previous practice. I am not saying that this is the only way to trade, but it is certainly one way to trade.

You don't have to compare one market to another. If market A trends up, I will short market B, etc. This is not necessary, especially for the day trader. There may be correlations in the markets, but it really is not significant, especially for a day trader. The only important aspect is what you see on your chart. High speed trading, algorithms, etc., this really is not crucial to you as a day trader. I will delve more in depth on these topics at a later date.

There are no secrets to successful trading. The marketing email ads that will reveal the "secret" to successful trading that many traders receive is just hype. There are no secrets. There is nothing, as far as I can ascertain, that someone knows that can make you rich overnight. Hard work, discipline, effort and focus are not secrets, they are the components to success.

My style of trading, as mentioned on my website, in my book, as well as in the various articles I have written, does not include indicators. When an entry is dependent on an indicator, such as two MA's crossing, or when a moving average crosses the "0" line, this is what I call indicator trading. My manner of trading is dependent upon what I see in the price bars. Since this style of trading is new to many, there may be concerns and problems that must be overcome.

I have mentioned many times previously that the ratio of successful traders to those who are not successful has not changed much over the past years. I believe that many of the unsuccessful traders may be looking for the quick road to riches. That is why, in my humble opinion, that they jump from method to method, not giving any one method the time and devotion that it probably deserves. There is no shortcut to success. But, if a

Chart #3

trader takes the time and works at it, the end result just may be pleasing.

With my one chart method, there is no need to analyze, scrutinize and dissect the market. There is no need to read all of the news reports and other media with the hope of finding some tidbit that can help with trading. You will not have to spend hours viewing tons of charts. All of this may assist the long term investor or even a swing trader, but not the day trader.

My suggestion would be to simplify your trading experience by removing all of the stuff you don't need and work with a clean chart. As you may know, I am a strong believer in behavioral patterns and since people are creatures of habit, these habits will show on the charts. I realize this may be a new way of trading for most, but if what you have been using has not produced the desired results, I would certainly take the initiative and try something else. I understand that removing all of the confirmation charts as well as the indicators may make you feel uncomfortable. Learning something different may also be challenge, but nothing will be gained if you continue on the same path.

Scattered throughout this article are screen shots of three charts. If you are so inclined and have the time and desire to look at something different, then I would examine these charts and look for similarities. The times don't matter, but what is important are the comparable configurations that occur continuously. Also, review all of the charts I have posted on my site at www.eminiscalp.com. Better yet, review your charts, the ones you use to take your trades. If you view and study these charts day after day, you should see indications of trading behavior patterns. In my judgment, the price bars are what is important, because trading activity is what creates them. My trading is based on how others trade, and I react to that, and since I believe that traders will continuously display their trading behavior on a regular basis, then I know what to look for. For instance, when there is news to be reported at 10 AM east, there will usually be a flurry of trading activity at this time. I know this, as does other traders. As a rule, I will not trade this news as there is no need to do so. The news is not important to me at all. What is important is what takes place AFTER the dust settles. I am not saying that it is impossible to trade the news, as it is not, but for most traders, this is not a good idea because most do not know what to look for. Remember, successful trading is based on entries and targets which the market creates, not the method. In any case, the news creates market movement, and now we should wait for our setups. Once the price settles down we look for what traders do consistently, and this is displayed on the charts by the candles and/or price bars. This is where the human trading characteristics become visual.

You may be wondering why I have included the charts in this article. Basically, it is a simplified training exercise. These charts were selected at random but they do show trading patterns in certain areas. Are you able to see them?

I hope this brief article has helped you in one way or another. For those who are interested, we have substantial discounts available for our EminiScalp methods, for those who have read this article. Go to www.eminiscalp.com/specials for special pricing.

If you have any questions or comments, please do not hesitate to contact me at info@eminiscalp.com.

Good trading to all and thanks for taking your time to read this article.

Power Cycle Trading Break-Out Scanner Review

Larry Gaines, of Power Cycle Trading, has a new scanner tool. The scanner was developed by Hugh Bryant. The scanner is excellent for momentum trade breakouts. Larry loves to use it for weekly options. He uses the scanner for volatility compression breakouts. With these kinds of setups you can get fantastic momentum trades that can be either to the upside or downside as the trade goes in the direction of the breakout. He likes to use weekly option trades because of their lower cost, they have a definable risk with high leverage. The scanner has multiple time frames:

- 1 min
- 5 min
- 15 min
- 30 min
- 60 min
- 1 Day
- 4 Hrs
- Weekly
- Monthly

You can put any symbol you want on the list to scan. You can put in stocks, EFTs, futures, or even indexes. The scanner shows green color coded numbers from -5 to +5 for a compression squeeze. If it shows a positive green number it will possibly breakout to the upside and if it is negative it will possibly breakout to the downside. So what this does is it allows you to set up a trade to be able to take advantage of these potential breakouts. If the number is yellow it means it has already triggered a squeeze breakout. So if a higher time frame has broken out then you can go to a lower time frame and look for a compression squeeze breakout to happen.

You can also use other technical indicators on the chart for timing the trade. The chart has price bands, resistance and support lines, MACD and Stochastics and much more.

For the weekly options you can do puts, calls or spreads strategies to take advantage of the breakouts. Once a trade is triggered there is a good possibility for the trade to continue in the direction of the breakout especially if it gets through a pivot or through a trend line. One nice thing is these charts will automatically draw trend lines.

So what Larry and Hugh do in their online trading room is to teach you how to setup the scanner and watch for weekly option trades based on these types of setups.

For more information about this scanner, software and their Power Cycle Trading Course go to www.powercycletrading.com

Gilbert's Best Idea for Trading - 5% Weekly

By Gilbert Steele

Yes, to make money that's what it's all about.

We have all dreamed about writing a protocol against a Stock. Letting the Options expire and keeping all the money. Consider the stocks going up and just below (at the safety point) you sell a Put at the Strike Price. Then 2 or 3 Strike Prices lower you Buy the Put. The difference is your profit, now how do you go about it.

This first part can be divided into the Mechanics and the Strategy.

I show the Strategy that I have developed. Remember this is for a weekly option.

This is a Vertical Option Spread.

Option comes out on Thursday for Friday and expire in 5 days on the next Friday$

See Chart 1:

Point [1]: The above chart shows in the lower left corner. A red arrow is pointing to the diagonal line going from [1] to [2].

Chart 1:

Point [1]: Where the price opens with a great price movement up.

Point [4]: See the yellow box showing the price up.

Point [3]: Shows the date.

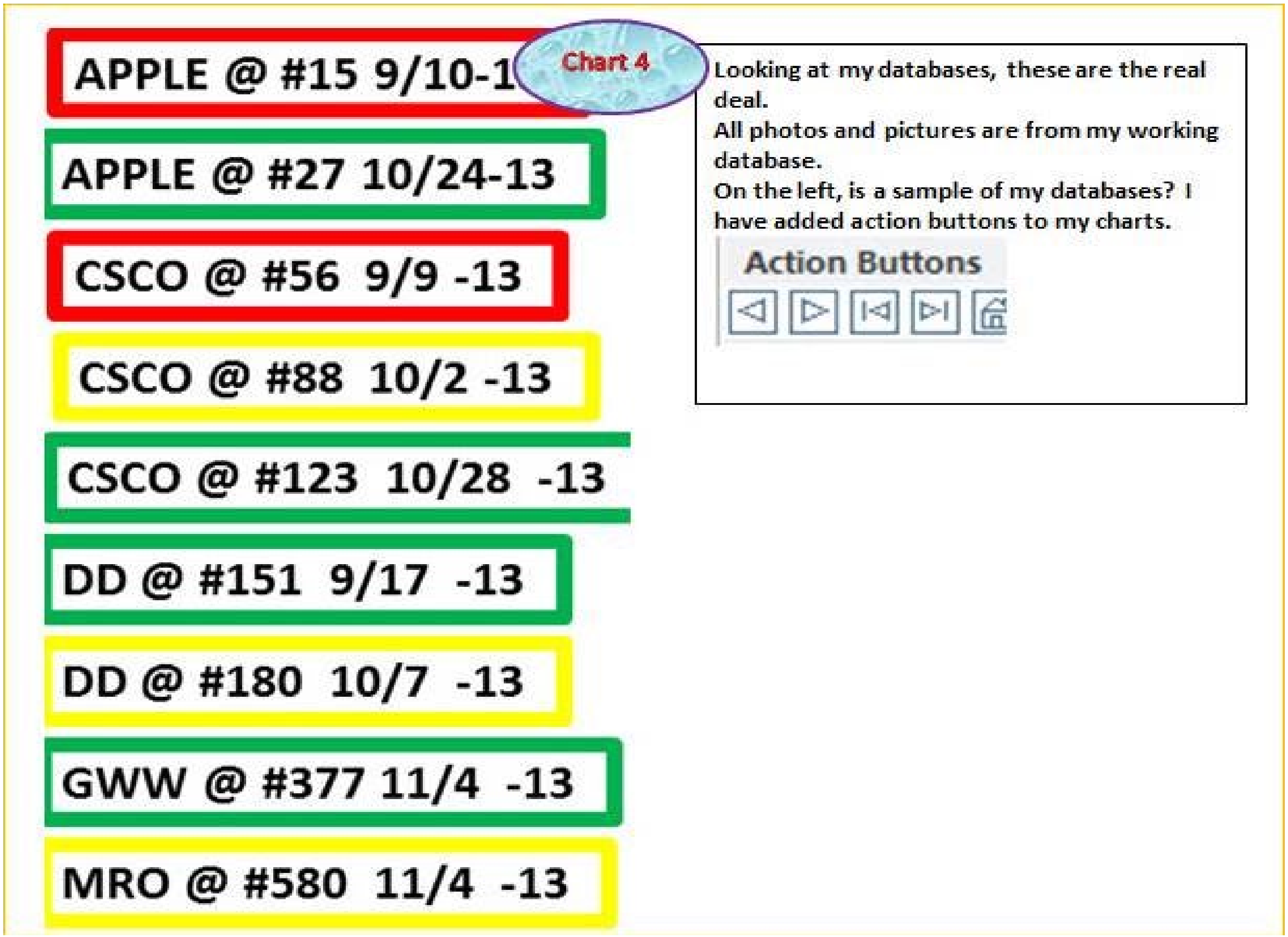
Point [4] and [5]: This is the Time and Price line not used here.

See Chart 2:

Point [2]: Will be future repeat. See chart below 10/29/2013.

Chart 3: See above explains Chart 2.

Figure 7, shows the position of the trade at Count 318 on 10/22/13.
You had six days to be prepared; the price was going to jump.
You could have 6 days to think things over to make money.



On the S&P-500, Chart 5 below. The idea of a Weekly Vertical Puts is.
You SELL 1000 WEEKLY 1630 PUTS @ STRICK PRICE. Your income.
You BUY 1000 WEEKLY 1625 PUTS @ STRICK PRICE. Your insurance expense.
The difference is your profit.
If you started with $6,000,000 it would be in two parts.
Security would be half or $3,000,000 held by the Brokerage firm.
Trading money equals $3,000,000.
On the Trading money [$3,000,000] 8% to 11% is possible return weekly.
To understand what I am doing on a big scale showing hidden codes
you would need 5 hours of uninterrupted time.

Chart 5: Looking above:

The S&P-500 is at count 198.

Looking in the yellow box you can see the price action that means we could make money.

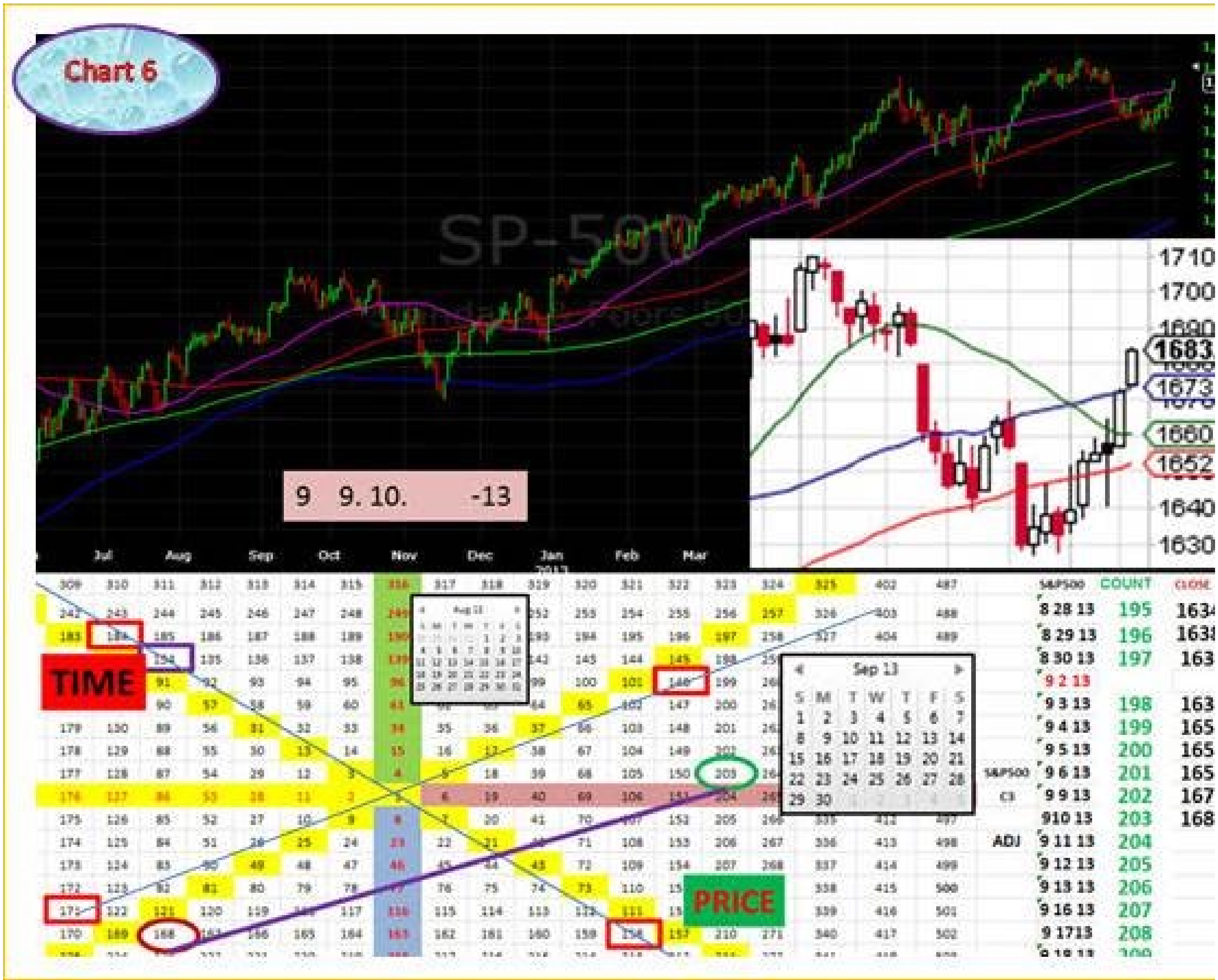
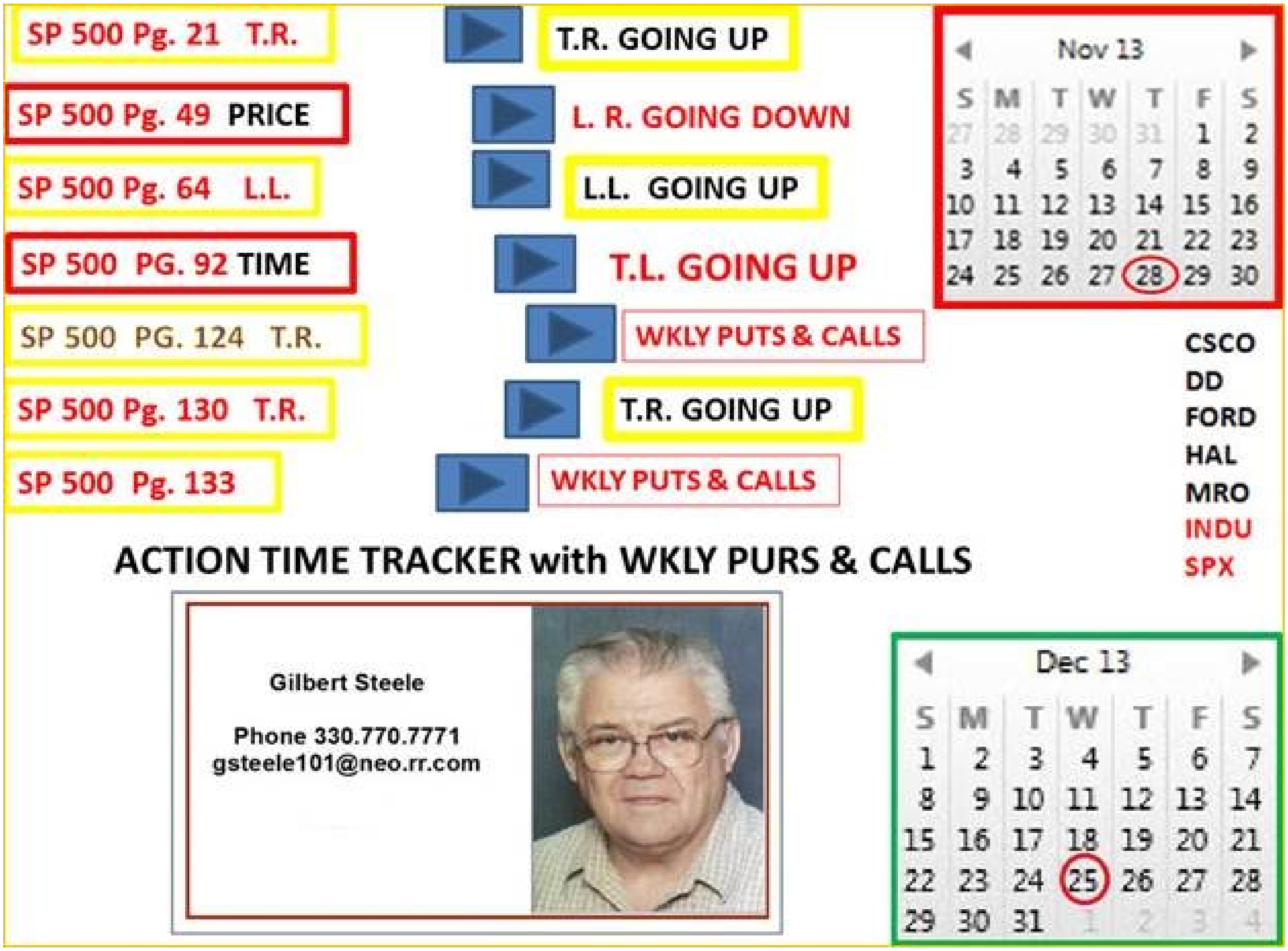


Chart 6 Above:
The S&P-500, six days later has moved up sharply.
The Count is 203 you have been moving up for six days.



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Using Andrews Divergence to Find Reversal Points

By Ron Jaenisch

Times were very different a hundred years ago. If one had the inclination and the intelligence, it was possible to attend and graduate from the Massachusetts Institute of Technology and Harvard University at the same time. This is what Alan Hall Andrews did. He received his education in what was “high tech” back then, aeronautical engineering.

His father, who ran an investment business, was more interested in Alan being involved in something that made money, and lots of it. He charged his son with making over one million dollars in his first year while working in his fathers’ investment firm.

It took Alan three years to accomplish the goal. He achieved it by using techniques his father taught him to trade cotton with. Later he learned additional techniques from George Marachel and Roger Babson. After many successful years in the investment business, he decided upon a less hectic life and moved to Miami. There he became a college professor at the University of Miami.

As an Engineering Professor at the University of Miami, he taught some of the brightest students. When the stock market was in the news he would digress from his normal lectures and discuss how geometry is used in trading. His students were fascinated to learn from his real world experiences. In one of his classes he was discussing the trading technique he learned from Roger Ward Babson, the founder of the world famous Babson Business College. A student in the class suggested that the median line could be used in conjunction with the Babson techniques.

After drawing hundreds of median lines by hand on paper charts, Professor Andrews came to the conclusion that prices make it to the median line about 80% of the time, and it is a useful tool for understanding what the trend is. Furthermore there were parallel lines that could be drawn along with the median line, which create a price channel. He made the median line techniques part of the trading course he taught through the Foundation For Economic Stabilization. This is when the author of this article became a member of FFES and spent considerable time with Professor Andrews, learning the techniques his father taught him along with the Babson and Median Line methods. Dr. Andrews was easily able to market his trading course because once a year he gave the 5K into 50K demonstration.

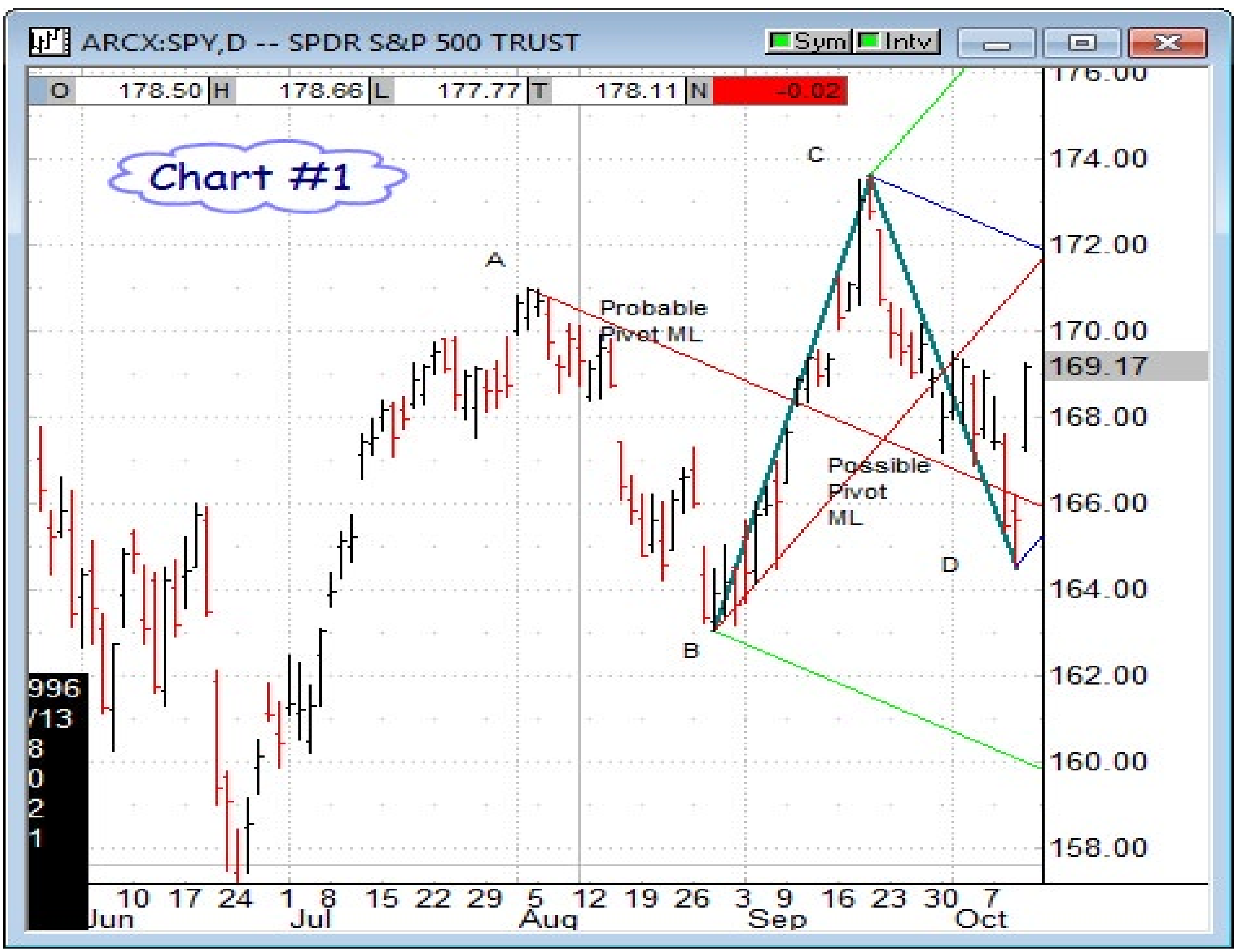
Every Monday course members received the course newsletter in their mail box with a script to read to their broker. This typically turned 5K into 50K over a period of a few months trading futures. The explanation of what lines and rules that were used for each trade were detailed in the weekly course letter. Often charts accompanied it. The idea was for the students to learn by doing. The Professor knew that he could keep his students interest in learning the techniques by helping having them see the success. Often a technique that was discussed was the use of what is now referred to as the Andrews Pitchfork.

Getting Started with Pitchforks

When examining a recent chart, three probable pivot points are selected and one possible pivot point is selected. Two median lines, each with their respective parallel lines are drawn. By drawing the lines the trader is able to quickly answer the questions: 1) what was the prior trend? (As noted by the red median line from the probable pivot points), 2) in the probable trend, did price make it to the median line? And 3) what is the possible next trend? (Using two probable pivots and one possible pivot.) As you can see each median line in chart #1 they are accompanied by two parallel lines, which help the trader see the channel of the trend. The three lines together are often referred to as the Andrews Pitchfork. Dr. Andrews referred to them as the ML (median line) and MLH (median line parallel lines).

Selecting the Pivot Points

The initial step in using the ML and MLH lines is selecting the four pivots for drawing the lines. The pivot points are swing points which are highs and lows and are referred to as probable pivots and one possible pivot. Chart #1 shows the median line drawn from the high in August. The first point selected is labeled point A. The next swing points are labeled points B and C. Points B and C define the width of the Andrews Pitchfork channel. The median line is calculated by drawing a line from point A through the midpoint of a line between points B and C. This line midpoint is



also the 50% of value point between pivots B and C. Knowing this gives traders the ability to draw median lines with software that only has trend lines and Fibonacci points in their choice of studies.

The drawing the possible median line using point D, was suggested by my friend Dr. Alan Andrews. It answers the question: If prices reversed at the last possible pivot point, what will the new trend be? This can be seen in Chart #1. In Chart #2 the next set of four pivot points is used to draw the next set of lines.

Finding Support, Resistance and Reversal points

As you can see in Chart #2, prices charged up and weaved around the up sloping median line for months. After they made the highs they stayed inside the upper parallel line, of the next median line and parallel set, using one possible and two probable pivots, when prices tested the highs, you were able to go short. On the same day there was an ORE sell signal in the Nasdaq and a week and several days earlier there was a sell signal with the Andrews methods in the Dow.

With specific exceptions, prices will typically stay inside the median line parallels lines. But as my friend Alan Andrews told me, there is a lot more to it than that. Andrews stressed placing buy and sell orders near where the pivots are, rather than waiting weeks or months, until they pass through the parallel lines.

This is accomplished by finding "Ore"

points, as posted http://ireport.cnn.com/docs/DOC-1047298 and

as seen in chart #3. It is also accomplished by finding specific types of Andrews Babson Reversal Points, or by finding Andrews divergence.

Andrews Divergence is determined by measuring the distance between a median line that was not made and where a small pivot occurred. In order to determine divergence, there are typically two or more pivots used to determine it.

The theory behind it is very straight forward. As prices go in the direction of the trend they are going towards the median line. Upon each attempt to make it to the median line a pivot is made. If these pivots are clearly diverging, in terms of distance, from the median line, then a reversal is taking place. This divergence is very easy to measure, when using Andrews's market geometry.

In the example, in the correction in the price of Google in chart #4 it can clearly be seen.

After prices went down and made a pivot labeled "A" a line is drawn to determine the distance that prices missed the median line by. Prices thereafter, went up and tested the MLH (median line parallel) two times, prior to going down to point B and making another pivot. As you can imagine short term traders like these lines because of the ability to predict

short term moves they provide.

After prices were unable to make it to the median line the second time, the distance between the pivot and the median line is measured in line “B “. Note that even though prices were lower in price at the second point there is a significant difference in the length between lines A and B. This results in what is referred to as Andrews Divergence. When this divergence is taking place a reversal is in progress.

Then it can be taken to the next level. By taking the distance of line B and placing it past the next median line, the astute trader can estimate the distance of the next move which in this case is up.

As can be seen in the google chart #5, as prices went up from $550 to well over $750 they made the median line and went beyond it, by the distance expected. Prices went past the median line the distance that was projected when they did not make it to the median line, near the $550 value. Dr. Andrews taught that when prices did not make it to the median line they make up for it on the next move in the opposite direction.

In chart #5, line B was used to forecast the distance that price would go up past the median line. After price went up to make the pivot in the forecasted area near the point estimated by line B, they reversed. Then they went down to the area of the lower parallel,

near $650 where support is was found, at this point prices reversed and made another low pivot, prior to heading much higher.

Even though price patterns are repetitive, they do vary. Andrews Divergence points are one of the easy to use tools that are used to find one of the various types of reversal points. Others that use relevant in different situations are found in the Advanced Andrews Course, which comes with over 25 videos and a manual. All are available at www.Andrewscourse.com . All readers of this article are invited to join the free discussion group by clicking upon the new? link on the website.

The most complete compilation of the writings of Professor Andrews, including the ORE technique is found in the 800+ page Expanded Andrews course. This comes with videos to support easy understanding. The author has published various E books for college students, interested in getting an introduction to the techniques they are available through www.innovativegeometry.com The author may be reached via ronj@andrewscourse.com

Automate Your Trade Selection

By Steve Wheeler, CEO of NaviTrader.com

You can make your trading life much easier and more productive by systematizing and automating the process. One of the major downfalls that many traders have is that they are not selective enough in their trade choice. Therefore, even though they may know what to do during the trading process, they have skipped over the first step and did not wait for the peak probability setup before they took the trade. This "gotta-trade" mentality leads to more losses than gains.

Some of the problems we face as traders are in knowing which markets to trade and the best times to trade them. It is also important to know what the market is doing in multiple time frames.

To survive and thrive in the trading world, you must first define what it is that you are looking for, and then have the patience and discipline to execute on your plan. Even with the best of plans, you will need to incorporate sound risk management practices along with your trade selection process.

The tools that we have available to us today are far superior to what traders had just a few years ago. With the advent of the personal computer, we have given the small trader and investor access to the same or better tools that the most sophisticated traders had twenty or more years ago.

Most traders spend hours in front of, sometimes, multiple monitors attempting to watch multiple charts waiting for what they see as a trading opportunity. This assumes that the trader does, in fact, know the exact setup for which he or she is looking. If you already know what you are looking for, why not use the power of the computer to find it for you?

This is where automation can be used to your benefit. If you know what you are looking for, you can define those conditions to a computer and let the computer scan many markets, at the same time, looking for the right opportunity to present itself. Many traders can look at a chart and see where they should have entered a trade after the fact. The reason they miss out on great trades is that one person can only be looking at so many things at one time.

Market analyzers are a relatively recent tool that you can take advantage of with your trading. Some of the benefits of a market analyzer are as follows:

1. Objectivity in analysis (they only select trades that meet your criteria)
2. Ability to monitor virtually unlimited markets, (you should not miss out on great trades)
3. The computer watches the charts for you (you don't have to stare endlessly at charts)
4. Get pop-up alerts on your monitor
5. Get E-mail alerts (You will not even have to be at your computer as this can go to your phone)
6. Removes the emotion from your Trade Selection
7. You can use no matter what broker or trading platform you use.

8. Objective system already built in based on many years of trading experience

Ok, so now that we have seen the features of a market analyzer, you will need to define what you are looking for from a technical analysis standpoint. Once that is determined, you will need to select a Software system that supports market analysis. Some examples of vendors that offer market analyzers are NinjaTrader (Market Analyzer) and TradeStation's (Radar Scan). For the purposes of explanation and demonstration in this article, below is the TradeFinder Market Analyzer that has detailed KEY FEATURES to utilize when defining an optimum trade setup.

I am going to show you an example of a market analyzer developed by NaviTrader See Example #1.

Note that the first column will show you buy (green) or sell (red) signals. The example above is set up to monitor the currency futures and crude oil markets. You can see two sell signals in the above example.

Some added features are e-mail alerts and pop-up (on screen) alerts.

See

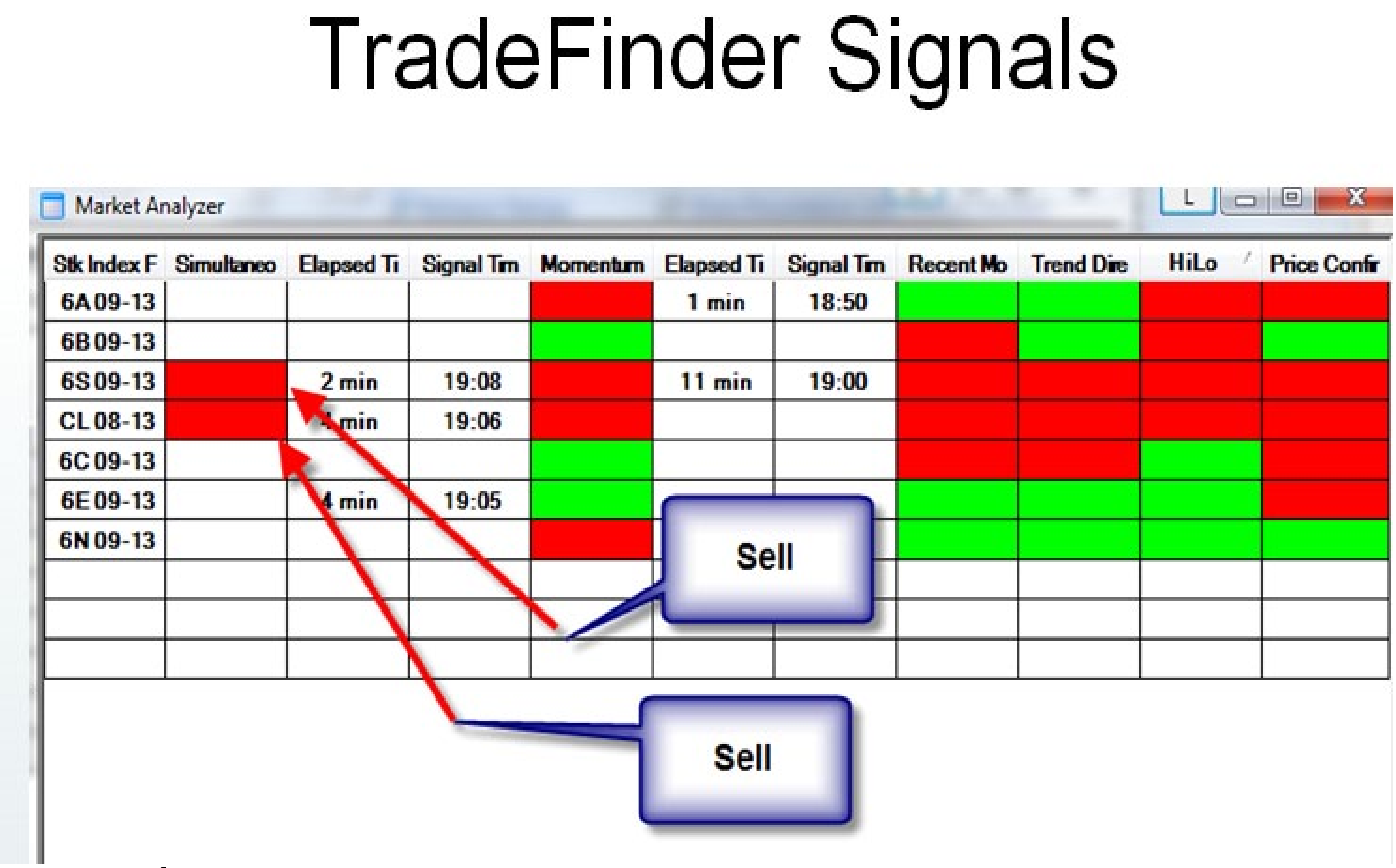
I run a real time trading room every day, and I can tell you from my own 25+ years of trading experience that I am alerted to many trades, every day, that I would have missed by attempting to monitor multiple charts without using a Market Analyzer tool. This translates to <u>money in the bank</u>.

Look for These Features:

Ability to synchronize with the market you are trading

Ability to monitor multiple time frames for the same trading instrument

Ability to show the actual signal times so that you can see when the alert was



Example #1

generated.

I have been trading for over 25 years, and the best tool that I have found yet is in letting the computer do market analysis. Computers are far more objective and have no emotions. They only give you signals based on what you have defined and want to see for a setup. Computers don't "fudge" the rules as humans are sometimes prone to do.

So, to summarize, as a trader you need to:

#1: define what it is that you are looking for

#2: have the patience and discipline to wait for those conditions to arise

#3: execute your trading plan

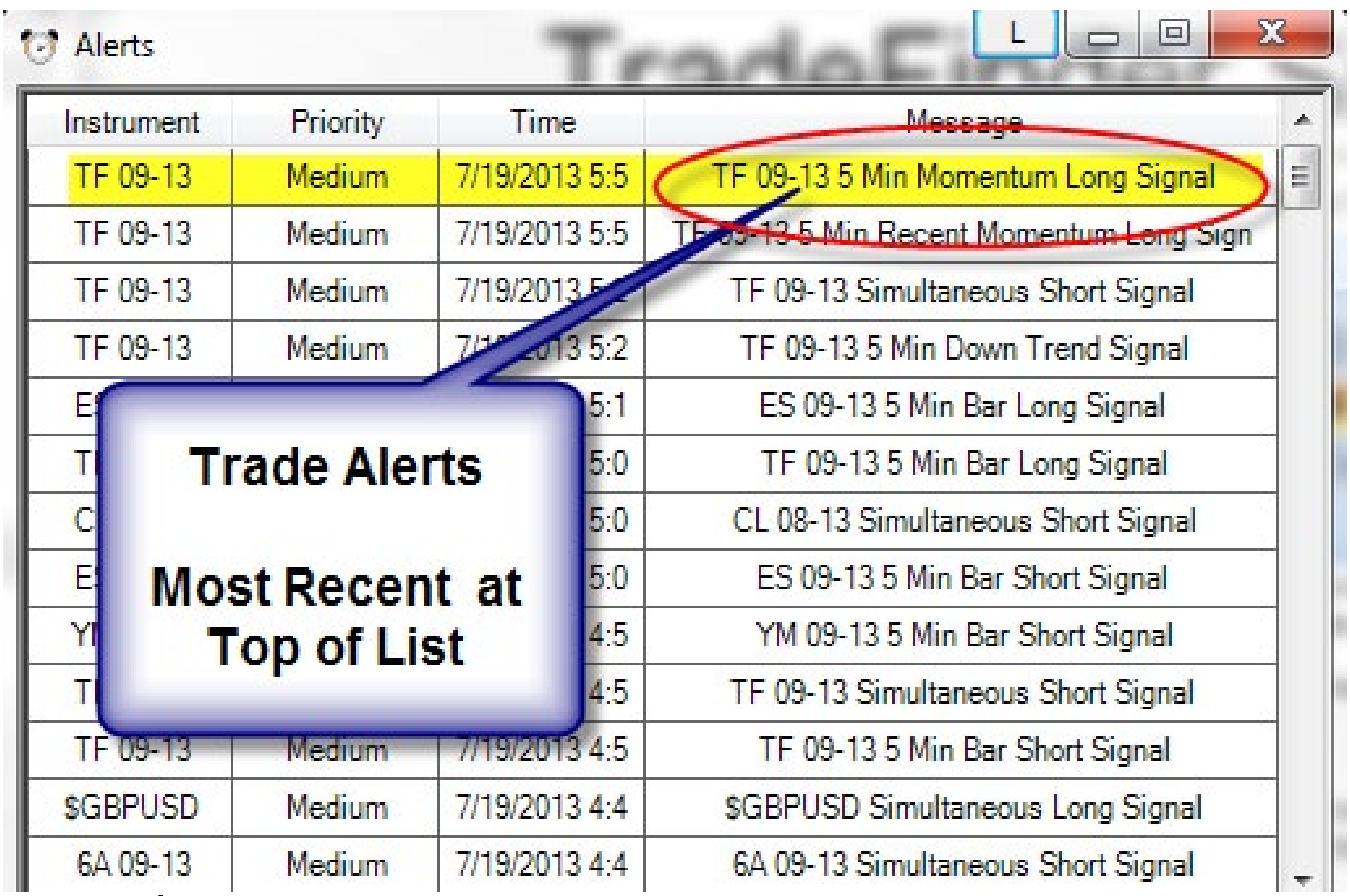
If you are currently monitoring the market by physically watching multiple monitors with multiple charts on each monitor, you will still miss out on many good trades. Even as a pilot, I have learned to monitor many things at once while flying a plane, but when it comes to trading, why not make your job and life a lot easier and more productive by using an automated process of finding trading opportunities.

I am always happy to assist my fellow traders, so if you have any questions, please email me at support@navitrader.com or call me at 800-987-6269.

Thank you,

Steve Wheeler

Steve is a full time trader in the futures and FOREX markets and runs a real time trading room to help both novice and advanced traders to be even more successful.



Example #2

Why Turning Mercury Retrograde into Trading Profits Demands Your Full Attention

by Tim Bost

The times when Mercury is retrograde have traditionally gotten a bad reputation, and it's no wonder. After all, Mercury retrograde periods always present unique challenges for traders.

These specific occasions, when, as seen from the Earth's perspective, Mercury seems to be moving backwards through the sky, are times when communications and market analysis can get scrambled. When Mercury is retrograde, it's especially easy to make mistakes in trading decisions, trade execution, and online brokerage connections.

As a trader, I've personally found that I tend to second-guess myself too much when Mercury is retrograde, sometimes failing to use my best judgment in trading or overlooking market indicators that should have been obvious. While the results of these errors haven't always been disastrous, they've certainly been serious enough to command my attention!

Those disappointing trading results were one of the things that motivated me to take an in-depth look at the real effects of Mercury in the markets.

After all, Mercury goes into retrograde motion three times each year, and during each of those periods it stays retrograde for about three weeks. If we're going to trade actively and profitably on a consistent basis, we can't afford to ignore those time periods, or just go on vacation whenever Mercury is retrograde. It's much better to prepare for these times in advance instead of just looking back on them after the fact, wishing that we had gotten a more favorable return from our efforts.

My desire to understand the real market effects of Mercury Retrograde led me into

FIGURE 1 – The Russell 2000, like the other major indices, sold off sharply after the Mercury Retrograde station on November 6, 2012. The Russell lost 2.01% during the entire period.

FIGURE 2 – The NIKKEI Index went through the Mercury Retrograde period in November 2012 with a gain of 4.61%.

extensive research, back-testing market phenomena in commodities, market indices from around the world, and an assortment of widely-traded individual equities. I summarized the results of that research, along with specific strategies for trading with Mercury Retrograde, in my book Mercury, Money & the Markets, published in 2012 by Harmonic Research Associates.

Although this research led to many hypotheses and conclusions about the impact of Mercury in the markets, two key principles are particularly important for any trader who wants to integrate Mercury Retrograde strategies into astro-trading in any market:

First of all, Mercury Retrograde periods do in fact coincide with clearly measurable market dynamics. Whenever Mercury goes into retrograde motion, we have potentially profitable opportunities in the markets, so we need to pay attention to the times when this phenomenon occurs. (There's a complete 201-year listing of all the Mercury Regrettable periods from 1900 through 2100 in Mercury, Money & the Markets.)

Secondly, we should avoid generalizing about the effects of Mercury Retrograde on the markets. The research has shown that even though we can observe the effects of Mercury Retrograde on many markets and trading vehicles, each individual market responds to Mercury Retrograde periods in its own unique ways. If we're going to get the maximum advantage from Mercury Retrograde periods in our trading, we have to do the back-testing for the specific market we are interested in.

To illustrate this second principle, we can take a look at the final Mercury Retrograde period that occurred in 2012, beginning on November 6 and ending on November 26. Mercury made its retrograde station on November 6 in Sagittarius, one of the fire signs of the zodiac.

Overall, this was a time of net decline for most markets, with most of the major indices selling off fairly sharply immediately after Mercury turned retrograde, continuing their pull-back for five or six more trading days before retracing some of their losses during the remaining portion of the Mercury Retrograde period. For example, the Russell 2000 plunged by 4.36% between November 6 and November 15 (see Figure 1), and finished the retrograde period with a net loss of 2.01%.

FIGURE 3 – The Mercury Retrograde period in November 2012 brought a 4.58% loss to the BOVESPA Index.

FIGURE 4 – Microsoft Corporation (MSFT) lost 8.27% while Mercury was in retrograde motion in November 2012.

Other U.S. indices responded to the Mercury Retrograde period in a similar fashion, with the Dow Jones Industrials dropping 2.10%, the S&P 500 losing 1.55%, and the NASDAQ Composite declining by 1.17%.

Most of the European equities markets responded to this Mercury Retrograde period in much the same way, although their net losses were generally a bit more modest than those in the U.S. Markets. There were, however, some markets in other parts of the globe which responded much more dramatically to this Mercury Retrograde period.

In Tokyo, for example, the NIKKEI sold off initially, but rebounded sharply to post a net gain of 4.61% during the Mercury Retrograde period. (see Figure 2)

But on the Sao Paulo Stock Exchange, on the other hand, the BOVESPA Index struggled after its initial decline, and finished the Mercury Retrograde period with a net loss of 4.58%. (see Figure 3)

Mercury Retrograde periods also offer some high-potential astro-trading opportunities in individual equities. But even within a particular industry sector, the way that specific stocks respond to Mercury Retrograde is best considered on a case-by-case basis.

For example, according to the back-testing detailed in Mercury, Money & the Markets, Microsoft Corporation (MSFT) has a 55% likelihood of trading at a lower price seven days after a Mercury Retrograde station in a fire sign, like the Mercury station on November 6. That was certainly the case during the Mercury Retrograde period in November, 2012 (see Figure 4); in fact, MSFT dropped by 8.27% during that time frame.

That was not the case for Cisco Systems, Inc. (CSCO), however. Our back-testing of this stock during a comparable time frame following Mercury Retrograde stations in fire signs has shown that CSCO has a 55% probability of increasing in price instead. As it turned out, the November Mercury Retrograde period saw CSCO bounce back emphatically from its initial losses and respond with an net gain of 9.04%. (see Figure 5)

While these examples illustrate the need for individual back-testing, they also reinforce the first principle about Mercury Retrograde periods-- these unique times of planetary influence can offer us some extraordinary opportunities for profitable astro-trading. In fact, any active trader who hopes to reap the rewards of the astro-trading advantage can’t afford to ignore the potential benefits of Mercury Retrograde!

Author’s Note: During 2014 Mercury will be retrograde three times: From February 6 through February 28; from June 7 through July 1; and from October 4 through October 25.

Tim Bost can be contacted at timbost.com

FIGURE 5 – Between November 6 and November 26, 2012, while Mercury was retrograde, Cisco Systems (CSCO) gained 9.04%.

Daytrading the eMini Inside Gap

by John Matteson

http://www.mtpredictor.us

The intra-day gap trade, or fade, is a popular one due to the fact that it is a high probability event. Small gaps tend to fill. Many traders like to take advantage of this tendency by playing these trades with a relatively wide stop and relatively smaller reward.

These gaps tend to fill but the question is, where will it begin to fill its gap from? Because most traders don't know the answer to this question, they are forced to use the wide stop and typically will have a small reward, relative to the size of that stop.

Even so, this can be a profitable scenario because the probabilities of the gap filling before they get stopped out are in their favor. What if, however, you did have levels on your chart before the market opened where you could anticipate the gap would begin to fill from? What if you also had a tool that would give you an indication that buyers or sellers were taking control at that anticipated level? What if you also received a "heads up" that professionals were also stepping in at this level?

Finally, what if you were able to step in

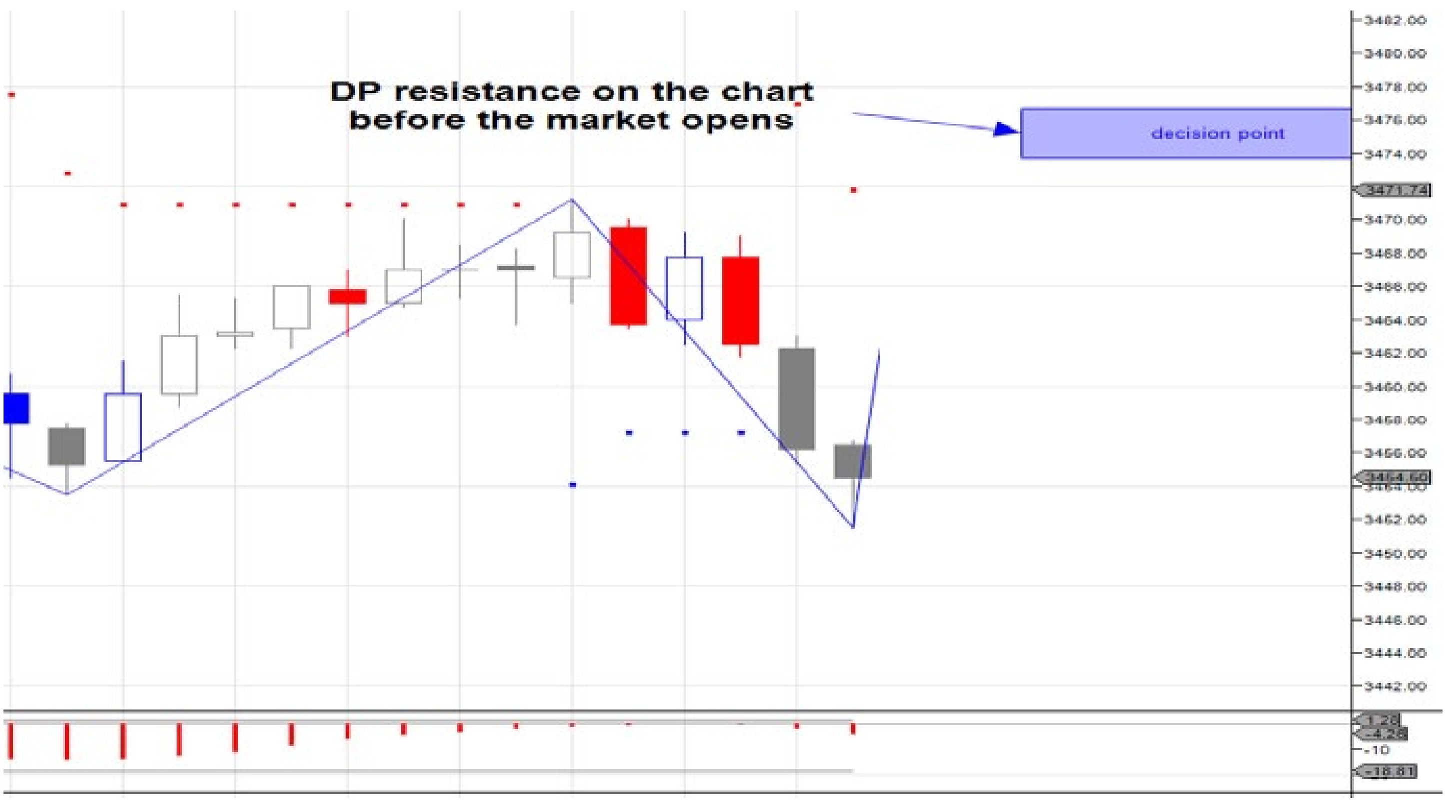


Chart #1

with a low risk, high reward trade setup to take advantage of this scenario where, if you were wrong in your analysis, the loss would be small and controlled but, if you were correct, your reward would be large relative to what you risked? Would that be an interesting alternative worth exploring in the gap trade scenario?

So, let's explore how we can trade these high probability gap fill trades and anticipate their turning points with low risk, high reward trade setups where our losses will be kept small and our wins will be at least twice the size of our losses.

Identifying potential turning points

The first step in the gap fade process is to find the larger degree levels of support and resistance before the NY 9:30AM ET market open. We want these levels on our chart ahead of the open so we can be anticipating potential gap fade setups, if the price of the eMinis reach these levels.

I use the MTPredictor software Decision Point tool to find these potential levels of support and resistance. If you trade the 1-5 minute charts, you will want to use a 15 minute chart to map out these DP support and resistance levels off the prior 15 minute swing highs and swing lows which the software connects for you automatically.

Chart 1 shows the 15 minute DP support and resistance levels on the chart ahead of time, before the market opens. These are leading indicators because they are on the chart in advance of the current price potentially reaching these levels.

You will want to make sure that you are using a day only chart with the eMinis, where your bars or candles begin printing at the 9:30AM ET NY open with the close at 4:15PM. This is important in order to see any gap at

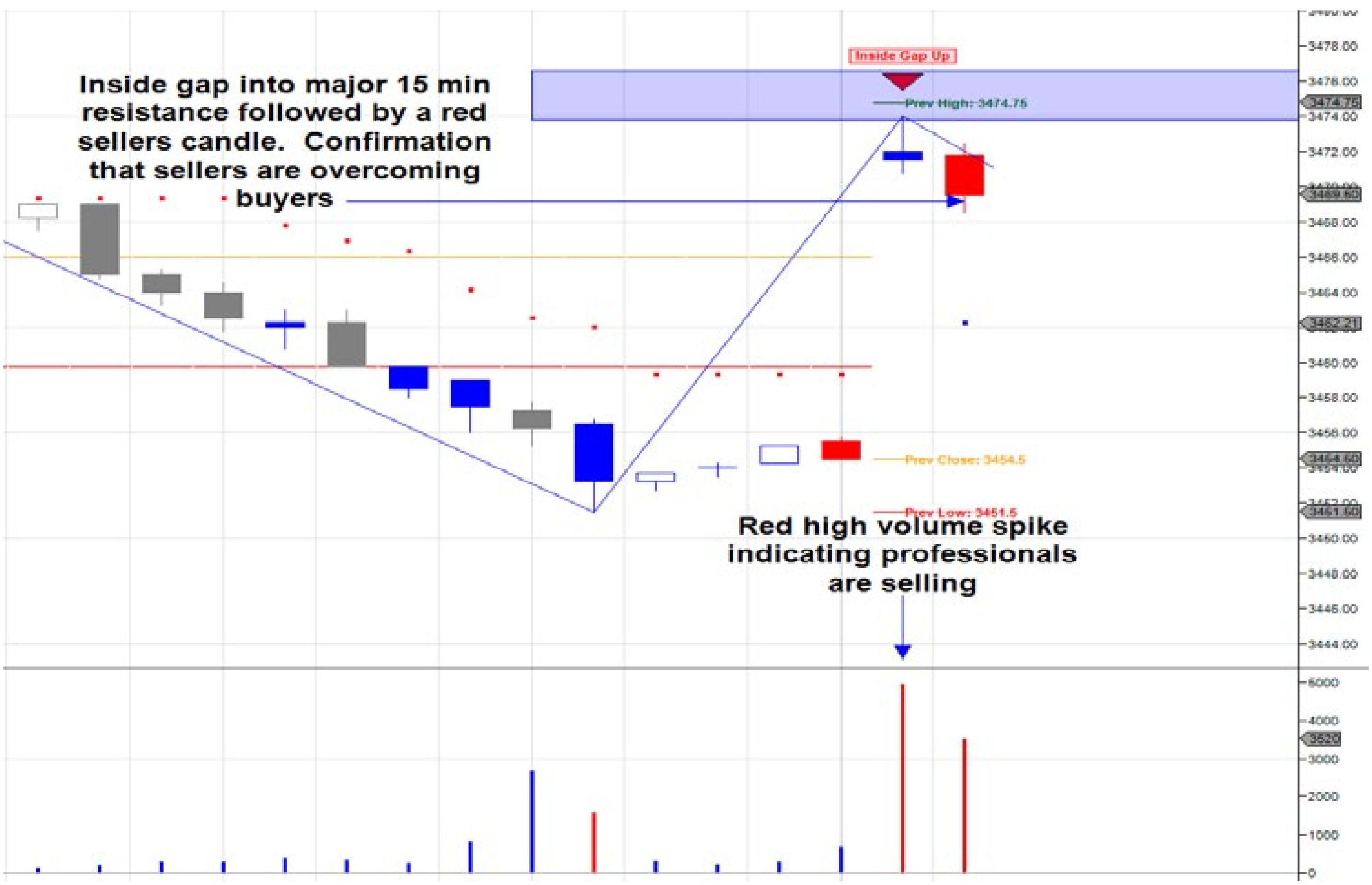


Chart #2

the open.

Identifying the inside gap

Once we have our support and resistance levels mapped out from the higher time frame, we want to wait for the market to open and see where it opens in relation to the previous day's close and also in relation to our support and resistance areas. What we are looking for is the market to open above or below the previous day's close but still inside the previous day's range (i.e. inside the previous day's high and low).

If the market opens outside the previous day's range and the first 3 minute bar or candle never trades inside the previous day's range, it is what I call an outside gap and, for our purposes, should be avoided (if you want to trade these outside gaps, see my previous article in Traders World Magazine, "Trading the Outside Gap").

Once we have determined that the market has opened inside the previous day's range, we should anticipate that the gap should fill back to the previous day's 4:15PM ET close. The question now is where and when should it begin to fill that gap? Well, if the market has opened up in our DP support or Resistance area from the larger 15 minute time frame, we would anticipate the gap to fill from this level. If the market opens but is not yet in the major support or resistance level, then we need to wait and see if it rises or drops into our support or resistance level.

Identifying whether buyers or sellers are in control

Once the market (ES, YM, NQ, TF) has come into our major DP level, we need some confirmation as to whether buyers or sellers are in control. In the case where we will be selling at a resistance level, we want to

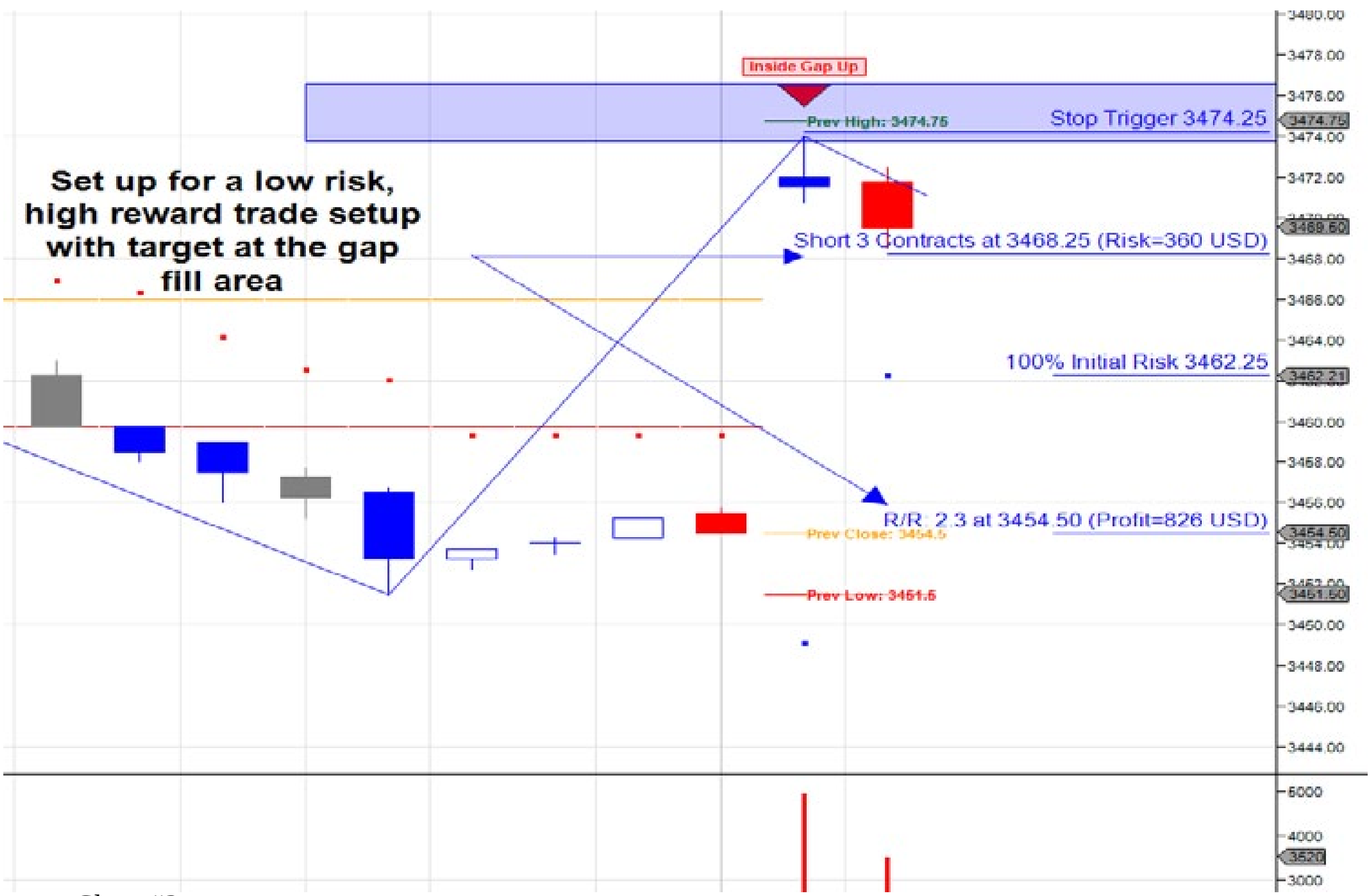


Chart #3

initiate a setup, only if we have confirmation that sellers are now overcoming buyers at our resistance level. There are a couple of tools in the MTPredictor software that can help here. The first is the red sellers candles (or bars) and the blue buyers candles, These give us an indication as to whom is taking control in our major support or resistance levels, We only pay attention to the color of the bars or candles when we are in an area that we are looking to trade in.

Next, we have our Volume Spike Analyzer or VSA. These volume bars give us an indication that professionals may be buying or selling at a given level. These high volume VSA bars followed by a red sellers candle (in the case of a sell setup) or blue buyers candle (in the case of a buy setup) let us know who is taking control at our DP level – buyers or sellers. And, if the VSA is present, then there is a good chance that it is professional buyers or sellers stepping in at our level.

Chart 2 shows the NQ has produced an inside gap up at the open into our major DP resistance level. The red high volume VSA spike indicates that professionals may be fading this gap at our level. It is then confirmed when the red sellers candle prints that sellers are now overcoming buyers at our level and because of the VSA spike, we anticipate that it is the professionals who are selling.

Setting up the low risk, high reward trade

Now that the trade premise has developed as anticipated, we are ready to set up the trade.

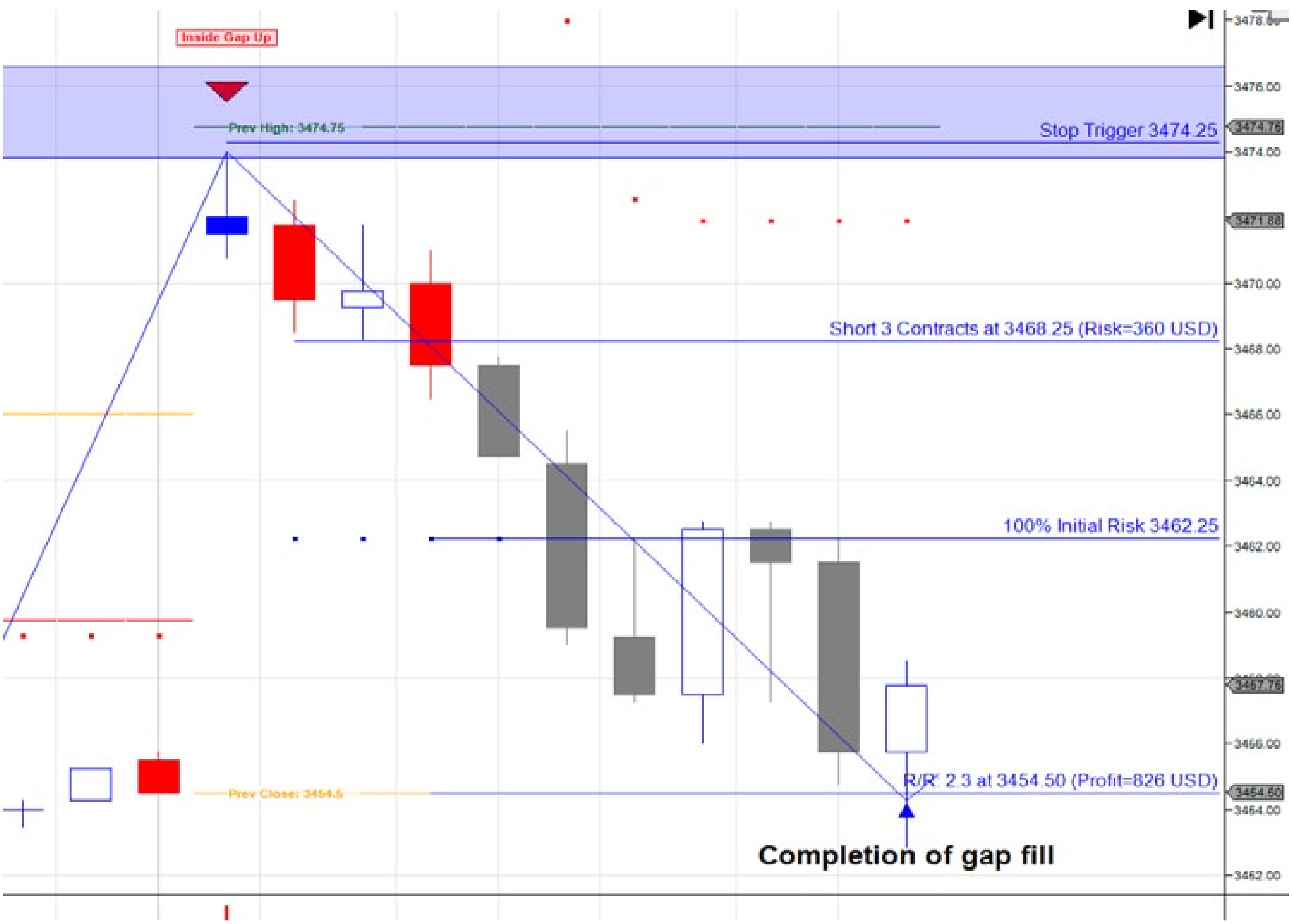


Chart #4

The MTPredictor software has a built in risk/reward and position size calculator which will do all the calculations we need to ensure we we are setting up a low-risk, high reward trade setup. We want to sell once the low of the red sellers candle is broken. Once the low is broken, a stop can be placed above the immediate swing high. The initial target should be the gap fill area (i.e. the previous day's closing price). There should ideally be a reward that is at least twice the initial risk at the gap fill area. If it is less than twice your initial risk, you can either pass on the trade or pick a larger target that will give you the appropriate risk/reward scenario.

Chart 3 shows the setup with the proper entry, stop, target with a reward of 2.3R and the correct position size for this account (risking 2% on $20k of risk capital).

Tying it all together

Inside gaps can be great high probability trade setups. To solve the question, at what level the gap will begin to fill from, use the MTPredictor larger degree DP support and resistance levels. Then, once price comes into a level, wait for an indication as to whom is taking control in that support or resistance level – buyers or sellers. Next, see if there is any indication that professionals may be stepping in using the MTP VSA tool. Finally, set up a low risk, high reward trade where the gap fill level is the initial target. This target should be twice your initial risk. Trading gaps doesn't need to be difficult, but you do need the proper tools.

You can get more information and start a $95, 15 day trial of the MTPredictor software at http://www.mtpredictor.us

Detection of Dynamic, Dominant Cycles in Financial Data with a Genetic Algorithm

by Lars von Thienen

Because financial markets are cyclical, it is important for traders to detect current, dominant, active cycles. To accomplish this, different types of routines and algorithms from the areas of digital signal processing and frequency analysis are often applied to financial data series. However, these routines assume that embedded cycles in the data are static over long time periods. In reality, cycles in financial time series are dynamic, morphing over time in length, amplitude, and phase offset. As a result, it is often difficult to detect the correct underlying dominant cycles using digital signal processing.

Cycle forecasts have been traditionally made based on the current active cycle, where the detected dominant cycle (i.e., a snapshot of the cycle in time) is considered static and extrapolated into the future. However, this assumption oversimplifies the behavior of the market and often results in poorly estimated future cycles without consideration of the dynamic components. Thus, a successful cycle-based trading approach should allow the user to follow the dynamic component of the dominant cycle and adjust the cycle

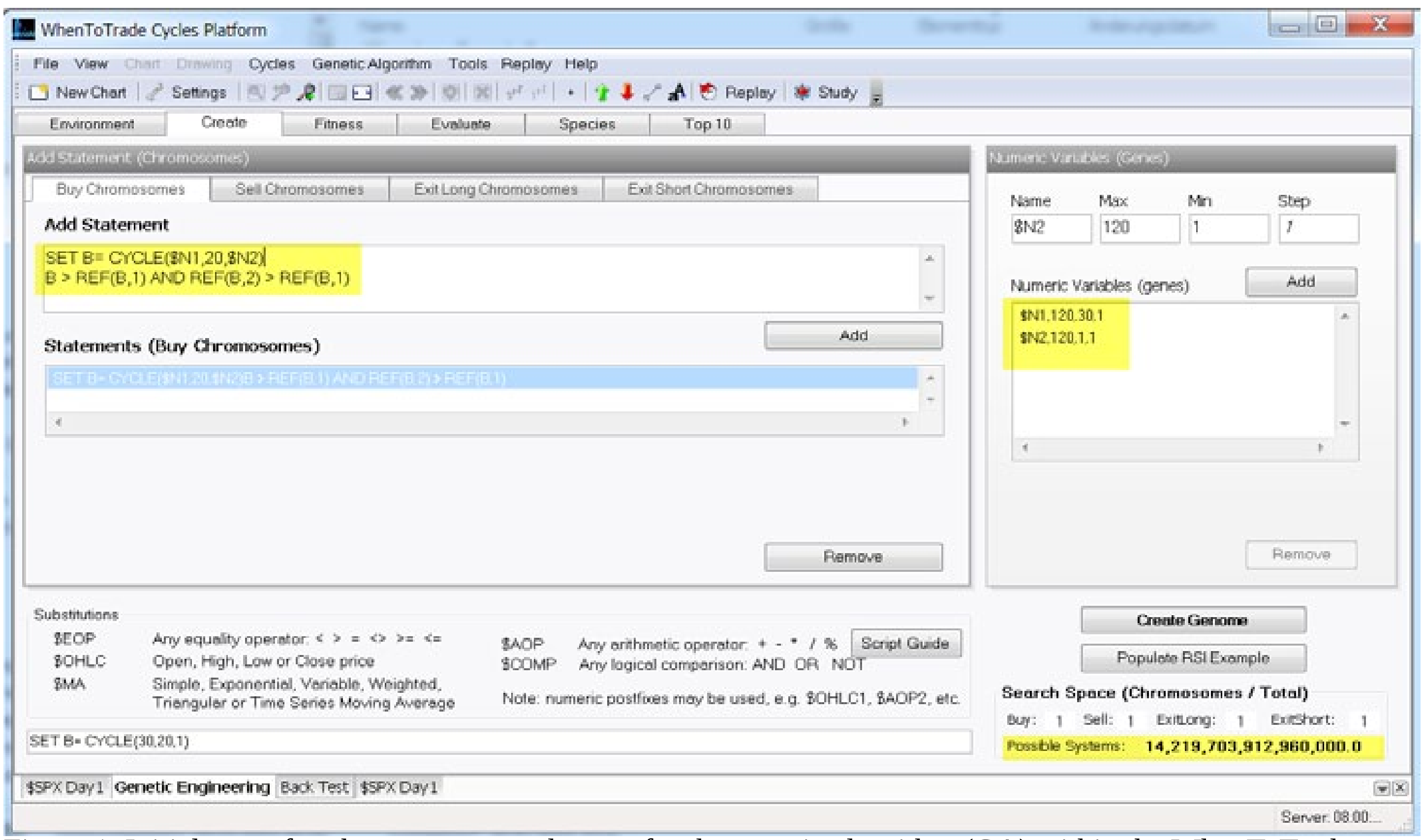


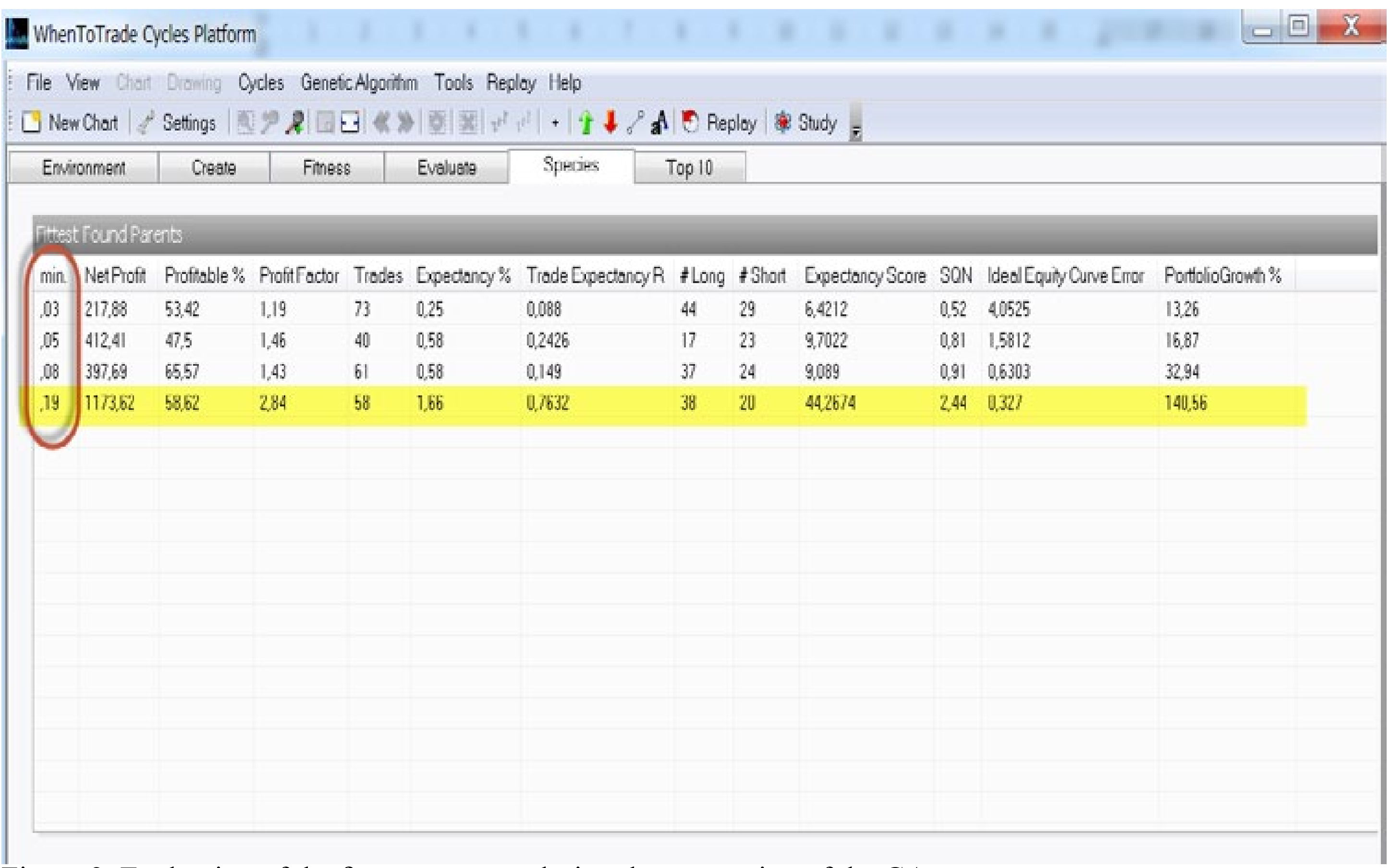
Figure 1. Initial setup for chromosomes and genes for the genetic algorithm (GA) within the WhenToTrade Cycles Platform.

forecast continuously, similar to the way in which a geographic positioning system (GPS) continuously adjusts the projected arrival time based on current traffic conditions.

Genetic algorithms (GAs) could provide such an approach by tracking market conditions and adapting parameters dynamically over time based on the underlying dataset. The GA approach differs from traditional digital signal processing in that, instead of attempting to evaluate all possible combinations, it uses a process of natural evolution to determine optimal solutions.

GAs are based on the principles of evolution, including the "survival of the fittest," and are applicable to many optimization problems. This technique mimics biological evolution as a problem-solving strategy, where the GA uses a set of encoded potential solutions to a problem as inputs and a metric called the "fitness function" that allows each candidate solution to be quantitatively evaluated. In addition, GAs can be used to optimize functions that have dynamic, nonlinear constraints (e.g., length, phase, and amplitude).

GAs can also be used to detect dominant cycles. To use this cycle detection approach within the process of natural evolution, the financial mathematics of cycles need to be encoded into the GA. Therefore, the cycle function is similar to the chromosome and the cycle parameters are similar to the genes. Consider, for example, a genome that contains a set of chromosomes representing a sine wave cycle, where each chromosome holds specific genes with length, phase offset, and amplitude. The genes that constitute chromosome can evolve over time through crossover, mutation, and natural selection. A random population is then built with a specified number of genomes containing different chromosomes and genes. A fitness



min.	Net Profit	Profitable %	Profit Factor	Trades	Expectancy %	Trade Expectancy R	# Long	# Short	Expectancy Score	SQN	Ideal Equity Curve Error	PortfolioGrowth %
,03	217,88	53,42	1,19	73	0,25	0,088	44	29	6,4212	0,52	4,0525	13,26
,05	412,41	47,5	1,46	40	0,58	0,2426	17	23	9,7022	0,81	1,5812	16,87
,08	397,69	65,57	1,43	61	0,58	0,149	37	24	9,089	0,91	0,6303	32,94
,19	1173,62	58,62	2,84	58	1,66	0,7632	38	20	44,2674	2,44	0,327	140,56

Figure 2. Evaluation of the fittest genomes during the processing of the GA.

function rates the quality of each genome, for example according to the trade performance based on the cycle parameters (sell cycle highs, buy cycle lows).

From this population, the GA then evaluates each remaining candidate in the random cycle population according to the fitness function. Candidates with very poor fitness functions are deleted. However, purely by chance, some candidates may have higher fitness, showing profitable trading system performance while selling the cycle highs and buying the cycle lows.

Promising cycle candidates are retained and allowed to reproduce, with some of the copies containing random mutations (or changes). These offspring comprise the next generation, forming a new pool of cycle candidate solutions that are subjected to a second round of fitness evaluations. New candidates with poor fitness are again removed, and, by chance, some mutations may further improve fitness in other candidates. Improved candidates are again preferentially selected and allowed to reproduce, iteratively increasing the average fitness of the solution set with each round. By repeating this process for hundreds or thousands of rounds, strong cycle solutions with ideal trading performance results can be discovered. Using this approach, we can inject random cycles and allow the GA to evolve the cycle parameters according to the rules of natural evolution until we find the optimal "fit cycles" for trading.

The end result is a static cycle length based on the fittest candidate. Although this result

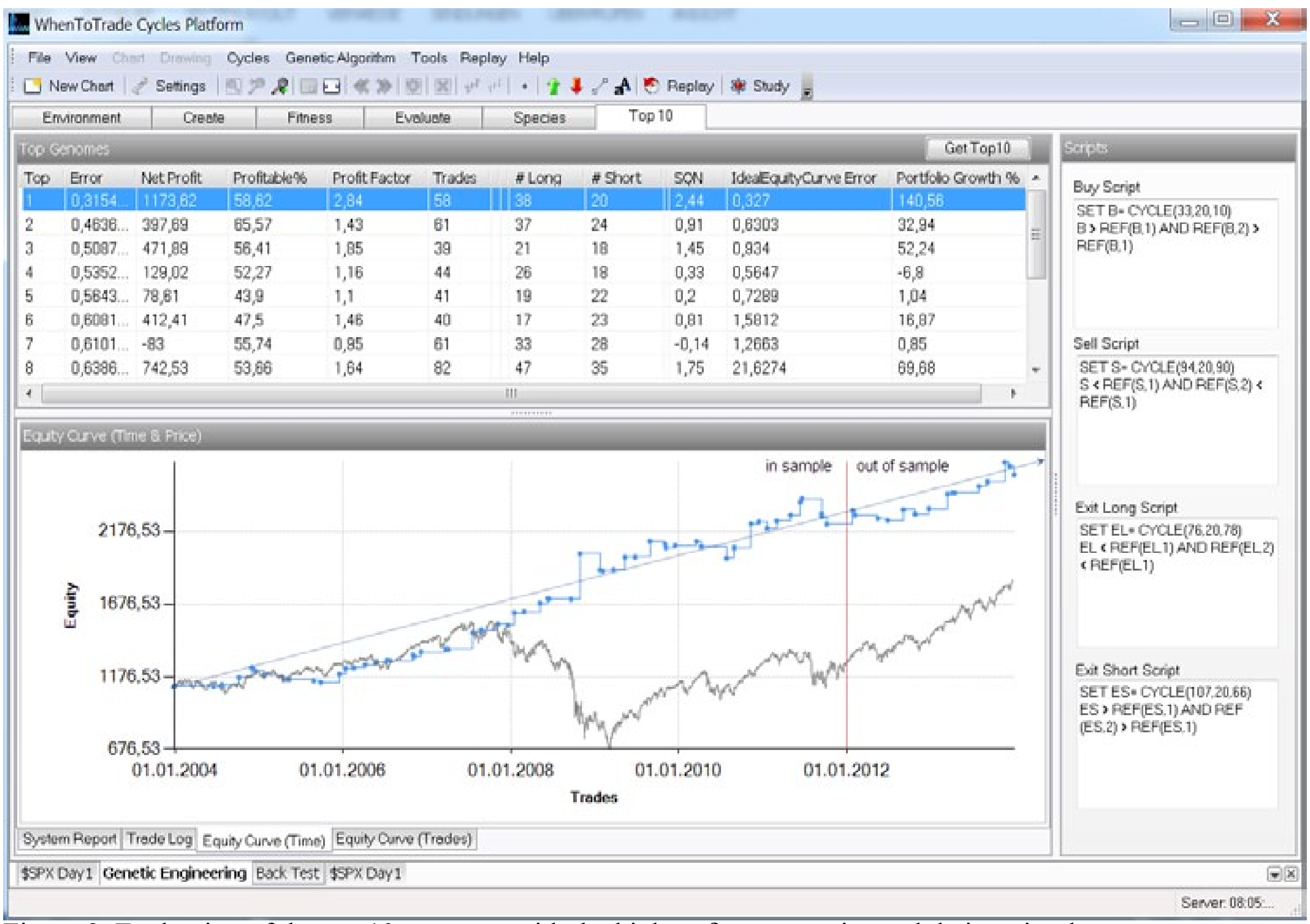


Figure 3. Evaluation of the top 10 genomes with the highest fitness metrics and their script data.

is similar to those of digital signal processing techniques, other aspects of the approach offer additional benefits. A GA consists of a fit population of candidates that can continue to evolve. Therefore, the complete algorithm does not need to be reapplied to the original data set as new data are introduced. The new population simply continues to evolve with new price data arriving. Thus, the fittest candidates evolve and adapt continuously with the market, simulating the natural dynamics of the system with the GA.

GAs have proven to be an enormously powerful and successful problem-solving strategy, dramatically demonstrating the power of evolutionary principles. GAs have been used in a wide variety of fields to evolve solutions that are often more efficient, elegant, and complex than anything produced by a human engineer.

The principles underlying GAs can be easily applied to financial trading with the WhenToTrade Cycles Platform (the "WTT platform") and the new genetic engineering module.

For demonstration purposes, data from the daily Standard and Poor's (S&P) 500 Index from 2004 to 2011 were used as inputs into the GA, and S&P data from 2012 to 2013 were used for validation purposes. The following logic was used and encoded via a script into the GA for this showcase (see figure 1): An individual, independent static cycle should be used for long entry (i.e., buy the cycle lows), short entry (i.e., sell the cycle highs), long exit (i.e., sell to cover at the cycle

Figure 4. Cycles that have been detected by the GA; plotted on a chart with trading signals

highs), and short exit (i.e., buy to cover at the cycle lows) signals. Within the encoded GA, the range for each cycle length (=bars) was allowed to mutate between 30 and 120 bars, and the range for the possible cycle phase offset was allowed to mutate between 1 and 120 bars. Therefore, each single cycle had a count of 91*120 = 10,920 possible combinations. Because each buy could be combined with any sell and with any exit-long or exit-short signal, the total search space consisted of 14,219,703,912,960,000 cycle combinations. Thus, this example consisted of over 14 quadrillion possible trading systems, a number that cannot be evaluated with brute force algorithms even over years on normal computers.

The following figure shows the initial setup of the WTT platform as an individual script for the buy, sell, exit-long and exit-short chromosomes and genes:

See Figure 1

The WTT platform consists of a script language that creates individual chromosomes based on standard technical analyses and cycle functions. After the chromosomes and genes have been populated and the individual fitness function has been applied, the GA can be initiated. The fitness function then examines the cycle combinations that lead to a consistent up-slope in the equity curves based on the trading rules.

The following “Species” screen shows the points in time when better top genomes have been born by the GA:

See Figure 2

In this screen, a new line is added to the table at the points when an improved genome is generated. The first column shows the elapsed time in minutes. In this example, after just 19 seconds, a very profitable cycle combination was generated by the GA (which can be monitored in real time). This screen also shows the necessary performance metrics, including the system quality number and the theoretical growth of a test portfolio account. The highlighted line shows the trading results for the selected cycle; 1173 S&P points were traded within the in-sample period with a profitability of 59% and a profit factor of 2.84.

The following screen shot shows the “TOP10 tab,” which lists the current 10 genomes with the highest fitness levels from the overall population:

See Figure 3

This information can be used to review the performance statistics for the current cycle population. The upper table shows the performance metrics while the lower chart shows the equity curve. In addition, the lower equity curve is also plotted for the in-sample period on the left side of the red line and also for the out-of-sample period on the right side of the red line. The grey data describes the S&P index while the blue dots represent the equity of the system. The right area of the window shows the corresponding scripts with the cycle parameters used. Thus, while browsing the upper table with all genomes, the lower performance metrics and right-hand scripts are updated and show the corresponding system parameters.

In the example shown in Figure 3, the equity curve for the out-of-sample area was consistently up-sloping, showing a robust cycle combination. The evolved cycles were also profitable for two years in the out-of-sample period, which was not used to parameterize the GA. In addition, for each genome, the detailed performance metrics for the in- and out-of-sample period are available in the “System Report” tab.

This approach offers a number of advantages over classical methods for cycle detection and standard brute-force algorithms to optimize trading systems. First, a GA can be used to evaluate a very large search space within minutes to find profitable solutions, which is particularly valuable for intra-day datasets. Second, this approach can be used to detect dominant cycles within a financial data series by encoding the characteristics and parameters of cycles into the genome. Third, an analyzed population can be saved and re-run with new data points, removing the need to rescan complete datasets. This way, the cycle solution adapts dynamically and therefore captures the real characteristics of dynamic cycles in financial markets. Finally, the detected parameters and signals can be plotted on a chart and used to spot future turning points, as displayed in the following screen shot:

See Figure 4

With this approach, the user can remain in-sync with dynamic components, and the cycles can evolve based on a process of natural evolution. In addition, over-engineered black-box mathematics from the domains of frequency analysis and signal processing are unnecessary. The WTT platform, with an integrated GA module, is the first of its kind, with the ability to integrate a variety of steps described here.

The WTT platform with included GA module is available through my course "Decoding The Hidden Market Rhythm" at no additional cost via the Wave59.com bookstore. Additional examples with more details on this approach can be viewed at the following location: www.whentotrade.com/gacycles

Lars von Thienen, December 2013

www.whentotrade.com

Rick Ackerman's Forecasting Tool

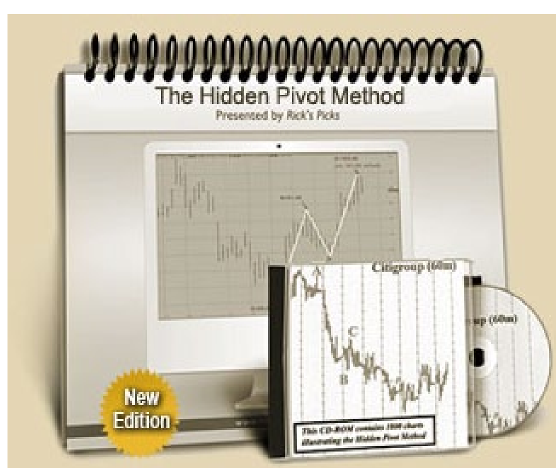
Rick has a nice tool that he teaches in a course which I have taken and this is the review of it. Rick calls it his "Hidden Pivot Method". After you have learned the method eventually you will begin to see the hidden patterns within charts. These patterns tell you what is going to happen next. Then you will know how to react make a trade off the pattern.

So what is a Hidden Pivot? Here are Rick's exact words:

When the price of a stock fluctuates, it is acting to rebalance ceaseless changes in the yin/yang energy of supply and demand. Stocks "inhale" and "exhale" as they fluctuate through time, and it therefore follows that, if there is a zig on a chart, there is a precisely corresponding zag somewhere else. Hidden pivots are at the exact middle and end points of these zigs and zags, and determining where they lie can tell us with remarkable precision the prices at which a stock is most likely to change direction. I call them "hidden" pivots because they cannot be detected using such conventional technical tools as trendlines, support and resistance lines, Fibonacci levels, Gann angles, momentum oscillators or stochastic indicators.

Although it should be noted that Elliott Wave Analysis is capable of identifying price-inflection points with equal precision, the hidden-pivot method has the virtue of being far less complicated. Elliott Wave gurus frequently drive each other apoplectic when arguing about the arcane nuances of alternative wave counts. Their task is akin to using a road map with no clear labels to identify which city, state, or even country one is in. In contrast, the hidden-pivoteers I have trained over the years don't care where they are; rather, they simply pick a stretch of road – any stretch will do — that looks familiar enough to drive confidently at highway speeds.

The course includes six hours online instruction plus a 157 page manual following what was covered in the workshop. You also get a Pivot Trading CD with over 4000 charts illustrating real examples of the Hidden Pivots and Camouflage, real markets, valid numbers and authentic trends with Rick's comments.



The table of contents of the manual:

- Six ways we can use hidden pivots
- Why do Hidden Pivots work?
- Some Basic ABCD patterns
- A summary of Lindsay's Trident
- Window and Target calculations
- Some actual chart patterns
- A simple visual trick
- Key techniques still to master
- Identifying true highs and lows
- Impulse Legs
- One-off highs and lows
- Enlarging on what we've learned
- Creating a matrix
- The Midpoint Pivot
- Making use of Trident's big flaw
- Hidden Pivot trading rules
- Zooming to find the right time frame
- Camouflage

You also have the hidden pivot seminar recording for three months at your fingertips for review. You also get weekly real-time tutorial sessions upon what you have already learned during the Hidden Pivot presentations. You also get the hidden pivot tutorial library extending back 2 years. All of this insures that you keep up with Rick's latest advances in the Hidden Pivot Method. Below is an actual example of one of Rick's charts.

Rick also offers an investors daily newsletter and intraday advisory which includes strategies, trading ideas and common sense. All of his recommendations are based on his proprietary methods.

So if you are interested in his course or his newsletter check it out at: www.rickackerman.com

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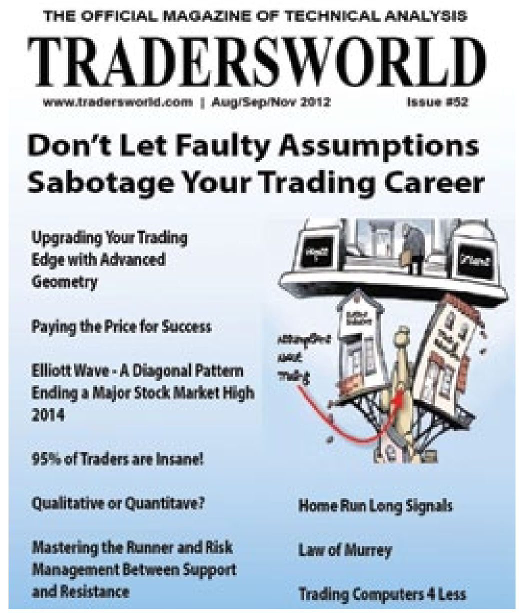

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'Give Me the Best'

By Jan Arps
Jan Arps' Traders' Toolbox LLC
and
Grant Renier
Neurofission, LLC

As traders, most of us focus on the behavior of prices of a single symbol at a time, sometimes over a number of different time frames. We may compare daily price behavior, weekly price behavior, or intraday price behavior. We run moving averages, study candlestick patterns, or apply one or more oscillators to predict the future behavior of a stock, Forex, or futures symbol and make our trading decisions accordingly.

We need to be aware, however, that individual symbols do not trade in a vacuum. They are also affected by the performance of other factors in their trading environment. Accordingly, a savvy trader needs to answer the question, "In a complex trading environment consisting of a myriad of symbols and external forces acting on those symbols, at this particular moment which symbol or symbols have the highest probability of making a profitable move in the near future?" As a Technical Analyst, I refer to that situation as "Give me the Best Trade Choice Right Now".

To help me answer this question for myself and my trading clients, I became acquainted with Grant Renier, an expert in artificial intelligence and founder of NeuroFission, LLC. Grant's group has developed the concept of Intuitive Rationality™ and evolved an elegant, relatively simple artificial intelligence algorithm called Intuitor™ that is now being applied to the trading world to identify and trade those symbols most likely to make a significant move in the near term. From an arbitrary universe of symbols, the Intuitor software addresses the question, "Give me the Best Trade Choice Right Now".

Intuitor is a product of thirty years of research and development that applies the leading edge theories of Neuroeconomics, a field that is demonstrating prediction advantages over standard statistical methodologies. A unique feature of the Intuitor artificial intelligence system is that it incorporates the subtleties of human behavior into classical statistical analysis to generate actionable trading signals. The system detects biases that predict, correlate, and alert the emergence of critical decision points from the input of thousands of competing and sometimes seemingly unrelated data streams. Intuitor understands that our world is a dynamic summation of our subjective decisions that are driven to some extent by our individual biases and beliefs about future price movements. Realistically, trading decisions by "the crowd" are largely subjective and subconscious, and are often made with little consideration for facts determined through conscious analytical study. Thus many traders end up depending upon their biases in probability and belief to cut corners, to save time, and to satisfy their emotional and risk-averse nature.

Traditional technical analysis tools rely heavily on historical data to recognize patterns that anticipate future results. On the other hand, functioning like the intuitive part of our brain, Intuitor quickly highlights the most relevant data and discounts items that bear little influence on the outcome. This process results in a confidence prediction of the possible trend that prices will follow in the future. The results of these calculations are then presented as actionable trading alerts.

Intuitor understands that the trading world is a dynamic summation of the subjective decisions of thousands of traders who are driven by their individual biases in probability and belief. All of their final micro and macro decisions are largely and ultimately subjective and subconscious. They are often made with little consideration for facts determined through conscious analytical study. We depend on our biases in probabilities and beliefs to cut corners, to save time and to satisfy our emotional and risk-averse nature.

For us as traders to better understand and survive in this complexity, Intuitor has been designed to simulate those biases in probabilities and beliefs that play a major role in our decision making. It attempts to recognize new information from big data and to provide alerts at critical points. The goal is to make smart trading decisions in advance of the consensus of human decisions that will subsequently affect price behavior.

The financial markets are a prime example of a very complex system. Intuitor attempts to identify where critical new information emerges among large groups of traded symbols and to execute trading decisions before the crowd reacts. It does this not by the traditional method of continuous regression analysis of historical data, but by the updating of existing biases with new data. These biases are then used to identify those symbols with high current probabilities of directionality and to create alerts that are translated into trading decisions. Intuitor then continuously monitors its trading positions and determines, through changes in its bias values, when to exit these positions.

Albert Einstein once said, "Everything should be made as simple as possible, but not more so." Intuitor simplifies complex data and calculates signals representing probability values for the data. These values are used to predict the future trends of each signal. It then correlates all signals based on their probability values, grouping together signals exhibiting similar traits. Intuitor recognizes highly correlated signals as significant events and based on those events issues actionable trading signals.

In summary, Intuitor is predictive software to sort the wheat from the chaff. It improves decision making by putting automated, expert predictive analytic tools into the hands of the average trader. Intuitor is a product of thirty years of research and development that applies the leading edge theories of Neuroeconomics, a field that is demonstrating prediction advantages over standard statistical methodologies. Functioning like the intuitive part of our brain, Intuitor quickly highlights the most relevant data and discounts items that bear little influence on the outcome.

Intuitor Markets, LLC utilizes Intuitive Rationality software developed by the Neurofission Group to predict the direction and confidence level of that prediction of investment market price movement. This software is based on one of the most remarkable data management and decision-making systems to make its appearance in recent years.

Its real-time simulation of human decision making includes the following features:

The concept of “less is more”

The Theory of Events

Real-time memory decay

Reinforcement learning

Adversity to risk and overconfidence

“Fast and Frugal” processing logic

“Give me the best” function that identifies emerging super intelligence and decision points in seemingly random systems.

The sheer beauty of Intuitor Markets’ Intuitive Rationality technology lies in its pared-down simplicity of function. “Intuitive”, i.e. “gut feelings”, refers to a judgment that:

1. Appears quickly in consciousness
2. Whose underlying reason we are not fully aware of, and
3. Is strong enough to act upon.

“Rationality” is the core logic that expresses intuitive decision making in computer code that chooses actions to maximize expected performance. Simply stated, we are looking at a type of emotionally-based judgment that is evaluated by both mathematics and the power of computers.

How well has the Intuitor Intuitive Rationality software performed in live operation?

Intuitor was introduced into the marketplace for live trading in July, 2011 with a major futures firm. Below are a pair of typical equity curves based on trading through July, 2013, when trading was suspended due to the discontinuation of brokerage operations for reasons unrelated to the Intuitor program.

How do we run Intuitor in practice?

In cooperation with you and your broker, Intuitor Markets, LLC sets up a “portfolio” consisting of between 5 and 25 futures symbols for Intuitor to manage.

You specify the maximum number of trade positions from within that portfolio that you want to have open at any one time. Once that limit has been reached, Intuitor will not open another position until a previous position has been closed.

The Intuitor trading platform runs in the Cloud and feeds position orders to your broker.

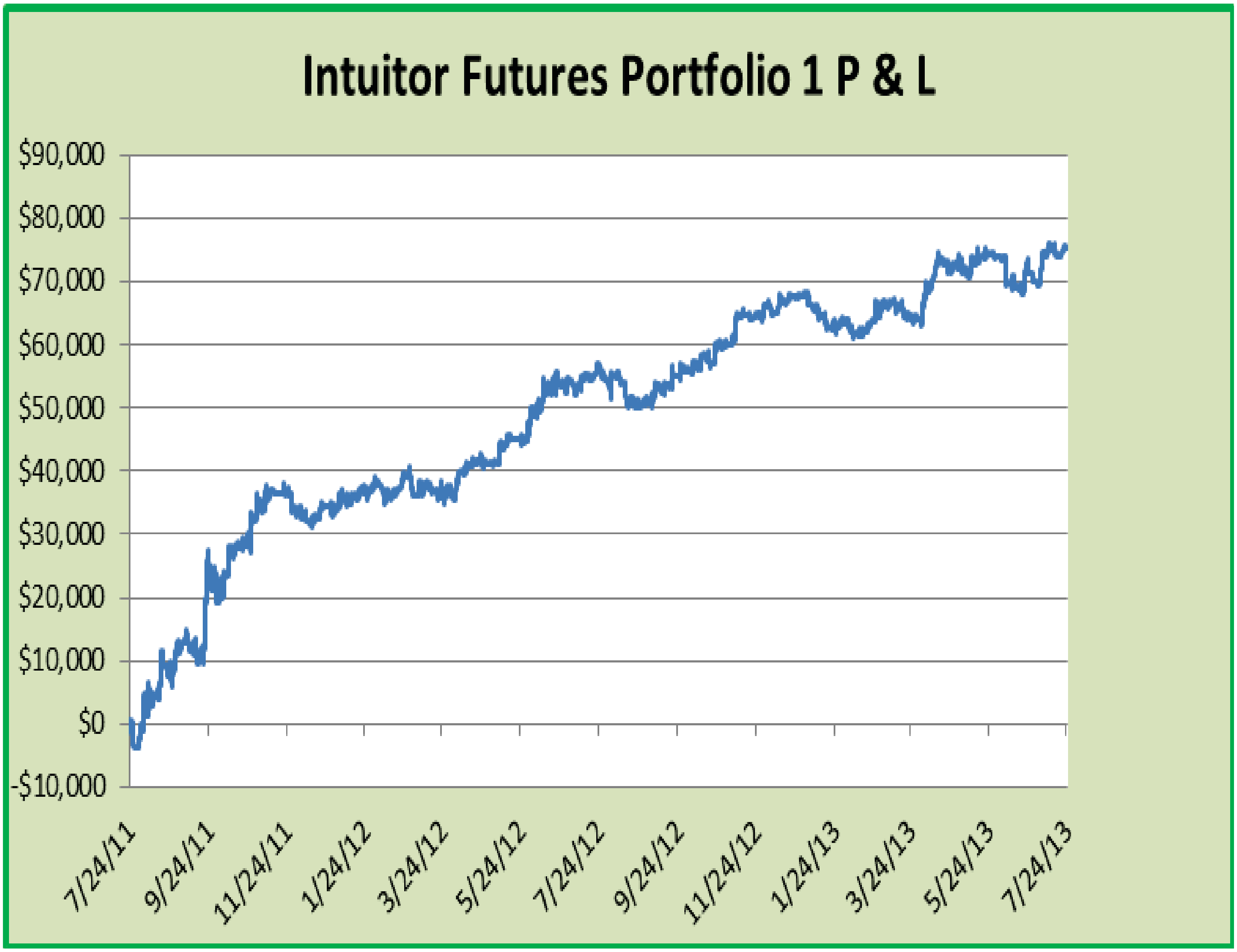
Through your broker, Intuitor Markets, LLC will charge a monthly fixed fee for the use of the Intuitor software services.

Conclusion

Intuitor trading software from Intuitor Markets LLC, (www.intuitormarkets.com), improves the decision-making process of the average trader by putting an automated expert predictive analytic tool into his hands. This predictive program identifies prospective trending moves and alerts the user when critical decisions need to be made.

For further information you can contact the author at jarps@janarps.com

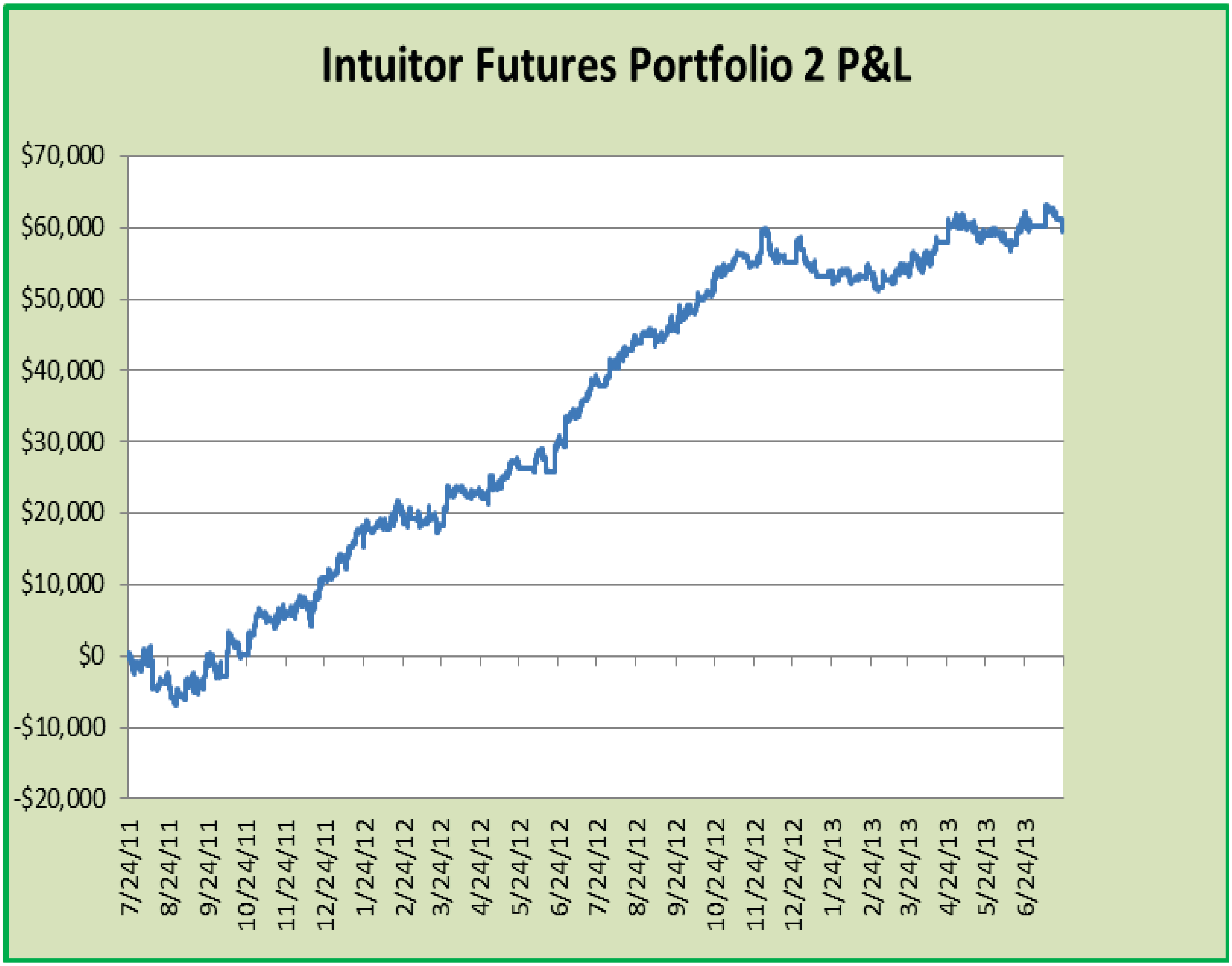
See also disclaimer on page 2 of this magazine



Above: graph of the Profit and Loss from the **Intuitor Portfolio 1** *on two years of 15-minute data*

This portfolio followed and traded one contract each of the following futures contracts:

- 30 Yr.Bonds
- 10 Yr. Bonds
- Gold
- Copper
- Russell Index
- Crude Oil

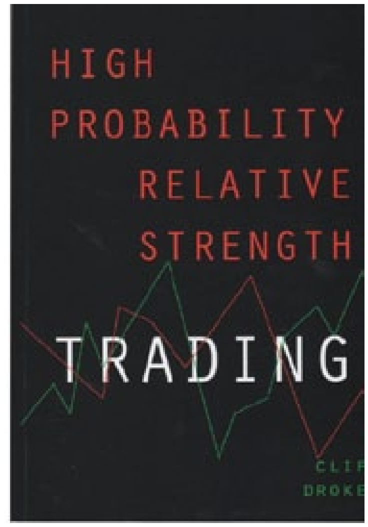


Above: graph of the Profit and Loss from the Intuitor Portfolio 2 run on two years of 15 minute data

This portfolio followed and traded one contract each of the followiong contracts:

- Cocoa
- NASDAQ Index
- Silver
- Crude Oil
- Natural Gas
- 10 year Treasuries
- Live Cattle
- Soybean Oil

High Probability Relative Strengh Trading



By Clif Droke

In his book High Probability Relative Strength, the author, Clif Droke, states that now 55% of all trading volume on the New York Stock Exchange is the result of computerized program trading. This is High Frequency Trading (HFT), which is becoming the dominant from of trading on the exchange. That is where HFT-style trading is executed by machines running on algorithms and is unaided by human intervention.

Many traders now question whether if it is even possible to practice the old technical analysis in the present high-tech era. Mr. Droke believes, based on his 16 years of successful professional experience, that not only is the old style of trading practical, but it is even preferable to today's complete trading methods.

Mr. Droke believes that stock market relativity can be an investor's best friend. He believes that learning relative strength analysis is a sure pathway to stock market profits. It is not necessary to pore over balance sheets, grill company executives for information or obtain illegal information before investing in a stock. He believes just by using relative strength analysis correctly you save time and are allowing Wall Street to do all the experience due diligence for you.

What is this relative strength that the author talks about? It is just a measure of how a stock acts in relation to the overall market. For example if a stock rises 5% in an overall market that rises 10% it is then underperforming on a relative basis.

Mr. Droke states that the two important aspects of RSI analysis are to determine if there is accumulation and distribution in the stock by professional traders. One way is do a comparison of relative strength of a stock and the general overall market at major turning points. The other way is to perform relative strength analysis using an RS line using a formula provided in the book. A buy candidate is determined by watching for a trend reversal on both the stock's price and the RS line.

Mr. Droke also believes that being a contrarian can improve your trading. Watch headlines in the media for major turns in the market. For example it is not uncommon to see greed laced headlines and magazine covers depicting bulls at the top of a market.

The author also believes that you must have other tools in your tool box to supplement your relative strength analysis. He goes through these other tools. One is the 52-week highs and lows which is the best measure of internal strength for the entire NYSE broad index. Another tool he likes is the advance-decline line which is a basic indicator of market breadth in the market. He also likes the Hi-Lo Alert Indicator which gauges how overbought or oversold the market is. If used in conjunction with sentiment and RS this tool will give you added confidence when it is time to buy or sell.

The author also explains how to profit using moving averages. He believes that it is superior to trend line methods that don't take into account momentum. He explains how to use a 15-day moving average incorporated into a mechanical trading discipline.

Mr. Droke also explains that short selling can be profitable if done correctly. It requires good timing and a reliable technical methodology. He gives you an overview of a short sell technique that uses moving averages with relative strength.

And finally in the book the author explains the best chart patterns for bull markets, the value of relative volatility, classical support and resistance, trend lines and channels.

There is an appendix of Wall Street Wisdom quotes from master traders and a dictionary of technical terms and the end of the book.

The book could be helpful for both novice and experienced investors and traders and is highly recommended.

The Tradition of Financial Astrology: The Secret Behind Market Movement is in the Stars

by Barry Rosen.

"Anyone can be a millionaire, but to become a billionaire, you need an astrologer."
----J. P. Morgan, founder of the Morgan Bank

J.P. Morgan, died with a net worth of over 600 million and did not quite live up to his famous proclamation. But in the 1920's such a fortune is still astounding by today's standards. He had a private astrologer, Evageline Adams, who helped him tremendously. I have been fortunate to purchase financial astrological books from her library.

It is a little known fact that W. D. Gann went to India and studied Indian Sidereal Astrology. In his notebooks we find sketches of astrological symbols on his charts; and in his memoirs, he discusses his journey to India. In fact, the famous Gann wheel was first used by tea merchants in seventeenth century India. Futures and stocks can be successfully traded by understanding planetary aspects and movements. This article will provide a brief look into why financial astrology works.

"Financial astrology" has a rich history. In the early part of the last century, famous economic researcher, Lt. Commander David Williams scored an 80 percent accuracy rating in predicting the ups and downs of the US economy in his magazine column. While some scoff at investment astrology, Williams and many others pioneered early scientific research. Many others continued to unfold hidden dimensions in the relationship between gecosmic cycles and investor psychology and business cycles.

Scientists for years have understood the relationship between full moons and the effects of emotional and psychological behavior on mental patients. Given that the markets are very emotional and psychological, it is no surprise that the planetary cycles have an effect on market behavior. While it makes sense to malign silly newspaper horoscopes, there is much more to astrology and its predictive power than most would think.

The essence of cycles is astrology: the 365-day cycle of the earth going around the sun; the 29-day cycle of the moon going around the earth; and all the inter-connective cycles of all the planets. The two year cycle is connected with Mars journey through the zodiac. The famous 12 year cycle and the Chinese calendar is connected to Jupiter's transits through the zodiac. An the famous 89 day cycle and its divisions discussed by D.W. Gann is connected to the 89 day orbit of Mercury around the Sun.

Financial astrology is rather mathematical as the angular relationships between major planets create emotional and psychological peaks and valleys. D. W. Gann was familiar with key stress points at 90, 120, 144, 180 and 270 degrees and how markets peaked and bottom as the planets moved to these emotional nadirs and peaks creating peaks and valleys in investor optimism and pessimism. For example, a 120 angle between Jupiter and Venus, two inflationary and bullish planets will often lead to a CRB high or stock market high about 1 day before the exact moment of their exact trine. An aspect from somber Saturn to the moon or another major optimistic planet like the sun can quickly deflate a market.

Throughout the course of my studies, I have found that Ancient Indian astrology, from the Vedic civilization going back almost 10,000 years, is the oldest and most accurate form of astrology. Parashara, a great seer or ancient scientist, intuited the laws of space and time responsible for the evolution of human consciousness and recorded his findings in a book called the Brihat Hora Sastra.

The first major difference between Indian and Western astrology lies in the calculation of the longitude of the planets. Ancient Indian astrologers observed that the equinoxes and solstices moved backward by one degree every 72 years, an astronomical phenomenon now known as precession. Over time this has resulted in a difference of slightly over 23 degrees between the tropical Zodiac, used by Western astrologers, and the sidereal Zodiac, used by Indian astrologers. In essence, the two systems differ in their choice of a zero point for Aries --the Western system uses the position of the spring equinox, while the Indian system uses a fixed star. Thus, when the Sun is moving into Aries according to the Western system, it is still at 6 degrees Pisces in the Indian system.

CONCLUSION

Anyone attempting to uncover the mysterious laws of nature that underlie the commodity markets will be rewarded and intrigued by the depths of Indian astrology. The study of Indian astrology leads not only to knowledge of economic laws, but ultimately to knowledge of the self. Understanding one's Indian cycles and transits is as important for trading successfully as a good timing system. A combination of the two is astoundingly useful and leads to an awe-inspiring appreciation of the order of natural law. While no astrological system should be used 100% to time market entries and exits, a combination of astrological and technical signals and a knowledge of personal trading periods can certainly stack the odds in one's favor and lead to the answer of one of man's greatest metaphysical questions--the relationship between his own consciousness and the universe.

About the author:

Barry Rosen is a financial analyst and has been studying Indian philosophy (Vedic Science) for forty years and Indian astrology for the past 28 years. He began applying it to the financial markets in 1987. His newsletter, Fortucast, began in August 1987 by focusing on stocks and is currently in its twentieth-sixth year, having evolved into a daily and hourly advisory service covering over 20 commodities and 15 major ETF's. For more information contact FORTUCAST MARKET TIMING at www.fortucast.com or email support@fortucast.com or call 928-284-5740, ext. 1. Toll free in the US: 1-800-788-2796. Trials available. Also visit his Facebook Site: **Financial Astrology by Barry Rosen**. He has a home study course also available.

Gann Grids Ultra Software Version 7

In the early part of 1993 Rob Giordano became very interested in technical analysis and sought as much information on the subject as possible. He read many books, took trading courses and scanned as many technical analysis articles as he could. At the same time he tested dozens of technical analysis oscillators and forecasting systems on both historical and real-time data. He found that most if not all fell short of his expectations in actual trading.

Does this sound similar to what you are going through?

After going through all this materials and doing much reading on the subject of technical analysis, he came up with three names of master traders from the past that seemed to be very promising. The names were W.D. Gann, R.N. Elliott and George Bayer. He considered these master traders and their theories to be the best of the best in the field of technical analysis.

He found these three had an astonishing track record of forecasting market turns weeks and even at times months in advance... documented.!

How many technical analysts today have such documented track records?

Rob discovered that both Gann and Bayer used some kind of astronomy to generate their forecasts which did not sit well with him at first. Rob, like so many others today felt the subject of astronomy was just superstition and mumbo jumbo rather than actual science.

So over the next several years of study, he realized that Gann spoke freely about many natural laws such as the law of vibration, the laws of geometrical angles, range divisions, time cycles, and natural time sequencing followed by an introduction to his master

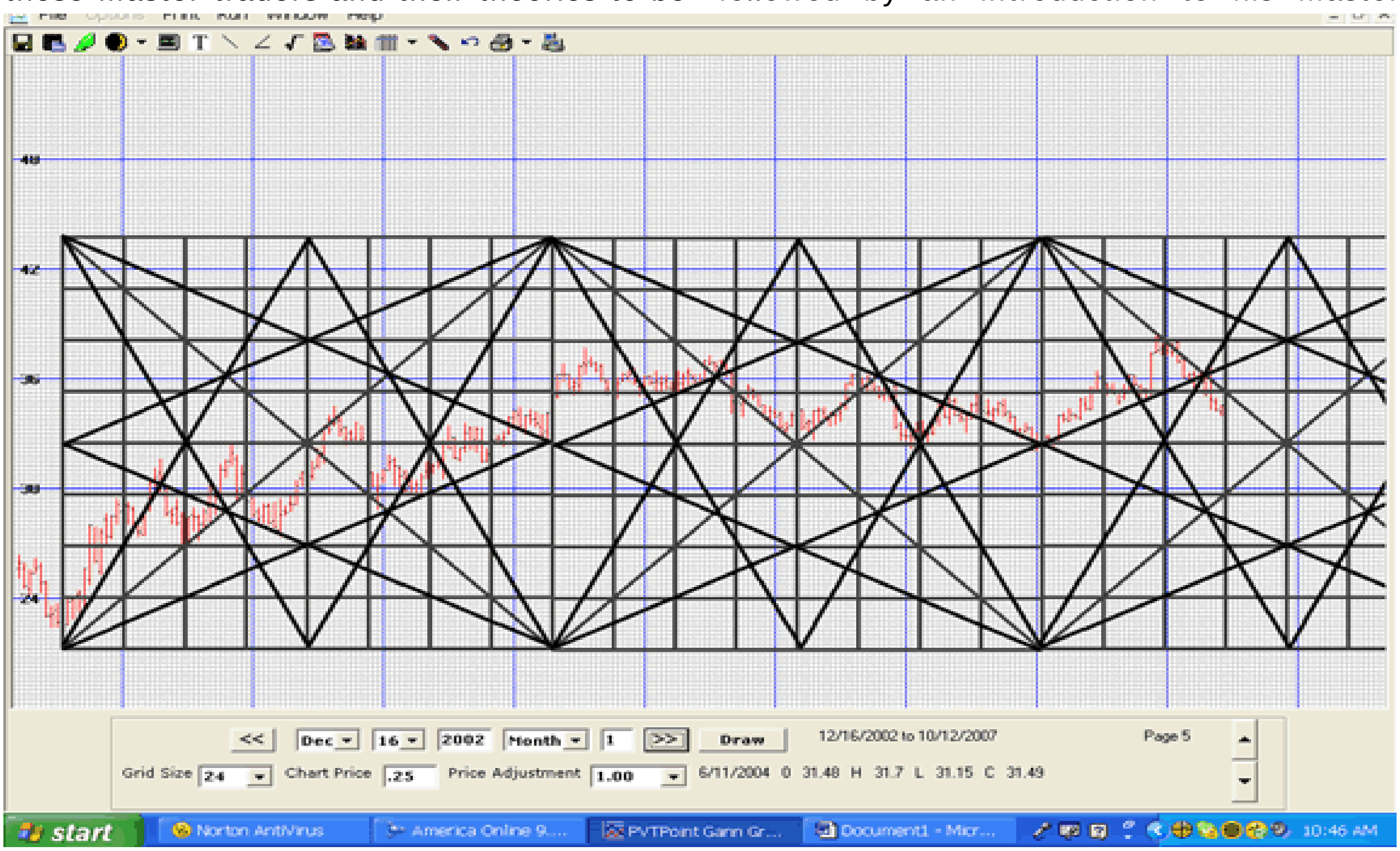


Chart #1 Gann Overlays

calculators. Gann also showed a unique understanding of astronomy and astrology as he presented in several examples of planets having a direct relationship to price support and resistance levels along with other astronomical calculations.

Rob felt that his understanding of astrology was more of a hard factual science that could be back testing and confirmed rather than just chart interpretation of pending doom and gloom. His type of astrological forecasting was more of an astronomical method with straight forward rules than what would be given by most street corner astrologers around at that time or even today.

Trying out many technical analysis software packages Rob was not able to find any that allowed him to test the masters theories in trading he decided the only way to continue forward was to hire multiple programmers to incorporate these ideas into his very own specialty software called Gann Grids Ultra.

The software was designed to setup actual time and price forecasting models on most stocks, commodities and indexes along with finding unique sets of stop loss order placement locations.

He has also spent several more years perfecting it through trial and error research and incorporating the ideas of many others within it.

Recently Mr Giordano added several new functions to the newest 7,0 version of the software which includes the ability to change the scale and re-scale the price and time charts which truly show the true value of the master's overlays and indicators.

The astro section of the software was specifically designed to isolate hot aspects and degrees of the zodiac present around most major, medium and minor trend change periods. This is done by isolating key dates from past trend changes, dissected then analyzed one by one.

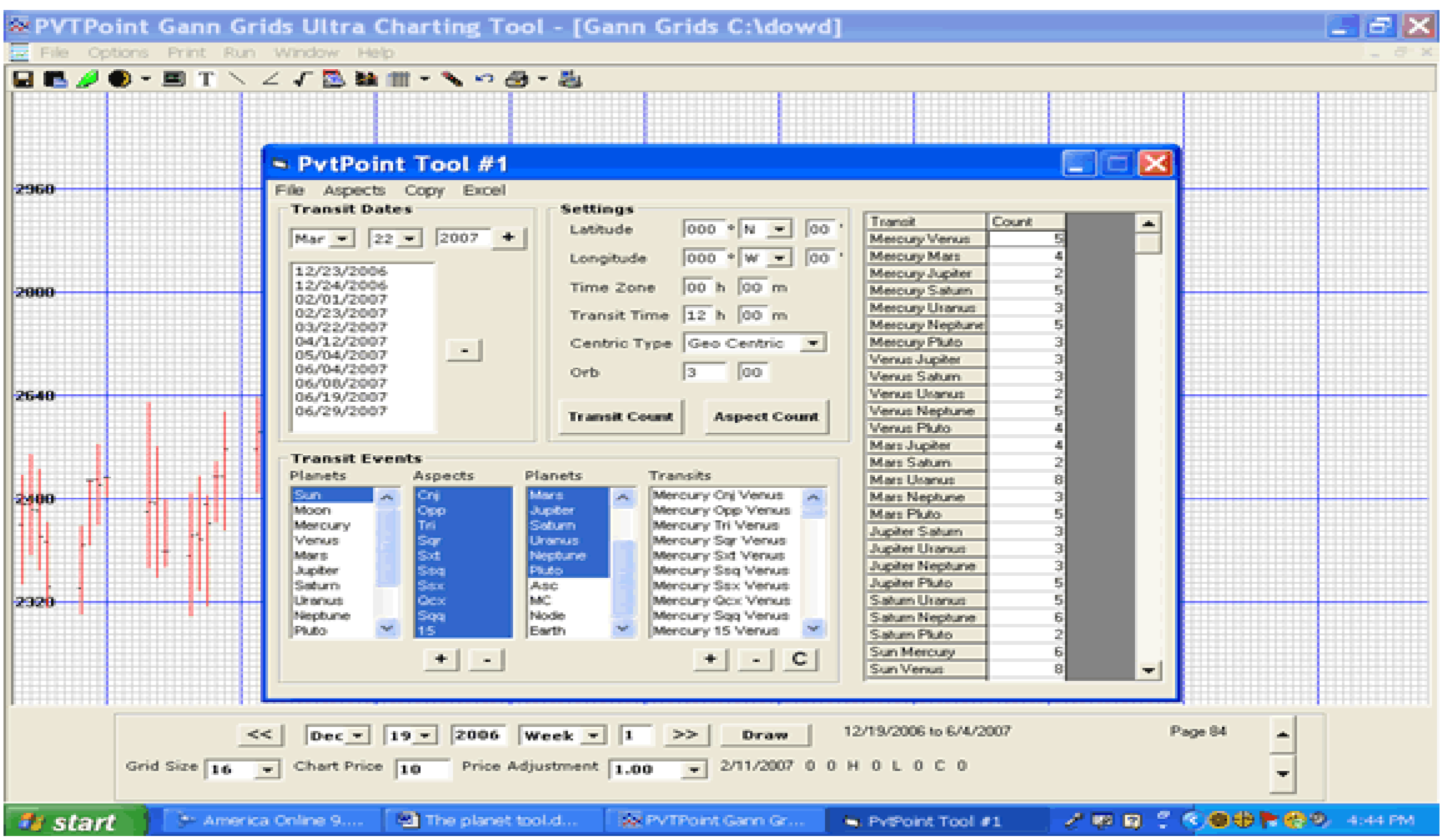


Chart #2 Finding Specific Planetary Combinations around major tops and bottoms in either Heliocentric and geocentric Settings

Once the astro finger prints are found they could then be projected forward up to 5 years into the future on the screen.

Many extra research tools are also available within the software such as AB Range Division, Time Count Tool, Price Count Tool, Numerical Squares Overlay Tool, Squares and Half Square Overlay Tool, Aspect Highlight Tool, The Ephemeris Tool Geocentric, Ephemeris Tool Heliocentric, Ephemeris Tool Declination, Planet Transit Tool, Zodiac Degree Research Tool, Zodiac Hot Spot Tool, Planet Price Conversion Tool and much more.

For more information on Gann Grids Ultra please visit : www.pvtpointmktres.com

Mr Giordano has also just finished several NEW odd stacking cycle software called "Lucky Sumz" Lottery Software

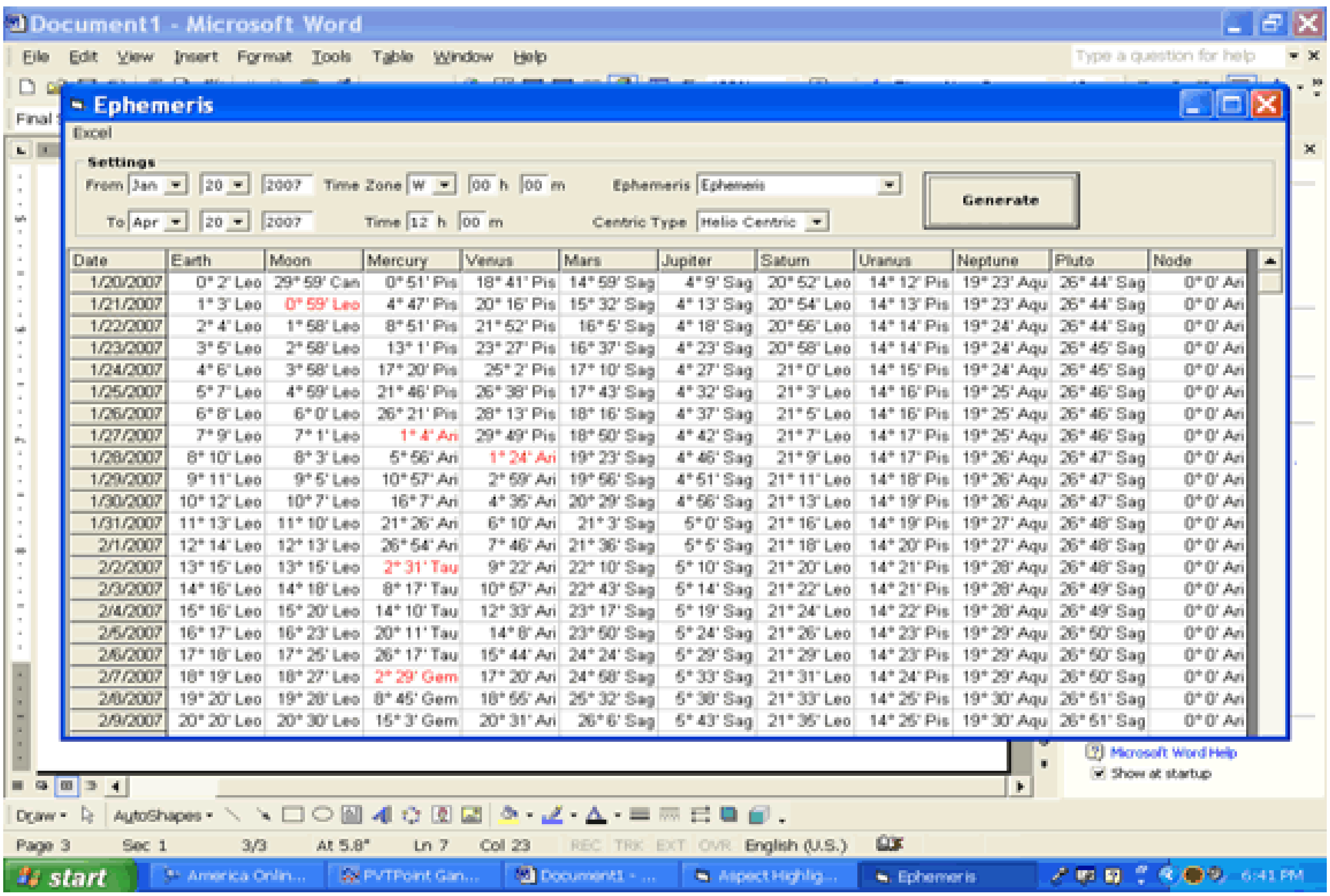
Designed with the same repeating cycle concepts in mind as our Gann Grids Ultra software Lucky Sumz has shown almost magical forecasting results going back almost 2 straight years of testing on multiple state draws.

L/S not only give its users the tools to isolate and track up to 23 hidden lottery cycles for any states pick 3 and pick 4 lottery draws it will also raise your odds of producing winning groups of combinations at the same time!

Each version sold separately !

For More information on Lucky Sumz please visit:

www.luckysumz.com

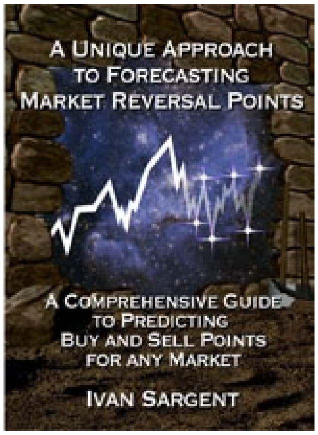


Date	Earth	Moon	Mercury	Venus	Mars	Jupiter	Saturn	Uranus	Neptune	Pluto	Node
1/20/2007	0° 2' Leo	29° 59' Can	0° 51' Pis	18° 41' Pis	14° 59' Sag	4° 9' Sag	20° 52' Leo	14° 12' Pis	19° 23' Aqu	26° 44' Sag	0° 0' Ari
1/21/2007	1° 3' Leo	0° 59' Leo	4° 47' Pis	20° 16' Pis	15° 32' Sag	4° 13' Sag	20° 54' Leo	14° 13' Pis	19° 23' Aqu	26° 44' Sag	0° 0' Ari
1/22/2007	2° 4' Leo	1° 58' Leo	8° 51' Pis	21° 52' Pis	16° 5' Sag	4° 18' Sag	20° 56' Leo	14° 14' Pis	19° 24' Aqu	26° 44' Sag	0° 0' Ari
1/23/2007	3° 5' Leo	2° 58' Leo	13° 1' Pis	23° 27' Pis	16° 37' Sag	4° 23' Sag	20° 58' Leo	14° 14' Pis	19° 24' Aqu	26° 45' Sag	0° 0' Ari
1/24/2007	4° 6' Leo	3° 58' Leo	17° 20' Pis	25° 2' Pis	17° 10' Sag	4° 27' Sag	21° 0' Leo	14° 15' Pis	19° 24' Aqu	26° 45' Sag	0° 0' Ari
1/25/2007	5° 7' Leo	4° 59' Leo	21° 46' Pis	26° 38' Pis	17° 43' Sag	4° 32' Sag	21° 3' Leo	14° 16' Pis	19° 25' Aqu	26° 46' Sag	0° 0' Ari
1/26/2007	6° 8' Leo	6° 0' Leo	26° 21' Pis	28° 13' Pis	18° 16' Sag	4° 37' Sag	21° 5' Leo	14° 16' Pis	19° 25' Aqu	26° 46' Sag	0° 0' Ari
1/27/2007	7° 9' Leo	7° 1' Leo	1° 4' Ari	29° 49' Pis	18° 50' Sag	4° 42' Sag	21° 7' Leo	14° 17' Pis	19° 25' Aqu	26° 46' Sag	0° 0' Ari
1/28/2007	8° 10' Leo	8° 3' Leo	5° 56' Ari	1° 24' Ari	19° 23' Sag	4° 46' Sag	21° 9' Leo	14° 17' Pis	19° 26' Aqu	26° 47' Sag	0° 0' Ari
1/29/2007	9° 11' Leo	9° 5' Leo	10° 57' Ari	2° 59' Ari	19° 56' Sag	4° 51' Sag	21° 11' Leo	14° 18' Pis	19° 26' Aqu	26° 47' Sag	0° 0' Ari
1/30/2007	10° 12' Leo	10° 7' Leo	16° 7' Ari	4° 35' Ari	20° 29' Sag	4° 56' Sag	21° 13' Leo	14° 19' Pis	19° 26' Aqu	26° 47' Sag	0° 0' Ari
1/31/2007	11° 13' Leo	11° 10' Leo	21° 26' Ari	6° 10' Ari	21° 3' Sag	5° 0' Sag	21° 16' Leo	14° 19' Pis	19° 27' Aqu	26° 48' Sag	0° 0' Ari
2/1/2007	12° 14' Leo	12° 13' Leo	26° 54' Ari	7° 46' Ari	21° 36' Sag	5° 5' Sag	21° 18' Leo	14° 20' Pis	19° 27' Aqu	26° 48' Sag	0° 0' Ari
2/2/2007	13° 15' Leo	13° 15' Leo	2° 31' Tau	9° 22' Ari	22° 10' Sag	5° 10' Sag	21° 20' Leo	14° 21' Pis	19° 28' Aqu	26° 48' Sag	0° 0' Ari
2/3/2007	14° 16' Leo	14° 18' Leo	8° 17' Tau	10° 57' Ari	22° 43' Sag	5° 14' Sag	21° 22' Leo	14° 21' Pis	19° 28' Aqu	26° 49' Sag	0° 0' Ari
2/4/2007	15° 16' Leo	15° 20' Leo	14° 10' Tau	12° 33' Ari	23° 17' Sag	5° 19' Sag	21° 24' Leo	14° 22' Pis	19° 28' Aqu	26° 49' Sag	0° 0' Ari
2/5/2007	16° 17' Leo	16° 23' Leo	20° 11' Tau	14° 8' Ari	23° 50' Sag	5° 24' Sag	21° 26' Leo	14° 23' Pis	19° 29' Aqu	26° 50' Sag	0° 0' Ari
2/6/2007	17° 18' Leo	17° 25' Leo	26° 17' Tau	15° 44' Ari	24° 24' Sag	5° 29' Sag	21° 29' Leo	14° 23' Pis	19° 29' Aqu	26° 50' Sag	0° 0' Ari
2/7/2007	18° 19' Leo	18° 27' Leo	2° 29' Gem	17° 20' Ari	24° 58' Sag	5° 33' Sag	21° 31' Leo	14° 24' Pis	19° 29' Aqu	26° 50' Sag	0° 0' Ari
2/8/2007	19° 20' Leo	19° 28' Leo	8° 45' Gem	18° 55' Ari	25° 32' Sag	5° 38' Sag	21° 33' Leo	14° 25' Pis	19° 30' Aqu	26° 51' Sag	0° 0' Ari
2/9/2007	20° 20' Leo	20° 30' Leo	15° 3' Gem	20° 31' Ari	26° 6' Sag	5° 43' Sag	21° 35' Leo	14° 25' Pis	19° 30' Aqu	26° 51' Sag	0° 0' Ari

Chart #3 Looking for dates of plantary retrograde periods, direct periods, eclipse hot degrees, zero north declination, zero south declination, max north sound declination, planets ingress into new sighns and more.

Traders World Book Library

A Unique Approach To Forecasting Market Reversal Points, A comprehensive guide for predicting precise, price and time turning points for any market. Price: $36.00



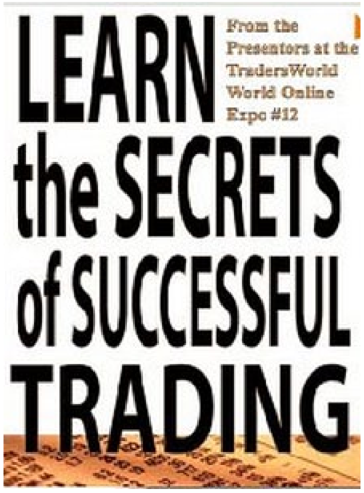
By Ivan Sargent This book is possibly one of most advanced books in technical analysis you will read regarding price and time reversals. Knowing the Price and time of a stocks reversal point is undeniably an important element for to successful trading. Unlike most trading books which use indicators, oscillators, and basic geometry to forecast the markets outcome; this technique uses a series of lines which when accurately placed can deliver reversal points with amazing accuracy. Trend lines, retracements lines, channels, fan lines, pivot points etc, all inspect a stock chart from the outside, which is more or less the obvious point of view. While these techniques can give probable predictions at times, for many of us this just isn't enough. Now what would happen if you were able to analyze charts from what I like to refer to as, "the inside" of the chart? As you read on in the book, you soon will discover an amazing way find reversal points, and finally realize that back doors to chart analysis do exist.

When attempting to look at the market from the inside the main thing you need to understand is that the rules in which how the market is predicted changes completely. Normally when using trend channels or retracement lines to determine the markets trend direction for instance, it's ok to allow the chart to slightly exceed or come close to either of these lines and still be in legal limits for correct analysis. However these rules do not apply to this different type of analysis. This type analysis requires that all lines be accurately placed for accurate predictions. It's a little more work, but at the end of the day it has its virtues.

When using tools which allow you to see the market from the inside the predictions that manifest within the analysis are totally different than common technical analysis. Here are two main occurrences that you will notice when working with this type of analysis. A) Exact target points will be forecasted or, B) A complete miss of a target point, and nothing else.

This is not a case of a 50/50 hit or miss. When you apply this technique to the markets it becomes a matter of line accuracy resulting in high target percentage. As you read on through the book, you understand how to use this technique and see how easy and powerful this technique can be when used in conjunction with other analysis.

Learn the Secrets of Successful Trading $6.97 Amazon Kindle Book



Learn specific trading strategies to improve your trading, learn trading ideas and tactics to be more profitable, better optimize your trading system, find the fatal flaws in your trading, understand and use Elliott Wave to strengthen your trading, position using correct sizing to trade more profitable, understand Mercury cycles in trading the S&P, get consistently profitable trade setups, reduce risk and increase profits using volume, detect and trade the hidden market cycles, short term trading by taking the money and running, develop your mind for trading, overcoming Fear in Trading, trade with the smart money following volume, understand and use the Ultimate Oscillator, use high power trading with geometry, get better entries, understand the three legs to trading, use technical analysis with NinjaTrader 7, use a breakout system with cycles for greater returns with less risk, use TurnSignal for better entries and exits, trade with an edge, use options profitably, learn to trade online, map supply and demand on charts, quantify and execute portfolio rotation for auto trading.

The book was written by a large group of 35 expert traders, with high qualifications, most of who trade professionally and/or offer trading services and expensive courses to their clients. Some of them charge thousands of dollars per day for personal trading! These expert traders give generally 45-minute presentations covering the same topics given in this book at the Traders World Online Expo #12. By combining their talents in this book, they introduce a new dimension to finding a profitable trading edge in the market. You can use ideas and techniques of this group of experts to leverage your ability to find an edge to successfully trade. Using a group of experts in this manner to insure your trading success is unprecedented.

You'll never find a book like this anywhere! This unique trading book will help you uncover the underlying reasons for your lack of consistency in trading and will help you overcome poor habits that cost you money in trading. It will help you to expose the myths of the market one by one teaching you the right way to trade and to understand the realities of risk and to be comfortable with trading with market. The book is priceless!

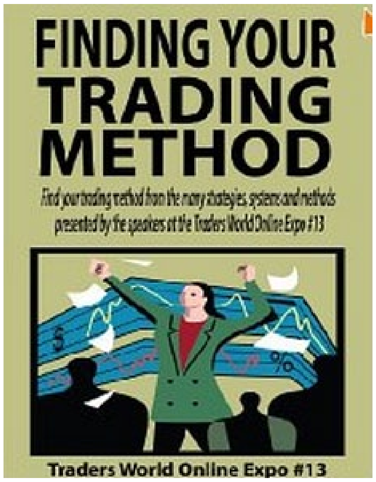
Parallels to the Traders World Online Expo 12

The articles in this book exactly parallel the video presentations given at the Traders World Online Expo #12. This expo joins these top trading experts together with active traders looking for trading strategies & specific recommendations to help them profit in the markets and is held online at http://www.TradersWorldOnlineExpo.com. Order the DVD through Amazon which features 38 of the speakers from this expo. Their presentations are presented visually with sound just like your at the live expo. From this DVD you'll learn how to trade the markets better than even before. To order the DVD through Amazon go to: http://www.amazon.com/gp/product/B00B79G5MK

From the DVD you'll learn: Time and Price Points; Consistently Profitable Trade Setups; How to Control Fear of Trading; Detecting and Trading Hidden Market Cycles; Position Sizing;

Detailed Analysis of the S&P Market, 3 Keys to be a System Trader, Trading with an Edge, Lift off Trading Systems, Monetizing your Trading Expertise; Tracking Smart Money; Trading Price Cycles, Using Options, Mastering Trading with NinjaTrader; Learning Andrews Trading and much more

Finding Your Trading Method $6.97 Amazon Kindle Book



Finding your trading method is the main problem you need to solve if you want to become a successful trader. You may be asking yourself, can I find my own trading method that will reflect my own personality toward trading? For example, do you have the patience to sit in front of a computer and trade all day? Do you prefer to swing trade from 3-5 days or do you like to hold positions for weeks and even months? Every trader is different. You need to find your own trading method.

Finding out your trading method is extremely important to produce a profitable benchmark that can be replicated in your live account. Perhaps the best way to find a successful trading method is to listen to many expert traders to understand what they have done to be successful. The best way to do that is to listen to the Traders World Online Expos presentations. This book duplicates what these experts have said in their presentations, which explains what they have done to find their own trading method.

If you have a trading method that gives you a predictable profit, then that type of objectivity contributes to your trading edge. The problem with most traders is that being inconsistent will never allow them to have an edge. After you find your trading method that you feel comfortable with, you must have the following:

An overall plan to:
1) Set your rule set and plan and then stick with it in all of your trading.
2) To give you a trading plan for every day.

The trade plan then should:
1) Have an exact entry price
2) Have a stop price
3) Have a way to add positions
4) Tell you where to take profits
5) Have a way to protect your profits

By reviewing all the methods given in this book by the expert traders, it will give, you the preliminary steps that you need to find your footing in finding your own trading method.

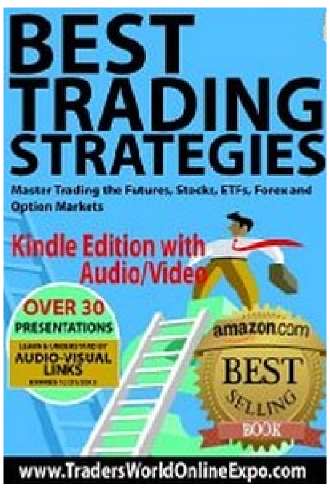
Reading this book and by seeing the actual recorded presentations on the Traders World

Online Expo site can act as a reference tool for selecting your method of trading, investment strategies and tactics.

It took many of these expert traders in this book 15 – 30 years to finally come up and find the answers to find their trading method to make consistent profit. Finding your trading method could be then much easier when you read this book and incorporate the techniques that best fit your personality and style from these traders. This book will enable you to that fastest way to do that.

So if you want help to find your own trading method to be successful in the markets then buy and read this book.

Best Trading Strategies $6.99 Amazon Kindle Book



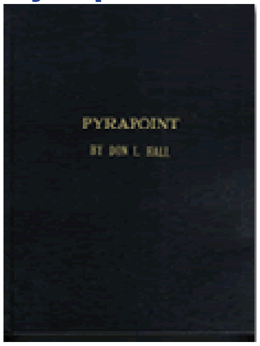
This is one of the most fascinating books that was ever written about trading because it is written by over thirty expert traders. These traders have many years of experience and they have learned how to turn technical analysis into profits in the markets. This is extremely difficult to do and if you have ever tried to trade the markets with technical analysis you would know what I mean. These writers have some of the best trading strategies they use and have the conviction and the discipline to act assertively and pull the buy or sell trigger regardless of pressures they have against them. They have presented these strategies at the Traders World Online Expo #14 in video presentations and in this book.

What sets these traders apart from other traders? Many think that beating the markets has something to do with discovering and using some secret formula. The traders in this book have the right attitude and many employ a combination of fundamental analysis, technical analysis principles and formulas in their best trading strategies.

Trading is one of the best ways to make a lot of money in the world if one does it right. One needs to find successful trading strategies and implement them in their own trading method. The purpose of this book is to present to you the best trading strategies of these traders so that you might be able to select those that fit you best and then implement them into your own trading.

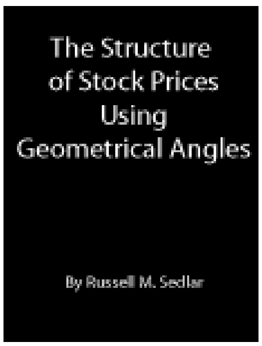
I wish to express my appreciation to all the writers in this book who made the book possible. They have spent many hours of their time and hard work in writing their section of the book and the putting together their video presentation for the online expo.

Pyrapoint Price: $150.00



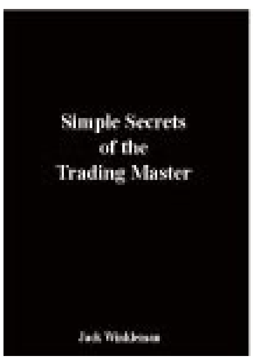
By Don Hall Mr. Hall discovered a secret from one of Gann's associates "Reno" who shared a desk with him on the floor of the Chicago Board of Trade. Apparently Gann carried a piece of paper with him to the floor every time he made a successful recorded trade. Mr. Hall found out what that paper was and developed the Pyrapoint 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



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."

Simple Secrets of the Trading Master $90.00



By Jack Winkleman This is a book put together by Mr. Winkleman and is a very valuable tool. This book tells a trader how to used 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. Don't get caught in the next market down turm. The method is simple, and easy to follow and is designed to keep your protfolio profitable in these uncertain market times. The ability to anticipate the directional shifts in the S&P 500 market gives you a significant advanage in trading indexes, options and individual stocks.

Sonata Trading Computer

The new Sonata Trading Computers are now better than ever. These use the new Intel Haswell generation multi-core processors. They give you around 15% more power using 15% less energy over last years models. The also use the new z87 motherboards that are easy to use and easily overclockable, even for the average user. They can be set to overclock only when you need the power. The multiple-core feature allows you to run many programs at the same time. They also easily connect to the new solid-state drives, which are 100 times faster than the old hard disk drives.

So why does a trader need this power? Today the trading computer needs to have the power to monitor the markets when the volume shoots up. Old computers now lockup when there are volume spikes in the markets. You need power to monitor many charts, view business news, chat rooms, etc. The Haswell i7 processors run at 3.4 Ghz and can easily overclock to nearly 5.0 Ghz. Most traders today now use 2 - 6 (24-inch) monitors. More screens improves productivity and usually profit. It is also very important that the computer be nearly silent as traders need that feature to concentrate. These computers starts at $1349.00 at www.SonataTradingComputers.com (prices are subject to change)

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Traders World is now offering a limited time special where you can actually get your computer for FREE!

This is a TradeStation Promo and this is how it works Select your trading computer on our site www.SonataTradingComputers.com. Add options you want. Select monitors and a stand if you need them. Then fill out the information and buy it. Call us at 800-288-4266 if you have any questions.

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Also, if you are interested in purchasing a TradeStation add-on product (third party software), call us and we will determine if they are on our vendor list for this promo. This purchase would need to go through us to qualify under this promo. Then that purchase can also be combined with the computer hardware purchase for the TradeStation promo.

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CBOT $70.00
NYMEX $70.00
COMEX $70.00

Total Monthly Charges $280.00. That adds up to a year charge for exchange fees of $3360.00 You would only pay $20.00 per month or $240.00 per year That saves you $3120.00 per year off of exchange fees on top of the commission rebate and discounts you are getting that basically pays for your computer!

Tiers:
$2,000
$4,000
$6,000
$8,000

Note: This commission does not apply to forex accounts since their are no commissions associated with their account.

*This promo is good till is subject to change or end at any time. Check our site for updates.

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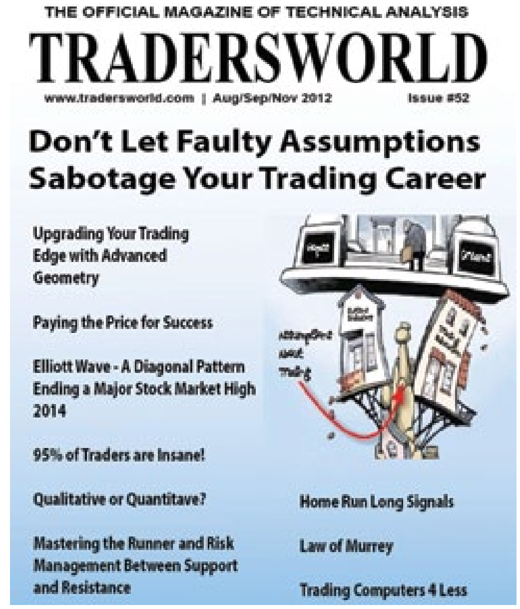

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