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DISCOVERY OF NEW PLANETS HELPED MAGI SOCIETY TO SUCCESSFULLY PREDICT THE CRASH OF 2008

6 Reasons for support at 7150-7225 on the Dow Jones Industrial Averages!

Financial Astrology and the Future of the U.S. Economy 2009-2013

The 17-Year Cycle - Part II

The Return of $3.00 Silver!

What To Expect Following An October Reversal

How To Anticipate Major Market Turns

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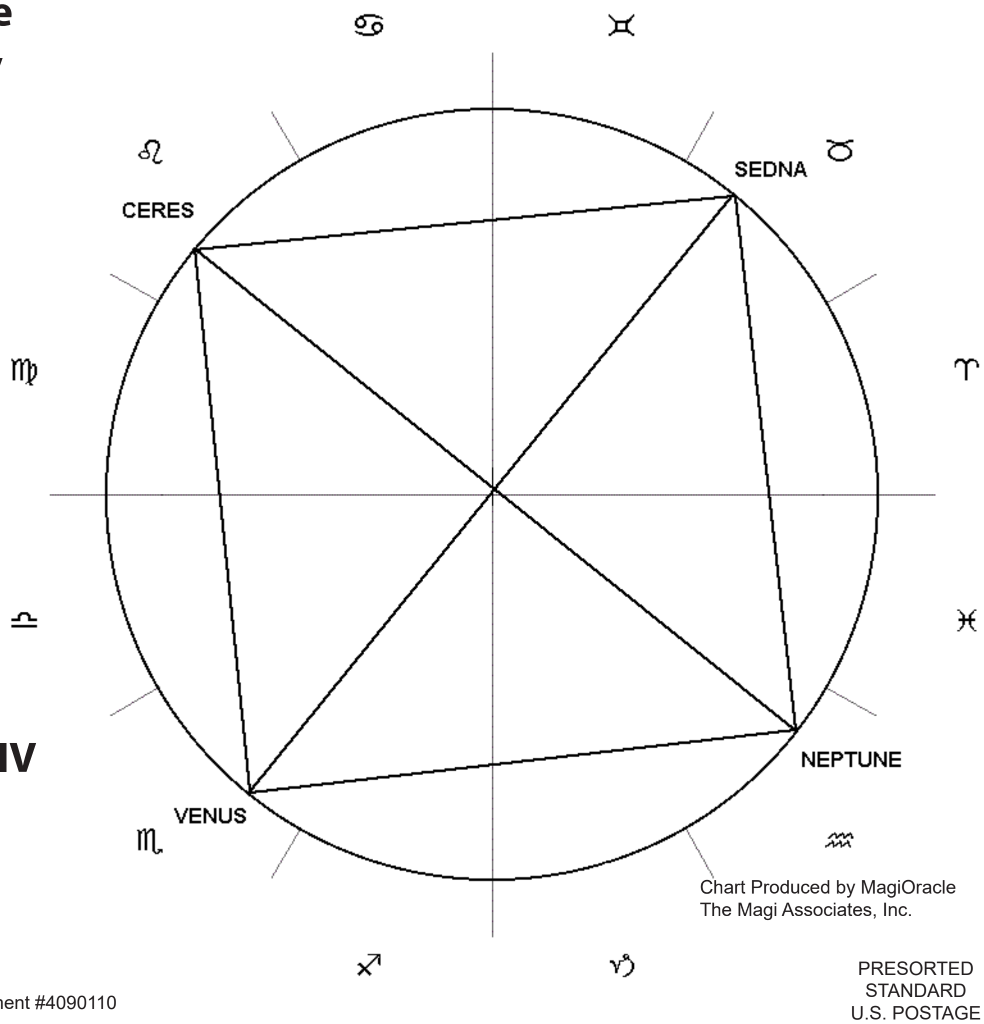
Grand Cross on Oct. 10, 2008 The Day Dow Jones Industrial Average Made the Major Low After Plunging 3000 Points in 7 Days



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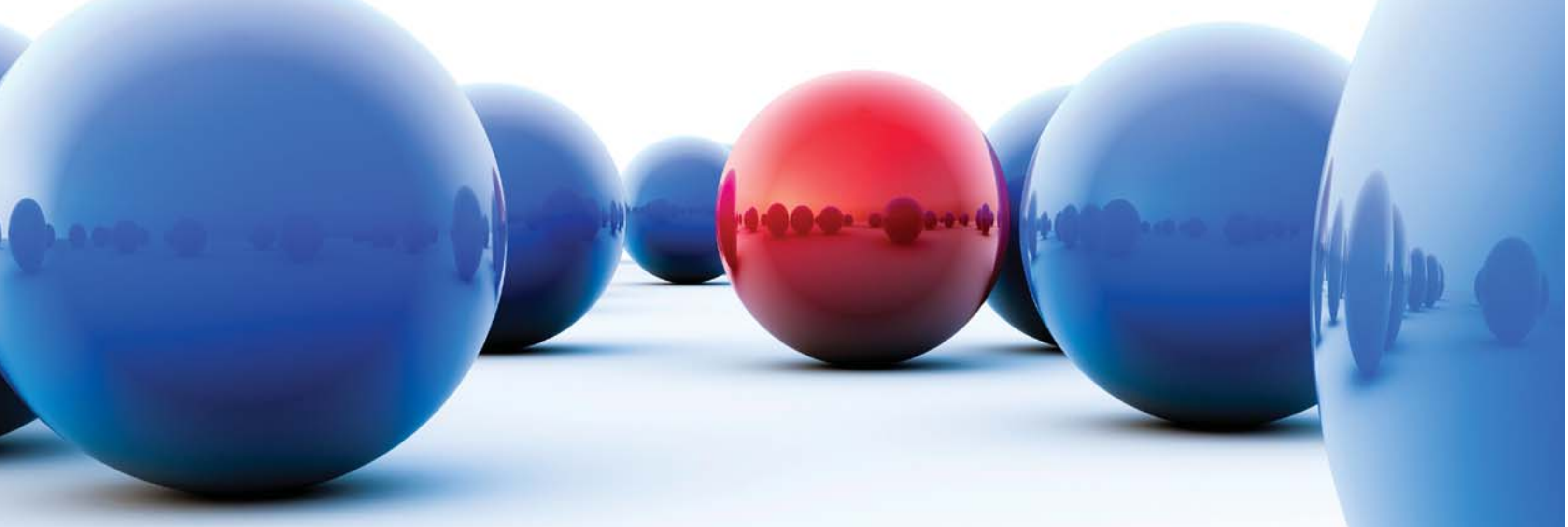

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The 17-Year Cycle - Part II *Can You See It Now?*

The Thing That Hath Already Happened…

By Eric S. Hadik

"...What has been will be again, what has been done will be done again; there is nothing new under the sun. Is there anything of which one can say, "Look! This is something new"? It was here already, long ago; it was here before our time."

Ecclesiastes 1: 9-10 (New Int'l Vers. ©1986)

Cycles come… and cycles go… and cycles come again.

What has been will be again. What has been done will be done again. There is nothing new under the sun.

Solomon observed it. W.D. Gann believed it. The markets prove it - time and time again.

The past few months have reinforced this principle, yet again. The important question is whether or not investors can see - and know how to respond to - the handwriting on the wall.

[[Before proceeding, I must apologize in advance. When writing an article of this type, I try to provide as much new material as possible. My goal is to provide an education, not an advertorial. However, given what has transpired over the past year, it is absolutely crucial for readers to know - and to understand - what was stated prior to 2008… in order to understand where things now stand - and where they are likely heading. In other words… Context.

As a result, there are collections of previous quotes in the following pages surrounded by new and updated analysis. My hope is that by walking you through this process as it unfolded - instead of just giving 20/20 hindsight - you will see how the current stock market debacle was anticipated in advance (based on a myriad of cycles and technical indicators) AND you will gain the knowledge and foundation to prepare for what is still yet to come.

And, it will also help the reader understand why the period from mid-November through December 8-10, 2008 AND the period from April through July 2009 could be VERY unstable… in many ways. 12 months ago, few readers wanted to believe a 50% drop in the DJIA could be seen in 1-3 years… even though the proverbial handwriting was on the wall. But, the times they are a changin'… and the last 52 weeks have shed a much brighter light on that 'handwriting'.

To alter a popular cell-phone, tag line: "Can you see it now?"]]

Back to the Past (360 Degrees)…

In October 2007, I wrote an article for Trader's World, entitled 'The 17-Year Cycle'. It was a compilation of several other reports and explained why October 2007 should be the end of the bull market in stocks and should usher in a 1-3 year period of very negative action with stock indices expected to drop 50% between October 2007 and late-2009/early-2010. (An accompanying ad highlighted the same analysis.)

It also included the following conclusions for the same 1-3 year period (late-2007 into late-2010), a couple of which I want to expound on in this article:

1 - Sept. 2007 - Sept. 2008 would provide the first signs of trouble as a major, global geopolitical shift takes place between 2007--2011.

2 - Middle East war/peace cycles would reach a crescendo.

3 - Earthquake/volcano cycles would dramatically increase seismic activity around the globe (mid-November 2008 has a unique pattern related to South American volcanoes, while mid-January & mid-July 2009 identify another distinct earth-instability cycle).

4 - The US would need another major financial bailout (like that of 17 Years ago) linked to the real estate markets.

5 - Another 'first' in American Presidential history would be witnessed.

6 - An economic downturn into - and trough during - 2010 would be experienced.

In corresponding articles - written in late-2007 - other conclusions were drawn as a result of this unique, ubiquitous and uncanny 17-Year Cycle (viewable at www.insiidetrack.com). A critical one - that should impact the globe for years to come - was the conclusion that Russia would begin to consolidate power in August 2008… exactly 17 Years from the breakup of the Soviet Union in August 1991.

So, when did the crisis between Russia & Georgia hit? August 2008… EXACTLY 17 Years later.

I believe this is just the very first step in a process to regroup power and reclaim status around the globe. Another critical date in Russian cycles (specific down to the day) is in the very near future. It is also the anniversary of over a dozen unification events around the globe… and should be watched very carefully. The handwriting is becoming clearer… "Can you see it now?"

Readers may not recognize it, but the Russian Bear has coincided with the Stock Market Bear on multiple occasions in the past. 2008 was another example. However, Russian, Iranian and nuclear cycles converge in 2009… so there could be much more to come.

All of these conclusions were related to the 17-Year Cycle. As explained back then, this 17-Year Cycle is a simple multiple (8xs) of one of the most consistent cycles in stock market action - the 2-year (2.15 years) cycle. It includes time frames of 2.15, 4.3, 8.6 (450 geometric weeks) & 17.2 years, as well as 34 years. Along with the synergy of other cycles and technical indicators, this 17-Year Cycle prompted the following analysis and trading strategies:

2007 Forecast for a 1-3 Year/35-50% Drop in Stock Indices

September 2007 - October 2008 Projected to be First Phase

04/30/2007 INSIIDE Track: "…2007 repeat the pattern with the start of a 2-year bear market in stocks…The indices are living on borrowed time and this is expected to be more apparent in late-2007... when an initial decline could be unfolding...."

05/30/2007 INSIIDE Track: "…the stock market be in for another sharp correction, as in 1973 & 1939 …The current culmination could stretch into 3Q 2007 - just as in 1939, 1956 & 1990 - but this would not alter the larger cycles…For over a decade, my primary focus has been on Sept. 2007 to usher in a unique period in history."

06/27/2007 INSIIDE Track: "Similar to 17 years ago (1990) and 17 years before that (1973) and 17 years before that (1956) and 17 years before that (1939), the DJIA could be heading for a 20 - 50% correction in the next 1-3 years…If history is any indicator, the Fall of 2007 could see the fall of stock prices... just as in 1939, 1956, 1973 & 1990."

07/31/2007 INSIIDE Track: "Stock indices are expected to enter a 1-2 year decline in 2007-2008… many other - even longer-term and potentially more powerful - cycles are only beginning to turn down now. This is why I believe that mid-to-late 2007 will usher in a 4-5 year period of very volatile, uncertain, and sometimes very negative action."

09/28/2007 INSIIDE Track: "Stock indices have been expected to experience a sharp decline in the second half of 2007, potentially paralleling the Fall - and fall - of 1990… Longer-term traders & investors (3-5 year or longer) should be down to about 25-45% invested in the equity markets (having exited 55 - 75% at an avg. of about 12,950/DJIA)."

10/31/2007 INSIIDE Track: "Stock indices are expected to begin a larger-scale correction in Nov… enter a 2-3 year bear market, resulting in a downward trend (and lower yearly closes) in 2008/2009."

12/03/2007 INSIIDE Track: "Stock indices have fulfilled multiple cycles - on multiple levels - in multiple (diverse) arenas, setting the stage for a more prolonged bear market…The DJIA & SPZ reversed their weekly trends to down, validating the October 11th peaks…the 8-10 year wave structure calls for a 31-33 month decline…

…Longer-term traders & investors (3-5 year or longer) should have exited another 5-10% of longs in early-November, reducing the current equity market investment down to about 15 - 40% (having exited 60 - 85% at an avg. of about 13,000/DJIA). Use a daily close below 12,724/DJIA to exit additional longs (5 - 10%)."

It is also a cycle tied to meteor storms, magnetic oscillation within the earth (and related to the sun), the well-known 17-year cicada, over 300 years of manias & crashes, commodity price extremes, movements in the Dollar and a host of other natural and/or human-influenced phenomenon.

Panics, Plummets & Poverty...

As explained in the October 2007 article, this 17-Year Cycle also has important multiples that help clarify what to expect. And, in most cases, they involve stock market crashes, banking failures and currency crises combined. It is this topic - and its application to current economic chaos - that is the primary focus for this article.

The 2xs multiple - the 34-Year Cycle - is one of the most prescient… and is the reason I kept repeating calls for a 50% drop in the DJIA in a 1-3 year period. Consider the following:

34 Years ago - in 1973--1974 - the DJIA plummeted almost 50% in less than 2 years.

34 Years before that - in 1939--1942 - the DJIA lost 35% in the 2nd of 2 MAJOR declines in a decade (similar to 2000--2002 and 2007--???). The first, obviously, was in 1929--1932… triggering the Great Depression.

34 Years before that - in 1906--1907 - the DJIA plummeted almost 50% in less than 2 years. As history would reveal, the stock exchange nearly collapsed and the city of New York nearly went bankrupt, as a result of this panic.

34 Years before that - in 1869--1873 - the US experienced the Black Friday of 1869 and the Panic of 1873, coinciding with the Coinage Act of 1873 (removing Silver from its status as a Dollar backer). This triggered a depression that lasted into 1879.

34 Years before that - in 1837--1842 - the US experienced the Panic of 1837 (again linked to gold/currency) and an ensuing 5-year depression.

Does anyone see a pattern?

…A 34-Year Pattern, to be exact…

…a depressing, 34-Year Pattern, to be even more precise…

…And what do we have EXACTLY 34 Years after 1973--1974?

1 - A stock market crash.

2 - Multiple banking failures (quickly taken over by other banks).

3 - And a currency crisis, as the Dollar dropped to new 40-

year lows in late-2007… and continued to drop into the first part of 2008. "Can you see it now?"

The nerve-wracking part of all this is that many of these crashes were accompanied - or immediately followed by - multi-year depressions.

While I am not an economist - and could not even give you every factor that technically comprises an official 'depression' - I am a student of history and of cycles. I am also NOT an alarmist. But, I am an 'aware-ist'. And, I am choosing to be keenly aware of this uncanny cycle and this repeated pattern. This is NOT an attempt to scare readers… but to prepare them.

Here is how I summed up this 34-Year Cycle in October 2007, also included in the preceding Trader's World article:

"A closer look at the accompanying table also highlights the 34-Year cycle. Similar to 12-hour cycles on a clock, every other 17-Year Cycle holds more similarities to its predecessor (just as every other 12-hour period is more similar in nature; 12 PM is more like 12 PM and 12 AM is more like 12 AM). This creates an overlapping 34-Year Cycle.

1956 & 1990 completed 3-year surges and led to 10-20% corrections.

In contrast, 1939 & 1973 resulted in 2-3 year bear markets with the DJIA losing 35-50% of its value coinciding with wars that had farther-reaching impact.

Unfortunately, 2007 is the next in this 34-Year Cycle of events - with more similarities to 1973 & 1939 than to 1990 & 1956."

It only took 1 year to fulfill expectations for a 35-50% drop in the stock market. This leaves open the distinct potential for another drop before this 1-3 year period is complete. However, short & intermediate cycles pinpoint the month of October - and in particular the dates of October 10/13, 2008 - for an initial low in the DJIA.

The only thing that is yet to materialize - from this 34-Year Cycle - is an accompanying war (assuming that Iraq does not fulfill this criterion). But, current events are setting the stage for some momentous events between November 2008 and late-2009. This includes the related cycle of the '3 Bears' that were discussed in late-2007 and January 2008. "Can you see it now?"

That '70's Show...Updated

Another facet of the 17-Year Cycle article - and another reinforcement of the 34-Year Cycle - was the comparisons drawn between 1966--1973/1974 & 2000--2007/2008. Here are the comparisons cited in 2007:

Jan/Feb 1966 saw a major stock market top followed by a nearly 40% drop in the DJIA.

Jan/Mar 2000 (34 years later) saw a major stock market top followed by a nearly 40% drop in the DJIA.

1967 saw an Israeli/Middle East War (Six Day War) at the same time America was entering a prolonged battle (Vietnam) that polarized the nation.

2000/2001 (34 years later) saw a renewed battle involving Israel (intifada) and America entering a prolonged battle (starting with 9/11) that has polarized the nation.

1970 - 1973 saw a 31-month culminating surge that brought the DJIA above its Jan. '66 high.

2004 - 2007 (34 years later) has seen a culminating 33-month surge (into July) that brought the DJIA above its Jan. 2000 high.

1973 - 7 years (1 'week' of time) from the 1966 stock market top - saw the DJIA trade above its 1966 high for a brief period of time and then enter a 2-year bear market and lose 50% of its value.

2007 - 7 years (1 'week' of time) from the 2000 stock market top (AND 34 years after 1973) - has seen the DJIA trade above its 2000 high. What will the next 2 years bring?

1973 witnessed the first oil shock in the US.

2007 (34 years later) is witnessing a new oil shock in the US.

And now, we can add one more parallel to this intriguing sequence:

2008 has seen the first year of a bear market with the stock indices already losing 45% of their value. It's like deja-vu, all over again. "Can you see it now?"

Back to the Present…

As already demonstrated - and as discussed in 2007 - the 17-Year Cycle (and its multiples of 34 & 68 years) is also prevalent in banking. The previous article called this segment 'Banker's Hours' and concluded the following:

"17 years ago, the US was experiencing the height of the S&L Crisis in 1989 - 1990. This crisis was triggered by a collapse in commercial real estate.

In 2007, the sub-prime mortgage debacle is reaching a crescendo and could require another massive bailout - of some sort - like that which was facilitated in the early-1990's. This time, the cause is linked to residential real estate ("a spiral, not a circle"; similar but not exact)

Back then, the public was paying for

this collapse until 1993. (This is also one reason - in addition to the collapse of the Soviet Union and resulting 'peace dividend' - why budget deficits dropped dramatically after 1993.)

Could we see similar rescue operations into 2010 (17 years later)?"

It also detailed related crises and bank bailouts in 1973 and 1956--1957. And, the elaboration on the 34-Year Cycle (in this article) incorporates several more crises, most of which involved banking failures and/or banking bailouts. So, is the current banking crisis/bailout a surprise? Is the handwriting clear enough yet? "Can you see it now?"

A Mania to End All Manias?

2007 may have seen the simultaneous crescendo of an unprecedented mania in equities, real estate and debt-based living (credit expansion). As explained a year ago, "the 17-Year Cycle has pinpointed several partial boom-to-bust cycles... leading into a cyclical crescendo in 2007/2008."

This was related - by precise 17-Year Cycles - to two of the most infamous manias and crashes in recorded history… the Tulip Bulb Mania and the South Sea Bubble.

2008 - 2009 is 17 times 17 (289) years - a type of higher-degree cycle - since The South Sea Bubble in 1719 (the accompanying chart did not make it into the previous article so I am including it now). The South Sea Bubble occurred exactly 85 years (17 x 5) after the beginning of the Tulip Bulb Mania in 1634.

As concluded a year ago, the overall Stock Market Mania began in 1922 (and was initially 'corrected' with the crash of 1929). 85 years later, or 5 cycles of 17 years - was 2007 and was projected to be the culmination of this massive equity mania… as a MAJOR economic shift begins to take hold. Paper assets are on their way out! "Can you see it now?"

Back to the Future...

Now that so much of this analysis has been powerfully validated, what does it mean for the coming months… and years?

For starters, the banking crisis is probably not over. There may be a 3-6 month respite, possibly even a 6-12 month one, but there is likely to be at least one more shoe to drop… if not many.

If so, it would probably reinforce the myriad of cycles (including the 17-Year Cycle) that link banking, the US Dollar & US government, gold & silver backing (and lack, thereof), etc. - converging in 2013 - 2014. The price action of the Dollar Index could corroborate this...

In June/July 2008, the Dollar was forecast to see a 3-6 month (or longer) reversal higher, a surge up to 90.00--92.50/DX (it was then trading around 71--72.00/DX) and an advance that should last into November 2008 (see http://www.insiidetrack.com/pdf/INSIIDETrackSR200817YearCycleDollarem.pdf for details). It has recently confirmed this expectation and could reach 87.99/DXZ in the month of October (this is an indicator called the monthly LHR).

If certain criteria are met in the second half of October and first half of November (including a possible pullback low during the week of November 10-14, 2008), this Dollar rebound could stretch into 2009. This would provide a very unique corroboration to Dolllar cycles in 2013--2014. This is VERY fluid analysis, so readers should contact us for updated analysis when this article is read.

Can You See it Now??

What is even more fascinating, however, are the parallels to 101--102 years ago (102 years is 6 multiples of the 17-Year Cycle). The Panic & Crash of 1906 ultimately led to a secret meeting of major financiers on Jekyll Island (off coast of Georgia) in 1910… and the resulting establishment of the Federal Reserve in 1913. This 7-year period - from 1906--1913 - marked a major transition in the economic control of the entire nation.

All my current cycles point to an economic trough in 2010, major geopolitical changes in 2011-2012 and a momentous transition in the Dollar (perhaps all fiat-based currencies) in 2013--2014. Paper could be gone by then. Could there be any similarities to what took place a century ago??? Could the control of our economy go through another major transition? "Can you see it now?"

I would be remiss if I did not repeat and emphatically stress that the important principle in all of this is synergy. This article - and its predecessor - only scratch the surface with regard to the cycle significance of the current time. There are a plethora of other cycles (360 & 720-year cycles, 11-year sunspot and related cycles, 30/60/90/180-year cycles, 28-Year War Cycles, etc.) that conclude the same thing. Otherwise, I would not even be discussing it.

2007/2008 ushered in a 7-year period that is expected to witness/experience changes that can barely be envisioned - except by a few - at this time. The next phase should begin in the second half of 2009.

2013--2014 should see the culmination of this mass grouping of cycles… and a shift into an even larger cycle. But, that is a discussion for another time.

Can You See it Now???

Is it just coincidence that the period from 1929--1942 - a 13-14 year time frame that encompassed two stock market declines of 35% or more - is the same amount of time as 2000--2013 (-2014), a 13-14 year period that has already included two stock market declines of 35% or more.

And what was it - in 1941 - that turned Americans' focus elsewhere and ultimately pulled the economy out of its malaise???

It is an overwhelming challenge to try and convey cycles of this nature without sounding unnecessarily sensational or alarmist. The average individual must resist the temptation to shoot to one extreme (bury one's head in the sand and pretend there is nothing to prepare for) or the other (bury one's head in the bomb shelter and pretend there is nothing to live for).

Challenging times call for neither response, either of which can be devastating. Instead, they call for a search for knowledge, understanding & wisdom - often gained by studying the past. This is what the study of cycles provides.

Patrick Henry may have said it best when he stated:

...Willing to Know the Whole Truth...

"But different men often see the same subject in different lights; and, therefore, I hope that it will not be thought disrespectful to those gentlemen, if, entertaining as I do opinions of a character very opposite to theirs, I shall speak forth my sentiments freely and without reserve.

This is no time for ceremony. The question before the House is one of awful moment to this country. For my own part I consider it as nothing less than a question of freedom or slavery; and in proportion to the magnitude of the subject ought to be the freedom of the debate. It is only in this way that we can hope to arrive at truth, and fulfill the great responsibility which we hold to God and our country. Should I keep back my opinions at such a time, through fear of giving offense, I should consider myself as guilty of treason towards my country, and of an act of disloyalty towards the majesty of heaven, which I revere above all earthly kings.

Mr. President, it is natural to man to indulge in the illusions of hope. We are apt to shut our eyes against a painful truth, and listen to the song of that siren, till she transforms us into beasts. Is this the part of wise men, engaged in a great and arduous struggle for liberty? Are we disposed to be of the number of those who, having eyes, see not, and having ears, hear not, the things which so nearly concern their temporal salvation?

For my part, whatever anguish of spirit it may cost, I am willing to know the whole truth -- to know the worst and to provide for it. I have but one lamp by which my feet are guided; and that is the lamp of experience. I know of no way of judging of the future but by the past."

Patrick Henry - March 23, 1775

There are likely to be multiple challenges… and multiple opportunities in the weeks & months ahead. Will you shut your eyes against a painful truth… having eyes but seeing not? Or, are you willing the see what's coming and prepare for it?

April - July 2009 ushers in the next decisive period with regard to multiple cycles - both market and geo-political related. This is expected to produce the next level of corroboration to cycles that are becoming more (painfully) obvious by the day…

Can you see it now? IT

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

What To Expect Following An October Reversal

By Robert Miner

October is far and away the most frequent month for major reversals (20% or more). Most Oct. major reversals are lows. Oct. is also the most frequent month for 10% and 15% reversals although it is not overwhelmingly the most frequent for these smaller trend changes as for the more major reversals. A 10%, 15% or 20% reversal means a trend change of at least 10%, 15% or 20% follows an Oct. low. Oct. reversals for the smaller degree trend changes tend to be more evenly distributed between lows and highs with a slight bias for lows.

Figure 1 is the anniversary date study from the Dynamic Trader software for 20% or greater reversals since 1950.

This does not imply that every Oct. results in an intermediate or major low. However, since Oct. is the most frequent month for an intermediate to major low, if a market is declining into Oct., traders should always be alert to other technical factors that might indicate a low is probable.

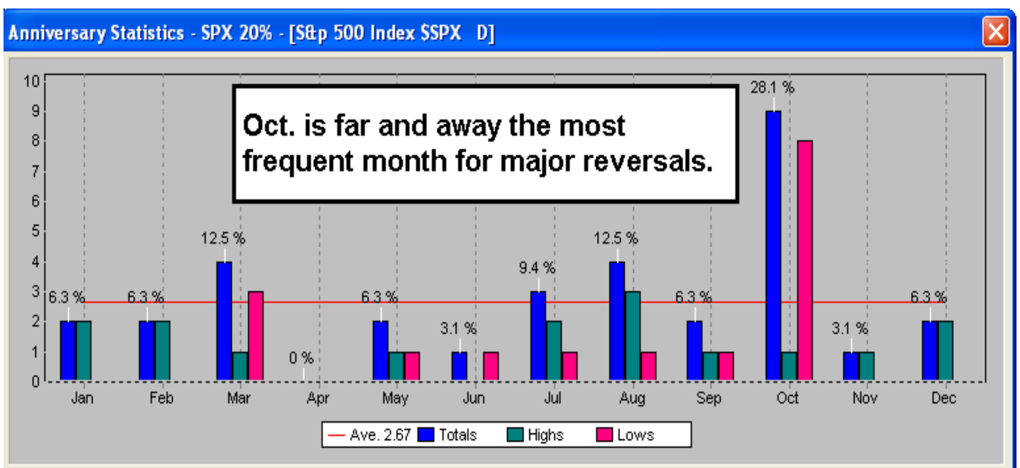
As of Oct. 22, 2008, the day this article is prepared, stock indexes have declined sharply to make a low on Oct. 10. It has been well publicized that Oct. 10-11, 2008 are anniversary dates of the 2007 high and 2002 low. Major lows were also made in 1966, 1990 and 1998 within two days of these other anniversary dates. It is too early to know how important the Oct. 10, 2008 low may or may not be. But, if the Oct. 10 low is taken out, at least an intermediate low is probable by the end of Oct.

So much for old news. Oct. reversals are no secret but we often need to be reminded of the over whelming statistical odds for a low in Oct. if a market is declining in Oct. What about the future? Let's assume at least an intermediate low will be complete in Oct. 2008. At this point in time, the S&P will need to advance above the Oct. 14 high to confirm the Oct. 10 low. We don't know if this will occur, but if it does we can use some statistical analysis from past Oct. lows to get an idea of the upside targets in the weeks ahead.

I'm going to focus on targets for corrective rallies in a bear market since the larger time frame studies all suggest the bear market off the Oct. 2007 high should not be complete prior to 2010. That implies any rallies should be corrections and any low made in Oct. 2008 should be temporary.

What should we expect following an Oct. low? I used Dynamic Trader's swing statistics study to identify the range of corrective rallies from lows made in Oct. for the past 40 years. In bear markets the maximum advance was about 25% and reached approximately the 50% retracement of the last decline and usually no more than the 61.8% retracement. If we apply the maximum probable advance in a bear market and 61.8% retracement from the Aug. high off the Oct. 10 low in the S&P, the maximum price target for a corrective rally would be in the 1048-1132 range. The S&P reached near the lower end of this range in just two days with the Oct. 14 intraday high!! If the S&P is in a larger degree bear market and Oct. 10 is only a temporary low, the upside should be relatively limited in price before the bear market continues to a new low. A corrective rally could take weeks or even months, but the price upside should be relatively limited. The upside targets will change should the Oct. 10 low be taken out.

All trading is about identifying conditions with a high probability outcome and then determining the probable outcome based on the available information. In the current case with the S&P (as of Oct. 22, 2008) we can say – If the S&P takes out the Oct. 14 high which will confirm the Oct. 10 low, the upside is probably limited to around



	Pivot Date	Price	H/L	PRange	Swing%	CDs	Bars	CD Roc	Bar Roc
11	Oct-04-74 (Fri)	60.96	Low	-60.78	-49.93%	631	437	-0.10	-0.14
23	Oct-08-98 (Thu)	923.32	Low	-267.01	-22.43%	80	57	-3.34	-4.68
7	Oct-10-66 (Mon)	72.28	Low	-22.44	-23.69%	243	168	-0.09	-0.13
31	Oct-10-02 (Thu)	768.63	Low	-196.37	-20.35%	49	34	-4.01	-5.78
33	Oct-10-08 (Fri)	839.80	Low	-736.29	-46.72%	365	249	-2.02	-2.96
21	Oct-11-90 (Thu)	294.51	Low	-75.27	-20.36%	87	62	-0.87	-1.21
32	Oct-11-07 (Thu)	1576.09	High	807.46	105.05%	1827	1259	0.44	0.64
19	Oct-20-87 (Tue)	216.46	Low	-121.43	-35.94%	56	39	-2.17	-3.11
3	Oct-22-57 (Tue)	38.55	Low	-11.39	-22.81%	446	307	-0.03	-0.04

Month Day of Week Closing Bars Print Graph Print Table Save as File Help Close

1132 before the bear market continues to a new low. Plus, a corrective high is not likely to be complete prior to late Dec. based on the typical time range of bear market corrective rallies that begin in Oct.

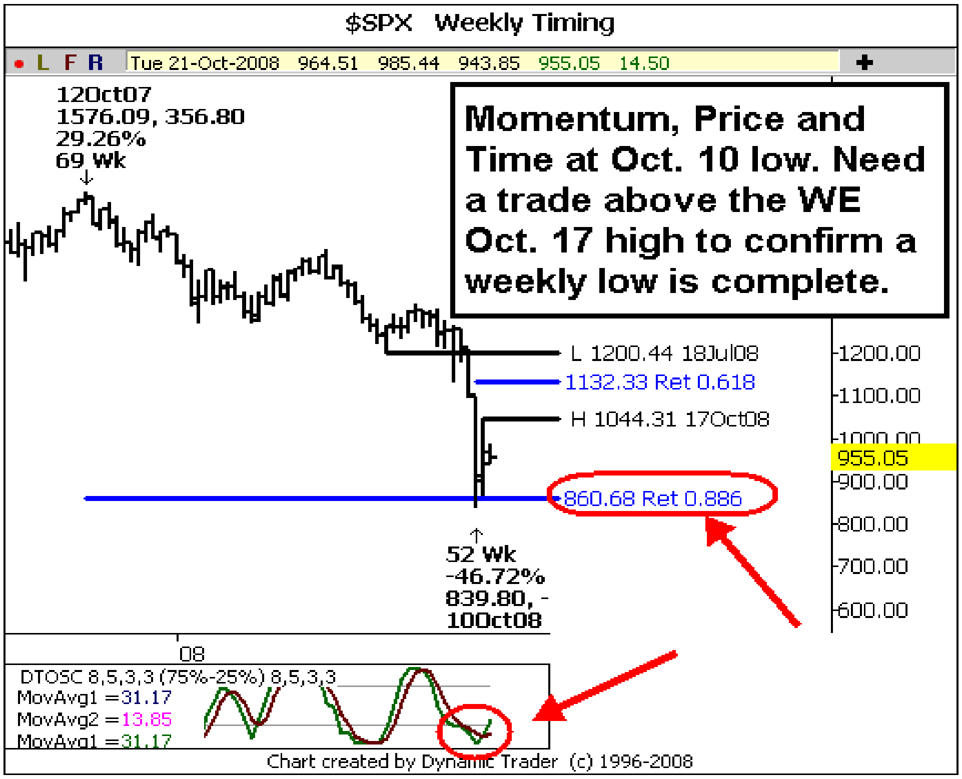


Figure 2 is a weekly chart of the S&P from the Oct. 2007 high to the Oct. 2008 low with data through Oct. 21, 2008. On Oct. 10, the S&P tagged the 88.6% retracement, an important retracement support area with weekly momentum OS. Other timing factors were in place for a probable low besides the Oct. anniversary dates. With the DTosc weekly momentum bullish reversal the following week, a low lasting at least several weeks is probable. However, the S&P must advance above the week ending Oct. 17 high to confirm the Oct. 10 low. Should that take place, we know what to anticipate in time and price for a corrective rally in the weeks ahead and can prepare for the next probable decline to a new low.

Robert Miner is the author of the recently published High Probability Trading Strategies (Wiley Press) available from www.highprobabilitytradingstrategies.com Trading tutorials and current trade examples from day to position trades are regularly posted on the book web site.

The Delusional Trader

By Adrienne Toghraie

Psychologists would tell you that being in a delusional state means that you are psychotic – obviously not a good thing, especially when you need to know what is really going on in the world. But, strangely enough, sometimes it can work for a trader.

Jack is a trader who is a genius at deluding himself. He thinks that he cannot fail, when it is clear that he does so over and over again. He thinks that there is no challenge he cannot overcome, when there are obstacles in front of him that no mortal can clear. Nevertheless, Jack has already done the impossible many times over in his life and he is an inspiration to everyone he meets.

Jack was born with a terrible, painful, disabling, genetic disease that has brought him to the hospital so many times that he has lost count. But, he has never been afraid, despite the fact that, until recently, the life expectancy for others with his disease was in the early twenties. In fact, he says that he is grateful for the disease because it has taught him so much about himself and forced him to be completely self-reliant. More delusion – how could he possibly benefit from so great a handicap?

And here's another delusion: Jack never sees himself as different from others. He says that he leads a normal life. He decided that the things he wanted to do as a child were the result of a "pure mind" and so he set about to do them. In the face of chronic illness that would put any of us into a constant state of depression, Jack put himself through college and then through graduate school. But, because he has convinced himself that he leads a normal life and that he is no different from everyone else, he is never depressed, although fully 75% of the people with his disability suffer from severe depression.

What is the result of all this positive delusion for Jack? His life works; in point of fact, it works very well.He is successful in his trading and in his personal life. He has countless friends who care about him and take care of him when he needs it. No, he cannot trade everyday, because he is often sick and in and out of the hospital. But, he trades very well on the days that he does trade. His sleep schedule has been thrown into chaos so that he now goes to sleep around 5:00am and sleeps until 11 or 12:00 noon. His solution is to trade in markets that are active when he is.

Jack's delusion has paid off very well for him. It has allowed him to face bitter realities with a Teflon coating that has protected him from cynicism and giving up in the face of difficulty. It has allowed him to believe in himself when logic would have him running for cover. And it has inspired him to solve problems creatively and to be grateful for all his successes, regardless of how small they may be.

The realist trader

On the other hand, recently I met with an ex-trader named Nick who is at the opposite end of the delusional scale. Nick is a pure realist. He sees things very clearly and prides himself on his ability to scope out the truth, as hard and unpleasant as it may be. This quality should be a very beneficial one for a successful trader. The problem is that Nick has taken it to its logical conclusion. He is able to see the problems in every situation. The result is that he has been virtually paralyzed by his vision of a world filled with obstacles, problems, impending catastrophes, etc. All of this awareness makes it impossible for him to take risks of any kind. This means that he lives in an antiseptic world that is risk-free and static. He has no wife, no children, and few friends and associates. He works from home so he rarely sees other people and he limits his interactions as much as possible. Trading did not work for him because he could see all of the reasons not to make it work. The markets were unpredictable, the institutions had a corner on the buy and sell transactions, and the future of commodities was filled with potential market collapses. A realistic failure of a trader!

Making delusion work for you

The study of history shows that great men and women were hailed as great achievers because they decided not to be realists. As the Great Deluded, they attempted the impossible: With rag-tag armies of farmers and civilians, they created a democracy by freeing themselves from the most powerful military machine of their time; they built bridges and tunnels and canals and skyscrapers and pyramids that defied all the engineering logic of their time; they sailed tiny wooden ships to the end of the world and did not fall off; they walked on the moon.

At a certain point in every trader's career, he must decide to be either a realist or a "delusionist." When the odds are clearly stacked against him, when the markets are in turmoil, when the industry is undergoing dramatic changes, he has to decide whether to fold his hand or stay in the game. This is when delusion can work for you – when you can see a way out (when realistically speaking, there is none) or believe that you are Teflon-coated and can endure whatever comes your way. This form of delusion is very important. It is what protected those who survived the Nazi concentration camps and continues to protect survivors of all the natural and man-made disasters. Like Jack, it provides you with the emotional buoyancy to find that creative solution to an impossible problem. And if your critics say you are delusional, who cares? You get to laugh all the way to the bank.

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The Discovery of New Planets Helped Magi Astrology To Successfully Predict the Crash of 2008

By The Magi Society

Note from the Author: We, the Magi Society, wrote this article and we are the world's largest organization of scientific astrologers. We successfully predicted the crash of October 2008 and profited from it. We have a brokerage account that proves this.

Although we are astrologers, we were skeptical of mainstream astrology because it is full of superstitions. So we developed our own scientific form of astrology called Magi Astrology (pronounced may-jigh).

We believe Magi Astrology really works and wanted to prove we could make money by trading stocks using Magi Astrology. So we set up an online brokerage account on E*TRADE. So far this year, we made a profit of more than 120% - we started with $25,000.00 and the account is now worth over $56,000.00.

We did not make this money on just a few lucky trades. We wanted to prove Magi Astrology helps us to be good traders so we made lots of trades. As of October 31, we made well over 400 trades in 2008, and paid more than $3000.00 in commissions to E*Trade. We turned over our portfolio an average of once a week so we really trade a lot.]

New Planets Help Magi Astrology to More Accurately Predict Stock and Commodity Prices

In Magi Astrology, we believe that the alignments of planets are signs of the most significant events that will happen on Earth, including the biggest moves in the stock and commodities markets.

Some types of planetary alignments indicate that stock prices will go up, whereas some other types of alignments of planets are reliable signs that stock prices will go down.

This has been our theory and we tested our theory scientifically. To do so, we had to develop special computer software because the necessary software did not already exist.

It took three years but the Magi Society successfully designed, programmed and perfected computer software that would allow us to put our theories to the test. We call the program MagiOracle.

By using MagiOracle, we were able to conclude extensive research into whether or not there is a real relationship between planetary alignments and stock prices. We tested the data going all the way back to 1915, and the Magi Society succeeded in finding several statistically significant correlations between stock prices and planetary alignments. (For those of you who are statistical junkies, we can inform you that we found numerous correlations with standard deviations greater than 2.)

But we were able to accomplish this only when we included a newly discovered planet, Sedna, and also Ceres, which was thought to be an asteroid but astronomers now classify Ceres as a dwarf planet.

If we had not included Sedna and Ceres, we would not have found significant correlations between stock market performance and the alignment of planets. Sedna and Ceres are crucial to Financial Astrology and they have been crucial missing pieces of the Financial Astrology puzzle.

For Traders World readers, we have prepared the special lesson below about how we used one of the principles of Magi Astrology to successfully predict the 2008 crash.

We hope this lesson opens up a new world to you from which you will reap great benefits. We also hope you will gain a feeling for the methodology of Magi Astrology and realize its scientific nature.

What we write below is an introduction to only one of the many principles of Magi Astrology that helps predict falling stock prices. There are many other precepts of Magi Astrology, such as those that predict bull markets and one that predicts volatility. Please visit our websites at:

www.StockMarketCompass.com
www.MagiAstrology.com

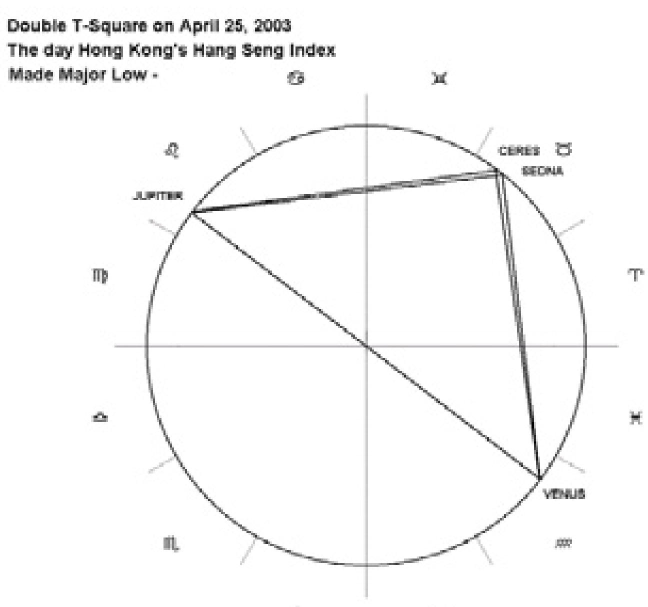


Chart #1

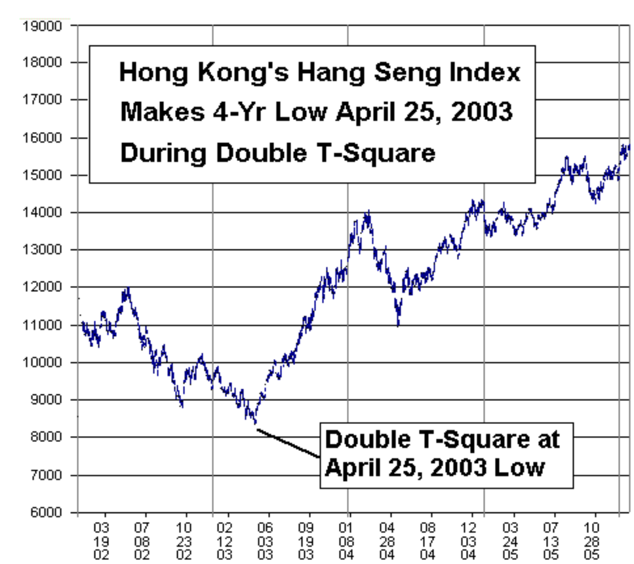


Chart #2

where you can read many more lessons about predicting stock and commodity prices using Magi Astrology, and download our two free mini-books.

Magi Astrology Lesson:
How To Predict Bear Markets

T-Squares Are Bearish Planetary Alignments
We can predict when stock prices will fall by analyzing the alignments of the planets.

Below is Magi Astrology Bear Market Principle One:
When the planets are aligned in such a way that they are going to form a T-Square, there will be selling pressure on stock prices. The more T-Squares there are, the more stock prices will fall. The selling pressure will most often peak on the day the T-Square is most exact, or one day before.

This principle of Magi Astrology works for the stock markets of every country. (Most stock markets make lows within a day of each other but on our websites, we explain why the stock markets of different countries can and do make bottoms on different days.)

To illustrate the above Bear Market Principle, we will use as examples the April 25, 2003 low in the Hong Kong stock market, and also four big plunges in US stocks in 2007 and 2008, including the BIG one – the October 2008 crash.

Two T-Squares Pinpointed the 2003 Low in the Hang Seng Index
April 25, 2003 was a very important day for Hong Kong's Hang Seng Index. It made a four-year low that day, and then began a four-year bull market that saw stock prices rise over 300%. On that day, the alignments of four planets made two T-Squares that looked like this in the sky: (See Chart #1)

By drawing connecting lines between the positions of four planets, we get two triangles, both of which are isosceles triangles with a right angle as the base angle. (An isosceles triangle is a triangle where two of the sides are the same length.)

Each of these triangles is called a T-Square in astrology. (As you can see, a T-Square is not a square but a triangle. We are not sure why, but for some reason, hundreds of years ago, astrologers named this special type of triangle a T-Square.)

For a long time, Magi Astrologers, and other financial astrologers, have observed that when planets are aligned so they are forming a T-Square, stock prices tend to go down. If the planets form two T-Squares as was the case on April 25, 2003, then stock prices go down further than if there were only one T-Square.

To help you to get an idea of how the Hang Seng Index performed both before and after the planets formed the two T-Squares. See Chart #2 that index. (We drew a line pointing to April 25, 2003.)

As you can see from the chart, the Double T-Square formed on April 25, 2003 pretty much pinpointed the exact low the Hang Seng made before a huge bull market began.

T-Squares Successfully Predicted Four of the Last Five Worst Stock Plunges

Pretty much all over the world, there was a roaring bull market from the spring of 2003 through the end of 2006, with most stock markets worldwide rising at least 100% during that time.

Then in 2007, most stock markets around the world made a top as these stock markets transitioned into bear markets.

From the beginning of 2007 until now, the US equity markets suffered through five distinct stock price plunges, each one worse than the one before, and culminating in the October 10, 2008 momentum low.

There were T-Squares on the worst days of four of these five stock plunges.

(What happened in the other one? We do not know. The Magi Society does not yet know everything about forecasting stock markets but we are continually conducting research to learn more.)

Below is a chart of the Dow Jones Industrial Average from the beginning of 2007 until the end of October 2008, with thick lines pointing to each of the four worst sell-offs pinpointed by the planets because they aligned to form T-Squares. (See Chart #3).

Of course the worst plunge in stock prices occurred from October 1 to October 10 in 2008, when the DJIA went into a virtual freefall of 3000 points before making some kind of bottom on October 10. There were actually four T-Squares during those days! This illustration shows them to you. (See Chart #4.)

When you look at the chart carefully, you will be able to see that there were FOUR T-Squares that overlapped each other. The four T-Squares were formed by:

1. Sedna, Neptune and Venus
2. Neptune, Venus and Ceres
3. Venus, Ceres and Sedna
4. Ceres, Sedna and Neptune

Astrologers have given a special name to the very rare alignment of four planets like the one above. It is called a Grand Cross.

A Grand Cross is comprised of four T-Squares and is essentially an astrological sign that stocks will fall four times as much as they would when there is only one T-Square. The more T-Squares there are, the more stock prices fall.

Exact T-Squares Are Much More Powerful than Approximate T-Squares

There are different "levels" of T-Squares and how powerful a T-Square is depends on how "exact" it is.

Only a very small percentage of T-Squares are "exact" and the rest are "approximate."

An exact T-Square is one where the three angles of the triangle are exactly 45, 90, and 45 degrees, like the sample in Chart #5.

But you can have an approximate T-Square where the angles are, for example, 43, 92, and 45 degrees and it looks very close to an exact T-Square. In Magi Astrology, we refer to inexact T-Squares as an "Approximate T-Square."

Both logic and our gut intuition would tell us that the more exact a T-Square is, the more powerful it is. This is precisely the case.

The Magi Society's research discovered that the more exact a T-Square is, the more powerful it is.

Perfect T-Squares that are absolutely exact are unbelievably rare – they almost never occur. So we conducted another research project.

We found that if a T-Square misses being exact by a total of only 1.2 degrees, then the power of the T-Square is still strong enough that for all practical purposes, we can consider them to be Exact T-Squares. For this reason, in Magi Astrology, if a T-Square is within 1.2 degrees of being a perfect T-Square, we call it a "High Level T-Square."

The Magi Society has a term to reference the number of degrees a T-Square is off from being exact; we call it the

Chart #3

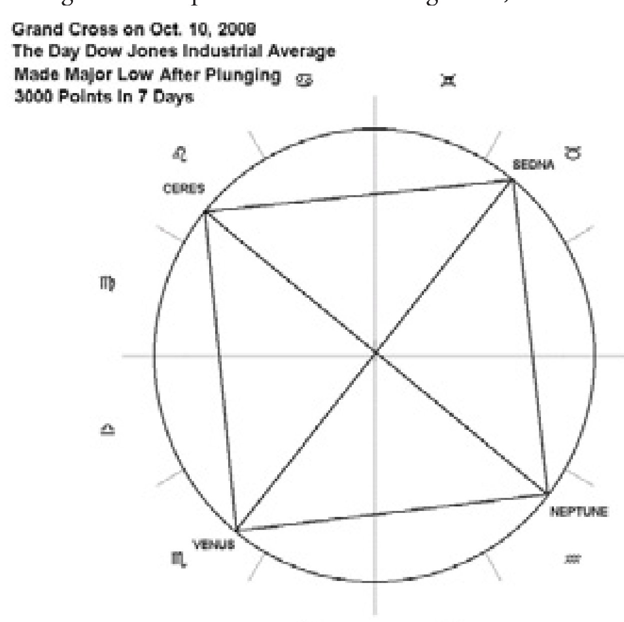


Chart #4

"delta-from-exact." If a T-Square's delta-from-exact is less than 1.2 degrees, it is a High Level T-Square. If a T-Square has a delta-from-exact between 1.2 and 2.4 degrees, we call it a Medium Level T-Square. And a T-Square with a delta-from-exact of 2.4 to 3.6 degrees is a Low Level T-Square.

But if the T-Square is greater than 3.6 degrees from perfection, its power is reduced so dramatically that we call it an "Incomplete T-Square."

Most T-Squares are incomplete, and only a very small percentage of T-Squares are High Level T-Squares.

In the Grand Cross of October 2008, all four T-Squares were High Level T-Squares. That is why the October 2008 Grand Cross was a once in a century occurrence, and it is also the reason for the stock market crash of October 2008.

Our Websites Teach Other Principles of Magi Astrology

We hope you enjoyed reading this article and learned some things that will help you in the future. Although we only had space here to explain how to predict sharp drops in stock prices, Magi Astrology also has techniques for predicting a big rally, plus resistance and support levels, and even volatility.

Our websites have many articles that teach and illustrate how to forecast all aspects of the stock and commodities markets. We hope you visit us at StockMarketCompas.com and MagiAstrology.com soon.

When extreme events occur in stock and commodity markets, they are always accompanied by extreme alignments of the planets. In the past, astrologers were not able to see all these alignments. But now we can because of the discovery of new planets, and advanced computer software like our very own program, MagiOracle, which we do sell.

Thank you for taking the time to read this essay. The Magi Society wishes you great success in trading. May you fulfill your most fervent dreams in the upcoming year.

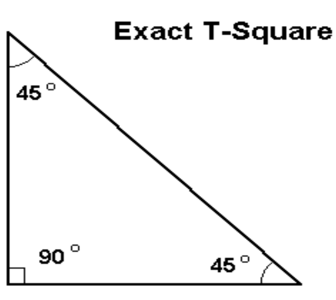


Chart #5

Interview with Options Expert Dale Wheatley

www.theoptionshunter.com

TW: What is you background?

Dale: I was a Telephone Contractor for many years, but needed an investment vehicle that could travel with me, one that was not too complex. I studied all about different investments such as real estate, buying discount mortgages, tax certificates, etc as well as the stock market, but none of those things seemed simple enough for me to control myself without a great investment of time and money. I simply did not have much time to devote to those things since I worked 100 hour weeks and moved around the country doing storm reconstruction for telephone companies, etc. I accidently happened across options in the mid 1980's and I immediately saw the advantage of the limited risk-vs-potential returns.

TW: How did you get started in trading options?

Dale: I began trading options in the mid 1980's. I read every book I could find about options and derivatives, as well as John Murphy's books on Inter-Market analysis. Later, I discovered Fundamental Analysis and Investor's Daily and thought there was SOMETHING to their type of approach by ranking stocks by relative strength, etc. However, even with these insightful approaches, something KEY was missing! HOW DO I KNOW WHEN TO BUY OPTIONS? I continued my searching until I discovered TECHNICAL ANALYSIS, using charts and patterns to know WHEN to buy. It took several years of losing many $$ to finally discover an underlying pattern and single indicator, the MACD, that would CONSISTENTLY and ACCURATELY forecast the underlying equity direction change or REVERSAL. I tested the discovery against all of my prior trades, losers and winners, and, to my amazement, I had found the KEY to at least ONE pattern that I could search for and could be relatively sure of success. After many more years and sharing my discovery with other traders, I learned by answering questions others had asked me that I did not have good answers for, initially, but soon found credible answers. Those answers and more questions led to my TIME FRAME ANALYSIS in addition to just an MACD divergence.

TW: Why do you use options?

Dale: I ONLY Buy OTM(out of money) options and usually the near term month, even if expiration day may only be a day or 2 away as my CLEAR pattern reveals itself! Knowing the 2 types of patterns that ALWAYS produce results, I am confident that my % returns will FAR exceed ANY other investment vehicle with limited risk(not obligated to buy or sell anything). As I have shown many people over the years, there is ZERO relationship between your % returns and the RISK. RISK is related to your own knowledge or lack of and discipline, not the vehicle of investment choice. We have just witnessed this in the mortgage markets and money markets. % returns below 10% APR(in one YEAR) and UNLIMITED RISK! Thanks, but NO THANKS! I prefer the 100-10,000% returns in ONE DAY with LIMITED RISK? How about you?

TW: How do you use options?

Dale: Very Carefully! I ONLY LOOK FOR EXACT PATTERNS that always work and I ONLY buy OTM options, caals if I see and UPSIDE pattern, Puts for DOWNSIDE! I am not at risk in the markets. I choose the time, place and options based solely on chart patterns. NO NEWSPAPERS, TV SHOWS, ANALYST, etc! JUST CHARTS! They have proven themselves worthy over many YEARS!

TW: Any disadvantages of using options?

Dale: I don't know of any disadvantages, but many people come with baggage and refuse to turn off the news or shred the paper and lack BELIEF in chart patterns, so they are frozen into inaction and lose $$. It has NOTHING to do with the charts, but EVERYTHING to do with their own knowledge and BELIEF. Doubt and fear cannot live in the environment of BELIEF, so these traders have INTERNAL issues to work on as well as the CORRECT knowledge, knowledge that produces RESULTS!

Conintued on page 67

Geometric Angles and Planetary Lines

By David Burton

W.D.Gann discovered the geometric angles (called Gann angles) and planetary lines. Both these are a function of TIME & PRICE; therefore you have to have the correct time (a Swiss ephemeris or Raphael's) and accurate data (I use csi data, the most accurate in the world). If you don't have these to things correct then you are going to get false buy and sell signals before you start.

Geometric Angles

The geometric angles are a moving average of time and price and are run from highs, lows and zero lines or other planetary point which I will explain later.

You will find that there's not one piece of software out there that does all the Gann correctly.Theres no software that goes back before 1900s where you can run angles or planetary lines. In fact you will find that when data is missing like the exchanges closed in world war one, two and September 11th the bars are joined together eliminating the TIME factor. What W.D.Gann did was leave space when data was missing so the angles were correctly in draw. Soybeans never traded between 1942 and 1947 and Gann left a 5 year gap in his chart.

The angles are:-

1x1,2x1,3x1,4x1,6x1,8x1,16x1. The 1x1 is one unit of time to one unit of price; the 2x1 is two units of time to one of price etc.These are all the angles below the 45 degrees (Gann's death angle).

Then we have the angles above the 1x1 which are, 1x2, 1x3, 1x4, 1x6, 1x8, and 1x16.

Then these four other angles which people never use 2x3, 3x2, 3x4 and 4x3.

You will notice on your software you will not have these angles, also stupid things like Gann fans which float around on the chart. This isn't Gann material as a floating angle is a trend line (don't know who invented that name but doesn't know anything about Gann).

These angles are fixed TIME & PRICE so the only thing that changes is the scale depending on your time frame of daily, weekly, monthly etc.

An example of why software can't do Gann correctly. Below is a chart of US 10 year notes monthly chart. The low from June 1982 is 60.43 on the December contract, therefore the 1x1 should cross in June 2008 at 154.03 (312 months x .30= 93.60 added to the low of 60.43 = 154.03) but on the software is shows the angle at 142.32, that is a huge error, in fact the software show for a number of years of only 6 months of time for the year. It's not the csi data it's the TIME FACTOR. (Gann said you need to know the "Master Time Factor") See Chart #1.

As mention the geometric angles are based on TIME & PRICE, but there no true 1x1 angle as the scale has to be changed. Now most of you would know that that there are 365.25 days to a year which equals 360 degree movement of the earth around the sun. Therefore on a daily chart a true 360 degrees equals 360 cents.

This is Gann's 360 degree chart that is used for daily movements which I discuss in previous articles. If you were to take May soybeans and run an angle from the top on March 3rd 2008 of 1586.5, when you get to March 3rd 2009 the 1x1 would cross at 1226.5, but it doesn't show this on software because there is approx 255 trading days to a year, therefore we have this most important angle is falling at rate of 1.41176 (360/255) instead of 1 time to 1 price. So you get a sell signal when it comes under neath it based on trading days which is miles to early when based on calendar days. Because you are 110 days to early (365.25 – 255=110).

This means you lose 440 days after 4 years on a daily chart.

This become much worst when there 5 years of data or trading missing as it was between 1942 and 1947. If you were running a software program from 1936 when soybeans started traded then you would have buy and sell signals in 2008 which should be for 2013.

Doesnt that scare you? It does me!! But good luck with software. This is why I teach only hand charting in my annual four day "Mastering Markets" workshop.

Planetary lines

W.D.Gann used the planetary lines as the 1x1 geometric angle, but with different planets depending on a number of things, like the birth chart of the commodity, what rules the commodity and what time cycle the commodity is moving in. It is important that you have accurate planetary movements so can use a software program like solifire or Raphael's ephemeris (the one Gann used) to draw planetary lines. If we take the all time low of 67 in July 1939 we can run planetary lines to present. Now 67 is 7 degrees Gemini, but Gann also multiplied these numbers by 8 which I call ganns secret soybean scale (article enclosed).

Continued on page 65

The Three Types of Traders Why They Win & Why They Lose

By Brad Stewart

Over the many years that we have been closely involved in the field of collecting and publishing rare financial market material, I have had the opportunity to meet 1000's of analysts and traders, and have found that those individuals who have immersed themselves into this tradition of technical analysis, and particularly Gann research, generally fall into 3 categories. First, there are those who have invested a considerable amount of time and money into their research, but who have never taken the step of actually applying it to trading, remaining primarily theoretical researchers and aspiring traders. Second are those who have invested the same cost and energy into the work, and who have also spent years attempting to become successful traders, but without ever finding the necessary Key to produce the trading results they desire. Third are the successful professional traders who have developed working applications which provide them with moderate to extreme success in the markets, enough to make trading their only or primary profession and source of income. This third category is what every aspiring trader dreams of becoming. And yet, it seems to be amongst one of the rarest of accomplishments.

In our ongoing search for new and useful material, one of the key elements we most painstakingly seek are methods and insights which will help turn these first two categories of aspiring analysts into the third category of successful traders. However, as most of you reading this well know, this is the most difficult category of teaching material to find. The reason for this is twofold. First, is that those professional traders who understand the true methods of successful trading are reticent in giving up their hard-won secrets that are the source of their income and sustenance, in part because they are afraid that public knowledge of such principles will lessen the effectiveness of the techniques in their own trading, and partly because many of them feel that success in trading is something only earned by an individual's own effort and intelligence. When such traders do write books, such as in the work of W. D. Gann, Baumring or Andrews, they present their ideas in such a way as to make it exceeding difficult to penetrate into the true methodologies they are actually using to successfully make money in the markets. It is evident in reading such works that there are profound insights contained therein, and with much hard labor, some analysts are able to penetrate the veils and connect the missing links to understand the hidden applications, these generally being the third category mentioned above. The others scratch their heads and continue their search for the missing Key that will provide them with the success they have so long sought.

The second reason that it is difficult to discover working trading applications, is often dismissed as being the result of there being only a particular type of person, with the proper intellectual faculties, emotional balance, and an engineering type of mind, that is necessary for trading the markets, and that this type of person is quite rare and special. Some have come to the conclusion that there are theorists and there are traders, and never the twain shall meet. If you don't already have "it," you won't get "it," and will forever pursue a circular quest for something unattainable. While it is certainly true that some people simply do not have the emotional stamina for the art of trading, which requires the strength to be able to make hard decisions and initiate upon them at the opportune time, and then to ride the emotional roller coaster of watching the market move with, or worse, against you, we feel that the actual truth stems from the simple fact that 95% of those who attempt to trade the markets are lacking the fundamental principles, insights, strategy, and knowledge required to be a successful trader. This is probably why one often hears statistics that 95% of the people who invest in the commodities markets lose everything they invest. But it's the other 5% who make all those gains, which is what everyone is looking to do…

Once one understands, however, that it is not some magic wand that will make one a successful trader, but a collection of knowledge and applied tools which have actually been time tested and proven to work in the markets that is the missing link, one is able to set out on the quest to discover those needed tools. Most aspiring traders fall short at this point, because they lack the dedication and determination to spend the time and money it takes to discover these tools. In having known 1000's of traders, one absolute fact that is consistent amongst all of those who are truly successful, is that they have generally spent 10's of thousands of dollars, if not 100's of thousands on their education and research. Most have extensive libraries, and have attended dozens of seminars and trading courses, and most agree that very few of them were worth the money, and yet they continue to search until they find something that works. W. D. Gann spent 10 years doing research before becoming the trader we know him as, and used to work 12-14 hour days on his research, leaving 1000's of hand-drawn charts. While one of the most common facts about unsuccessful traders is that they are continuously hesitant to invest enough time and money to acquire a real education in the market. Gann said that in order to make "Speculation a Profitable Profession" (the title of one of his courses) one must become a true professional about it, and acquire a professional level education. Dr. Jerome Baumring used to say that you don't become a brain surgeon in a day, but only through long, hard study, 10 years of study, yet millions of people think that for some strange reason they can become a trader overnight, and that it is easy. Would you want a brain surgeon that has only studied for a few months, but thinks he's brilliant, cutting into your skull? I think not! And yet people will spend a few hundred dollars and a few months and expect to be able to do what most of the financial industry is clearly incapable of doing, making strong consistent returns in any market. If you wouldn't have this type operate on your brain, would you want someone with this experience to trade your retirement account? I would hope not, and yet most do... It is truly a comment on our society that there is hardly any education given in our schools on money management, investment, and risk management, in all the years from high school through college, when it is a skill that every person in the modern world depends upon. With such education, the US would not be in the economic crisis that it currently finds itself in.

What's particularly amazing is that most people will spend $100,000 to $200,000 on a college education, the tuition at most private schools these days being $40k a year!, yet they balk at spending $5-10,000 obtaining an education in the markets. In any other field, $10,000 would purchase an introductory course, but in market studies, people think that is expensive. It seems there is some real disconnect in people who think this. They seem not to realize that there is very little taught at a university that is not available for FREE in any public library or on the Internet. And yet, they spend this money without any thought of whether they are receiving an education that will provide sustenance for them and their families for the rest of their lives. Certainly, there are some professions which require specific academic standards, credentials, and specialized training in order to work in those fields, but the majority of students at college are not developing such specialized training. And again, what we are discussing here is trading, and anyone who has looked at any academic curricula, or been to college, can tell you that there is absolutely NO education available at universities that teaches anyone how to trade!

Yet, in the modern world, every individual who has any savings or a 401K will find themselves confronted with the necessity to make financial decisions for which they are totally unqualified and unprepared. People can obtain an MBA and get a job on Wall Street, but the disastrous state of our current economy, the jeopardy of the financial and banking system, and the recent collapse of companies like Bear Stearns, Leman Brothers, Merrill Lynch and AIG, should be enough to demonstrate that even the best of these sophisticated educations provide those who call themselves the "experts" with very little true knowledge about the markets, and even less real insight into the present situation, let alone the future. Even television commentators sit there telling us that it is a "fluid" situation and they don't know what will happen next. We have now come to a time, when even the common man now knows that the investment advice that he has received from the "professionals" is not reliable, and that to survive, he must either find someone who is reliable, or learn to depend upon himself for his financial decisions.

These professionals and institutions, and even such revered figures as Alan Greenspan, all profess surprise over the current market and economic collapse, while most of our clients have been expecting this for some time, and were well prepared to take advantage of it. The current crisis state of the economy is unlikely to resolve itself for many years to come, with some of our projections, like Dan Ferrera's cycle models presented in his book, Wheels Within Wheels, even projecting this bear market to last as long as 14 years, into the 2020's, leaving long term buy and hold investors with very little opportunity to regain their recent losses, let alone to successfully invest for the future.

However, the incredible volatility of the markets at this time, with regular 500+ point daily swings, provide those with the ability to call turning points, and the knowledge of how to trade such swings, with incredible opportunities to make exponential profits, unlike any other time in the history of the financial markets. This is truly a trader's market, and will be for many years to come, and without these kinds of skills, the average investor will be hard pressed to make even minimal profits in their portfolio.

So, in the face of such considerations, where is the aspiring investor or trader to turn to receive an adequate education in the markets, whether it be simply to manage his 401K or retirement portfolio, or whether it be to become a successful stock or commodity trader? We have wrestled with answering this

A Look at the Masters Trading Course Level 1

Leonardo Pisano Fibonacci
The Encrypted Key to the Markets

By Greg Shrader

The Best Trading Course We Have Ever Seen!

We are extremely happy to announce the release of the **best Trading Course we have ever come across in our 25 years of experience.** This Course presents, hands down, some of the most important insights, and the simplest and most powerful trading techniques, to our knowledge, ever presented to the public.

Greg Shrader is a **professional trader** who has taken **millions out of the markets**, this book distills 10 years of research, 100's of books and seminars, and almost $200,000 in research investment into simple, clear and applicable techniques that even a beginner can master in a short period of time. It presents fundamental insights into the process of cracking the mathematical codes that govern the markets.

Leading Indicators:

Problem: Most trading tools are actually trailing indicators and thus provide a result that is too late for profitable action or worse, results in loss. The only reliable forecasting methods utilize leading indicators, giving knowledge of exactly where the market is turning in the future. In this Course, Greg Shrader presents **five** different **leading-indicator** trading tools and demonstrates how to **integrate** them to give several **levels** of confirmation, producing extraordinary returns in the markets of **100's to 1000's of percent**. **Don't Miss It!!!**

Trading Records

"When you buy a course of instructions, look up the man who has discovered and developed it, and if he has made a success with it and made money, you can afford to buy the course and follow the rules." ***W.D. Gann***

Greg Shrader turned a **$13,000** trading account **into $1.2 million in** a period of **6 months**. He agreed to make available some trading records, and provided us with 29 trading tickets, posted on our website, which produced a **profit** of almost **$2 million** and returns of **2,453%** on the principal investments.

Stock Trading Ticket - Held for 4 Days: Principal = $11,848, **Profit = $57,500 ROI: 485%**.
Average time period/trade: 8 Days.
Trades longer than 10 Days: 8 of 29
Trades lasting less than 3 Days: 10 of 29
Average ROI for all trades: 84%
Trades over 100% ROI: 6 of 29
Trading Records Posted On Our Website!

Fibonacci Time Projections

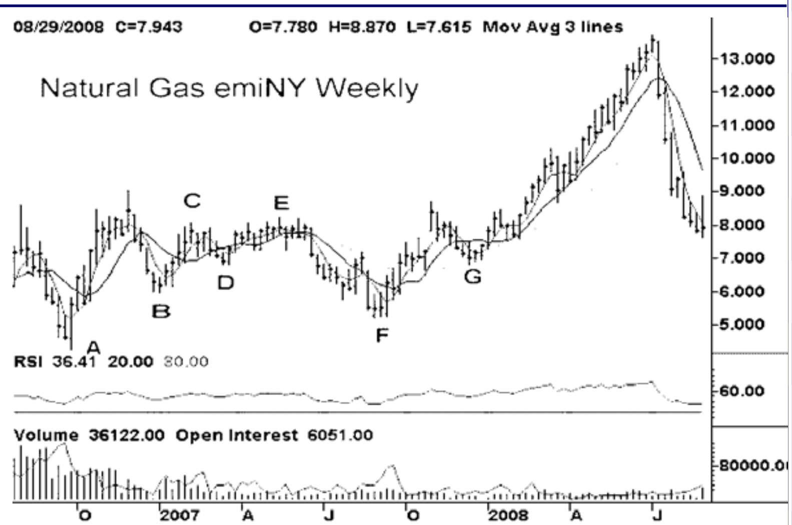
This Natural Gas Chart Shows A Never Before Taught Method Of FIBONACCI TIME PROJECTIONS

At The Low Marked A:

we already knew the turning points:

B - C - D - E - F - G

To Within 1 Time Bar!
From 2-14 Months In Advance!
Would This Help In Your Trading?



For a detailed writeup on this course including trading records see:
www.SacredScience.com/Shrader/EncryptedKey.htm

Institute of Cosmological Economics & Sacred Science Institute
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question for traders for many years, understanding that the type of materials we publish, Gann, Bayer, Baumring, the great works of astrological and cosmological economics, along with the original works of the classical old technical analysts and market masters, while providing some of the best market education available anywhere, necessitate long, hard labor to achieve success, the like of which many people lack the stamina to accomplish. We also realize that, even with the stamina, there still remains that mysterious gap between those who find the success they desire and those whom success continually eludes.

So what is the solution to this much desired achievement? Education! Education! Education! A continuous and endless study of the teachings of the great masters and teachers of the past, in whatever field of interest one pursues, is the first and most important Key to mastering anything. The next most important Key is to find someone who knows how to do what you want to do, and then to study the practice and application with them, and to imitate them, until you develop a talent of your own based upon your combination of knowledge and experience. Apprenticeship, it was called, back in the day... Then be patient and persistent, applying yourself with dedication, and you will reach your goals, guaranteed! But where to start? The best place to start is with the highest quality information you can possibly find, from those who have been proven to be "experts" or "masters," and work from there.

Having spent years accumulating all of these rare resources, and doing our best to keep those harder to find pieces available to the few seeking them, we understand that many people need guidance and direction in their studies and research. With this in mind, we have just begun a new series of technical analysis and trading courses which we think will help bring the principles and techniques of the "masters" into the hands of the neophytes, and help many of the Type 1 & 2 traders cross the bridge into the category of the Type 3 trader, who produces his sustenance through trading. Our new series, called, ***A Look At The Masters Trading Course***, by Greg Shrader, will serve as a guide to the knowledge necessary for understanding the markets, as well as an apprenticeship into the ***Art of Trading***. Greg Shrader is a professional trader and market scholar who has both mastered the techniques of trading, pulling millions out of the markets, and committed a huge portion of his life to the study of the "masters" of the subject. Mr. Shrader has designed a series of courses presenting the most fundamental principles behind both market wisdom and trading, and distilled this wisdom into simple techniques that even a beginner can comprehend and use. This intended series will address the techniques developed by many of the greatest thinkers and traders, from Fibonacci to Gann, Roger Babson, Dr. Alan Andrews, Marechal, George Bayer, Baumring and others, unraveling the mysteries and applications of the seemingly impenetrable methodologies these masters used to make their fortunes.

Our series of Courses and ongoing Online Research Forums will walk everyone though the teachings and present the ideas of these masters, developing a vast and applied knowledge of the theories of the great traders of the past, while also giving new traders the opportunity of apprenticing with a professional trader, learning how these methods can be successfully applied to the markets. The first book in the series, ***A Look At The Masters Trading Course, Level 1: Leonardo Pisano Fibonacci: The Encrypted Key to the Markets***, unravels the mathematical order behind both the price and time structure of the markets, demonstrating how to crack these codes and use them to project time and price turning points far in advance, and how to use a combination of leading indicators to know when to expect turns in the markets. Future courses in development will explore an ongoing series of great thinkers and traders, and their theories and hidden trading methodologies. The intent of these Courses will not be to provide merely theoretical knowledge, but will be focused upon application and trading results, and we feel that each Level Course will provide the student with the tools they need to fund their ongoing research into the field. We think this series will also provide a new breakthrough in the field of technical analysis and Gann forecasting, serving to bring many aspiring traders from the frustration of Levels 1 & 2 , to the fulfillment of Level 3.

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Interview with Greg Shrader Author of A Look at the Masters Trading

TW: Here are the statistics I got about your trading. You turned $13,000 into $2 million with a return of $2,453% on your principal investments. More specific details can be found at www.tradersworld.com/shrader.

TW: This is very impressive. I have a couple of questions regarding these stats:

TW: Were there any losing trades?

GS: Yes, of course there were some losing trades. As you know even the great W.D. Gann had losing trades. However, I trade with very tight stops or buy undervalued options, so when wrong the losses are very small, and easily offset by the winning trades, so we didn't bother listing them.

TW: I noticed there were a lot of option trades. Why did you use options instead of stock?

GS: I like options better than stocks because of the leverage. With a stock, you might have a gain of 1 -25 percent in a few days. With options, if you get it correct, you can see anywhere from 10's to 100's of percent gains, or more, in a few days, just like the trading tickets show.

TW: Did you use stops with these options?

GS: I almost always use a stop. Sometimes, when I'm trading the markets continuously, and I'm watching the trades all the time, I don't always place the stops with my broker, but instead just know about how much I'm willing to lose in advance of making the trade. I should probably always just place the actual stops instead of just watching the markets, since having your stops in place helps control risk, but sometimes I just make the call myself.

TW: How long have you been trading the markets?

GS: I started trading in 1998, so I've been trading about 10 years, and every year I become a better trader. I continually study more and end up learning different ways to look at the markets. If I live twenty years from now, I will still be leaning. One of the things I enjoy so much about the markets, is that there is so much you can learn.

TW: What is your background?

GS: I was a telephone technician and contractor before I started trading, and used to wire entire buildings. I was also a paralegal for several years, and have worked as a legal strategist winning many difficult legal cases.

TW: As you know 95% of traders lose money in the market. In your opinion why is this so?

GS: W. D. Gann spent the equivalent of over $300,000 on his research and education. He studied the markets all the time, almost obsessively, and he never quit learning. It was also reported that Gann spent 10 years studying the markets before he ever started trading. So it comes back to education. If you are willing to study hard and find the right books and courses that teach you the practical applications needed to trade, then you have a better chance of being a successful trader. If you take the time to study the important subjects like cycles, mathematics and market geometry, you gain an significant edge over the markets. In ways, it's like becoming a professional in any field, you spend time learning the craft and what works and doesn't. Eventually, you learn to apply the knowledge successfully.

TW: Why you are so successful over the many other traders who loose in the markets?

GS: I think there are a lot more traders that are successful than most people realize. There's a lot of traders out there that spend 80 hours a week studying the markets and learning all they need to become great traders. I think a lot of them reach success and we just never hear from them, because to them, they enjoy knowing that they have become the traders that they dreamed of being. We always hear about the guys that are lost in the markets, because they are quick to tell everyone how unfair the markets were to them, when the real problem was that they didn't invest the time and money to really learn how to trade before getting started. It took me years to learn where to find the right books and courses. I know this is hard for some people to understand, but learning from the Masters is different than buying a book or course from someone that's just a writer, and has never really traded the markets successfully. Most of the first books and courses I bought were written by writers that had either never traded the markets, or never made any money trading the markets. Many of the really good traders have never written a book, so their work has remained unknown.

TW: Most of your trades look like they were swing trades. Is this the normal type of trading you do and why?

Yes, in a bull market, I enjoy the stock splits and the earning runs. They normally last about one to three weeks, then you wait out the next cycle. For myself, I enjoy finding the swing trades better than doing the shorter or longer trades.

TW: Do you day-trade and what are your thoughts about day-trading?

GS: I have day traded, it's like getting in a racing car, and you better hope the seat belt works. I have worked on systems to enjoy the high returns involved in day trading, but for me sometimes it's easier to find a top or a bottom in the markets and jump in and get out when i feel I've made a good return. Day trading is very hard, because of the noise at that level of the market. You do see a lot of my tickets lasting for a day, but I'm really not a day trader, I just know how to recognize strong terns, and I take advantage of them. I could be a day trader, but I prefer the more relaxed trading of a swing trader. There are great day traders out there, I'm just wouldn't consider myself one of them.

TW: What do you think about the many traders that day-trade the e-mini? Do you day-trade the e-mini? What are you thought about this?

GS: I think if I were going to day trade again, I would use the e-mini. It offers good liquidity, and you can use one or more contacts, so that you can manage your losses. Once you find the hidden vibration of the e-mini, it becomes fairly easy to trade.

TW: What about psychology. Many say that is one reason many trade. What do you think about that?

GS: I can see psychology taking a part in anyone's trading. It's like playing chess, you want to become the best, In trading, you have all the masters to play against. We older guys can't understand why kids are so addicted to video games, however, if you really look at video games, for the gamer it’s really the challenge of becoming the best and beating the game. In trading, it’s becoming the best that drives us all. For the market makers and market specialists, it’s showing everyone that they are the best, and can stay ahead of everyone else in the markets. For the normal trader, it’s the reward of becoming the best, and reaping the rewards of trading, that keeps us working hard at becoming better at the markets.

TW: What is your thought on money management? Another reason many are said to fail? What do you do in this area?

GS: Money management is a skill that has to be learned. This is one skill you absolutely cannot afford to fail in! It’s that simple.

TW: What do you think of computer oscillators such that are available on most trading programs?

GS: There are so many computer oscillators out there, but very few have enough instruction with them to really teach you how to use them. I think most can be helpful, but the problem is, they all have a learning curve which most traders never master.

TW: I know you have read many books and went to all kinds of seminars learning how to trade the markets. What are your thoughts on the following?

TW: What do you think of Gann trading techniques?

GS: I think Gann was one of the hardest working traders ever known. There is no question as to the fact that Gann will stand out as one of the greatest traders of all times. Most traders spend years trying to figure out how to use Gann’s trading techniques. Those that have, become quite successful. It was Jerry Baumring who really first went in and studied all of the books and courses from Gann’s era, and figured out which books and courses contained ample trading advice, and which ones had no value. Baumring then put together his own series of trading courses, which really guide you through the materials which have real value. Baumring gives you great insight into what Gann was teaching, but like Gann, he was veiled in his presentation of the material, so that you have to go in and learn yourself what Gann had spent thousands of hours learning. This learning experience is of great value, and not only makes you a deep scholar and better trader, but a better person as well.

TW: What are your thoughts of Elliott Wave?

GS: Elliott wave can be quite useful to traders. It is the study of time cycles and gives a trader some insight into where the markets are at. When a trader buys a book for $5.00 that claims to reveal the Elliott wave principles, he soon dismisses Elliot wave as having no real value. However, if properly studied, the Elliott wave becomes a very useful tool in a traders arsenal. I think the best book I have read, bar none, on wave theory was written by Dan Ferrera, The Spirals of Growth & Decay, which takes a variation of Elliott wave theory further than anyone else ever has, so that we, as traders, can understand it better.

TW: What about Fibonacci?

GS: What most traders see in the trading books and programs on how to use the Fibonacci numbers in the markets is just not working, and it doesn’t help anyone make any real trading decisions. What most traders don’t understand is that the Fibonacci numbers were one of Gann’s trading tools. Gann used the Fibonacci numbers in the markets to find turns. Once you see this system used the way that Gann used it, which is very different than what you have seen in most books and trading software, you’re going to be in shock. Everyone who has taken the time to study my course and apply these methods to the markets, has emailed me and thanked me for revealing this to them. Like so many things in the markets that are misunderstood, once you learn them properly, they become easy. I won’t tell you that these techniques have made everyone’s hair stand up on the back of their necks, but I will say it has had that effect on several people who have read the course. A few of the traders that bought my course have written that they have missed this way of using the Fibonacci numbers for over 25 years in their studies.

TW: What about Financial Astrology?

GS: Financial Astrology is one of the most misunderstood trading applications out there. It is said that Gann wouldn’t reveal that he was using Astrology in his trading in any of his real courses that he sold. It is part of what he was teaching his higher paying clients. The courses at that time were sold for $5,000 each, which would inflation adjust to about $300,000 each. You could buy his books and market letters much cheaper, and learn nothing about Financial Astrology. Most traders are too closed minded to except that Astrology works in all things, not just the markets. We are given the columns in the newspapers that tell our love life, and they hit about once every ten years at being correct. The real science of Astrology is worth the time and the effort to learn. If you're trading, you should understand that if Astrology can tell you when the next President of the United States will be killed a hundred years in advance, then if properly studied, you would be able to find all the turns in the markets for a hundred years in advance. Unlike Gann, we live in different times. No one is going to carry us off in the middle of the night because we believe in Astrology.

TW: What about Andrews?

GS: Dr Andrews along with his friends Roger Babson and George Marechal found a method of looking at the markets in a very different way. They all became very rich in their day, making over Fifty Million dollars in the markets. In looking at their trading style, if you understand what they had learned, then all you have to do is wait for the signals, and when you get them, use stops in case you're wrong, and if you're correct, rake in the cash. There's really no other way to say it than that they had the keys to the bank. In Dr. Andrews letter to the Foundation for Economic Stabilization, it becomes clear that he felt that all traders should have the knowledge that he had learned in his market studies. He felt it was very unfair for some to have this knowledge while others didn't. Most traders have studied enough Elliott and market waves to understand that wave three is the largest, and the cash machine. If you can find all the waves threes in whatever market you're trading, life would be very different for you. You would be making Millions and Millions which is what Dr. Andrews and his friends learned. They knew with an 80% probability the direction of the markets. They also knew with that same probability how long the trend would last. This material is nothing like Gann's, nor anyone else's. They came up with a system from studying Sir Isaac Newton that gave them the keys to the market. For options traders this is a must learn. For other traders, if you really want to learn how to read a chart for the very first time, you have to learn this material. It should be noted that their systems worked then and they work in today's markets as well. In a hundred years from now these systems will still be present in the markets. MAKING 50 MILLION DOLLARS IN THE 1960's WOULD BE LIKE MAKING A FEW BILLION TODAY. THINK ABOUT THAT! My Level 2 Course will cover the work of Andrews, Babson and Marechal, and help to make clear how their techniques worked, since they, like so many other trader's principles, have remained mostly misunderstood since their deaths.

TW: What are your thoughts on the stock market and its outlook?

GS: The markets are having quite a hard time of it lately. The Euro is in place and the Roman Empire is back together over seas. Only Ireland is a holdout. The reason we are going down so low in the markets is to prepare us to accept the new Amero. Once we give the Central Banks the power to control our currency, which, to me, they have already done, by selling credit to everyone that has filed bankruptcy, then having the American tax payer pay the bill. At some point, people will stand up to this invasion. Then America will become greater than it is today. So look for a bottom in 2013, and a sideways move into 2016, then the markets will begin to recover, and everyone will start making money again by just buying and holding stocks. Right now the only way most traders are going to make money is to start trading stocks, buying and selling them on a regular basis. Alternative energy seems to be the new Dell Computer. The winners are hard to find but they're still there.

Catching Big Trends By Identifying Non-Trending Markets!

By Bennett McDowell

Money in trading is made from catching a significant trend. Money lost in trading occurs by missing or being on the wrong side of trends. So the real question is "How do we protect and preserve our trading capital as we position ourselves to catch the next profitable trend?

Significant trends are known to emerge from market consolidations and it is during these consolidations that traders experience "whip-sawing" leading to psychological trauma that can cause havoc with a trader's life, which can cause the trader to miss the trend altogether!

It is said that markets trend approximately 35% of the time, meaning that 65% of the time they are trend-less. Consolidations are known to occur before many significant market trends and to be a profitable trader you must learn how to exploit these trends while not losing your money when the market is trend-less.

Non-Trending Markets Are Lethal To Trend Traders!

Trend traders need to develop skills to:

1) Identify Non-Trending Markets Quickly To Avoid Trading Losses So They Preserve Their Capital

2) Have Skills To Identify and Take Advantage Of Non-Trending Markets:

a) Identify and Bracket the consolidation with support and resistance lines forming a clear visual channel and wait for the market to break-out of this channel before trend trading again

b) Use options or scalp the consolidation for profits while you wait for the next trend to emerge

c) Move to another market or time frame to trade and come back once a trend emerges from the consolidation

Consolidations: A Textbook Definition

Let's define a market consolidation. A dictionary definition of a market is "the world of commercial activity where goods and services are bought and sold; without competition there would be no market". A dictionary definition of a consolidation is "something that has consolidated into a compact mass; combining into a solid mass; an occurrence that results in things being united". Reading these two text book definitions leads one to believe that a market consolidation is one where the competition between buyers and sellers unite to form a compact mass. A trader's definition of a market consolidation is one where prices have remained range bound within a narrow price channel.

Is market consolidation an area where little or no new information has come into the market to cause a greater disagreement of value or perceived value which would move prices? And do trends occur because the value or perceived value is changing so much that the price must change to represent the new value? Answering yes to these questions leads to the conclusion that market consolidations are areas where no new value perceptions are being generated. Thus, prices remain "tight" or range bound. Consolidations are also known "Bracketed", "Channeling", or "Range-Bound" markets.

The Nature or Psychology Of Market Consolidations

Consolidations by their very nature can not last too long since they become increasingly unstable with time. Most traders view consolidations as a stabilization of price, but consolidations actually become increasing unstable with time. In fact the longer a market remains consolidated, the more unstable it becomes.

Market consolidations have their own cycles. During their initial formation traders are undecided as to value and the price oscillates. If this condition continues, traders' perceptions of this asset's value remain the same until new information enters the market to change perceptions.

Until new information arrives, the consolidation becomes narrower and narrower to a point where the consolidation is now very unstable and this is where new trends are born.

Chart #1

Chart #2

The longer or more mature the consolidation is, the larger the trend usually is as well. Lengthy or mature consolidated markets are so unstable that even just a whisper of new information coming into a consolidated market can make it move, but a shout of information can make it trend fast!

Once you spot a mature consolidation, your trading approach should be to bracket the upper and lower part of the consolidation. This helps to avoid unprofitable "whip-sawing" trades within the consolidation channel caused by insignificant trading reactions from minor market information. It is important that your trading approach not react to every "whisper" of information that the market ultimately finds meaningless.

By bracketing your trade entries above and below the consolidation channel, you automatically eliminate unnecessary losing trades. If you are an aggressive trader who welcomes the additional risk of a few losing trades within the channel to achieve a superior trade entry price, then you should wait for the mature consolidation to get very tight and thus very unstable.

This will increase your odds of successfully timing the next significant trend and therefore reward your aggressive entry approach. Just as important as the length or time of the consolidation is the low Average True Range or volatility of prices in recognizing the mature end of the consolidation before a significant new tend emerges. COMPRESSED price bars representing low volatility and a low Average True Range can be significant in determining that the consolidation may be near its end and the new trend may be significant. Any new information coming into a market with compressed price bars could cause that market to move quickly. It is important to note that not all significant trends emerge only from market consolidations. But if you recognize a consolidation in the market, the potential is great for a significant trend to emerge if the consolidation has become so consolidated it is now also become unstable.

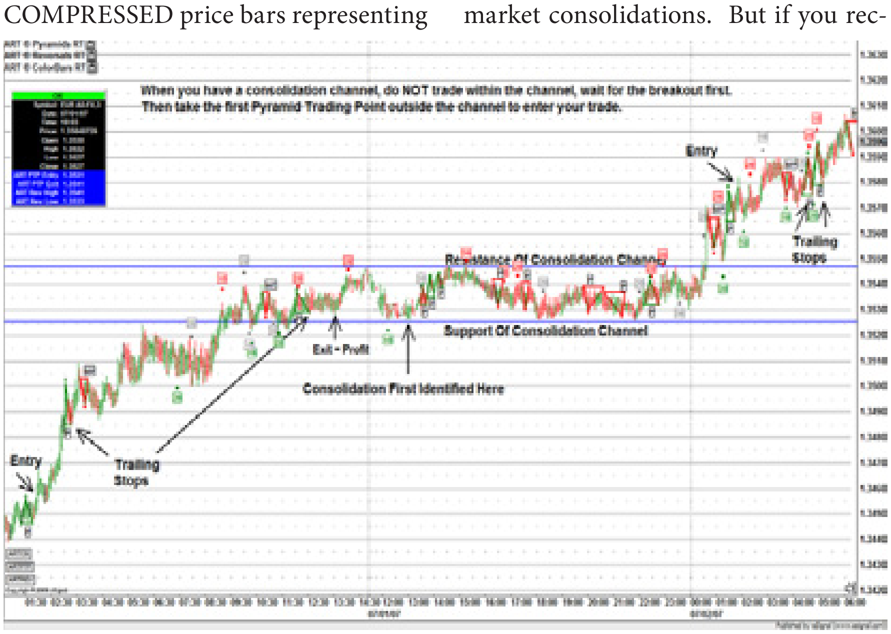


Chart #3

Finding & Monitoring Market Consolidations

The first step is to find markets that are in consolidation so you can be ready to trade the breakout when it occurs. To find these consolidated markets, it will be best to scan for markets will low volatility and narrow price movement. Look for a consolidation with at least 20 price bars before considering it for a potential trade based on "bracketing the high and low of the channel.

On daily charts markets can consolidate for weeks and some for even months, so you will want to monitor several markets simultaneously while they are in consolidation, this way you do not have to wait a long time before entering a trade.

On intraday charts markets that consolidate for 20 price bars my last 20 minutes or more depending on the intraday time frame you are using.

Active traders can use this technique to scan for trade setups, and with 9,000 + stocks the trader can be quite active! If you're a day trader, you can scan intraday charts looking for consolidations as well.

Trading Market Consolidations
Once you have identified the consolidation of at least 20 price bars, the next thing to do is to draw a line on the top and the bottom of the consolidation channel effectively "bracketing" the consolidation Then place your long trade entries above the upper consolidation band, and your short trade entry below the lower consolidation band.

There is a HIGH probability of SIGNIFICANT trends emerging form markets that have been bracketed for 20 price bars or more! And price bars that are COMPRESSED within a bracketed market have a higher probability of a significant trend occurring when prices break the upper or lower part of the consolidation.

Note on chart #1 how compressed the price bars BEFORE the market breaks below the consolidation.

Where To Place Your Stops
Once the market breaks and begins to trend, stops can be adjusted according to market activity, with the initial stop-loss being placed on the opposite side of the consolidation channel in relation to which way the market started to trend. In the ART® System quickly identifies key stop-loss levels base**d on market realities.**

Trade Example Combining Bracketing
The stock chart below illustrates a market consolidation in the Nortel's stock with upper and lower lines drawn in that bracket the consolidation. Trend traders should not attempt to trend trade during a bracketed market and should therefore not take any trades inside the drawn support and resistance lines. Trade entries are then placed above and below the consolidation. On this chart we are using the ART® Software for specific entries and exits using ART's Pyramid Trading Point® triangles for both entries and exits and risk control. For more information on the ART® System, see ***"The ART® of Trading"*** published by Wiley & Sons, April 2008. Also note how prices become even more compressed towards the end of the consolidation just before this market begins to trend. This occurs often since markets usually spring from compressed price consolidation. See chart #2.

Here is another example of how to bracket a consolidation to avoid trading within the bracketed area. On this chart, do not trend trade between the upper and lower blue horizontal lines representing the top and bottom of the consolidation. See chart #3.

How To Quickly Identify Non-Trending Markets!

This is a skill that all traders should master. Let's take a look at the stages of identification: See charts below:

1) The set-up for a non-trending market occurs when you can see a 1, 2, 3 pattern develop as shown below. Note that #3 does not exceed #1 and #2 does not go below #0 at this stage:

2) Once #4 is in place and does not go below #2, we have a CONFIRMED bracket in place as illustrated on this chart:

3) You now can drawn-in support & resistance lines as in this chart:

Conclusion

Sometimes one good technique is all we need to be profitable traders. Trading from market consolidations may just be the trading technique you have been looking for. Whether you're a futures trader, stock traders, day trader or position trader, adding these trading concepts to your trading toolbox should prove worthwhile.

Bennett McDowell is founder and president of TradersCoach.com® and created the Applied Reality Trading® system traded throughout the world. He lectures and speaks at many Trading Expos and writes for several magazines. His new book "The ART® of Trading" published by Wiley & Sons is a best seller.

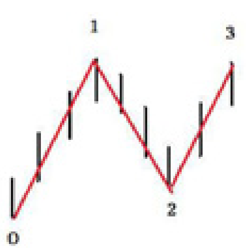


Chart 1

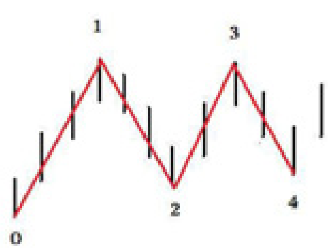


Chart 2

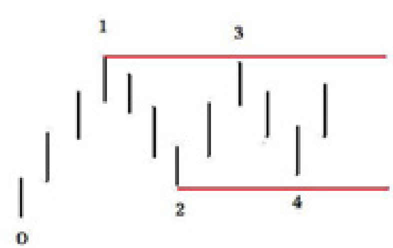


Chart 3

Trading the End of Simple Corrective Patterns in the Direction of Momentum

By Jaime Johnson
Dynamic Traders Group

What do traders have to do to survive the current turbulent markets? One answer is simply turn off the news and use a simple objective trade entry strategy. In this article, I will teach a simple trade strategy that I use not only during turbulent times but during normal trending times. The trade strategy is based on trading in the direction of momentum and entering trades following a corrective pattern. The trade direction is determined by the higher time frame momentum and the trade is executed in the direction of the lower degree time frame momentum. While corrections usually unfold in the opposite direction of the trend or momentum, by entering a trade near what is likely the end of the correction, the trader very likely will be entering a position in the direction of the higher degree momentum.

Higher Degree Time Frame Momentum

Before jumping into how to determine the momentum of the higher degree time frame, I must explain what is the higher degree time frame. If I am trading a 60 min. chart, the higher degree time frame is the daily chart. I trade in the direction of the momentum of a daily chart. The higher time frame should be 3-5 times the lower time frame.

The momentum position is determined in the higher degree time frame by an oscillator. While I use the proprietary DTosc (a combination of a Stochastic and RSI), any oscillator may be used as long there is an objective way to know when the oscillator is overbought, bearish, bullish, and oversold. The way to determine which setting for the oscillator should be used is simple. Use the setting in which the bearish reversals (when the oscillator changes from bullish to bearish) and the bullish reversals (oscillator changes from bearish to bullish) coincide relatively well with swing highs and lows of the market.

The first part of this trade strategy is simple. When the higher degree oscillator is overbought or bearish, only short positions should be considered in the lower degree time frame and only long positions should be considered if the oscillator is oversold or bullish.

Lower Degree Time Frame Corrective Patterns

If a daily time frame oscillator suggests the momentum is bearish, the next step is look for corrective rallies in the 60 min. chart. Why are we looking for corrective *rallies*? Because corrections usually unfold against the direction of the main trend, or against momentum. A position entered following a corrective high, should put us in a trade in the direction of the higher degree bearish momentum.

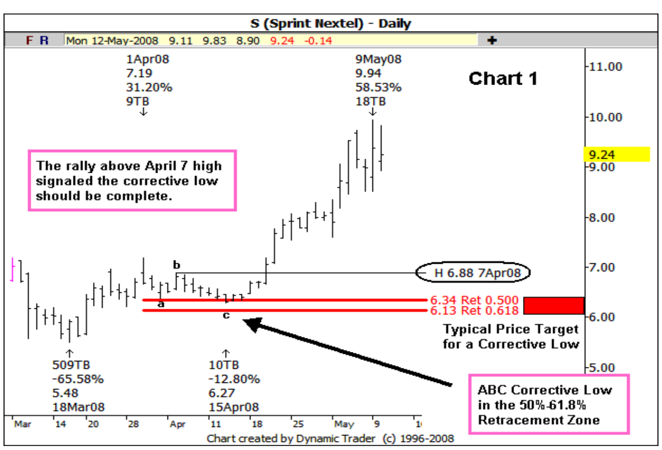
Corrections often unfold in a three wave pattern, called an ABC correction, or in an overlapping wave pattern (if the correction has more than three waves) in which each wave trades into the range of the previous wave. Chart 1 shows a three wave corrective pattern and Chart 3 shows an overlapping wave pattern. A common price target where a correction often completes is in the 50%-61.8% retracement zone of the previous swing and the initial signal a correction is complete is a trade beyond the extreme of the last wave of the correction, as shown in Charts 1 and 3.

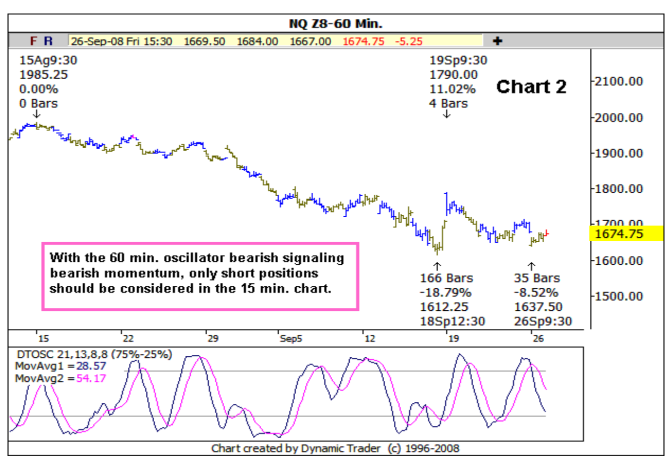
Chart 1 (S – Sprint Nextel – Daily) shows an ABC correction completing in the typical price target for a correction, the 50%-61.8% retracement zone of the previous swing, in this case the March 18-April 1 swing up. The rally above the April 7 high signaled the corrective low should have been complete and the rally above the April 1 high confirmed the completion of the corrective low.

Entering the Trade

We now have the makings for an objective trade entry strategy. In Chart 1, the low of a corrective decline was made in the 50%-61.8% retracement zone of the previous swing up. So where would be the objective price to enter a long position? A rally above the high of the last wave of the correction (the April 7 high) because this is the initial signal the corrective low should be complete. However, a long position would only be considered if the S weekly momentum was oversold or bullish.

If a long trade is triggered, where should the protective sell-stop be placed? Below the potential corrective low (the April 15 low). Why? Because a decline below the corrective low voids it as being a corrective low. Stop-losses should be a placed at levels that void your analysis.





An Example During Turbulent Times

Chart 2 (NASDAQ E-Mini – 60M) shows bearish momentum at the Sept. 26 pit session close. Only short positions should be considered in the lower degree 15 min. time frame following rallies with corrective characteristics.

Chart 3 (NASDAQ E-Mini – 60M) shows an overlapping wave pattern, characteristic of a correction off the Sept. 26 low with a high made in the 50%-61.8% retracement zone of the Sept. 25-26 swing down. With the 60 min. momentum bearish, the gap down open below the 1650.50 minor swing low signaled the corrective high should be complete and should have triggered a short position. Protective buy-stops should be placed above the 1684.00 corrective high, the Sept. 26 high.

Sept. 26 was one trading day before the House of Representatives voted against the "Bailout Plan". This is in the midst of turbulent times, times of confusion. However, by paying attention to the bearish momentum, traders would have realized, the higher probability direction to take trades was on the short side. Using this trade entry strategy should have reaped nice profits on the Sept. 29 decline.

Trade Strategy Review

Below is a review and the rules for the trade entry strategy explained above.

1. If the higher degree time frame oscillator is overbought or bearish, consider a short position in the lower degree time frame.
2. In the lower degree time frame, if a high of a rally with corrective characteristics is made in the 50%-61.8% retracement zone of the previous swing down, place a sell-stop to go short below the last swing low of the corrective rally.
3. If a short trade is triggered, place the protective buy-stop above the corrective high.

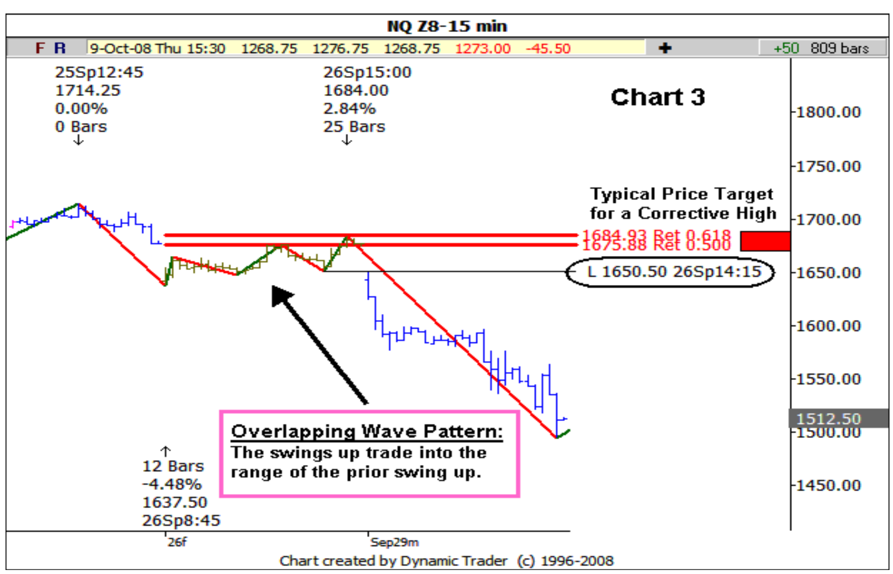
This is obviously for a short trade, for a long trade, exchange the words overbought to oversold, bearish to bullish, low to high, vice-versa, buy-stop to sell-stop, etc.

Turn off the News When You Trade

During times of turmoil, emotions run high and in order to curb those emotions turn off the news, at least while you trade. Stick to a simple objective technical trade entry strategy, like the one above, apply a good money management plan as well as objective exit strategies with good risk/reward ratios and it should carry you through tough times.

A couple of last notes, the trade strategy above can also be used in times of non-turmoil and it can be used in any market, Futures, stocks, Forex, and in any timeframe. Most importantly, always use protective stop-losses during all market conditions. Stop-losses protect you from devastating loss and should be placed where your analysis is voided.

Jaime Johnson is the co-author and chief technical analyst and trade strategist for the daily Dynamic Trader Stock and ETF Report, the Dynamic Trader Futures Report and the Dynamic Trader Forex Report. For more info, go to www.DynamicTraders.com



How To Anticipate Major Market Turns

An Introduction to the Reif Swing Chart Method
Part I

By: David C. Reif, CMT

The purpose of this article is to show reader's how I used my method to become quite cautious in October 2007. As a result of this caution I avoided the big losses that occurred from 10/07 to 1/08. It would be helpful to reader's to go to www.stocksharepublishing.com and click on the "REIF PLUG IN TRADE SET UP EXAMPLES". On that web page you can access the research paper I wrote back in 1993 that explained my method. In addition there are many more examples of trade set ups that I posted to the site during the past year or two.

In October 2005, Jeff Cooper and I presented a course that described my theory in detail at a seminar in Las Vegas. This two day seminar was filmed and saved on DVD'S which is now being sold by Trader's Library, along with the 300 page manual. The title is "Unlocking the Profits of the New Swing Chart Method". In this course, I take the reader through the Swing Chart behavior of the DJIA from 1928 to 2005. I also showed the power of using the Principle of Squares along with my Swing Chart Theory to improve trading results on any tradeable. In addition, I showed in agonizing detail how the Principle of Squares worked on the S&P 500 index from 1962 to 2005. I also showed numerous examples of how to analyze any market including stocks, commodities or currencies. The course provides numerous appendixes that can be used to help in the analysis of any tradeable. The key to my work is not just the swing chart plots, but the "behavior" of these charts once they turn up or down. I can not cover all of these things in this article, which is why I have agreed to publish several articles in future editions of Trader's World.

Before I show you how I saw the setup for a major top in October 2007, I will have to describe the principles I use in my analysis. There are four major principles in my theory. They are: The Principle of Squares; The Principle of Fractals; The Principle of Tests; and The Principle of Reflexivity. In order to help the reader follow my analysis, I will provide a short description of each of these principles.

The Principle of Squares is a mathematical representation of the Gann Square of Nine. Let's assume you have a stock that made a low on it's Yearly Swing Chart at 25. If we take the square root of 25 we get 5. We do this in order to convert price in to the degrees of a circle. As it turns out, if we add 2 to the square root of any number then re-square it, we get a price that is 360 degrees up in price. If we subtract it, we get a price that is 360 degrees down in price. In the case of the example above, 5 + 2 = 7, 7 x 7= 49. So we can conclude that 49 is 360 degrees up from 25. We can subdivide the circle in to any subdivision we desire by adding or subtracting divisions of 2, or multiples of 2 to the square root of the number, since 2 = 360° ; then 0.50 = 90°. So if we want to know the price of a stock that is up 180 degrees from its low, we add 1 to 5 and re-square it to get 36 .00. If we want to find 720 degrees up in price we add 4 to the square root of 25 (5+4=9) and then require it (9X9) to get 81.

The Principle of Fractals is much more difficult to explain. It means that a setup in one time frame may lead to a similar pattern in another time frame. For example, the S&P Quarterly Chart was down inside at the end of March 2003. Since my work shows that there is a very high probability that the quarterly chart will turn up, we can postulate that the yearly chart of the S&P 500 index would remain down inside

Chart #1

Chart #2

for all of 2003 . This is exactly what happened in 2003. As a result we knew in early April 2003 that the March low would most likely be the low for that year. This was important information to know in April of that year because the wind would be at your back from that time to the end of the year.

The Principle of Reflexivity describes the tendency of price to pullback or rally after turning one of the major swing charts up or down. The major swing charts are the Yearly, Quarterly, Monthly and Weekly. For example, let's say that the Monthly Swing Chart is down and that the price exceeds the high of the current month in the following month. This action will turn the swing chart back up. What normally happens in this case is a corrective pullback in the opposite direction of the turn.

The Principle of Tests is a pattern that usually occurs at tops and bottoms. For example in July 2007 the R2000 index made a high. After a sharp pullback, it rallied back to a lower high in October. There is a strong tendency for major highs and lows to be "tested" in this manner.

Now that I have covered the basics of my method, we can begin the analysis of the S&P 500 index in October 2007.

Chart 1 below shows a plot of the monthly candles on the S&P, with a blue box around the 12 months of each year. If you visualize each blue box as a plot of each year's action, you can see that the Yearly Chart was down going into 2002. The next year, 2003, was down inside, which according to my work has a high probability of turning up. As a result, we knew as early as September 2003 that the Yearly Chart would most likely turn up in 2004. As you can see the Yearly Chart did turn up in January 2004 and continued higher into March 2004. Since we turned the yearly chart up, we should have been looking for a reflex pullback which is exactly what occurred. The Monthly Chart two plotted down in March 2004 and the pullback low did not come until August of that year, five months later.

Let us now look at the cycle finder (the vertical lines going across the chart) to measure time in six month intervals from the October 2002 low. Please note the accelerated up move that began in April 2003, six months from the low. If you look at 12,18,30,36,42,54 and 60 months from low, you will see that those were months where important highs, lows, or accelerations began. The most important time cycle is the 60 month cycle from low to high. If we note the acceleration on the 54th month, which was April '07, we could easily count 6 more months to October '07. Since we knew October '07 was 60 months from low, we could prepare months in advance for that projected turning point. What is most interesting about the October '07 high is that the high price of 1576.09 was less than 2 points away from 2160 degrees up from the October 2002 low. The Principle of Squares can be seen with 90 degrees separations the right side of Chart 1. As that price was reached in October, we knew we had an important Square of Price and Time and that we should look for evidence that a top was being formed.

In chart 2, I am showing a weekly candlestick chart with a plot of the Reif AVX Indicator in the second chart panel. This indicator is created by taking the True Range of the current week and dividing that by last weeks close times 100 to create a percentage change. We then average the last ten weeks results to get the average per-

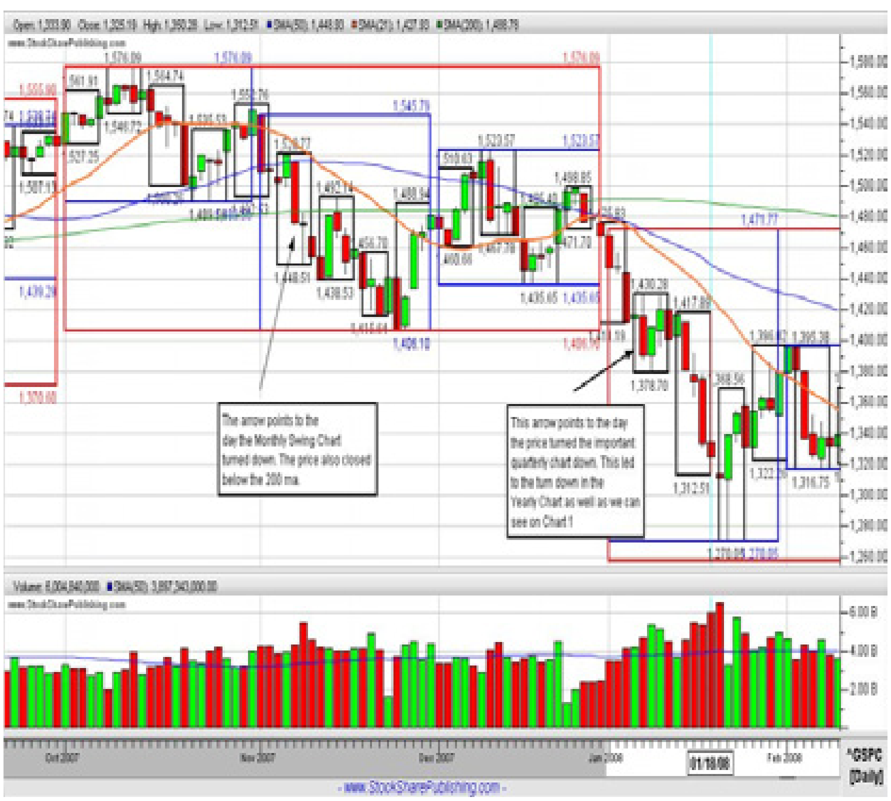


Chart #3

centage range for that period. To get a Reif Accumulation Week, (RAW), we need the current weeks percentage gain to exceed the ten week average percentage range AND have that weeks total volume exceed the 10 week moving average of the volume. A Reif Distribution Week, (RDW), occurs when the weekly loss exceeds the ten week average percentage range, AND have that weeks volume exceed the 10 week average of the volume. As you can see in Chart 2, there is a red bar on the AVX indicator the week after the high week and also on the fourth week after the high. These two weeks are highlighted with red vertical lines on the Chart. There are several more RDW's that followed in January and February 2008. This was clearly bearish action and confirmed that a significant high had occurred. I have also put the Cycle Finder on Chart 2 to show the 15 week cycle on the chart. Note that there were significant turning points or acceleration points at -75, -60,-30 and +15 and +30. When I use the cycle finder or the Gann Square Time Indicator on a Daily Chart, I always like to see it working in the past. If it does there is a good chance it will work in the future. I have also shown Trendline A in Chart 2, which connects the June 16th 2006 low and the August 17th 2007 low. Once price declined below this Trendline, it confirmed that October was an important high.

Chart 3 is a daily chart that shows the Quarterly Boxes in red, the Monthly Boxes in blue and the Weekly Boxes in black. These are what I call the Wheels of Time. Note that the week that shows the first close below the 200MA had broken a confirmed weekly low, which was the second week after the high. The third week after the high turned the weekly chart back up to test the October high. Once the weekly turned down, we had a weekly swing chart that had a lower high and a lower low which is the definition of a down trend. If you follow the weekly action, you will see that the weekly turned down the first week of January which confirmed the third lower high on the weekly swing chart. I have found that acceleration of the downtrend frequently occurs from the third lower high in any time frame. We all know that the price accelerated lower in January '08. I show two arrows on the chart that show the turn down in the Monthly and Quarterly charts. I call this a cascade set up, where the Monthly turn down leads to a turn down in the Quarterly which then leads to a turn down in the Yearly Chart which we can see in Chart 1.All of these things occurred on the way to the January low.

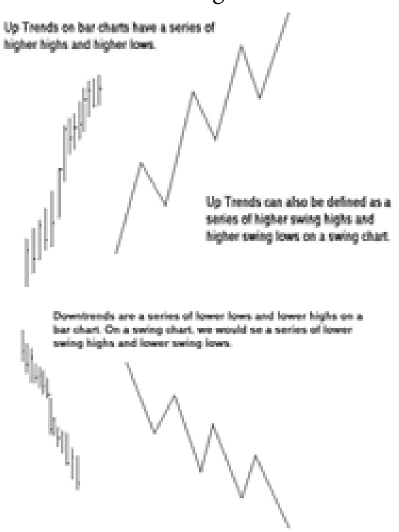
In my next article I will show you how I knew a trading low was likely to occur within 3 trading days after the close on 1/18/2008. On that day, I sent an e-mail to all the people who bought my book or the software that a low was approaching. A copy of this e-mail is prominently displayed at the Stockshare Publishing Site. I would also recommend that readers of this article read and study the setup examples available on the website. These setups will expose you to how I use my theory to trade any market.

David Reif is author of "Unclocking the Profits of the New Swing Chart Method".

Understanding Trends & Trend line Breaks

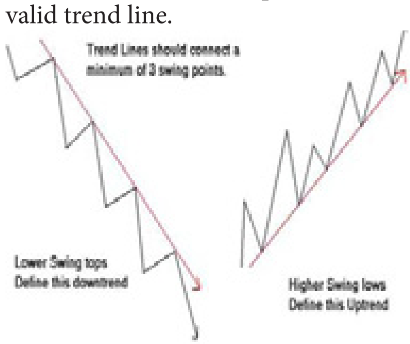
By Daniel Ferrera

One of the primary reasons for studying the historical price chart of a particular market is to determine the main trend or direction of the price movement or to indentify when this direction is likely to change. As traders, it is often beneficial to follow the path of least resistance or to "go with the flow." At least until we have a solid topping or bottoming formation such as those commonly discussed in classical technical analysis methods. Up trends are a series of higher lows and higher highs. Up trends can also be defined as a series of advancing swings with higher tops and higher bottoms. Downtrends on the other hand are a series of lower highs and lower lows. Down trends can also be defined as a series of declining swings with lower highs and lower lows. The charts below provide examples of both definitions being discussed.



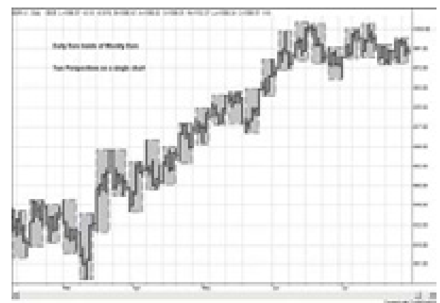
As you can see from these simple illustrations, the "Bullish" pattern or rising trend has the basic requirement of rising swing lows and higher highs. In its most basic form, each individual bar would have a higher bottom on each successive bar and over several days or weeks; each corrective swing would also end up at a higher swing low than the previous swing low in succession.

Trend Lines are a connection of at least 2 swing highs or 2 swing lows that approximates the slope of the line that indicates the market's basic rate of advance or decline. By definition only one line can be drawn between any two mathematical points. The two points are not the line, but they represent a segment of the line and also the portion of the line that exists between the two given points. In the markets, a good trend line should connect at least three successively higher swing lows for an uptrend and three successively lower swing tops for a downtrend. The next chart illustrates this requirement for a valid trend line.

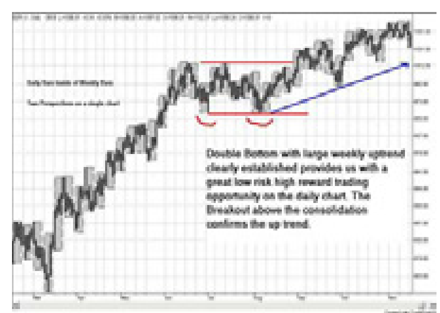


The above definition will prove useful for trading Gann's mechanical trend line changes.

Trends Again, Bar Grouping (Now Available as an Automatic TradeStation indicator) Now that you have a better understanding of the definition of a trend, it is important to view them with more than one perspective. Short-term trends may be seen on an hourly or daily chart. Intermediate trends may manifest more clearly on a weekly chart, while long-term trends show up nicely on the monthly charts. Having more than a single perspective of trends, as well as support & resistance levels provides extremely valuable information for making trading decisions. For example, if you are trading based on the daily chart, the trend lines on the weekly and monthly charts can be very useful in planning your future trade entries. For instance, if the weekly trend is UP and the market is experiencing a short-term decline on the daily chart, selling short is probably not the best strategy. You would be much better off to look for potential support areas to enter long positions in the direction of the bigger trends. On my hand drawn charts, I will often use a technique called "bar grouping" where I draw the larger trading bar time frame around the smaller bars. This way I can easily see the smaller trends that are riding on the larger trends. The technique is simple and only requires you to define how many bars are in each group. For example, you could make a 3-day group if you wanted to see a daily chart inside a 3-day chart. You could make a 5-day group to see the daily inside the weekly or a 20-day group to see a daily inside a monthly etc. The following examples should illustrate the method clearly. For this example, I used Tradestation's rectangle drawing tool to manually group each set of 5-bars together, allowing us to see the weekly chart and the daily chart together. The boxes are drawn based on the high and low for the week creating another bar chart. {I personally recommend hand charting this technique}



Bar grouping is a simple yet extremely useful technique that provides a multi-perspective view to your everyday charting analysis. It is also invaluable to those that like cyclic analysis, Fibonacci bar counting methods, intra-day trading, geometric analysis and so much more.



The primary usefulness of trend information is to prepare and develop entry and exit strategies for trading. If we are generally "bullish", we wait for buying opportunities such as double or triple bottoms or a %-price retracement that finds support on our daily, weekly or monthly trend lines. If we are "bearish" and anticipate lower prices, we sell short at each double top or triple top as well as %-price retracements that find resistance on our daily, weekly or monthly trend lines. Bar grouping is phenomenal in that it allows us to readily see more than one perspective of Trend at a single time. This type of charting also provides a much better "Feel" for the market's geometry and current level of price volatility. As a final example, I have drawn "boxes" around each weekly group of 4 so that we can see the daily inside, the weekly and the weekly inside the monthly bars. This type of charting really gives you a much different "FEEL" for the markets and their underlying trends. It is also very interesting to note how often bars of similar size and/ or harmonic proportion develop in the markets. Typically, as the markets loose directional momentum, the size of the bars begin to compress and decay.

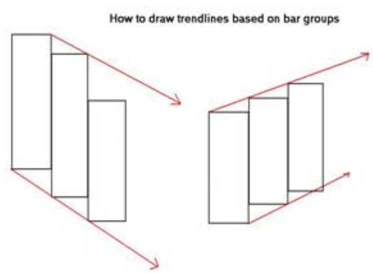
Therefore, there are two primary types of market trends that you can follow much more easily with this type of charting perspective. (1) The directional trend of the price movement and (2) Volatility trends, which are based on the vertical size of the bars that result from the bar grouping method. When the bars shrink in size, momentum and volatility are decreasing as well. Bar group charting is something that I personally developed to incorporate a multiple perspective view to every chart. The idea to group bars together based on other trading time frames came to me after working with the CycleKT and CycleDF programs for several years. The CycleDF program can be ordered through Traders World if you are interested in playing with this cyclic analysis tool. Also, The BarGroup Charting method is now available as a TradeStation indicator that will automatically group bars to your specifications. Two charts are provided illustrating this completely unique and original charting method.

NASDAQ-100 Index 5-min Chart with 7bar and 21-bar groupings.

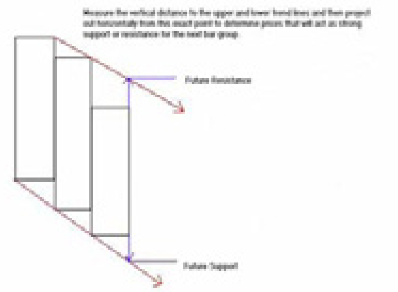
Goldman Sachs with 5-bar Grouping and 20-bar grouping.

All charts were drawn using the New BarGroups Indicator now available for TradeStation.

The next chart illustrates how to properly draw trend lines based on the bar grouping approach.



If you would just visualize each bar group as a simple rectangle, the following description along with the above illustration should make the procedure perfectly clear. For DOWN TRENDS, start at the upper right corner of the rectangle and connect the trend to other upper right hand corners of a future bar groups. Also, project the lower channel of the trend by starting in the lower left hand corner of the rectangle and connecting the trend to other lower left corners of future bar groups. For UP TRENDS, start at the lower right hand corner of the rectangle and connect the trend to other lower right hand corners of the future bar groups. In addition, project the upper channel by starting at the upper left hand corner of the rectangle and connecting the trend to other upper left corners of the future bar groups. The trends can only be projected from bar groups of the same size or time scale. For example, only connect weekly groups to other weekly groups or monthly groups to other monthly. Do not mix up the scales when drawing grouped trend lines. Often times, you can pin point near exact tops and bottoms where the particular market will meet with very strong support or resistance through the use of these simple trend lines. You simply determine how "TALL" the next bar would have to be in order to hit the upper and lower trend line channel and that will give you a specific price that will act as support or resistance for the next bar group. If you based your trend lines on weekly groups, then the numbers will be weekly support and resistance. If you based your trend lines on monthly groups, then the prices will be monthly support and resistance figures. The next chart illustrates the approach.



Bar Grouping is a fabulous tool that can significantly enhance your trading and analysis. It is the only charting tool I know of that can provide multiple perspectives of the market on a single chart. It even works on the intra-day tick by tick charts. The software is now available from Traders World.

Dan Ferrera is an author of several famous trading books: Wheels Within Wheels, The Keys to Successful Speculation, Gann for the Active Trader and many others...

6 Reasons for support at 7150-7225 on the Dow Jones Industrial Averages!

By Robert Giordano

Reason 1

Most have come to realize over the past several months that our financial markets are showing extreme volatility in regards to DAILY price swing fluctuations …….But why?

Playing with the Dow Jones industrial Average on a monthly chart and looking for some key support or resistance levels using the Gann Grids Ultra software several unique discoveries were found.

What was discovered after applying Gann's master squares as overlays along with others (90, 144, 52 and 14,407 the square of the high) I found the square of 144 was by far the most consistent in both time and price fluctuations then all the others!

As the following charts will show, when starting the 144 square on the Dow's Oct 2002 Low of 7177 and FINDING the proper price scale we see Oct 2008 is exactly 72 months or dead center of the square of 144 in TIME and coming very close to the exact bottom of the square located at 7225 in PRICE! (See Chart #1)

We can also very clearly see that starting on the Oct 2002 low the 2-1 and the 1-1 angle consistently show almost every major support and resistance level to date.

If the 144 square is to be consistent into the end of 2008-2009 a price target between 7150-7225 is eminent.

Reason 2

Using Gann and RN Elliot's high price division rule of 50% we see if we divide the all-time Dow high of 14225 made in Oct 2007 by 2 we see a major support level at around 7112.

It's also an exact 100% entrancement of the last major AB swing Range or a double bottom back to the last market low in 2002.

Reason 3

You may also note that the October 2002 low is the 5 year anniversary month to the 2007 top, 7 years from the 2000 top, 6 years to the 72 month mark or 50% of the square of 144 and Oct 2008 is the exact 1 year anniversary to the 2007 top all of which indicate extreme volatility!

Reason 4

After researching the properties of numerical squares in relation to price support and resistance levels in both price and time I found the concept to be a fairly accurate tool.

If we take the number 85 and square it in price we also see that 85x85 = 7225 A perfect square! 7200 is also exactly 20 full cycles of 360 up in price from zero and 7385 is 19 full cycles down from the 14225 top

On a positive note …….The above research comfortably shows that a price level of 7150-7250 is a sound reaction level for a potential rallying point for the Dow to advance from…..At least for the short term!

On a negative note …….However, if the Dow Jones breaks bellow this level by more the n 200-270 points within the next 3 months (Oct- Dec 08) it will place the price swing well into the second square of 144 heading down with no support until 3900!!!

Each square's major angles then become resistance levels rather then support into 2009, 10 and possibly beyond. (See Chart #2)

Reason 5

We also see when we start multiple Gann angles from the 1970 and 74 lows at "0" and the exact bottoms (they seem to work best), several support and resistance levels are also present on this yearly chart again showing if the 7125 number is crossed the next support is between 4650-3850 depending on the year. Each year in the down market will hold a slightly different bottom number as the angles show.

Dow Jones Yearly chart starting in 1900-2008 (See Chart #3)

The following chart show 2009-2012 angles of potential support. (See Chart #4)

Reason 6

Looking back at the 1974 low of 570 to the 2007 top at 14225 the AB range is 13655 points. The range divisions 50%, 5/8 and 75% are as follows:

.50% is 7397
.625% is 5690
.75% is 3983 ……….3960 is also 11 exact cycles of 360!
(See Chart #5)

Robert Giordano
www.pvpointmktres.com

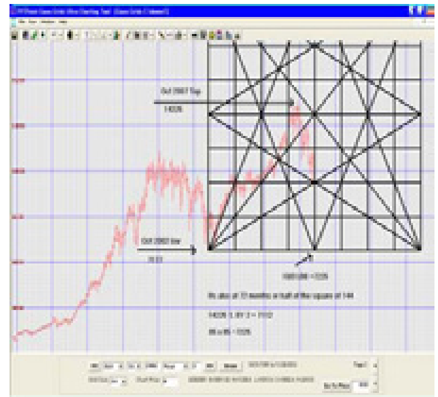


Chart #1

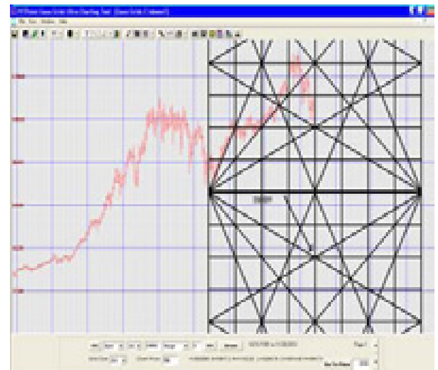


Chart #2

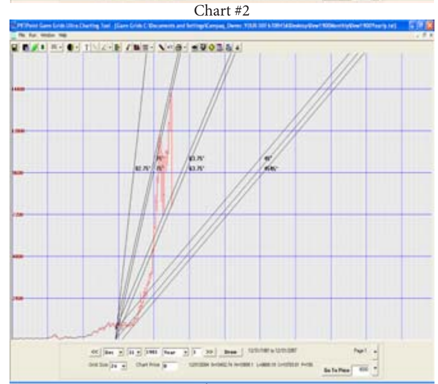


Chart #3

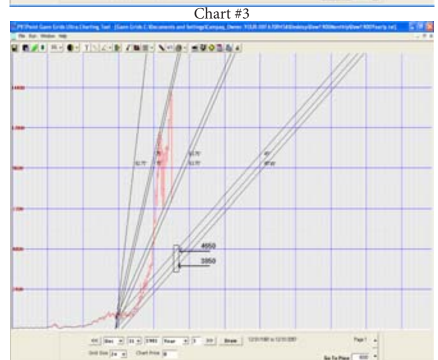


Chart #4

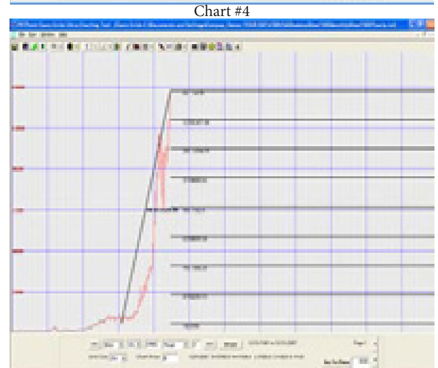


Chart #5

Astro Cycles

By Larry Pesavento

Many of you ask us what astro cycles are the most important. Frankly, the answer is difficult.

We believe strongly that planetary cycles hold the key to market prediction. However, you don't need a "Holy Grail" to make money in the markets. All that is needed is a trading edge.

The combination of cycles and pattern recognition give you that edge!

My interest in astrology started in the early 1970's with the works of W.D. Gann and George Bayer. After my experiences with the "silver" lady's 19 straight wins at Drexel Burnham it became apparent that something significant was present in the planetary phenomenon.

In 1986 Dr. Ruth Miller started me on my search for planetary cycles. She started with the Venus-Uranus aspects and the Mercury conjunct (0 degrees) Sun (Combust) as reported by TG Butaney in 'Forecasting Prices'. What follows are my favorite cycles but they are not listed in their order of importance because I am not sure of their importance. They do work far more than they fail!

The Bradley Stock Market cycle gives indications of the key trading dates for the stock market as well as the shorter-term trend of the market. It is based on using planetary pairs with each pair having a positive or negative bias.

Donald Bradley wrote "Stock Market Predictions' in 1947 and it's very, very hard to disprove the effects of planetary cycles on the stock market. Use of the Bradley Model should be limited to the short-term trend and the trading dates. It is not too useful for price levels. Pattern recognition and swing ratio analysis is helpful in this area.

The Pesavento Index shows the statistical deviation from the normal number of aspects shown from the daily aspectarian. The average number of aspects in the sky each day is eight. Whenever there are thirteen or more or three or less on that date a Pesavento Index date is present. These dates have a high probability of a trend change. There are only a few each year. The index was named by Frank Tauscher for the Supertraders Almanac. Dr. Ruth Miller gave me the idea and she insisted that the index be named after me.

"Combust" is Mercury conjunct (0 degrees) the Sun as reported by TG Butaney in 'Forecasting Prices'. This occurs about four times each year. It is extremely accurate (within 2 days) and is quite strong giving important cycle highs and lows. Pattern recognition is necessary to determine price levels.

The Venus-Uranus aspects are one of my personal favorites. Although they are short term they work remarkably well and are very accurate! This aspect was tested over 2000 cycles to determine its accuracy. We only look at the 90-degree aspects - conjunction 0 degrees, square 90 degrees, opposition 180 degrees.

The lunar phenomenon is probably the most widely known of any planetary cycle because you can visually see it in the sky. Full and New Moons as well as the lunar and solar eclipses can have dramatic effects on the market at various times.

Remember that these are all probability-based cycles and must be treated as such. Nothing will work without good money management regardless of bull or bear markets!

Larry Pesavento is a fourty year veteran trader. He managed Drexel Burnham Lembert's Commodity Department. A former member of the C.M.E. He is author of nine books on trading:

Fibonacci Ratios with Pattern Recogition

Profitable Patterns for Stock Trading

Private Thoughts from a Trader's Diary

Astro-Cycles Traders Viewpoint

Esstentials of Trding, It's Not what You Think, It's How You Think

Planetary Harmonics of Speculative Markets

Harmonic Vibrations

Opening Price Principle

Trade What You See

The Secret of Trading Elliott Wave with Momentum using ELWAVE

By Larry Jacobs

Trading with Elliott Wave is not as complicated as many think. I believe that if you have the right tools and a good method of trading anyone can do it. In this example I used Prognosis's new release 9.0 of their ELWAVE software program. It is easy to setup and works with many data vendors such as eSignal, TradeStation, etc. I personally think that ELWAVE is the most detailed and accurate Elliott Wave program out there. Before it analyzes a chart it goes through thousands of wave combinations and rules. Then it labels the chart with the waves, gives time and price projections, stop points and even trendlines. No program that I know of does this as good as ELWAVE.

Let me tell you one secret in trading Elliott Wave. The secret is momentum. Now look at the chart below. This is a chart of the E-Mini. On the top of the chart I have an RSI oscillator and under that I have the Elliott Oscillator. Both of these indicators tell of momentum changes.

The RSI oscillator can give you buy and sell signals in two different ways. The indicator fluctuates between 0 and 100. Horizontal references lines are drawn at 30 and 70. If the RSI gets at 70 or above you probably have a wave top. If you are at 30 or below you may have a wave bottom. The other way to use RSI is with divergence. That means if the price makes lower lows and the RSI makes higher lows you have a bottom indication. The secret in using the RSI is to first get divergence and then after the RSI has been below 70 let it come back above and go back down to the 70 and not get through it. See the A marked on the RSI in the chart. That is probably the wave 2 or ii. Now use the Elliott Oscillator to confirm this. It too must have divergence and then come back down to the 0 line and hold. Another indicator of a wave 2 bottom. Because ELWAVE has the ability to label the chart and give you both time and price projections, stop points and even trendlines, you have the necessary information to place your order, stops and a price where you want to get out of the trade. Notice also I have placed the Bollinger Bands on the chart and configured it to work with this chart. The price was resting on the Bollinger Band at the same time we got the RSI and Elliott Oscillator buy signals.

In the chart you will also see a label B on the RSI. This is were you got almost the opposite of the buy A. You had both RSI and Elliott Wave Oscillator price divergence. RSI did not get back through 70 indicating a sell. The market was also up near the top of the Bollinger Band. The market had a big sell off but held the support at mid point of the Bollinger Band and the Elliott Oscillator did not go under the 0 line indicating the market would probable resume up, which it did.

The Elliott Oscillator is also useful to tell me what wave the market is in. For example in an uptrend the wave 1 is the first run up in the Oscillator and it normally comes down to the 0 line and then starts up into the third wave which is the largest wave. The forth wave goes down under the 0 line and then back up to the fifth which is not as high as the third. That completes the five wave pattern. Its easy to see when you get used to recognizing the pattern.

Another neat thing I use ELWAVE for is that it gives me the ability to pull up the wave tree and analyze the current minor wave. That means I can fine tune the last minor wave that the market is in for precision trade accuracy with wave labeling, minor time and price projections, trendlines and Bollinger Bands.

The power of this release of ELWAVE 9.0 is that you can combine the power of Elliott Wave analysis with any other system with customized indicators into a single program. You have the freedom to choose between real C# and VB programmable languages with an editor that comes complete with syntax highlighting, keyword/function/variable name completion, parameter info tool tips, in short a professional level code editor.

The program also has the ability to scan in real-time for trading opportunities, for example, wave criteria with the new Summary Alerts. These can actually be sent to you as alerts by e-mail or to external programs

I highly recommend this software program for any serious trader. ELWAVE is available from www.elwave.com Try a Free 30-day trial and experiment with what I have shown you in this article. You will not be disappointed.

The Return of $3.00 Silver!

By Joel Rensink

Where were you when silver was only $3.51, in 1991? Did you buy any? How about corn when it was just $2.00/bushel in 2005? Why are good opportunities so hard to see at the time you need to recognize them?

The best opportunities in life, and especially the most profitable ones..., all are based on resounding truths that after the opportunity is past causes the majority to gasp - "Where was I? How could I not see it? How come everyone didn't take advantage of the situation?" Only the informed and knowledgeable risk takers see the most advantageous circumstances when others just see trouble.

The spot opportunity I am discussing in this article is silver. In 2001 a similar opportunity existed in crude oil AND silver again, in 2006... corn, last year wheat. When a very low risk situation arises, it never is attractive to the majority. For the majority, the price is never just right.

On February 22, 1991 and February 22, 1993 the trading world saw the nearby Comex silver contract make lows at $3.51 and $3.52 respectively. This nearly perfect double bottom has held ever since, with a higher low placed November 21, 2001 at 4.04. Even if you had bought silver then, you would have had to wait a while until the market got going. It finally started moving up fast in 2006 when it took out $8.00. This spring, silver touched $21.18 on 3/7/08.

If you've been watching recently, you have seen a tremendous drop which has caused panic for many in the metal markets. Is the top in? Personally I don't think so, but what is great about trading correctly--- you don't have to know "for sure" if a given market will go to a certain price or not. All you need is a robust method which can help define risk, and the wisdom to pick a market with loads of opportunity.

Right now, that market is SILVER.

You may not be interested in trading silver. If not, that's fine. But, if you are interested in making what very likely will be spectacular returns with paltry risks in the very near future- I am including one of my best robust trading methods which has proven its ability to extract gigantic profits from silver and other volatile commodities, while keeping position risks low. Some of what follows may sound like fundamental trading concepts, but don't be turned off by them. Truth of what-is-really-going-on creates the greatest profits possible – in any market.

My Silver Connection

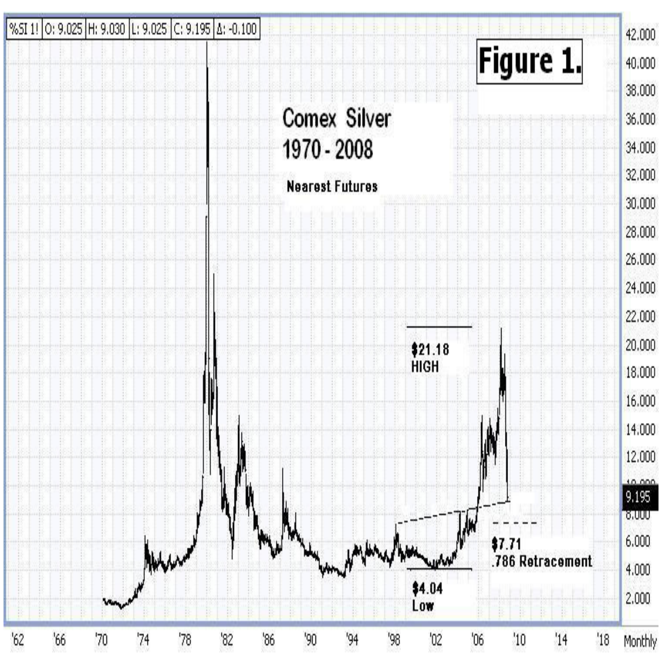
Over 30 years ago I had a silver-recycling business, when companies actually poured hundreds of ounces in rich silver solutions down the drain every month. Billions of ounces were wasted and are not recoverable. When I started recycling, you could literally get all you wanted for processing, for FREE! Recycling got me into hedging, hedging into trading, and I've been trading ever since.

I have been purchasing physical silver since the beginning of my trading life and much heavier since 2003. I have traded silver successfully in the futures markets for decades. It is a frustrating market most of the time because of the personality of the individuals who trade and invest in it.

Trading and investing are two different things. Houses and paintings are typically considered investments. A lawyer would say that investments are any vehicle into which funds can be placed with the expectation that it will generate positive income and/or that it's value will be preserved or increased.

Silver fits into that category well. People have bought silver and held for a very long time before they profited. Some smart investors have done exceeding well. You should be one of them.

I could spend hours telling you why I am certain that we will



see $100/ounce silver before we see silver under $8 for any significant time. I won't. There are great websites who trumpet the story very well. Remember, the biggest financial moves take place because of well-known conditions that everyone could see if they just would. Then something happens that gels a different point of world view which makes one group of individuals prosper better than the rest.

Supply and demand works – regardless of what functional socialists may believe.

Even the recent oil moves were easy to anticipate. With so many third-world countries wanting energy to create products like the first world countries have, it was inevitable that if oil supplies didn't increase as rapidly as the demand, something would have to give. It did. Prices went up.

Now prices are plummeting because the producers really started loving the excess profits they were making and rushed to produce even more. They did..., and prices have fallen in record time.

Back to Silver.

One of the main reasons silver is now so low priced is because of falling oil. Millions of mutual fund investors have been sliding money into commodity-based index funds to take advantage of the "sure-thing" oil moves of the last year. Let me tell how these things work.

When you buy your shares of a commodity index fund you are buying a basket of commodity FUTURES contracts at the same time as the others buying the fund that day. Due to oil and grain prices making huge moves up after the end of last year and the beginning of this one, these millions of fund investors were encouraged to buy the commodity indexes so they could have some return, as stock markets have been dismal return-wise. And the brokers got a decent commission too.

Now, with crude and grains falling off, these same investors who decided oil prices were never going to fall again and bought near the oil highs are, as I write; throwing in the towel and getting out of these index funds.

The problem this makes for silver is this: Index funds have been good for commodity bull markets because they are "buy-only." They buy up futures contracts, not the real stuff behind the contracts. No real barrels of oil were purchased, or bins of wheat, or silver bars.

Index funds are much worse for bear market corrections. The herd mentality of the end-user ---the mutual-fund investor who was just trying to improve his return..., causes them all to sell at the worst possible time, when the news is blaring about how bad these funds are for all who have them.

When they sell their pieces of the index fund, the big red button gets pushed and oil contracts get sold, along with wheat, corn, cotton, coffee, sugar and SILVER and gold contracts. Regardless of the relative value of these other markets, oil is the biggest component and the major reason that anyone was in them in the first place.

If you try to price silver bars right now, they are substantially higher than the cash price that you will find on Oanda, a forex trading broker. (XAG/USD – 1 unit equals 1 ounce) The reason is the futures and dealer prices are being shoved down excessively vs. the real price it actually requires to get physical silver. The spread is very large. Don't expect it to get narrower. Feel free to check this out.

My point of this longer-than-I-expected diatribe is this: Silver isn't going much lower.

If you disagree after checking out the facts available, great. Definitely your choice.

Many sophisticated investors who desire to buy silver first create a buying hedge. They find a spot they are interested in purchasing silver, and purchase that quantity on the futures markets or a firm like Oanda. Then they find the physical form that they wish to keep; bars, rounds, bags of pre-1964 circulated 90% silver coins. After they lock in that price, they can then offset their derivative hedge to actualize their target price. This method allows a silver investor to take as much time as they want to find the silver products they want. And if you use Oanda, you can do it ounce by ounce buying from Ebay if you want.

Just from a paper investment idea, if you buy 100 units

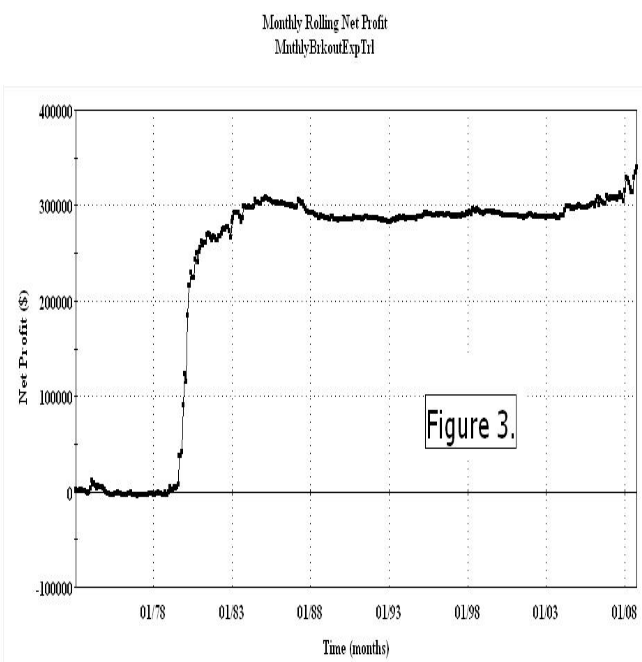


Figure 3.

TradeStation Strategy Performance Report - MnthlyBrkoutExpTrl SI.LNG-Daily (1/2/1973-10/17/2008)

Figure 4.

Performance Summary: All Trades

Total Net Profit	$334,396.50	Open position P/L	$5,875.00
Gross Profit	$581,922.50	Gross Loss	($247,526.00)
Total # of trades	481	Percent profitable	35.34%
Number winning trades	170	Number losing trades	311
Largest winning trade	$101,900.00	Largest losing trade	($7,260.00)
Average winning trade	$3,423.07	Average losing trade	($795.90)
Ratio avg win/avg loss	4.30	Avg trade (win & loss)	$695.21
Max consec. Winners	4	Max consec. losers	10
Avg # bars in winners	19	Avg # bars in losers	5
Max intraday drawdown	($24,492.50)		
Profit Factor	2.35	Max # contracts held	1
Account size required	$24,492.50	Return on account	1365.30%

of XAG/USD on Oanda @ $9.50, it will take just $21.40 of margin. When the price goes back up to @$21.00 where it was just 7 months ago, you will gain $1,150. If the market falls further to $7.50, you would be out $200. Even if it dropped to $3.50, the old low, you'd only be out $600. Tough call isn't it?

The reason I called this article "The Return of $3.00 Silver!" is because-- in 1991 when silver got down to $3.51..., what was your downside risk? One or two dollars? At the absolute maximum, it would be $3.51 if they started giving silver bars away. No chance of that happening, then or now. (In inflation-adjusted dollars the price of silver right now, currently $9/oz- is lower than the price in 1991. And inflation has just had it's fire hosed with gasoline!)

After the market action we've seen since 2001 and the most inflationary environment ever created going on right now-- I am certain that we are in one of the largest silver bull markets ever to grace the world. We are now seeing the most advantageous correction it could give us. Fortunately, you don't have to draw a line in the sand, buy silver and hope for the best. A better solution is ahead.

What matters is how you perceive this situation.

Everyone can figure out the truth for themselves. Check out the long term silver chart in Fig. 1. Ask yourself, "What you think the odds are that silver will make it back to $21?" Or even much higher because of inflation and the dollar's inevitable return to be the weak currency it really aspires to be. See (Figure 1.)

We have just seen the largest inflationary pumping of fiat currency into a leaking system that history has ever recorded. Once money is created, it is just transferred/moved into different hands. IT DOES NOT DISAPPEAR!

For an inflation-adjusted chart of silver check this link. http://tinyurl.com/ohr88 You should find the story compelling enough to at least consider buying some silver in the near future.

Don't be surprised in the very near future for silver to jump up $1.50 - $2.00 overnight, and then never fall back again. The public buys at tops and sells at bottoms. They are selling now.

Here is the final point to consider in this part of the discussion. Silver is a finite material difficult to obtain, and when it is – only by hard, dirty, time-consuming and costly work.

Dollars are in infinite supply – just push some buttons on the Fed computer and you have more of them. Which of the two can be created and abused the quickest? You can come to your own conclusions.

How to Best Profit from the present Silver Juncture?

You could do what was suggested above and actually buy some physical silver. I highly recommend it. It may be some of the best value you ever received for your money outside of purchasing a personal dwelling. It also has the benefit of being able to completely control your position and benefit from cash silver squeezes that are endemic to the metal.

If the opportunity in silver is as large as I suggest, another factor you might consider is the potential to buy silver using leverage available from futures contracts.. That is very possible by purchasing Comex and CBOT silver contracts which represent 5000 oz. of silver.

What is currently revolutionary, is the fact that it's now possible to trade as little as 1 oz. of silver on leverage with firms like Oanda, mentioned earlier. Remember the example where you can hold a 100 oz. position with only $21.40 of margin? I have no connection with Oanda outside of the fact that I have placed thousands of trades on their platforms and have found them quite adequate for larger or even very small investors/traders.

In fact, I've created a website 11 months ago where I started trading a real money Oanda account of just $500. My goal is to turn $500 into more than $150K in substantially less than 10 years. This completely free website has had tremendous success already. In just 46 weeks I've already gained more than 185% return taking over 300 trades in the currency markets and precious metals. www.infiniteyieldforex.blogspot.com I even give away the methods I'm using for the Challenge.

I have dozens of emails from readers, some whom I've gotten to meet in person, whose accounts have increased 20%+ in a single week. The current markets have made it possible to make what would normally be unreasonable returns in a short time using only reasonable risks. It's not magic. We just trade active markets with methods that give us an edge.

In a recent week, the Challenge account garnered more than 4000 points from 5 straight winning trades when the dollar became the only currency the world wanted to hold.

These extremes are rare, but if you have a robust methodology that can and will reliably take advantage of these moves, why not? Now that you can risk just a little capital to learn how to trade professionally instead of your life savings, many are making room for a potentially profitable learning experience. With the risk you choose.

Which brings us back to the current silver opportunity which has the potential to reward us again and again for the next decade. Once large trends start they can last for a decade or longer. Inflation can only continue.

Years ago I realized I needed to be able to wait until just the right time to pounce, when the market gave me positive indication of a move underway. I've always used breakout-style trading methods because they are the only way I can ensure I'm getting in on the side of the new trend. For my money, the greatest trading potential is found in the forex and precious metals markets.

These markets trend, and Billions are being created by Central banks just to encourage you and me to trade their currencies. Since the precious metals-gold and silver were the original forms of money, they have a strong following by those who are concerned about the impermanence of paper (fiat) currency.

Here's how I 'm approaching this silver opportunity. The sharp downmoves we're experiencing are – by their suddenness-- corrective in nature. I cannot afford to miss the next impulse bull moves in this market. I need a "sure" method to monetize the opportunity. I refuse to guess.

My favorite and most trustworthy entry method is straight from Gann himself. Gann stated countless times how important it is to watch the high and low prices of the previous month, and when they are breached to go with the market. I've found that buying or selling breakouts of the last 20 trading days is indeed valuable and works extremely well as a robust trend indicator. That's what I'll do in silver.

Monthly Breakout with an Exponential Moving Average Trailing stop.

The core method I use for violent but trending markets like silver and coffee, orange juice, crude oil, and even T-Bonds is the following:

1. If you are flat (no position), buy the market one tick above the highest high of the last 20 days on a stop.

2. When you get entered, remain long the market with an initial and trailing stoploss order at the level of a 20 period exponential moving average, available on any charting platform.

(Reverse these directions for a short position)

That is all there is to it. This extremely simple but robust system can tilt the advantage of trading these powerful markets to your side. An example of how this works on a silver chart is in Figure 2. Very few mechanical methods have done better than this simple monthly breakout system. See (Figure 2.)

The idea behind using a trailing stop is to limit the size of potential losses. It is important to not remain in a market when it stops trending for some reason. The other reason for a trailing stop is to let profits run. An exponential moving average trailing stop lets profits to accrue when the trend is strong and handily adapts to strong market conditions.

This method is far from being curve-fitted. It is very similar to the Donchian method, which also borrowed the monthly breakout concept from Gann. Using the exponential trailing stop simplifies the money management because when you get in a trade you automatically know how far the breakout is from where the moving average is on the day of entry. The beauty of the method is how it exploits straightline moves, and holds its own when the market isn't going anywhere.

If you have access to Tradestation or other trading software you can verify the efficacy of the method and see how well it "works" over a large range of variables in either size of breakout or moving average. The long term equity curve for silver trading (single contract) is seen in Figure. 3. Notice how flat the equity curve has been for the last decade, with the curve finally heading to new highs in the last few years. See (Figure 3.)

The performance report is seen in Figure. 4. Notice how large the profits have been when sustained trends are captured. If silver does indeed start leaping up as it has in the past, it is very likely you will reap the majority of potential by following a simple method such as described here. See (Figure 4.)

It is likely the silver market will have bottomed by the time you read this. That's fine. Time is on our side. The next decade will have the greatest opportunities in futures and forex that have ever been available.

If you would like the Tradestation code for this method, feel free to contact me. I'll be happy to send it to you. Its simple, yet robust breakout concept will ensure that you won't have to miss an important move that could permanently change your trading life.

Want to know the greatest thing about the current silver opportunity? The potential for profit is infinitely greater than if you had purchased silver in 1991. Now, the market is moving and almost no one believes it can go up again.

Joel Rensink has been a professional futures, floor and forex money manager for more than 25 years. In addition to active trading, he is a consultant for determined traders, trading firms and hedge funds seeking profound returns. For any comments or questions on the article or the markets, e-mail him at leonardo@infiniteyield.com
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What You Need to Know About W.D. Gann

By Norman Winski

Are you one of those people who have tried to read some of the writings of W.D. Gann and felt like you might as well be reading Greek?

Consolation is here. Most beginning students of Gann's works feel thoroughly confused if not totally baffled. The situation is somewhat analogous to someone who picks up a book written in Greek, having absolutely no knowledge of Greek, and tries to understand those writings on the assumption that they are reading English. The difference is that Gann's writings utilize the English alphabet; therefore, further wrongly reinforcing the illusion the he is communicating to you in normal conversational English. W.D. Gann was actually writing in another "language" or jargon, but he usually didn't bother to tell most people this.

The language of W.D. Gann is Astrology. All through the writings and charts of Gann are allusions to the principles of Astrology. For example in your Gann research you may have noticed Gann's use of; the date of incorporation for a company, the date of the first day of trading for a stock or futures contract, the zodiacal dates surrounding the ®"square of nine" chart, the planetary symbols found on his own handwritten market charts, the planetary ephemeredes with his personal notes written inside found among his books, the use of angles basic to astrology, and the collaboration with other astrologers. I said "other astrologers" because, first and foremost, W.D. Gann was an astrologer. Everything else is supplementary.

Astrology is the correlation of extraterrestrial phenomena with terrestrial phenomena. It is a specialized branch of cycles. Gann liked to refer to it as "the law of nature" or "natural law". The bottom-line is that Gann said that timing was the most important factor and he based most of his market timing on astrological factors or principles.

Several years ago, I had the good fortune to talk, on the telephone, on several occasions, with a former associate of W.D. Gann's. Due to a promise to keep his identity a secret, I cannot tell you his name. But, he lived in Pittsburgh, PA, and his initials are R.C. R.C.'s father was a very good astrologer and had worked with Gann. When R.C. was a young man, he followed in his father's footsteps and starting working with Gann. He worked with Gann on a full time basis as a partner and collaborating astrologer for about ten years, from the late 1930's to the late 1940's. During our conversations, R.C. told me "first and foremost Gann was astrological". He also said that during the period he worked with Gann, Gann made most of his money by selling market letters and $5,000 courses. In 1948, when Gann accurately forecast the top of the Soybean market, almost to the penny and the minute, Gann sold one soybean futures contract short and rode it down one dollar for a gain of $5,000.

**This is only a part of the full article due to space constraints. The full article with charts is available in our Traders World Online Digital Issue #45. You can contact Norman Winski@at normw@americanfutures.com*

New Traders World Online Digital Magazine

(now enhanced)

Traders World up to now has produced both the printed and the online pdf version of the magazine both being exactly the same. Being contrained with space limitations in the printed edition we now starting with this issue going to enhance the online version, since almost all of our subscribers do have access to the internet with high speed connections. Here are the changes:

1) Some of the articles in the online version will be larger, charts will be bigger and clearer and in color.

2) The index on page 9 will have links that take you directly to the articles or ads in the magazine. Ads throughout the magazine will link directly to the advertisers sites on the internet.

3) The online version will have HD-quality video reviews of some of the trading software.

If you are a subscriber to the Traders World printed version and want to try a free trial issue of enhanced online version #45 go to: www.tradersworld.com/online.

NFA control number 2006-CINV-02809

Murrey Wins the Gann Time and Price Award

Murrey wins the: <u>Gann Time and Price Award</u>

Oct. 17 2007 Murrey "presented" trophy*

***Gann relatives have attended Murrey's classes in Nashville and Las Vegas.** Murrey has seen Gann's name in their family Bible.

Gann's wife died in 1942 and Murrey born: 10.09.42 and Gann published his book 1942.

Gann said: 1927: Expect all time highs to be October 1929 and lows to be July 04.1932 and hit them both and <u>Wall Street money hungry opium addicts</u> laughed at him and lost big time.

Get backs are Hell for <u>Wall Street Fundamental following Fools</u> who can't derive M'$pie 3.125

Gann told Wall Street he would live to see (3/8th) double top from the all time highs at Dow highs at 382 = 3/8th and 1954 Wall Street "loser' brokers had all died except three with (no recall) so they couldn't remember losing everyone's money in the Crash of '29 and Dow 30 Cash Index got back to '29 highs at 382.

Gann had his grave set 18.75 feet above Wall Street in Brooklyn facing the fools on Wall Street, who told everyone to stay long in the markets after making + 120% profit short term.

T. Henning Murrey and his direct heirs own (forever) the (exact) formula and <u>all Intellectual Copyrights and Maritime Common Law "look"</u> of (every) exact price of each MM Trading Line since 1992-93, where Murrey was the 1st to (see) with his 3rd Chakra Eye: Musical Pitch from Poland March 17 1917 and July 17 1939 at 437.50 to 440.625 cycles per second set to the Flute of the Cherokee Indians of East Tennessee 6,250 BC at Watauga Palace of Cherokee Indians. <u>Murrey owns the copyright trade mark.</u>

Mickey Kantor, lawyer, US Secretary of Commerce under President Bill Clinton for (8) years, two years ago, spoke at Vanderbilt's Law School Auditorium on the **<u>subject:</u>** <u>International protection of Intellectual Rights of the "gifted" individuals,</u> who do the hard work of thinking and figuring out everything for "workers."

Mickey Kantor spoke with Murrey briefly after he spoke at Vanderbilt. Mickey Kantor watched murrey play basketball in Tennessee State Tourney semi finals at Vanderbilt U. 1959 – 60.

Murrey has been showing hundreds of thousands of students all over the world the same number, M'$pie = 3.125 since 10.09.1995, when **<u>everyone in Nashville asked him to keep it a secret</u>** till they retired 12.50 years: 10.09.07.

<u>There are no random reverses, get over it now.*</u>

25 Years of losing (everything) with Buy and Hold investing with experts (who knew better).

1929 to 1954 "losers" got even with Buy and Hold Investing which is for <u>chicken shit experts,</u> who can't tell you anything any time, except all markets are random and no one knows, what the markets will do next week: duh like hello.

US Buy and Hold Investing Experts exported (it) to Japan in 1986 and 25 years (later) Japan's stock market has fallen from up (around) 40,000 down to as low as 7,500 10.10.08 and the highest it has reached is ½ way, so will they get (back) even the next 25 years? No way.

FOX Network TV Channel: states (almost) all journalism is Democratic biased random Truths.

All TV Financial Network Channels: state all experts coming on TV "see" all markets random.

<u>After the Fact (every) Buy and Hold "loser" expert knows he should have told you to take huge profits,</u> but he can't admit it to you or (himself), since he can't make a decision. Why?

New Trading System: by T. Henning Murrey

<u>Stand on your head Mirror Affect:</u> Go Long with Shorts (by seeing down markets going up): now <u>Buy and Hold Long Term Investing experts</u> can let you make money on the way down, finally.

96.875% off all owners of the most accurate high priced watches, <u>are the (same) ones who say no one can tell</u>

<u>time when price will reverse.</u>

Gann: said: (in) 1942 book: "When Time and Price meet on (extreme highs or lows) expect a $3/8^{th}$ or $5/8^{th}$ move in a short period."

Price and Time match (up) to the right, if you understand how to know (see) what price and which time to set the major US markets (to).

Murrey Family Time Price Cycle: 17 Yrs: 1854: 34 Yr Cycle: 51 Yr Cycle: 68 Yr. Cycle: 136 Yr Cycle: finally 153 Yr (fish) Cycle

Gann: Time Price Cycles: 1 Yr. 2 Yrs: 5 Yrs: 10 Yrs: 20 Yrs: 30 Yrs: 50 Yrs: 60 Yrs: 100 Yr Cycle

Boston Celtics stock market Cycle: 1987 – 2007 forced huge sell after they won championships

Musical Time Price Cycle: 437.50 Yrs started 10.09.1492 and ended + 437.50 years (later) 10.09.1929 for Crash In US Stock Market

Lost Sound: Time Price Cycle: $1/64^{th}$ Note

156.25 Yrs, when US was born with (13) colonies on 12,17.1773 at Boston Harbor Tea Party for 3.125 cents (tax) and + 156.25 years later 10.09.1929 was the start of USA stock market crash started 10.09.1929 in Boston when Mass. citizens refused to raise price of Mass – Edison Electric from 437.50 to 440.625 (+3.125) to get a stock split and it went down (- 81.25) the next day, which was the (exact) % of the 1929 sell off down – 81.25% from 382 to 40.

<u>Ten Yr Trading Cycle; 10.09 1987 to 10.09 1997</u> **History Repeats** off the (same) MM Frame: S&P 100 Cash Index: 10.09.97 MM $0/8^{th}$ at 375.00 to MM $8/8^{th}$ at 500.00 and 10.09.08 it was trading in the same (exact) MM Trading Frame and the lows were: near 406.25 on MM $2/8^{th}$: S&P 500 Cash Index 10.09.97 MM Trading Frame: Mm $0/8^{th}$ at 875 and Mm $8/8^{th}$ at 1,000 and lows (near) 843.75: and 10.09.97 the Dow 30 Index at 8,095 and 10.09.08 the price was 7,882.125.

Did your broker show these (exact) reverses?

Murrey's Harmonic Frame Shift Cycle: markets shift (up) into the (next) higher (of) Murrey's Master squares, when price closes 25% plus one point above (into) 25% of the next higher square: example: 249 price would be in Murrey's Master Square: 100 since it is (not) at 251, which is 25% of Murrey's Master Square: 1,000, right?

Proof: April 17 1995 The S&P 100 Cash Index was trying to close above 250, so it could expand its Mm $1/8^{th}$ from 12.50 point to 15.625 points and it did, at 251 it shifted into 1,000. You were able to predict future highs by starting at: 250 and add + $3/8^{th}$ then + $4/8^{th}$ at Major MM $1/8^{th}$ at 125 x 4 = 500: the Murrey's Binary Regression: ½ Note: 62.50 then ¼ Note 31.25 would be 843.75 which was all time highs March 24, 2000. The next highs were 10.09.07 on Murrey's Birthday at 730.625 and 10.11.07 the highs were 734.375, so the difference was Murrey's Binary Regression: ½ Note: 62.50; then ¼ Note: 31.25; then $1/8^{th}$ Note: 15.625 = 109.375, which was the (exact) difference from March 24 2000 and next highs on 10.11.07.

Murrey and Gann Predict (exact) highs….Gann provided 18.75 % and Murrey converted 18.75% to 18.75: 187.50: **1,875 MM $1/8^{th}$,** so 15,000 = MM $8/8^{th}$. ½ Note: 937.50 points: $1/8^{th}$ = 1,875, so $2/8^{th}$ = 3,750: $3/8^{th}$ = 5,625: $4/8^{th}$ = 7,500: $5/8^{th}$ = 9,375: $6/8^{th}$ = 11,250: MM $1/8^{th}$ at 1,875 and MM $7/8^{th}$ at 11,875.

Murrey started: 10.09.90 Dow Index at 2,500, so Murrey added + $5/8^{th}$ 9,375 to start on 2,500 = 11,875, which was the 01.14.00 (exact) almost all time highs of Dow 30 Index, which missed by 156.25 points, or $1/12^{th}$ Note.

All Time Highs 01.14.00 at 11,875 down to 10.09.02 lows end of Y2K Bear Market was $1/6^{th}$ (312.50) points below 7,500.

10.09.02 price at 7,187.50, so we add $3/8^{th}$ at 5,625 = 12,812.50 + 937.50 = 13,750 + 312.50 = 14,062.50 on 10.09.07 at end of 17 Yr Cycle

MM $7/8^{th}$ = 13,125 + ½ Note: 937.50 = 14,062.50, was the open price on 10.09.07 (17) Yr End Cycle from 10.09.90.

Murrey and Gann discovered 48^{th} day or 6^{th} Time to be a fast reversal Time: "see" MM $6/8^{th}$ in Time from 10.09.90 to be 10.09.02 (6/8) was the (exact) low at 7,187.50 and ended 10.09.07.

10.09.07 the Dow 30 Cash Index opened up at 14,062.50 and it closed at 14,166.25 and then 10.09.08 (1Yr) later, it fell to 7,812.50 + 78.125 points to 7,882.

April 17 – May 19 2008: Double Top for (3) major US markets: <u>Dow 30 Cash Index</u> at + $1/8^{th}$ on **13,125:** MM $0/8^{th}$ at 7,500 to MM $8/8^{th}$ at 12,500: <u>S&P 500 Cash Index</u> at + $1/8^{th}$ on **1,312.50:** MM $0/8^{th}$ at 750 and MM $8/8^{th}$ 1,250: S&P <u>100 Cash Index</u> at + $1/8^{th}$ on **656.25:** MM $0/8^{th}$ at 375 and MM $8/8^{th}$ at 625: Ratio: 2:1 Dow to S&P 500 and S&P 500 to S&P 100 at 2:1 and Dow 30 Index to S&P 100 Index 20:1.

Continued on page 70

Financial Astrology and the Future of the U.S. Economy, 2009-2013

By Barry Rosen

From an astrological perspective, influences of planet Pluto are starting to reveal aspects of the U.S. economic system that were hidden over the past 105 years--and some of these revelations will be disturbing. For instance, it appears that the Federal Reserve has long wanted to take more control of the U.S. banking system--and the events of Sept. 2008 allowed them to do just that, as Congress granted the Fed powers to take over troubled banks. Of course the Fed jumped at the idea of buying stock in private banks, including healthy ones like Wells Fargo, in the name of rescuing the U.S. economic system. But considering that the stock owners of the Federal Reserve are banks in New York like Goldman Sachs and Chase, and important world banking families like the Rothchilds, the potential for greed and abuse of power by the privately owned and newly empowered Fed is substantial. (See Secrets of the Federal Reserve by Eustance Mullins, 1952, for more details).

Before exploring other revelations about the future of the U.S. economy, readers not familiar with financial astrology may want to learn a bit more about the planet Pluto, which governs debt. This planet takes 246 years to rotate through all the signs of the zodiac. Since the U.S. is younger than that, it is only now that the Pluto is going over its ascendant at 6 degrees Sagittarius in the Vedic astrological system. Pluto is also associated with death and transformation. As Pluto retrogrades over the key 6 degree area of Sagittarius in Dec. 2008 and Sept.-Oct. 2009, it suggests that turbulence will continue for the U.S. economy. On a deeper level Pluto wants to either transform the U.S. economy or kill it, in keeping with its "die or transform" nature. Of course this is not necessarily a bad thing, as revealing the darker secrets of the world banking system will hopefully effect a healthy transformation to a better system.

On the other hand, the U.S. bailout plan looks problematic, as borrowing billions of dollars that is based on printing more money will eventually come back to haunt the U.S. unless the government exercises extreme fiscal restraint. The U.S. dollar will eventually move toward hyperinflation and devaluation unless the new Obama administration can come up with some miracles. Unfortunately, with its autonomy and new powers, the FED can undermine positive measures from the government. For instance, what happens when they start tightening interest rates after 2009? If things are tight now, what will happen to credit card debt and the cost of financing a home? How many more banks will it scoop up?

Near term, Barack Obama's election does bode well for some markets, as the year after a Democrat wins the White House is usually good for the dollar and the stock market. We think the U.S. stock market still needs a series of lows before a bottom will form and then in 2010 it will recover into 2011 with the dollar topping into Feb. 2011. At times it may look that the U.S. stock market is recovering but like all bear markets, you tend to get retest lows and lower lows, and an investment bottom may not form until Oct. 2009. Obama's cycles from April 2009 into 2010 look particularly challenging so let's hope the Secret Service is on top of protecting him

We anticipate higher dollars into Feb. 2011 but some of that strength may be from hyperinflation, and that will lead to a plunge in the dollar. In fact, without fiscal restraint, we are concerned that the U.S. dollar may become worthless like the currencies of Iceland or Argentina. This seems more likely into the end of 2012 under the burden of war debt or new climate and earth changes in 2011 that will severely strain the economy, especially the insurance industry. The Pacific Northwest maybe particularly hard hit in 2011. Overall, climate changes and natural weather disasters could bankrupt the country and the insurance industry. Three countries will come to the aid of the U.S. but it may not recover until 2015-17.

The years 2009-16 mark the beginning of a rebellion cycle that the U.S. last saw from 1889-1896. The people, especially those earning very little, will finally rise up and throw out their crooked leaders. During that earlier period of this 120-year cycle from 1889-1996, there were a number of key economic events, including the banking crisis of 1893 and the foreclosure of banks on personal real estate that was a result of jacking up rates (ironic repetition happening now).

Still, it may take a depression cycle starting in 2012-13 to really get the masses moving in a bigger way. The effects of imbalanced budget, wasted money on wars, and escalating budget deficits will continue to have an impact for some time. Despite an ugly 2008, there has been a 12-year positive cycle supporting the U.S. and that will end in Dec. 2008. Next year a false optimism cycle may raise hopes that will continually be shot down by dire statistics. With over 115 banks on the FDIC watch list, I suspect losses and mergers will accelerate in 2009.

Looking out to 2009-2013 for the U.S, there is a messy 7-year cycle that we last saw from 1889-1896, a time when labor rose up and threw out the barons who were gouging them the previous seven years during the First Gilded Age when politicians and big business were in bed together--sound familiar? (The New York Times recently called the last eight years the second Gilded Age). The years 2009-2016 will not be an easy time for the U.S. The stock market did manage to make important highs into the equivalent of May 2010 and 2011, and it could return to the 1600 level by 2011, perhaps only on hyperinflation in 2010-11. It was really the year 1893, i.e. 2013 where the stock market fell 45% so maybe the period from now to 2010-2011 will offer the last chances for a rally.

The years 2012-2017 suggest massive and difficult challenges for the world from earth changes and economic upheaval and disease. We will all have to work together during that period to help each other. Thereafter, a golden age will develop and terrorism and war will be eradicated by 2021.

For the more immediate future, the general economic recession (if we are lucky to just get away with that) will affect us into at least Oct. 2009 and possibly longer. That could mean bear market basing and failed bear market rallies characterized by sideways congestion and sharp new lows. The best upcoming rally is likely to be Dec. 15, 2008-Jan. 26, 2009.

We doubt that the troubles in the U.S., Europe and eventually Asia will go away quickly. The U.S. bailout plan may take 5-6 months to have an impact--it's like turning a large ocean liner. In reality, the bailout is a gift for Paulson's cronies and it will not force banks to loosen their lending. All the FED easings in 2008 have not coaxed banks to open their purses. The media will be all over declaring a bottom in stocks as we rally nicely in Jan. 2009, but there is always at least a retest low and we have new lows into Feb. 2009 and probably early April 2009 and Oct. 2009.

For now we would not go back into stocks unless the market takes out 1270, and I doubt we will see that as 2009 looks to be a sideways to lower year into Oct. 2009, and that may be place to finally get back in. Recessions tend to grind markets and it will take until late 2009 before we see signs that corrective measures are working. Unemployment may easily hit 8%-9% but we should not be throwing out comparisons to the Great Depression for 2009. Still, the housing crisis and higher crude are likely to prevent much upward action next year--and by the end of 2009 we may see a 55-60% or more drop in the stock market, much like we saw in 1973-4.

What does all this mean in terms of individual markets? Here are some of the highlights we foresee.

The longer-term picture for the dollar suggests higher dollars into Feb. 2011 and from there we will start the big dollar crash into 2012 and 2013. Given the monthly chart trend is strongly up on the dollar into 2009, I suspect we are looking at an a-b-c fall on the Euro and then lower prices into January but we need to feel completion on dollar patterns and they keep extending. We think if gold falls another $112 to $665 that it may have a chance for a 3 wave rally from there. May see 500 gold in 2009-2010 before major inflation in 2010-13 drives gold up over $3000 an ounce. Gold stocks also have a few mixed signals with a secondary low for gold stocks into Nov. 11 and maybe retesting into the week of Nov. 21 and the XAU not having a low into the week of Nov. 14. We expect 650-665 will halt gold and it will recover nicely with the rise in heating oil and the return of crude inflation for 3-4 months into Feb. 2009. New cycle research suggests that silver is not due for a cycle low until the Nov. 11-12, 2008 and then should rally into the first week of February. We have targeted at least 764 if not 690, with first support at to 801.

The reality for energy is that each year there is 6-7% less oil in the ground and we expect a cold winter will push heating oil up sharply and crude will begin its next run. Entry for that may be Nov. 11-12, 2008 and it could be as low as 51 dollars. We see a nice rally into Feb. 2009.

Historians will be writing about the economic collapse of 2008 for many years. There is a much bigger story to tell so look for more articles in future issues of Traders World.

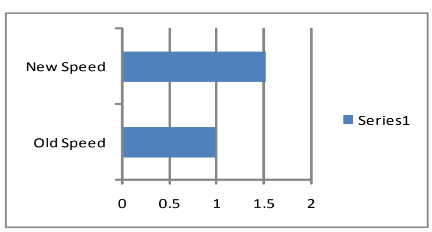
ABOUT THE AUTHOR: For the past 21 years, Barry Rosen has advised clients on market timing using modern adaptations to certain ancient cycles. His company, Fortucast Market Timing Inc., publishes daily and intraday reports on over 20 futures markets, and mutual fund indices/ETFs using Gann, Elliott wave and five cyclical models. *Mr. Rosen is registered with the NFA and the CFTC as a Commodity Trading Advisor (CTA). Fortucast uses proprietary cyclical timing models to filter out false indicators. His opinions on the markets are his own and do not necessarily represent the view of Traders World. For more information about Mr. Rosen or his company, please visit his company's website: www.fortucast.com or call 1-800-788-2796.*

Announcing the New Sonata i7 Trading Computer

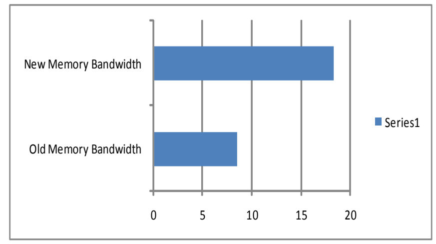
By Larry Jacobs

Traders World has supplied traders with the latest technology in trading computers for the last 20 years. Intel's new X58 chipset and the i7 CPU gives us the opportunity to now give traders the next generation of technology with power that we have never seen before. This is exactly what many traders now need as we have seen volume on the exchanges increase to the state that current computers can't keep up. We are very excited that this is coming out right now. Many day-traders have found that their computers freeze up with this current volume. So this new technology is coming at exactly the right time

The new Sonata i7 is available in three processors. i7-965 processor (3.2GHz), i7-940 processor (2.93Ghz) and i7-920 processor (2.66Ghz). All three of these are quad processors and features 4 cores with 8 threads, an integrated 3 channel DDR3 memory controller, hiper-threading technology, turbo boost technology, 8MB of smart cache, quickpath interconnect and PCI express 2.0 discrete graphic slots. All three CPUs have a unique ability to overclock themselves to the highest speeds.



Popular trading platforms such as eSignal and TradeStation with the new Sonata i7 will run much faster and now will deliver the performance needed to successfully trade the markets today! eSignal is working on their new quad processor program which will work with the new i7 CPU to give dramatically improved performance. This means that the program can actually allow more than one core to run the program giving it more speed. The new Sonata has has elimintted the front side bus and features new incredible memory bandwidth, double the number of threads and turboboost technology. It is possible that new quad core programs such as eSignals could run up to 50% faster than currently.



The Sonata uses Intel's new Smackover x58 motherboard board. It has optimized memory cooling, 6 phase design and uses 8 layers for better signal routing. It has three PCI-e slots which will allow the fastest video speed for graphic cards. It has the latest Intel high-end audio. Raid 1 mirroring is available that helps to eliminate hardware failure.

The Sonata also uses the Diskeeper Pro software to allow the computer to run at top speeds all the time. The problem with trading is a lot of data comes into the computer and causes fragmentation. This can cause a 35% slow down in a computer within an hour of operation. Diskeeper Pro does on-the-fly defragmentation that keeps the computer running at top speed all the time.

The Sonata has some unique features. One of them is PCAngel. It allows the computer to be restored to factory settings with a backup of all programs and data in case of a serious virus attack or some serious computer glitch.

Another feature is the Sonata is almost completely quiet, because it uses a triple layer quiet case, fans and power supply.

The Sonata has an option of on-site service with 800 telephone hardware support 24/7.

There is a two-year upgrade program in which the Sonata can usually be upgraded to the latest technology for less than 50% of the cost of a new computer.

For more information call Traders World at 800-288-4266 or 417-882-9697. You can also go to our computer site at www.sonatatradingcomputers.com

Risk Control – the only path to success!

By Tony Beckwith

In these immensely turbulent financial markets, the two words risk and control are probably being used together more than any other combination! If risk had been controlled with more discipline through the financial systems of the world, the consequences of excess would have been a whole lot more palatable...

Almost all of the most successful traders throughout history learned early on in their careers (and probably the hard way) that the "Holy Grail" in financial markets simply doesn't exist. Novice traders invariably search for extraordinarily high win / loss ratios, comforting a demanding ego in their quest to be "right". Psychologically, after all, this is very seductive.

But, this is addressing only one aspect of trading risk and, arguably, the weakest aspect. It is clear that a win / loss ratio of, say, 70 percent, ego-boosting though it may be, is merely a ticket to ruin if you're losing twice as much on your losing trades as you're pocketing on your winners…

This is not to deny that probability risk is a vital component of trading success. However, it clearly is how this risk relates to average wins and losses in actual money that determines whether an account can rise or fall. As we trade more and understand more, the importance of the overall "Profit Factor" becomes apparent -- the win / loss ratio multiplied by the average winner / average loser ratio. This must be above 1.0 over time to give an "edge" to the system or method being traded.

The Second Crucial Aspect of Trade Risk

Control over how much your winning trades deliver compared with the inevitable losses on your losers falls squarely into the category of money management. In simple terms, this is the second crucial aspect of trade risk -- call it money risk. Great traders know full well that they cannot control the profits because any future outcome is highly (if not perfectly) uncertain. What they can and do control tightly is the amount they're prepared to lose in the event that a trade goes wrong.

The average loser component of the Profit Factor can then become a known and predictable quantity. In fact, it's pretty much folklore in trading circles to risk no more than, say, 2 percent of an account on any one trade -- though this could easily be far lower if you are trading plain vanilla stocks (with huge position values possible).

So, if we assume a US$20,000 account, that would allow a maximum risk of $400 per trade on this basic fixed fractional basis. This is in stark contrast to methods such as Martingale and anti-Martingale in which you either increase your bet size as you lose or decrease it.

By way of example, a run of 10 consecutive losing trades reduces account size only by a manageable 20 percent, the account requiring only a 25 percent increase from there back to its level before the drawdown. It's worth adding, though, that a bigger drawdown could easily threaten a trader's so-called Uncle Point -- the point at which a loss of confidence and general demoralization overwhelms any fancy mathematics…

However, the number of stocks or shares / lots (forex) / contracts (futures) that can be risked is then a function of the method of position-sizing used in a trader's money management strategy. Some position-sizing strategies consider value, others risk. Say the $20,000 account intends to trade 20 stocks, and the trader is willing to risk 2 percent of the account. Value-Basis position-sizing divides the account into 20 equal portions of $1,000 each, one for each stock. Because stocks have different prices, clearly the number of shares for various stocks varies.

Risk-Basis position-sizing assesses the risk for each stock as the entry price minus the initial protective stop price. It divides the per-trade risk tolerance ($400 here) by the risk per share, giving the number of shares that should be traded. The two methods may not indicate the same number of shares -- in fact, very close stops and a high risk per trade may mean the number of shares on the Risk-Basis could exceed the purchasing power of the account, as mentioned previously in this article.

One major advantage of Risk-Basis position-sizing for traders is that it is directly relating the size of winning trades to the size of losers over time. In this way, you can concentrate on targeting risk / reward levels on your trades, particularly if you know the win / loss tendency of your trading approach.

For instance, you need to target trades with a potential minimum risk / reward of +2x to combat a win / loss ratio tending below the 40 percent level -- especially factoring in commissions, slippage and the inevitable errors! It's only by aligning the gains from your profitable trades with the losses from your losers that you can have the hope of managing rewards relative to risk -- and of being a profitable trader…

That's enough talking -- here's a recent example on the globally-known US S&P500 stock EBAY, with the new MTPredictor™ v6.0 trading software. A SELL signal was automatically alerted on 12th August – remember, the US SEC ban on US stock short sales was introduced later, on 18th September, and was applied only to financial stocks and other stocks with large financial operations, such as General Electric.

Using the integral, automatic Position-Sizer, this information is input and saved:

Account Size: US$20,000

Percent Risk: 0.5 percent (US$100)

Tick Size (intelligently already known by the software): 0.01 (minimum price movement)

Point Value (intelligently already known by the software): $0.01 (full point value)

The Sizer shows 95 shares can be sold at an entry price of 25.97, with an initial protective stop at 27.02 and an initial risk of $99.75. This is 0.5% of a $20,000 account. For more risk control, it also confirms that reaching the 1st displayed profit target (orange colour) would yield a profit 2.1x the risk size – in other words, a +2.1x risk / reward outcome.

Ebay subsequently fell sharply to well below $20 (where the risk/reward was over 5.5:1) and on Monday 6th October announced a 10% cut in its workforce. So, this excellent trade could be managed with a controlled money risk and profit potential directly related to that risk.

Tony Beckwith is the Sales & Marketing Director at the trading software firm and risk control specialist MTPredictor Ltd. www.mtpredictor.com

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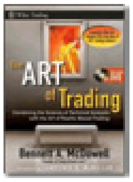
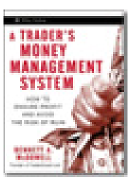


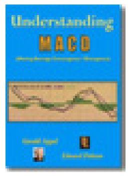
The ART of Trading Combining the Science of Technical Analysis with the Art of Reality Based Trading, *by Bennett McDowell* Price: $69.00

As a trading coach and financial advisor, Bennett McDowell used his own proprietary trading system—Applied Reality Trading® or ART®—to enhance the performance of his clients' portfolios. Now, with this new book, McDowell reveals the unique benefits of his system and makes the case for trading the reality, not the fantasy, of the financial markets. The ART system is based on reality, and here you'll find the specifics on how to use reality to improve your trading and investing endeavors—whether you deal in stocks, bonds, the Forex market, commodities, or options—and you'll learn how to overcome the volume of information generated by today's markets.



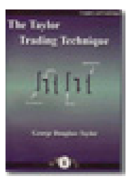
A Trader's Money Management System. How to Ensure Profit and Avoid the Risk of Ruin, *by Bennett McDowell* $69.00

Money management may very well be the most important piece of the trading puzzle. In A Trader's Money Management System, expert Bennett McDowell provides time-tested techniques that can turn a losing trader into a winning one—and take the winning trader to an entirely new level. In revealing his personal approach to staying out of trouble in the financial markets and maximizing profits, he offers comprehensive insights into: The psychology of risk control as well as the finer aspects of setting stop-loss exits. The value of managing trade size and consistent record keeping. The process of putting together your own personal money management system.



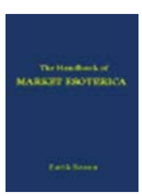
Understanding MACD *by Gerald Appel* Price: $24.95

This comprehensive guide to MACD is a one-of-a-kind one-stop reference that will prove a valuable addition your trading library. It includes a bullet point summary overview of MACD, a detailed bibliography detailing all known references and articles relating to MACD, with annotation showing unique points covered in each source, and a major research report on MACD written by and originally published by Gerald Appel (and priced at $50 for this report alone). This report, written by the originator of this indicator, is the most definitive and in-depth material available on MACD. It alone is worth far more than the modest price of this booklet. 56 pages.



The Taylor Trading Technique *by G. Douglas Taylor* Price: $29.95

For those interested in day trading and short-term swing trading in futures, this classic 1950 work is an indispensable reference. The 3-Day Method (a.k.a. The Book Method) described herein, maintains that markets move in a three-day cycle that can be tracked by measuring rallies and declines. Linda Bradford Raschke highly recommends this book and the principles it teaches. 128pp

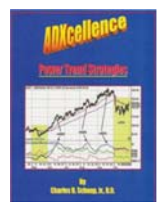


The Handbook of Market Esoterica *by Earik Beann* Price: $495.00

This trading course deals with the true nature of price and time, magic numbers in the market, volume cycles, market geometry, astro trading, numbered squares, and unveils a secret Astro numerology system which unifies astrology and numerology into a razor sharp forecasting methodology. Not intended for casual readers or the closed minded. After studying this manual, you will be able to forecast turning points in the distant future with a high degree of accuracy. 216 pages.

Technical Analysis Using Multiple Time Frames *By Brian Shannon* Price: $75.00

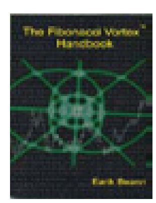
Brian stresses the two keys to successful trading -- discipline and finding a trading style that suits your style and personality. Without those two concepts, most traders fail. With that in mind, this book has several excellent technical analysis systems, but the chapter on Risk Management is really the key. All traders should find this book to be useful and rewarding.



ADXellence: Power Trend Strategies *by Dr. Charles B. Schaap* Price: $149.00

Learn How To Trade With ADXellence!

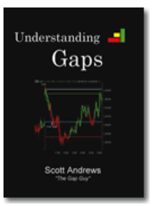
A full length book, available only through Traders Press, dealing solely and exclusively with ADX, the powerful trend measuring indicator developed by Welles Wilder. This valuable trading manual gives SPECIFIC trading strategies and methods using ADX and is the only book anywhere on this subject. Serious traders, check this out and get your copy while available! Using ADX, a trader can make the largest amount of money in the least amount of time. ADX is the best indicator for trading power trends…it quantifies trend strength, gives direction, and shows trend momentum.When ADX is applied in the context of power trading principles, the result is an amazing opportunity to capitalize on the strongest trends with the greatest potential for gain.



The Fibonacci Fortex Handbook *by Earik Beann* Price: $89.00

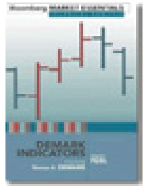
The Fibonacci Vortex™ is one of the most complicated, yet powerful tools in Wave59. This book covers the theory behind the pattern, how to construct it, how to forecast with it, and most importantly, how to trade with it. In-depth chapters on chart scaling, sizing the vortex, time targets, price targets, and time/price squares, plus countless example charts. Includes vortex techniques previously unavailable anywhere. 120 pp.

Trading with Wave59™ Volume 1: Technicals *by Earik Beann* Price: $39.95 This book illustrates how to use the most popular tools found under the "Technicals" menu. In depth coverage of Exhaustion Bars, Ultra Smooth momentum, 9-5 Count, Lomb Periodogram, Smart Money Index, Fractal Trend Index, Action Zones, Predict, and Neural Networks. Check out the 9-5 Count working on daily temperature fluctuations! Many charts and trading setups presented.

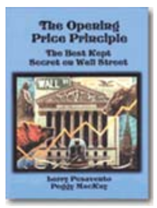


Understanding Gaps *by Scott Andrews* Price: $24.95
"The Gap Guy", is one of the world's foremost experts on gaps and how they might be profitably traded. Attracted to the compelling bias and simplicity of opening gaps, and through exhaustive research, Mr. Andrews ultimately created a novel pattern recognition strategy. 66 pages.

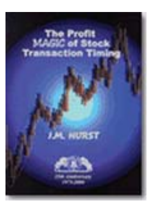
RSI: Logic, Signals, and Time Frame Correlation *by Walter J. Baeyens* Price: $69.95
Get crystal clear stereo vision of the markets through a new 3-D RSI analysis method. Learn why a single RSI value is insufficient to determine the actual condition of the market. How to define MEANINGFUL price support and resistance lines using RSI references. How to correlate RSI signals in three different time frames. Learn 'RSI Vectors' and how to use them The simple truth about Price/RSI divergences demystified. 360 pages.



Demark Indicators *by Tom Demark* Price: $29.95
Long a secret weapon of the hedge-fund elite, the DeMark indicators are now used by more than 35,000 traders. This book provides an easy-to-follow system for using the indicators to identify market turns as they happen. Author Jason Perl gives a concise introduction to thirty-nine of the indicators, and then shows how to combine the indicators and time frames to achieve a higher probabilty of trading success. Thomas R. DeMark, the creator of the DeMark indicators and one of the most well-respected practitioners of technical analysis, wrote the foreword to this book. 196 pages.

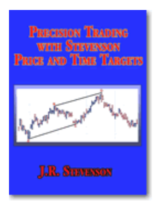


Opening Price Principle: Best Kept Secret on Wall Street *by Larry Pesavento* Price: $29.95
There is an amazingly reliable relationship between the opening price and the high/low range for the entire day. This relationship is generally known only to seasoned veterans. This new book from 2 traders with over 50 years combined experience reveals this consistent pattern, illustrates it with many tabular and charted examples, and tells you how to trade profitably using it. If you are a short term trader in EITHER stocks or futures, the knowledge you will gain from this book will give you a tremendous advantage every day for the rest of your trading life!



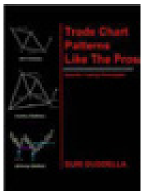
The Profit Magic of Stock Transaction Timing *by J. M. Hurst* Price: $29.95
Author J M Hurst is a legend to knowledgeable individuals interested and involved in the study of cyclical price movement in the financial markets. An aerospace engineer by training and background, he was the first pioneer in the computerized research into the nature of stock price action, devoting many years and over 20,000 computer hours to this study. His conclusions were first documented in this ground breaking classic. This book has become a classic and it is held in exceptionally high esteem by serious technical analysts and market students.

Channels & Cycles: A Tribute to J.M. Hurst *by Brian Millard* Price: $45.00
For many years I have heard how valuable the work of J.M. Hurst has proven to those interested in the use of cycles in the pursuit of market profits. Many Traders Press customers have advised me how valuable any material would prove to them that would shed any additional light on the work of Hurst. It is with great pride that we present the work of Brian Millard, Channels and Cycles, which clarifies the original work of Hurst as well as updating it and bringing it forward to the present time. Millard, like other market technicians such as Jim Tillman and Peter Eliades, found the work of Hurst of such seminal importance in influencing his approach to market analysis that it became the cornerstone of his methodology.



Precision Trading With Stevenson Price and Time Targets *by J. R. Stevenson* Price: $49.00
On May 27, 2003, General Electric shares closed at $27.42. The simple method revealed in this extraordinary book projected on that day that a high of $31.66 would be achieved on June 17th. 3 weeks later, on June 17th, as projected, GE reached an intraday high of $31.66. This high marked an important intermediate turning point which was not exceeded for months. This method may be applied to ANY active market, whether stocks, futures, or indices, in ANY time frame. Imagine the value of having the knowledge of how to make similar projections of price and time targets in the markets you trade! JR was "legendary" among the brokers at ContiCommodity and at Prudential

for his consistently accurate price and time projections. He has decided, at the urging of his family, to reveal his knowledge of this technique, which is amazingly simple and easy to use in any time frame and in any liquid market. JR currently day trades the S&P E-mini contracts actively using this technique. Other than to a few members of a chat room where JR has heretofore been known as “Baldy”, it has never before been revealed to anyone, over all the years he used it.



Trade Chart Patterns Like the Pro by Suri Duddella Price: $59.95

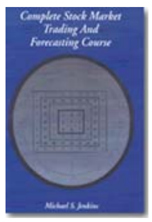
Don’t read this book, make money with it. You can build a base of knowledge that can take you further each time your trade with this book. Suri, the author, has laid out an indispensable book on trading chart patterns. It works well for the spectrum of investors from novice to expert. Trade Chart Patterns Like the Pros, stays focused and does not overwhelm you with mathematical statistics and technical jargon that will surely turn you off. With this book you can identify a pattern and apply the relevant techniques to enter, manage and exit the trade. Each of his 65 patterns includes a brief synopsis written in plain English and an actual chart to reinforce the concept, not a conveniently drawn perfect example that never occurs in real life. Suri explains the setups and then proves the entry point triggers as well as an exit strategy with targets for profitable trades and stops to minimize any losses. This book will give you the necessary insights that will help you win in the markets. You will keep this book at your side to reference, it is so valuable. 302 pages.

Patterns of Gann by Granville Cooley Price $159.00

This set of books [included within this bound volume] is not about pulling the trigger. It is not a system on how to make a million dollars in the market in the morning. It is about certain mathematical and astronomical relationships between numbers and their possible application to the number of W. D. Gann.

The Definitive Guide to Forecasting Using W.D. Gann’s Square of Nine by Patrick Mikula Price: $150.00

It has been almost ten years since I wrote a book about W.D. Gann’s forecasting tools. I wanted to return to this subject with a book that would stand the test of time. This book was written with the intention of creating the official book of record for all the Square of Nine forecasting methods. I believe I have achieved that goal. This book contains virtually very Square of Nine forecasting method.

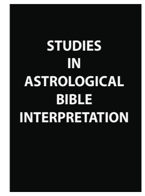


Complete Stock Market Trading and Forecasting Course by Michael Jenkins Price: $529.00

Michael Jenkins is a serious, highly successful, professional trader. In his two books, Geometry of the Stock Market and Chart Reading For Professional Traders, he shares some of his ideas on how he trades. Hungry for more of his ideas and direction, many of his readers literally begged for more. Jenkins has written this complete course in response to these requests. In his books, Jenkins explains, among other concepts, how he uses some of Gann’s methods and techniques, but he never mentions Gann. In this course, by contrast, he specifically states that many of the ideas are those originally developed by Gann, and he goes into great detail on how he personally uses these ideas and techniques. If you want a detailed, in depth course on how to use Gann in your own trading, this may prove to be what you have been seeking all this time.

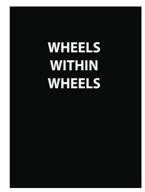
The Gann Pyramid: Square of Nine Essentials by Daniel T. Ferrera Price: $395.00

A new ground breaking course on the Square Of Nine, W. D. Gann’s most mysterious calculator. This course is full of never before seen principles and techniques of analysis using Gann’s Square of 9, with detailed explanations of their applications to the markets.



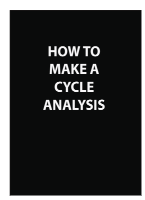
Studies In Astrological Bible Interpretation by Daniel Ferrera Price: $55.00

An interesting exploration of the process used in coding astrological and astronomical cycles into literature. Engages in a thorough analysis of the book of Genesis, exploring coding systems by which astrological symbolism is veiled.



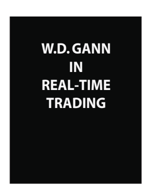
Wheels Within Wheels by Daniel Fererra. Price: $450.00

Breaks down the 16 primary component cycles of the DOW Jones Averages, producing an accurate map of the last 100 years of history, and projecting the cycles ahead to 2108. Includes all Excel Spreadsheets with all cycle calculations and charts, and the 100 year projection DFT Barometer.



How To Make A Cycle Analysis by Edward R. Dewey Price: $350.00

Approx. 630 pages, with charts. This how-to manual on cycle analysis was written by E.R. Dewey in 1955 as a correspondence course. It provides step-by-step instructions on the elements of cycle analysis, including how to identify, measure, isolate and evaluate cycles. The most elaborate cycle course ever written, by the star of cycle analysis, founder of the Foundation For The Study of Cycles. This course had a limited release in the 50’s at a price of $350.00. It has been unavailable since then.

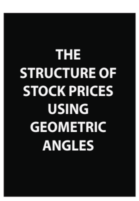


W.D. Gann in Real-Time Trading Price: $69.00

If you feel that you would like to do short term scalping or swing trading in the markets, then this book might be for you. It illustrates many short-term Gann mathematical trading techniques which have a high tendency to work intraday. Various intraday time frames are shown and how they can be used together to keep you in the direction of the market. 200 pages

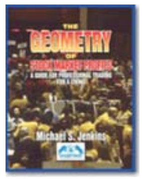
Patterns & Ellipses *by Larry Jacobs*
Price: $49.95
Stocks and futures move in elliptical paths. When a market makes a gap, its price action usually passes into a new sphere. All its activity will remain in the current sphere until it moves into another new sphere. This new book tells you how to use ellipses along with detailed chart patterns to determine if a stock or futures contract is bullish or bearish. 100 pages

Pyrapoint *by Don E. Hall* Price: $150.00
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.

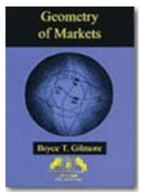


The Structure of Stock Prices Using Geometrical Angles
by Russell M Sedlar
Price: $49.95
"This chart based book shows how the Geometrical Angles described by W.D. Gann, when used is this newly discovered way, literally become the controlling force of stock price fluctuation, causing tops and bottoms to form and trend lines to be determined."

Gann Master Charts Unveiled *by Larry Jacobs*
Price: $49.95
Complete 100 page book explaining how to use Gann's Master Square of Nine Chart, The Gann Hexagon Chart and the Gann Circle Chart.



The Geometry of Stock Market Profits
by Michael Jenkins
Price: $45.00
This book is about Jenkins' proprietary techniques, with major emphasis on cycle analysis, how he views and uses the methods of W. D. Gann, and the geometry of time and price.



Geometry of the Markets
by Bryce Gilmore
Reg. Price: $89.00
Now only $49.00
Book explains the theory behind time in the markets, Ancient Geometry and Numerology, Squaring Price Levels, Time Support and Resistance. Heliocentric Planetary Cycles.

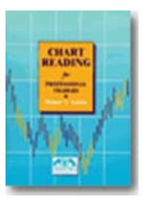
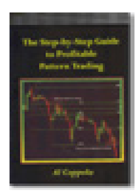


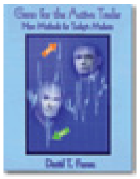
Chart Reading for Professional Traders
by Michael Jenkins
Price: $75.00
This book is a complete, comprehensive study on reading charts, forecasting the market, time cycles, and trading strategies. Explains reversal of trends, when to expect them, and how to know the trend has change. Shows you how to forecast with great reliability how long the new trend will last and its price target.

The Secret Science of the Stock Market *by Michael Jenkins*
Price: $149.00
In this book Mr. Jenkins gives a start to finish 'scientific' examination of time and price forecasting techniques starting with basic line vectors and advances the concepts to circles, squares, triangles, logarithms, music structure and ratio analysis. These concepts are developed into a comprehensive method that allows you to forecast any market with great accuracy. Mr. Jenkins demonstrates how a few simple calculations would have predicted many of the greatest stock market swings of the past seven years with accuracy down to the day and price targets within one point on the market averages. This new book advances the work started in his other books and course but goes much further revealing little known secret methods only a very small handful of professionals know and in many cases he reveals proprietary techniques never before revealed to the public at any price. The chapter on the Gann Square of Nine is much more complete than 90% of courses available selling for hundreds to thousands of dollars more. This chapter alone is worth several times the cost of the book but the secret ratio analysis at the end of the book will truly change your trading habits forever. When you finish this book there is little left to learn about advanced trading and forecasting techniques with the rare exception of astrological methods, which are not covered in this work. This book goes from beginning concepts to the most advanced so anyone can greatly benefit from reading it. All concepts are demonstrated with actual chart histories. It is not, however, for the casual investor who does not want to take the time to calculate a simple square root on a hand held calculator. If you liked Mr. Jenkins' previous books and/or his trading course, then this one will easily surpass your expectations.



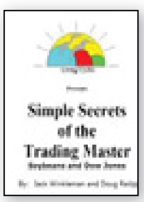
The Step-by-Step Guide to Profitable Pattern Trading *by Al Coppola* Price: $75.00
IT'S EASIER TO TEACH A FISH TO RIDE A BICYCLE THAN IT IS TO LEARN TO TRADE FOR A LIVING. Seriously, only 2% of all who attempt to trade securities for a living ever achieve the goal of financial freedom. We are constantly looking for the "Holy Grail"-- that elusive magic system that will give us the sure way to produce consistent winning trades. We study books, reports, newsletters, go to seminars, buy "black boxes," subscribe to "sure pick services," try tips from well meaning friends, attend chat rooms

and are quick to adopt the indicator de jure, yet we continue to lose until we are forced to surrender and our equity is dissipated. Studying Al's book will put you on the right path to financial independence.



Gann for the Active Trader New Methods for Today's Markets *by Dan Ferrera* Price: $75.00

In this ground breaking new book, Gann expert Dan Ferrera presents a number of new techniques for trading in today's markets which build on and expand the trading methods of the legendary trader of yesteryear, W.D. Gann. It is exceptionally difficult to learn how to use Gann's methods effectively…and this outstanding new book is a treasure chest for those interested in Gann's work. Includes a bonus 80 page Gann mini-course! In writing this book, I wanted to pass on the fact that trading is a profession, just like any other traditional profession and as such should be run with a strict set of business operation rules.



Simple Secrets of the Trading Master *by Jack Winkleman and Doug Raitz* Price: $49.95

In the ebb and flow of the markets over a longer time such as one year or more, it is important to know what the market has done in the past. Certain years seem to follow the patterns of previous years with uncanny likeness. This is a book put together by Mr. Winkleman and is a very valuable tool. This book tells a trader how to 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.

Jesse Livermore's Methods of Trading in Stocks *by Richcard S. Wyckoff* Price: $6.00

Richard D. Wyckoff, well known as founder and publisher of the Magazine of Wall Street, and author of a highly respected Stock Market Course which is held in very high esteem by market technicians, is a major figure in the history of Wall Street, and the evolution of technical analysis. The material presented here first appeared as a continuing series of articles in the Magazine of Wall Street. They were obtained through exclusive interviews with Jesse Livermore by R.D. Wyckoff at a time when Livermore was the single most formidable factor in the market.

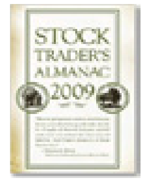
The Art of The Trade *by Jeff Rickerson* Price: $34.95 now $24.95

In this book the author focuses on some of his basic theories such as The Seven Golden Keys to unlocking unlimited trading profits/success. He introduces his UNIFIED THEORY of Price/Time and THE POINT OF SINGULARITY. Also introduces to the reader Albert Einstein's method of predicting price movement. Reveals his Price/Time Quadrant Analysis and why knowing these four quantrant's are important to maximizing trading profits. Learn the Anatomy of Picking a Top or Bottom and the simple formula for Trend/Profit as well as the Four Key principles to generating MILLIONS in trading profits! He discusses the Cracking the Code & Unlocking the Secrets of Trend/Profits. Finally learn "How to Accomplish your Investment Goals and the Secrets of The Riches People.

The Art of The Trade II *by Jeff Rickerson* Price: $34.95 now $24.95

In his second book on trading the author reveals what Albert Einstein had to say about predicting prices; (most traders never have learned this valuable trading idea by the one of the most profound thinkers of our time!) How to apply a simple rule to generate 16 times more profit and how to properly design and develop trading systems and the three most important aspects in trading. He also discusses his Market Timing Matrix. He also discusses his Dynamic Trend Syntax and Delta Neural Analysis. You will also learn a simple formula for calculating buying/selling pressure within a market and how to trade it and The Ten Laws/Principles of Price Trend. Also covers Options Trading Made Simple. Author also goes into how to use volume and price when trading.

Stock Traders Almanac 2009 Edition *by Jeffrey Hirsch* Price: $39.95



This practical investment tool includes historical patterns and little-known market trends and tendencies to help market participants forecast market trends with accuracy and confidence. Savvy professionals like money managers and journalists use this guide, which encapsulates the historical price information on the stock market, provides monthly and daily reminders, and alerts you to seasonal opportunities and dangers. 192 pages

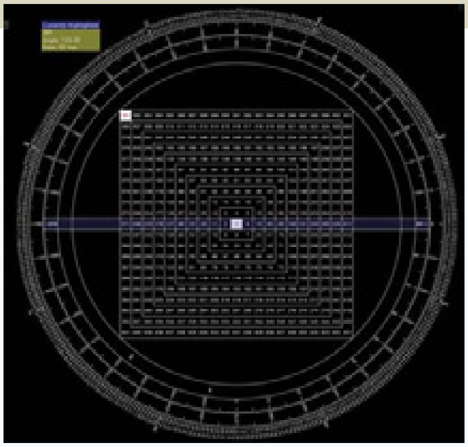
Gann Trading University

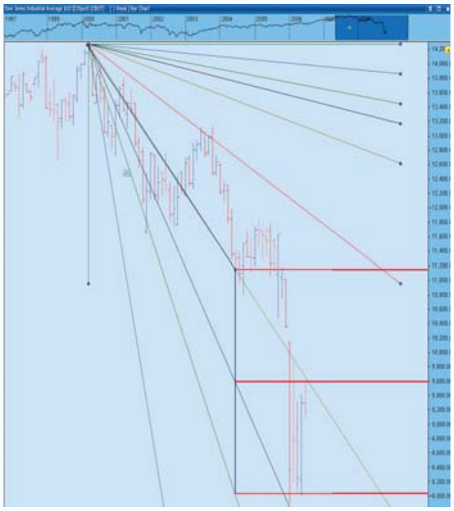
www.GannTradingUniversity.com

In a Hurry? Find Out What We Can Do For YOU in 4 Weeks!

Learn how to trade before you lose any more money in the markets. It's time for you to make profits.

There are three reasons people lose in the stock market. 1) They over-trade or buy and sell too much for their capital. 2) They do not place stop loss orders or limit their losses. 3) Lack of knowledge. This is the most important reason of all. There is a definite relation between price and time with stocks and fuures. When time is up markets make tops and start down. When time is up and time cycle runs out markets make bottoms and start up. Time is the most important factor in determining and forecasting market movements. Very few people understand the time element and its value. Charts like this one below show the true Gann time lines.





Now with the use of online video, its now easier than ever to learn the master techniques of W.D. Gann through Gann Trading University. This is a four-week training course set in a "virtual online classroom" environment by Halliker's, Inc. publisher of Traders World Magazine. Larry Jacobs, editor of this magazine and winner of the World Cup Trading Championship in 2001, is the instructor. He has been using and trading Gann techniques for over 25 years.

What's a virtual online class mean? It means there are really no confusing Gann books to read. No travel to a classroom. You can chose when and where you want to study and learn. That's because the classes are given "on demand", directly on your computer, 24/7.

You can just log into the classroom, anytime and follow the step-by-step video-based lessons that show you the trading methods of W.D. Gann from start to finish.

It's the fastest and easiest method to learn Gann trading... and...you can do it in just 4 weeks, in your spare time.

If you have important questions we don't leave you "high and dry". You can enroll in our optional Premium Course, and you'll be able to ask questions from the course instructor Larry Jacobs. This breakthrough Gann course is broken down into 4 weekly sessions as follows:

Week 1 - In this first session you'll learn and understand the nuts and bolts of Gann trading. You'll discover a wealth of information that will ease the learning curve for understanding the mathematics and how to fully apply the Gann methods to the markets. You'll be on the fast-track for lessons 2 and 3, so you can hit the ground running. This is Gann video 101...on steroids.

Week 2&3 - This is the "meat of the the Gann trading course", where you'll learn the stunning secrets of the methods of Gann and how they are applied to the markets. Were not going to waste your time with boring and useless theory. Instead we'll dive right in, sharing with you all of the Gann techniques that can be used to create a powerful trading method. We'll walk you through this, step by step.

Week 4 - In this final session of the course, you'll learn how to put everything together that you have learned from the first three weeks into a powerful Gann trading method for maximum results. You'll also learn how to avoid and deal with trading problems that give many other traders poor results.

In the course you'll learn so much that it's hard to just list it in this very small space, but here is just some of what you'll learn:
How to use Gann Divisions of 3rds/8ths, Gann Fan Angles, The Dynamic Square of 9, The Gann Box, Measured Degree Lines, Support and Resistance, Square of the Range, Square of the Top/Bottom, High Low Degree Angles, Square of nine, Time Division of 3rds/8ths, Time/Price Vectors, Zero Degree Angles, Zero Price Fans, Forecasting by Time Cycles, Master Time Factor, The Mechanical Method, How to Determine the Trend of the Market, and much more.

Unconditional Money-Back Guarantee
Here's our guarantee to you. We are not going to tell you that we're going to make you a millionaire trading the markets, but we are going to tell you that were going to teach you the trading methods of W.D. Gann in an easy to follow video format.

Take all four weeks of the Gann Trading University Course and at the end of the course, if you'll not fully satisfied with what you've been taught...if you don't feel that the information we presented to you was worth at least 5 times the price you paid... then simply let us know and we'll refund every penny of your money, with no questions asked. That's how confident we are that you'll love this Gann trading course.

There is no fine print or gimmicks to this guarantee. We stand by what we teach about Gann trading, period. If you're not 100% satisfied by the end of the course, just let us know and we will fully refund every cent of your money, Fair enough?

Enroll Now!
After enrolling in the course, you will receive full access to the lessons for the first week. Please note the enrollments in the Premium Course are limited and are accepted on a first-come, first served basis. Once the openings are filled, the Premium course will be closed until more openings become available.

So enroll right now to fully reserve your class spot so you can learn the secrets of Gann trading. Remember, you have absolutely no-risk, thanks to our unconditional money-back guarantee.

Basic Course Enrollment - $199. You receive everything listed above, however, you don't receive our personal coaching or assistance.

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Go to www.ganntradinguniversity.com to enroll or call 417-882-9697 or call toll free 1-800-288-4266. Remember there is always risk in trading stocks, futures and options. The charts in this advertisement are from Market-Analyst 5.0. This will be our primary teaching tool. A limited free trial of this software is available.

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Interview with Options Expert Dale Wheatly from page 23

TW: Why do most traders lose with options?

Dale: They lack proper knowledge of the forces that move the underlying security that they are trading options on and depend on LUCK or FUNDAMENTAL ANALYSIS to trade.

TW: I know you use the MACD indicator. Can you explain your use of the indicator?

Dale: I know of ONLY 2 basic types of patterns that CONSISTENTLY produce powerful results with straight options trades, no straddles, strangles or anything other than LONG PURCHASES and subsequent sales. Those 2 patterns are REVERSALS and CONTINUATIONS. REVERSALS STOP AN EXISTING TREND AND REVERSE IT. CONTINUATIONS HAVE INTERUPTIONS ON SHORT TERM CHARTS THAT PRODUCE POWERFUL RETURNS AS THE SHORT TERM PATTERN AGAIN MOVES WITH THE LONGER PATTERNS THAT STILL HAVE CONTROL OVER THE PRICE, as the MACD is still LEADING the price. When the MACD and price are out of sync, it is ONLY the price that can move to get the 2 back IN SYNC, NEVER the MACD moving to meet the price! That is mathematically IMPOSSIBLE!! REVERSALS are DT(double top) or DB(double bottom) in PRICE with a "M" pattern on DT or "W" pattern on DB and corresponding MACD divergences where the 2nd MACD peak is lower than the first, for DT or higher for DB and the MACD next time frame lower CONFIRMS entry when it turns in the same direction as the divergence.

TW: Do you use any type of patterns for trading? If you do can you explain with charts?

Dale: The 2 described above: REVERSALS or CONTINUATIONS.

Here's a great example of the reversal pattern on Citigroup in late September.

First the weekly divergence in price action and the MACD indicator is clearly shown. The double bottom on the price action coincides with a higher bottom on the MACD. (Figure 1.)

Figure 1. Recent Winner C - Citigroup

week of 9/19/08

Second, the daily divergence in price action and the MACD indicator is clearly shown. The double bottom on the price action coincides with a higher bottom on the MACD just like the weekly chart. (Figure 2.)

Figure 2. Recent Winner C - Citigroup daily action 09/18/08

Third, the hourly divergences in price action and the MACD indicator is clearly shown. The double bottom on the price action coincides with a higher bottom on the MACD just like the weekly and daily charts. The best entry is when the MACD line just turns up. (Figure 3.)

Figure 3. Recent Winner C - Citigroup hourly 09/18/08

Out of the money Sept 15 calls from prior day showing the gain from this one overnight trade. (Figure 4.)

Figure 4. Recent Winner C - Citigroup Sept 15 calls 09/19/08

TW: How do you know what option to use?

Dale: It depends on the price and volatility of the UNDERLYING STOCK OR INDEX as well as length of time until expiration and which time frame(MONTHLY, WEEKLY or DAILY) shows the pattern(REVERSAL or CONTINUATION) that I require BEFORE I trade.

TW: How do you know what underlying stocks to use?

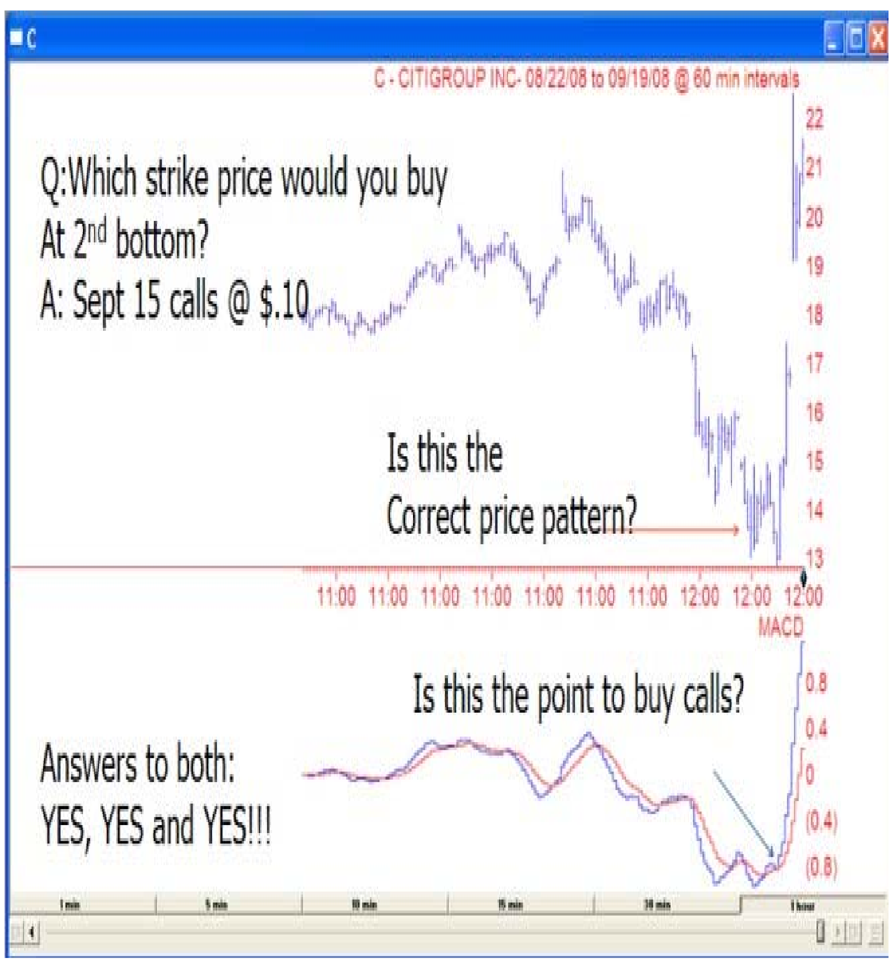
I have selected stocks or indexes based on options activity and price motion. I Have a very select list of about 100 stocks that I have HAND PICKED that meet my guidelines for these. Having this small list saves a GREAT DEAL of time and energy in locating candidates. The fewer, the better!

TW: What kind of returns can you expect using options?

Dale: I expect a MINIMUM of 100%, but, with the patterns I know work, returns exceeding 1,000% are QUITE COMMON, especially near expiration day! It is just the nature of this trading vehicle!

TW: Explain your service and what it offers?

Dale: I teach a weekly webinar for stock options that includes a Yahoo msg board as well as access to all past lesson via archives and another class exclusively for index options and that comes with a nightly update to keep everyone in tune with the patterns AS THEY DEVELOP. My classes teach HOW TO FISH! I "hold everyone's hands" to get them focused on WHAT WORKS and how to be INDEPENDENT TRADERS with



CONFIDENCE. I don't give PICKS OF THE DAY, but DO guide them to the correct groups or sectors and explain WHY they have the potential for good trades. As An example, I warned my clients about the market reversal based solely on my REVERSAL PATTERNS a week prior to Oct 28th surge! I explained which options would do well and why, but the choices are up to each trader. I have some DAY TRADERS and other POSITION TRADERS. Even though BOTH use the same patterns, I don't feel like it is my job to tell them that the DIA Nov 100 Call, for example, is the ONLY good trade! IT IS NOT! I tell them they only need ONE, but one person may choose something totally different than another, but still have the same type of pattern. One may make 100% and the other 1,000%.

TW: Do you have any kind of track record from your service?

Dale: I don't track PICKS, since I teach PATTERN RECOGNITION. There are PLENTY of others to give you bad picks. My clients are INDEPENDENT TRADERS and DON'T need PICKS, just GUIDANCE so they can find the patterns they require, based on the time they have available to trade and the baggage they bring. I motivate and teach!

TW: Do you have any opinion of the current market and its outlook for the next 6-12 months? How would you trade it using options?

Dale: I only have long term opinions based on LONG TERM CHARTS and my LONG TERM CHARTS(MONTHLY) has shown the Dow to stabilize in this area. The Current UPSIDE DIVERGENCES on the SPY and QQQQ as of Oct 27th, 2008, shows NEAR TERM UPSIDE, but will be derailed if the daily divergence fails, however, as OPTIONS TRADERS, our goal of 500%+ gains in 2 days on the SPY OTM CALLS or QQQQ OTM calls as well as many commodity stocks (Agriculture, Coals, etc) were realized just sine Oct 28th @ 11AM until the 29th in the afternoon, so what happens now does not concern us, honestly!

Geometric Angles and Planetary Lines From page 24

This gives 26 degrees Virgo. Last year I wrote a article about the "The decennial cycle in the stock market" which came from the Jupiter/Saturn conjunction and oppositions. Jupiter and Saturn are important in the commodity markets as well as they control supply (Saturn) and demand (Jupiter), (that's why Gann called his newsletter supply and demand).The low on 27th July 1939 had Saturn at 1 degrees Taurus (31 degrees), Saturn has moved 843 degrees (360 +360 + 120) to the top on the 3rd march 2008.Jupiter has moved 2070 degrees (360 x 5 + 270). Jupiter is at 16 Capricorn (286 degrees) and Saturn is at 5 Virgo (154 degrees). Gann said there's nothing is by chance, 286 + 155 = 441, the square of 21, 441 – 360 = 81 the square of 9. Saturn 1 x 1 line from 1939 in 2008 is at 1471 (360 x 4 + 31 =1471), so once below that line the market is bearish. Next is 1111, then 751 etc. When you average two planets you are using whats called mid points. Gann average 8 planets, 6 and 5 depending whether he was using the square of nine, the hexagonal chart etc.

Natal Soybean chart and planetary lines.

Most people have seen ganns 1948 soybean chart with the mars and Jupiter lines drawn. The conjunction of these two planets happened in sagaituies and this is why Gann was drawing on the chart. Jupiter is the significator of the chart as it rules the first house and also Jupiter is in the first house. This maybe why Gann said that soybean would become "King". Jupiter is at 18 degrees 56 minutes of Sagittarius which equals 259 in price. If we add 360 to this we get the important Jupiter lines, 619, 979, 1339, 1699 etc. You can look at the other planets the same way. You would notice that Saturn squares these points in November 2008.

As you draw planetary lines transit to transit on your chart and you have square, trine etc you can do the same to the natal chart. The high in soybean was 1586.5 (259+360+360+360+240 = 1579).If you take the all time low in May futures of 67 and add it to the Jupiter line you get the exact figure.(259+67+360+360+360+180 = 1586)

THE SECRET SOYBEAN SCALE

It took my quite a long time to workout this scale he was using on soybeans and the first person to publish this finding. Below is the scale he used on the highs and lows from 1932 to 1950.

Price

1.	44	=	22°	♓
2.	67	=	26°	♍
3.	68 ½	=	8°	♎
4.	69	=	12°	♎
5.	170	=	11°	♐
6.	131 ½	=	1°	♓
7.	154 ½	=	1°	♍
8.	164	=	20°	♏
9.	182 ½ = 21°			♈
10.	201 ½	=	23°	♍
11.	202	=	26°	♍
12.	203	=	4°	♎
13.	210	=	1°	♐
14.	220 ½	=	24°	♒
15.	224	=	13°	♓
16.	232 ½	=	1°	♉
17.	239 ½	=	25	♋
18.	239	=	22°	♋
19.	276 ¾	=	24°	♉
20.	265 ¾	=	27°	♒
21.	268 ¼	=	16°	♓
22.	279 ¾	=	19°	♊
23.	281	=	26°	♊
24.	299	=	20°	♏
25.	306 ¾	=	5°	♑
26.	309	=	13°	♒
27.	309 ¾	=	17°	♒
28.	320 ½	=	13°	♉
29.	323 ½	=	8°	♊
30.	334	=	1°	♍
31.	344 ½	=	27°	♏
32.	361	=	7°	♈
33.	422	=	16°	♌
34.	425	=	8°	♍
35.	436 ¾	=	14°	♐
36.	405	=	30°	♓

The low in 1932 was 44 on the cash market (44 x 36 =1584)
44 x 8 = 352 or 22 degrees Pisces.
Uranus hits 22 degree Pisces this year (2008)
Now all the other prices go above 360 (45 x 8 = 360) and the calculation works as follows:
An example the high of 436 ¾ = 14 degrees Sagittarius

W.D.Gann letter

Below is a letter Gann sent to some private students, it did have some mistakes so I have highlighted them, maybe it's another code which he like to use.

SOYBEANS
PRICE RESISTANCE LEVELS.

The one-half point of the highest selling level price and the one-half between the high and low are very great because these equal the 45 degrees angle or the gravity centre. For May Beans these prices are 218 ⅜, 240 ⅜, 251 ⅞, and 319 ⅛.

On a weekly or monthly chart, use the date when the extreme high or extreme low is made and draw a 45 degree angle up and down starting from the above half way points. These angles are very important for determining highs and lows and a change in trend.

From the extreme lows or extreme highs, you add or subtract the proportionate parts of the circle, as given below.

44 add to 360 gives 404. From 404 subtract 90 gives 314, and the degree in the sign is 14 degrees Aquarius. 90 degrees or square from this is 234 or 16 degrees Scorpio (224 or 14 degrees Scorpio).

436 ¾ minus 360 gives 76 ¾ or 16 degrees 45' in the sign Gemini. Subtract 120 gives 16 degrees 45' Aquarius or a price of 316 ¾. A square or 90 degrees from this is 16 degrees 45' Scorpio, price 226 ¾.

The lows of 67, 68 and 69 equal 7, 8 and 9 degrees in Gemini. 120 degrees subtracted gives 307, 308 and 309, the triangle points which are 7, 8, and 9 degrees Aquarius. Subtract 90 degrees from these points' gives 217, 218 and 219 or 7, 8 and 9 degrees in Pisces. (Subtract 90 degrees gives 217,218 and 219 or 7, 8 and 9 degrees in Scorpio).

131 high, (the high in December 1939) add 180, gives 311 or 11 degrees Aquarius. Subtract 90 gives 221 or 11 degrees Scorpio.

October 5, 1936, future trading started in soybeans. The first sale was 120. Add 180 gives 300 or 30 degrees in Capricorn.

218 ⅜ is 8 degrees 22' in Scorpio. Add 90 gives 308 ⅜ or 8½ degrees in Aquarius.

240⅜ is 0 degrees 22' in Sagittarius. Add 60 gives 300 ⅜. Add 90 give 330⅜

251⅞ is 12 degrees Sagittarius. Add 60 gives 311⅞ or 12 degrees Aquarius. Add 90 gives 348 (342) or 12 degrees Pisces.

1930, June high 216.equals 6 degrees Scorpio. Add 90 gives 306 or 6 degrees Aquarius. Add 225 (225 is 5/8 of a circle) gives 441, which is the square of 21, and 441 is 21 degrees in the sign Gemini, (441 minus 360 equals 81) which is 81 more than 360, the square of 9.

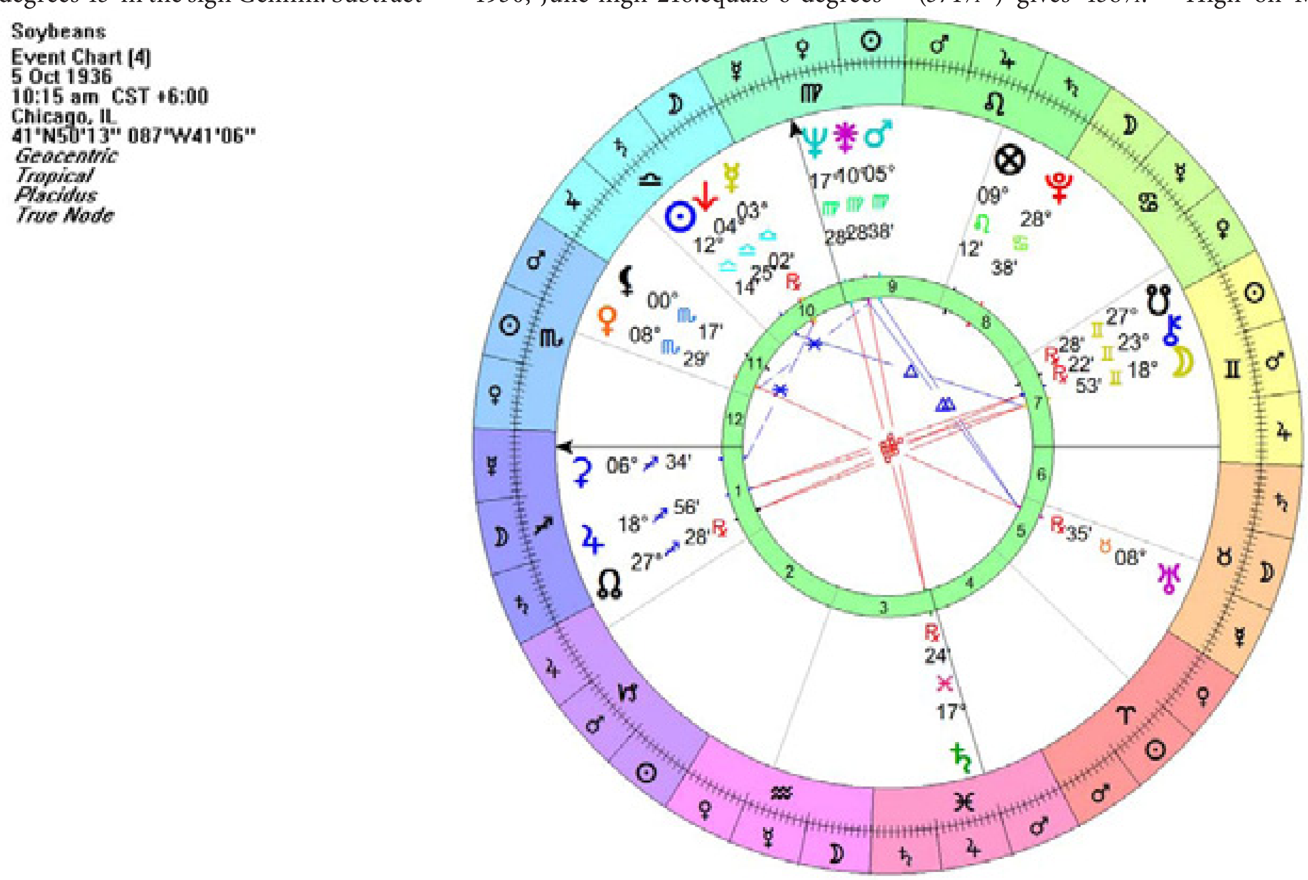
436¾ subtract 135 gives 201 (301)¾ or 1 degree 45' Aquarius. Subtract 180 gives 256 ¾ or 16 degrees 45' Sagittarius. Subtract 225 gives 221 ¾ or 1 degree 45 'Sagittarius. (Subtract 225 gives 211 ¾ or 1 degree Scorpio)

344 ½, subtract 33 ¾ gives (breaking the circle into 32 seconds times 3) 310 ¾ or 10 degrees 45' Aquarius. Subtract 45 gives 299 ½ or 29 degrees 30' Capricorn.

120, add 90 gives 210 or 30 degrees Scorpio. Add 125 (135) gives 255 or 15 degrees Sagittarius. Add 180 gives 300 or 30 degrees Capricorn.

67 add 90 gives 157 or 7 degrees Virgo. Add 135 gives 202 or 22 degrees Libra.

Add 120 gives 127 (187) or 7 degrees Libra. Add 180 gives 247 or 7 degrees Sagittarius. Add 225 gives 292 or 22 degrees Capricorn. Add 240 gives 307 or 7 degrees Aquarius. Add 270 gives 337 or 7 degrees Pisces. Add 315 gives 382 or 22 degrees Aries. Add 360 gives 427 or 7 degrees Gemini. Add 271¼ (371¼) gives 438¼. High on May



beans was 436¾. After that high the next extreme low was 201 and a half. Note that 67 plus 125 (135) gives 202 and one half of 405 is 202 and a half. 180 plus 22 ½ gives 202 and a half which are the mathematical reasons why May Soy Beans made bottom at 201 ½.

All of the above price levels can be measured in Time Periods of days, weeks and months, and when the time periods come out at these prices, it is important for a change in trend, especially if confirmed by the geometrical angles from highs and lows.

Active Angles and Degrees

By live or active angles is meant Prices and Time Periods where Longitude of the major planets are or where the squares, triangles, oppositions are to these planets.

The average of the six major planets Heliocentric and Geocentric are the most powerful points for Time and Price resistance. Also the Geocentric and Heliocentric average of the five major planets with Mars left out is of great importance and should be watched.

You should also calculate the average of eight planets which move around the Sun as this is the first most important odd square. The square of '1' is one and '1's the Sun. 8 added to '1' gives 9, the square of 3 and completes the first important odd square, which is important for Time and Price.

Examples of live, active angles:

At the present writing, January 18 1954, Saturn Geo. is 8 to 9 degrees Scorpio. Add the square or 90 degrees gives 8 to 9 degrees Aquarius and equals the price 308-309, for May Beans.

The planet Jupiter is at 21 degrees Gemini, which is 81 degrees in longitude from '0', the square of 9. Subtract 135 degrees from Jupiter gives 306 or 6 degrees Aquarius. This is why Soy Beans have met resistance so many times between 306 and 311 and a half. The Price Resistance levels come out strong around these degrees and prices and the Geometrical angles come out on daily, weekly and monthly, but the power of Saturn and Jupiter aspects working out Time to these Price Resistance Levels, is what halts the advance in Soy Beans.

24 Revolutions of Time and Price

The earth makes revolution on its axis in 24 hours, moving 360 degrees in longitude. One hour of Time equals 15 degrees in longitude and for one hour of Time, we use one cent of Price. This is for daily active markets but can be used for weekly and monthly time periods, as you can see by the Master Charts.

The Longitude of the Planets and the longitude of the average of the planets determine the Resistance Levels as the price moves around each cycle of 24 cents per bushel. You mark on the Master Chart all low prices with a red circle around them and place around all high prices a green circle. Then note the angles of 45, 60, 90, 120, 135, 180, 225, 240, 270, 300, 315 and 360 from each high and low. Then check the longitude of the planets and the longitude of the average of the planets to see when the Price reaches these degrees or aspects and meets resistance.

Example: Dec. 2 1953, May Soy Beans high 311 and a half. This equaled 18 degrees 45' in Pisces, close square or 90 degrees of Jupiter, 135 degrees to Saturn and 180 degrees of the averages and 120 degrees of Uranus.

300 price equals 30 degrees Virgo. 302 equal 30 degrees Libra. 304 equal 30 degrees Scorpio. On Jan 18 1954 the planet Saturn Geo. Is 8 degrees 30' Scorpio and 15 degrees Scorpio gives a price of 303, therefore when May Beans decline to 302 they will be below the body or longitude of Saturn and will indicate lower. At the same time using the Earth's annual revolution of 365 and a quarter days to move around the Sun, a price of 308 and a half is 90 degrees or square to Saturn. As long as the price is below 308 and a quarter it is within the square and in position to go lower. But by the 24 revolution when the price breaks below 304, it is in the bear sign Scorpio, a fixed sign and will indicate lower prices.

Study and analyse all options of all commodities in the same way as we have analysed May Beans. Remember, when these Resistance Points are met you must give the market some time to show that it is making tops or bottoms and getting ready to make a change in trend. Do not guess; wait until you get a definite indication of a change in trend before deciding that the main trend has changed. You can buy or sell against these resistance levels and place a stop loss order. Having before you all of the information outlined above, you would certainly have gone short of May Soy Beans on Dec. 2 1953 and cover your shorts on Dec 17 at 296 because the price was down to the 45 degree angle from 44 on the Monthly high and low chart.

24 Cents or More

It is important to watch the action on the daily and weekly chart when the price is up or down 24 cents from any high or low, 48 cents, 72 cents most important because three times 24, 96 cents, 120 or 5 times 24, 144 of great importance because 6 times 24 and the square of 12, 168 which is 7 times 24 – very important. You can also use one-half of 24, which is 12, and watch 36, 60, 84, etc. which equals 180 degrees or half the circle or cycle.

As Gann said the more work you do the more money you will make later. As you can see that a lot of people have been guessing and have lost billions in the stock market, I warned you last year in previous article of this.

Murrey Wins the Gann Time and Price Award continued from page 51

All three markets fell – 8/8th: Dow 30 Index went down – **5,000 points; S&P 500 index** went down – 8/8th - **500 points** and S&P 100 Index went down -/8th - **250 points;** plus all (3) landed on MM 1/8th Key of C on lows and reversed up on Key C (up) into the next higher MM Internal Trading Octave. There are no random reverses.

Every MM trader knew the lows would reverse off: 406.25 for S&P 100 Index: actual 397: **8,125** for Dow 30 Index: actual 7,882: and S&P 500 Index at **812.50:** actual at 843.75.

Moron City, Tennessee University: Snow flake Time from North Pole to South Pacific Basin = 10,000 years, so 1/64th Time = 156.25 El Nino.'

Disclaimer: All prices and all times "presented" are documented as 100% true as reported by the **Dow Jones Data Service,** which every expert in the financial business 'sees' at the same time Murrey sees them, **but Murrey is a professional predictor for the Money Managers, MBA Graduate Program Professors, Mutual Fund Salespersons and now, Broke Wall Street investment Bankers,** who are (not) qualified to know (exact) Murrey Price and Murrey Time, since **(every) expert on CNBC TV will start their Fundamentals = Fraud explanation with the mantra: "all markets are random by nature and I would convert, if someone would prove it to me, today."**

93.75% of all experts would (rather) you lose all your profits, than to give Murrey credit for finding the harmonic rhythm of the markets off (1) number and (1) date: 10.09.1854.

We will help you move forward and convert: please E mail us at: 30daytrial@murreymath.com

Murrey uses (only) one **(1) price: M'$pie = 3.125** and **one Time: Oct. 09 1990** forward to predict exact all time highs in S&P 500 Cash Index and Dow 30 Cash Index to be Oct. 09 2007 (exactly) 17 Yr. Time Cycle: **end of the (up) USA Murrey Family Time – price Economic Cycle…ended on Oct. 09 2007 on Murrey's Birthday (after) 153 "fish" yrs from 1854.**

How did **The Murrey Family** (know) to "see" Time set to their family's Fate: in Nashville, **when they The Henning Family and the Murrey Family lived in Philadelphia in 1797?**

The Book of Murrey: dated back to 1562.50 ad Turkey contains Euclid's Math Logic to: Murrey's Binary Doubles Progression starting at MBA:.00152587890625 (doubled) 17 times: then as anything grows past + 2/8th (up or down) it falls into Murrey's Binary Regression: ½ Note: ¼ Note: 1/8 Note: 1/16th Note: 1/32nd Note: or 1/64th Note, which from the **Illuminate Knights Templar Master of the Fives:** T. Henning Murrey who was "vote in" Master of the Fives by **The Lost Sound: Truth** by substituting (exact) fractal price inside one of five of Murrey's Master Squares set to (8) Harmonic Internal Octaves, which may be divided (down) into as many as (16) smaller Internal Octaves or 128 x 3 = 384 possible inside each of Murrey's (5) Harmonic Master Squares.*

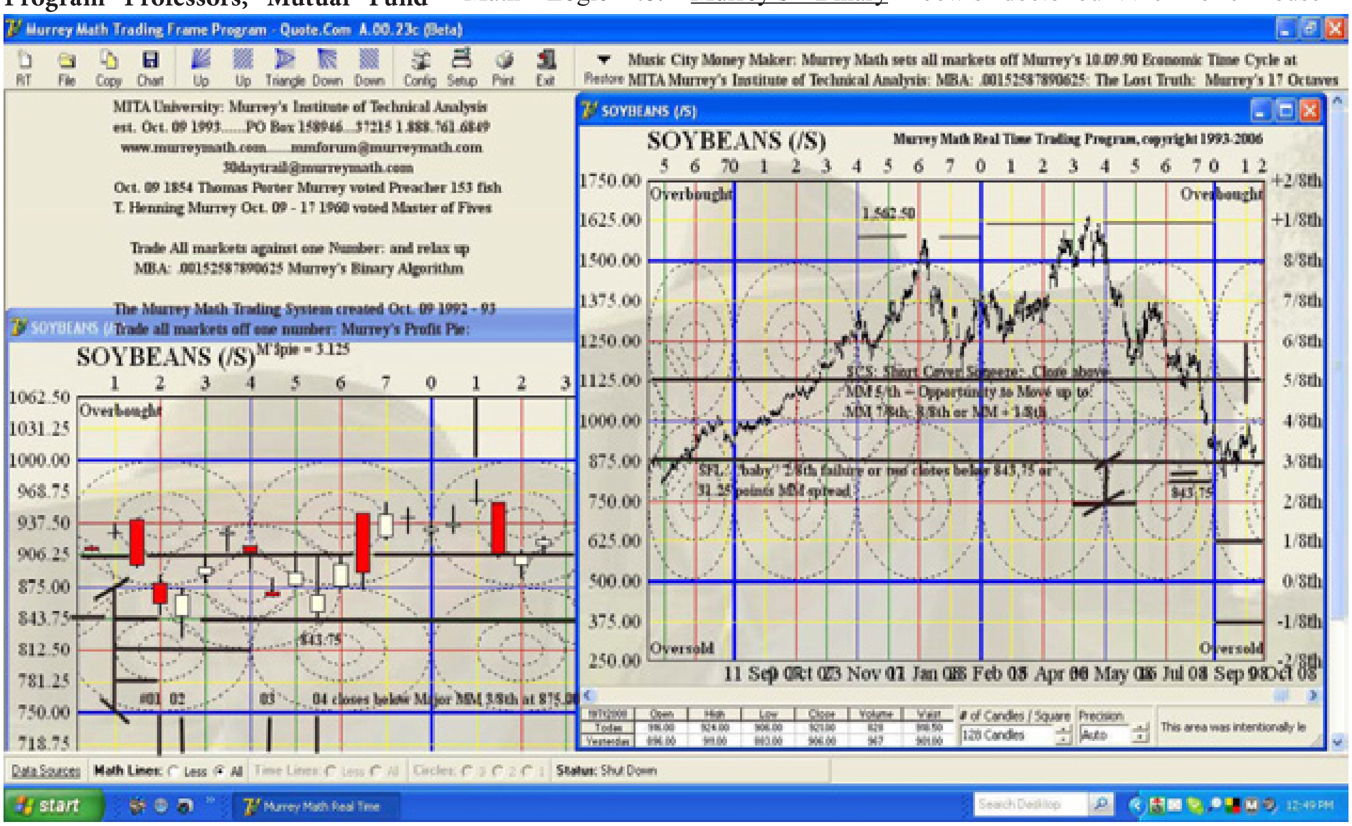
*Only (5) Master Level Murrey Math Traders are allowed to 'see' into The Book of Murrey per (every) 3.125 years. Are you ready, yet?

Murrey was able to "see" how Gann could predict future highs and lows off the "birth" of any market without (any) past history (data).

This Truth is explained in **The Book of Murrey.**

Animals and Winter Wheat know 3/8th and 5/8th temperature: 37.50 degrees and 62.50 degrees at 3.125 inches below the surface: solve it now from **Old Testament.**

Both families walked the Cumberland Gap Trail to Nashville in 1797 and Dr. Henning MD (3rd) doctor: a German Jewish doctor built the 1st brick house in



Nashville at # 17 Market Street (now) 2nd Ave next to "whipping post" where the County Jail is (today). It ain't moved yet.

1803 Nashville: Dr. Henning MD built brick house and set US Economy to (solid) Truth.

1820: Nashville: Andrew Jackson "whips" the Brits at Battle of New Orleans and 1820 was the 1st time the expression: "USA" uttered.

1837: Nashville: Stephen Lindslay created the University of Nashville and proclaimed Nashville as "The Athens of the South" for genius IQ.

10.09.1854 Thomas Porter Murrey "ordained" minister to vow to follow Moral - Truth Math Logic of why 153 "fish" were caught on the 3rd appearance at the Sea of Tiberius on 17 tries.

The Murrey Math Trading System was "voted" best timing with Time: by using (only) Oct. 09 starting (back) on Oct. 09 1854 (forward) every (year) and 17 years forward to 10.09.07 finish.

Locus 17 Yr Cycle from 1875 bc will bring you to Oct. 09 1854 and this will be the last 153 "fish" up cycle for the USA as an Economic Super P.

Biblical Reference: John: 21.5 speaks to: 2 + 3 and 12 squared and 13 squared and square root: (of) 153 = 12.368 Yearly Moon lunations.*

*Research and find 1st reference to sq roots.

Historical Note: Gann 1922 said he saw the markets future reactions in the Bible. **Find it.**

What (2 + 3) = 5 men had 14 relatives x 5 = 70 who started the same religion where their temple was destroyed 70 Ad?

Perfect Musical Pitch = 43.75 by 3.125 = 14, so Murrey's Profit Pie: M'$pie = 3.125

Cabbalists: Secret Truths Revealed (finally): Five books contain: Gematria: Numerology: Murrey's Harmonic Internal Trading Octave starts with (3) circles (center point) forming Superal Triad: then (mirror) forming (5) circles then repeated and (insert) 3 (more) circles to form (10) sefirot to list (22) Hebrew letters in the (10) Paths to Wisdom: seen by Essenes.

17 x 8 = 136 years (from) Oct. 09 1854 = 10.09.1990 started (last) up **Murrey Family Economic Time price Cycle ends 10.09.07**

Oct. 09. 2007 was the all time highs for S&P 500 Cash Index and Dow 30 Cash Index off 10.09.1990 (last) **17 Yr. up Murrey Cycle.**

T. Henning Murrey uses (only) one number 3.125, which is the musical pitch speed (up) of music from the conferences of: 1917 to July 1939 in Poland, when they (sped up) "musical pitch" from 437.50 cycles per second to 440.625 cycles per second: + 3.125.

Mother Earth emits 43.75 hertz cycles per (every) 24 hours. So, move decimal to right (1) place and you get the pitch of Harmonica, lyre or the Sacred Flute of the Cherokee Indian at 437.50 cycles per second.

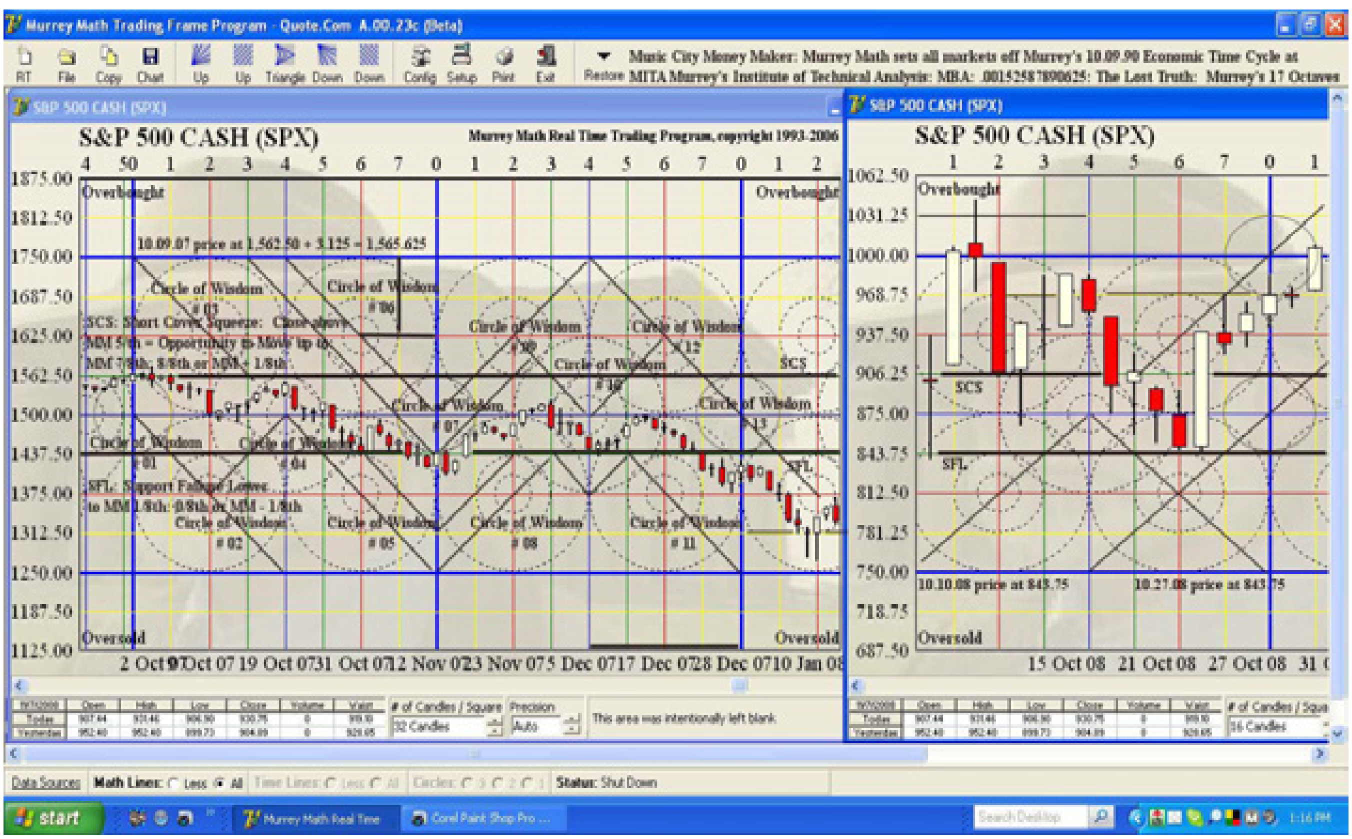
1st Perfect Pitch Musical Scale: 437.50 x 2 = 843.75 and it was all time highs on 03.24.2000 for S&P 100 Cash Index, - 31.25 from 875 7/8th.

T. Henning Murrey is allowed to use (only) one number: **Murrey's Profit Pie: M'$pie = 3.125** to figure (all) exact future reverses and **Murrey Math Harmonic Percentages** (fractals – Ratios) off 3/8th (37.50%) or 5/8th (62.50%) off (1) of five of Murrey's Master Squares (5)

What are the odds Murrey knew (back) on Oct. 09 1990, when the Dow 30 Cash Index was at 2,500, the future highs would be as simple as going out a Major MM 1/8th at 1,250 points x 8 = 10,000 + 2,500 = 12,500. This market at 12,500 will be a major MM 1/8th of Murrey's Master Square: 100,000, so 1/64th = 1,562.50, so + 1,562.50 + 12,500 = 14,062.50, which was the opening price on 10.09.07 (17) years later.

1987 10.09 All Time Highs Ten Yr. Cycle 1997 10.09 and Ten Yr Cycle 2007 10.09

10.09.1987 Dow 30 Index at 2,656.25 and then 10.09.1997 price at 8,095 and 10.09.2007 price at 14,166.25, so you look at: 10.09.97 at 8,095 x 1.75% = 14,166.25 on 10.09.2007.



10.09.1987 price at 2,656.25 and MM 8/8th = 2,500 and MM 1/8th = 156.25 so you take 2,500 and add 10,000 = 12,500 then move 156.25 to 1,562.50 and add it to 10.09.1987 highs at 2,656.25 and you see Murrey Family 20 Yr Cycle at 14,0625 on open 10.09.2007.

What are the odds Murrey knew (back) on Oct. 09 1990, when the S&P 500 Cash Index was at 312.50 by multiplying out: + 3/8th: + 5/8th: + 100%: + 200%: + 300%: + 400%: + 500% **(x 5) 312.50 to = 1,562.50 + 3.125 to be 1,565.625?**

What are the odds Murrey knew (back) on Oct. 09 1990, S&P 100 Cash Index was at 156.25 and ½ the S&P 500 Cash Index on 10.09.90 and 1/16th the price of the Dow 30 Cash Index: 10.09.90 and the S&P 500 Cash Index: 10.09.90 was 312.50 which was 1/8th the Dow 30 Index?

Oct. 09 2007 the S&P 500 Cash Index was at 1,565.25: luck: good luck: **Take action sign up by going to: 30daytrial@murreymath.com**

Oct. 09 2002 S&P 500 Cash Index at 781.25 x 2 (100%) = 1,562.50, so (5) years later Murrey Time and Price = 1,562.50 + 3.125 on 10.09.07.

March 24 2000 was all time highs on S&P 500 Cash Index at (near) 1,562.50 at 1,531.25 or 15.625 (3.125 x 5) from 10.09.1990….luck?

10.11.07 S&P 500 Cash Index was at 1,578.125 and 10.09.08 (10.10.08) the lows were 843.75: difference = Regression: - 625 (- 5/8th) + 62.50 + 31.25 + 15.625 = 843.75 on 10.10.08.

10.09.07 S&P 500 Cash Index at 1,562.50 open then it fell – 5/8th (- 625) Then Murrey's Binary Regression: - ½ Note: - 62.50: plus (minus) ¼ Note: - 31.25 = 843.75.

03.24.2000 all time highs for S&P 100 at 843.75

The S&P 500 Cash Index was trading in Murrey's Master Square: 1,000 so each Major Murrey Math 1/8th = 125, so Gann – Fibonacci – Murrey all agree every (market) will reverse short term after it falls – 5/8th, which it did after it fell (almost) – 6/8th in one year.*

Oct. 09 1992 to Oct. 09 1993: Murrey proved all markets want to fall: - 2/8th: - 4/8th: - 6/8th: - 6/8th: - 10/8th or finally – 12/8th and reverse up.

Murrey's Binary Progression: (up moves) expand: 1/8th: 2/8th: 4/8th then 8/8th: then markets want to grow in ½ steps of its "current" MM Major 1/8th: less by Musical Tone: ½ Note: ¼ Note: 1/8th Note: 1/16th Note: 1/32nd Note: 1/64th Note.* Time is set to Musica Pitch.

***MM Major 1/8th would be: 12.50: 125: 1,250: 12,500,** so you would know (years) ahead (exact) price opportunities for growing markets to slow down as they move higher: (after) + 2/8th: 3/8th: 4/8th: 5/8th: then 8/8th.

168 IQ Debate: Are markets random? How can you debate random against (not) **if your personality is in denial** after big extreme reverses off old highs or old lows?

10.09.02 End of Y2K Bear market S&P 500 Cash Index at 781.25 and it went up + 100% exactly + 781.25 on 10.09.07 (5 Yr. Time cycle) from 2002 and (back 10 Yrs) to 1997 and 1987.

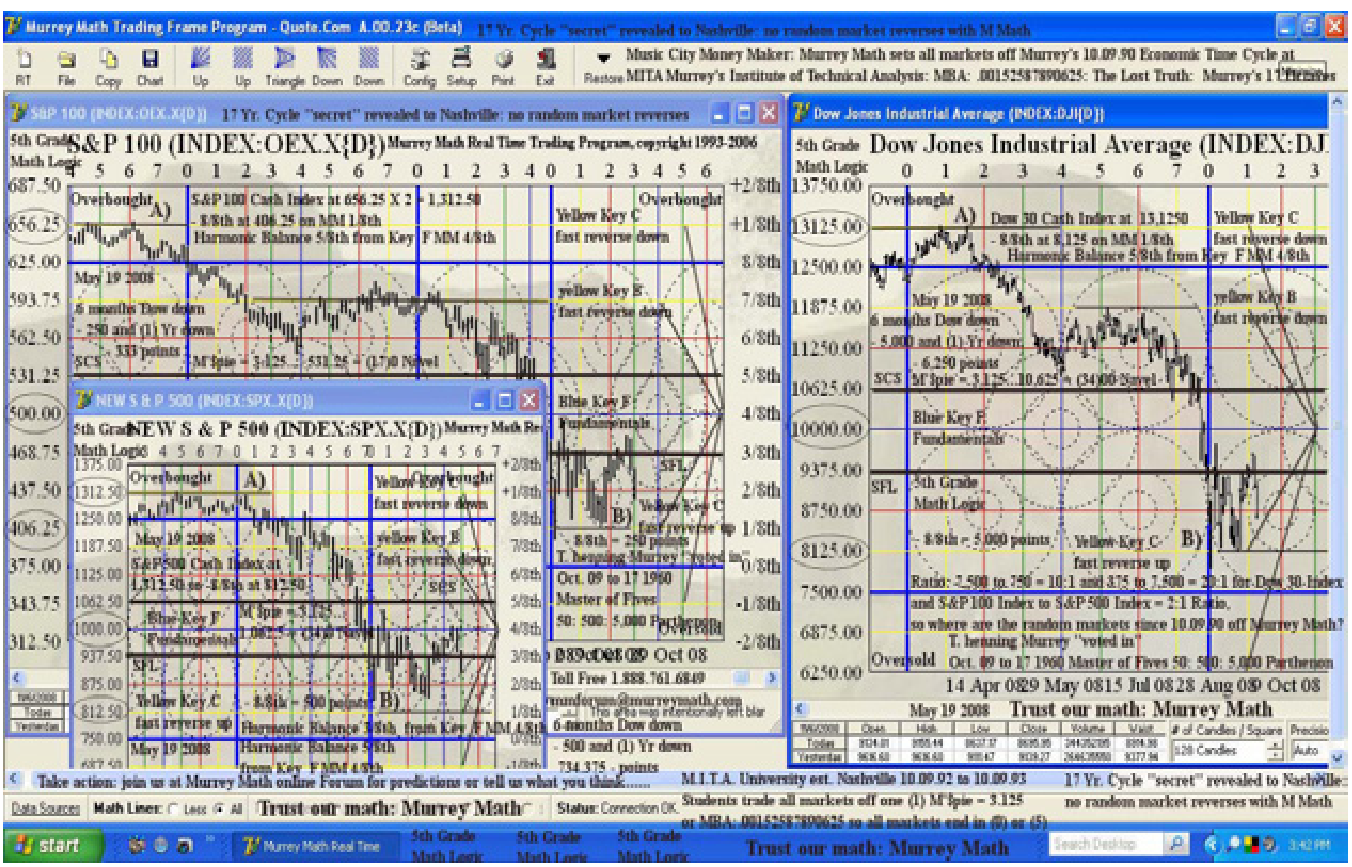
The Murrey Family passed down: <u>The Book of Murrey</u> from Turkey: 1,562.50 AD to Jamestown, VA 1620 AD by Sir David Murrey.

Euclid's books on Geometry were hidden in Turkey till the "moral morons" of the poor wanted to destroy Logic, Reason and Morals by expressing all reason off "current" feelings.

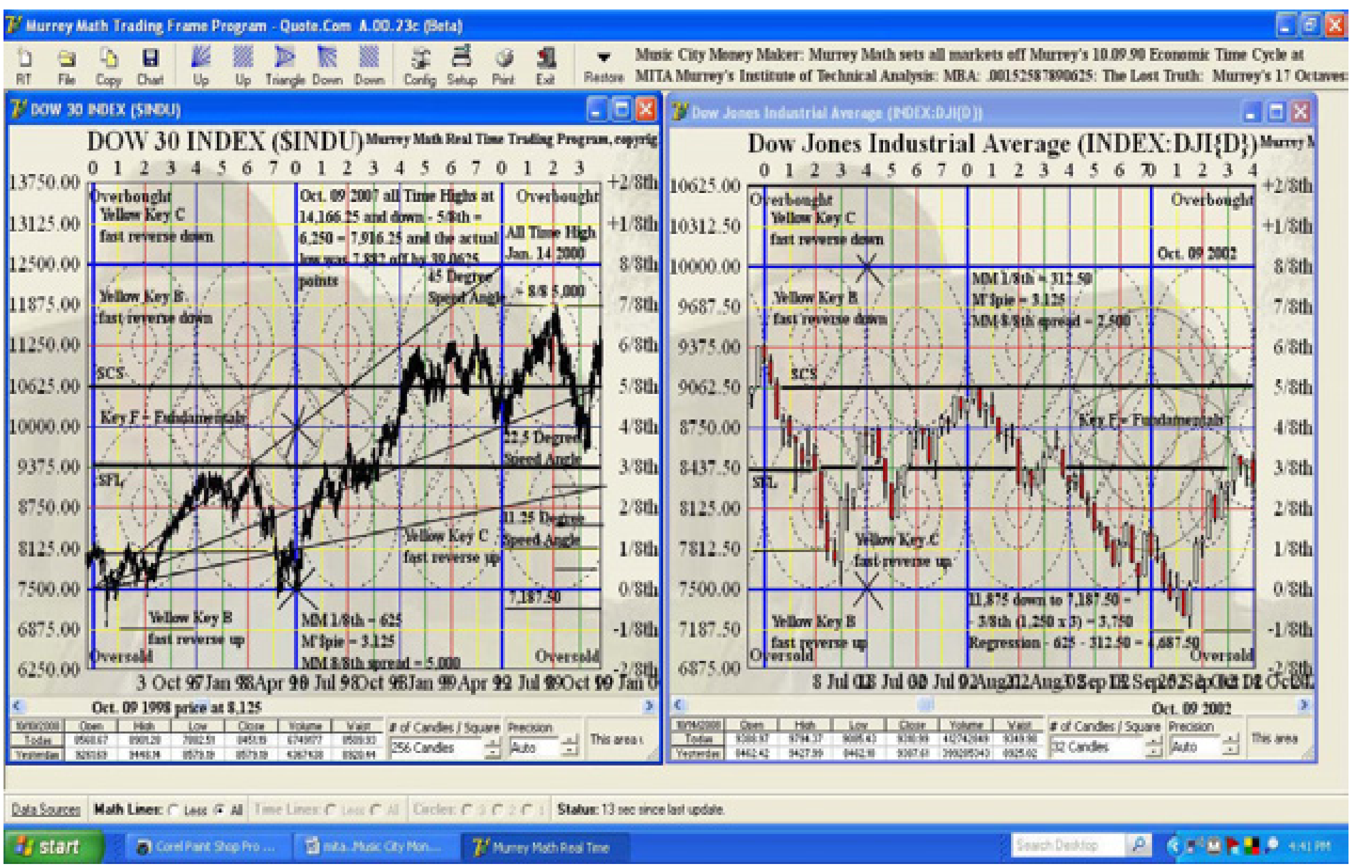
Roslyn Chapel: Scotland had the musical pitch carved on its walls and displayed on its columns: Keys: C, A, B

The Murrey Family: on Isle of Man 1,562.50 discovered The Lost Truth: Murrey's (17) Harmonic Octaves where all markets reverse off: Murrey's Binary Algorithm: .00152587890625 or any of (256) or (384) exact Doubles of the Perfect Pitch Vedic Math (India – Vedic Math and Mt. Carmel Essennes) Sound....437.50 to 440.625 cycles = diff. = 3.125

Pi = 3.14 (old school) outdated replaced



by Murrey's Profit Pie: M'$pie = 3.125
Perfect Number: Six (6) x 3.125 = 18.75 inches
10.09.02 Dow 30 Cash Index went up + 1,875 (just after) falling (exactly) – 1,875 points:
10.10.08 the Dow 30 Cash Index went up + 1,875 points (+ 39.0925) to touch reverse off
Murrey's Sacred Sq. Root: .625 x .625 = .390625
Murrey's Lunar (tic) Square Root: 1.25 x 1.25 = 1.5625: MM Time MM Price Ratio 1/64th = 1.5625 by dividing 64 (Time) into 100 (Price).
Murrey Math owns every (exact) number divided by 3.125 or multiplied by MBA:.00152587890625 (17) times Inside Murrey's Master Squares: 100, 1,000: 10,000: 100,000 or 1,000,000 which will produce Fractals: ending in (0) or (5).**There are (only) 384 possible MM Trading Numbers.** There are no random market reverses since 10.09.42.
Since Oct. 09 1993 every expert at investing has "touted" they could not "figure out" any numbers the markets reversed off or any time they could expect to reverse, but as soon as Murrey took ownership of (exact) Price and Time, in 1995 **they all cried it's generic and free, since they were too lazy to "see" it.**
Every exact (future) price any market may reverse off will be known years in advance by asking **The Master of the Fives: T. Henning Murrey,** who discovered the Square of the Fives: Oct. 09 – 17 1960 at 17 years young at the 17 columns of the Parthenon, which were set 17 feet apart with the right angle columns set 14.0625 feet or an additional 1.5625 feet or 18.75 inches from the 8 columns to 17 columns.
What Religion started its exodus 1500 BC (10 + 5) on the 17th Day of Nison.....
Why did John, in Revelations, end all Religion on 17th day?
Truth = Tree of Knowledge: 17 x 2 = 34*
Eve ate from Tree of Knowledge and was required to bathe in the Euphrates River 17 x 2 = 34 days to rid her skin of Sin deposited there.
Why did the Jews walk (only) five miles per day with: 6: 60: 600: 6,000: 60,000 on the way to the Promised Land and wonder (5) miles per day for 40 years after the **Golden Calf Affair?** What does (Man) really remember?
Master of the Fives: T. Henning Murrey
3.125 Million Dollar Bet (you against your broker) or your bar stool experts: Square 5 (up to) 17 times and take each answer and add two or three and you will always have an Murrey Math Number all markets will reverse off by simply moving the decimal over.*
*93.75% of all PHD Math Professors can't do this 5th grade math problem, but Murrey did (it) at 17 to become Master of the Fives.
Why did USA start on 12.17.1773 Boston Harbor Tea Party (over) 3.125 cent tax?
All USA futures markets have been set by the Murrey Math Trading System (exactly) since Oct. 09 1993 when **Murrey discovered them and went to the CBOT: CBOE: CME to show them** the correct (exact) numbers these markets will reverse into 2012 ad.
Murrey owns (every) number divisible by: MBA:.00152587890625 or simply adding any: 1: 2: or 3 numbers divisible by: 100, 1,000, 10,000, 100,000 or 1,000,000.
Book of Thomas: (from) Dead Sea Scrolls: Talks of Solomon's 50th Yr. Jubilee Musical Scale: so MM 8/8th at 50.00 and MM 0/8th at 0.00, so Mm Key B at 7/8th (yellow) fast reverse down shall be 43.75 with (5) sharps and no flats.
Proof Murrey Math works 100% with (no) Fundamentals = Fraud is to simply double 50: 100: 150: 200: 250: 500: 1,000: 1,500: 2,500: 5,000: 10,000: then switch to 1/8th of 100,000 and you will "see" 12,500 then 18,750 then 25,000: 50,000: 100,000 then 150,000, etc.
Now, it you want to predict (future) higher stalls, you simply find 12.50%



of these numbers and your market will reverse off them short by 12.50% or + 12.50% above the numbers (just) listed. Are you afraid to believe it's so simple?

All time highs for **BRK.A** was 150,000 (exactly)

BRK.A set to: MM 0/8th at 50,000 and MM 8/8th at 150,000. It fell up at 150,000 at MM 8/8th.

Crude Oil: MM 0/8th at 50 and MM 8/8th 150.00

IBM: MM 0/8th at 50 and MM 8/8th 150.00

Soybeans: MM 0/8 at 500 to MM 8/8th at 1,500

US Dollar Index: MM 0/8 at 75 to MM 8/8 125

Proof: Murrey's 168 IQ "observation" proves using (only) (1) number will produce exact price.

USA is brainwashed to random guess thinking. We will help you move forward and convert: please E mail us at: 30daytrial@murreymath.com

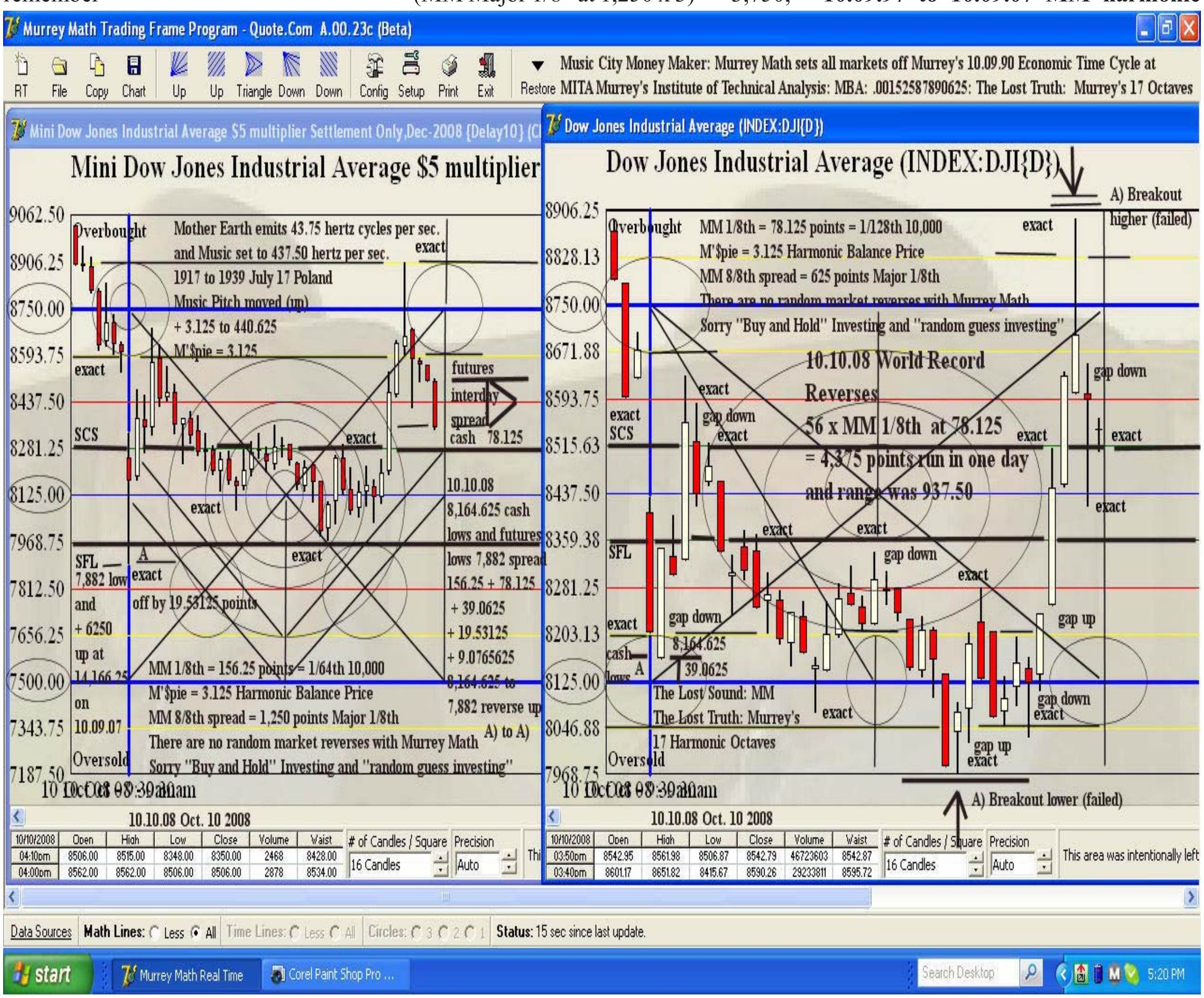
3/8th moves known years in advance: remember 10.09.97 to 10.09.2007 Dow 30 Cash Index MM 0/8th at 7,500 and 8/8th at 12,500, so fastest reverses would be off MM 1/8th at 8,125 Key C and MM 7/8th at 11,875 (yellow) Key B. Both these MM Trading Lines are 3/8th on iether side of MM 4/8th 10,000, which what markets are really doing, trying to stay 3/8th or 5/8th on either side of the largest "current" MM 4/8th not just randomly run 3/8th or 5/8th from extreme highs or lows as was taught in old school by Gann and Fibonacci Traders.

01.14.2000 Dow 30 Cash Index at 11,875 and then in the future Sept. 11 2001 Twin Towers Attack (happened) and everyone went into "trading" Denial and forgot Murrey Math (precedes) emotion, since Murrey was giving a class in Brentwood, Tennessee Sept. 09 – 12 2001 and Murrey shut down classes at 8:30 am on Sept. 11 2001 and told the class a close below MM 3/8th at 9,375 would force the Dow 30 Index down to (minimum) 8,125, which would be down (exactly) – 3,750 points (MM Major 1/8th at 1,250 x 3) = - 3,750, which it did.

Sept. 11 2001 Crude Oil: after the attack went up + 1.5625 dollars to MM 7/8th (yellow) Key B fast reverse down and went down (exactly) – 12.50 points (Major MM 1/8th) or minor – 8/8th and took almost 15 to 18 months to come back up to its old highs double top. Why buy Puts?

Dow 30 Cash Index: 10.09.97 MM 0/8th at 7,500 and MM 8/8th at 12,500 and each MM 1/8th = 625 points and the Dow 30 Index fell – 1/8th below 7,500 to 6,875 on the Key B (yellow) fast reverse up (with) (5) sharps, Murrey predicted maximum run up to be + 8/8th of 625 x 8 = 5,000 points, so Murrey knew years in advance the market would want to reverse down after it went up a major MM 4/8th of 5,000 points or a minor (major) 8/8th of 5,000 to be 11,875 on the Key B (yellow) (5) sharps: fast reverse down, which it hit 01.14.2000 off the Dow transports signal and the Vix Index signal ahead of time, again. Why don't you use them?

10.09.97 to 10.09.07 MM harmonic



Trading Frame set off MM 4/8th at 10,000 (top) of Murrey's Master Square (3): 10,000.MM + 2/8th at 13,750: + 1/8th MM at 13,125: MM 8/8th at 12,500: MM 7/8th at 11,875: MM 6/8th at 11,250: MM 5/8th 10,625: MM 4/8th at 10,000: Mm 3/8th at 9,375: MM 2/8th at 8,750: MM 1/8th at 8,125: Mm 0/8th at 7,500: MM – 1/8th at 6,875 and MM – 2/8th at 6,250.

Bet (your) Broker: Higher authority (expert) to find any future reverse off the Dow 30 Cash Index which will (not) reverse off: 1,250: 625: 312.50: 156.25: 78.125: 39.0625: 19.53125 points off 10,000 or Murrey's Profit Pie: M'$pie = 31.25 discovered by T. Henning Murrey (alone) by using **Murrey's Law of Contradiction:** if all experts say: "All markets are random, then there are (no) random market reverses.

5th Grade Murrey Math Logic: if all you want to do, is make money, just follow Murrey's 168 IQ and quit trying to figure out how it works: it's too late, Murrey already figured it out: 10.09.92 to 10.09.93, so **it will do you no service to your family to try and improve on Murrey Math Trading System Logic.**

10.10.08 Dow 30 Index makes Perfect Pitch Musical Scale: (total) runs up and down intraday set to Mother Earth: 43.75 x 10 = 4,375 points of 56 Mm 1/8th at 78.125 points = 4,375 total in one day: 10.10.08….was it luck?

10.29.08 Dow 30 Cash Index and S&P 500 Cash Index set to: the same Harmonic Internal Trading Frame: with S&P 500 Cash Index: MM 0/8th at 812.50 and MM 8/8th at 937.50 and Dow 30 Cash Index at 8,125 and Mm 8/8th at 9,375 and both markets went up + 8/8th 1,250 points and 125 points a Major MM 1/8th or a minor MM 8/8th when we set each MM 1/8th at 15.625 points and 156.25 points (same) spread.

Dow Transports Index, since 1897, predicts (every) exact future reverse of Dow 30 Cash Index and S&P 500 Cash Index and S&P 100 Cash Index when you set 0/8th and 8/8th to MM Trading Lines. Who looks at it today?

Vix Index predicts (every) exact future reverse of Dow 30 Cash Index and S&P 500 Cash Index and S&P 100 Cash Index when you set 0/8th and 8/8th to MM Trading Lines, since 10.09.90 back tested, since it didn't (come out) till 1993 and created by math **Genius Bob Whaley: MBA Business School Professor at Vanderbilt's Owen Graduate School of Business.** Nobody is allowed to know who he is, or how accurate he Index is, unless you try and improve it and destroy how it (really) works. Please E Mail him and he will give you his formula "free,"

Why don't you (already) know these numbers?

What do you "see" everyday, so far?

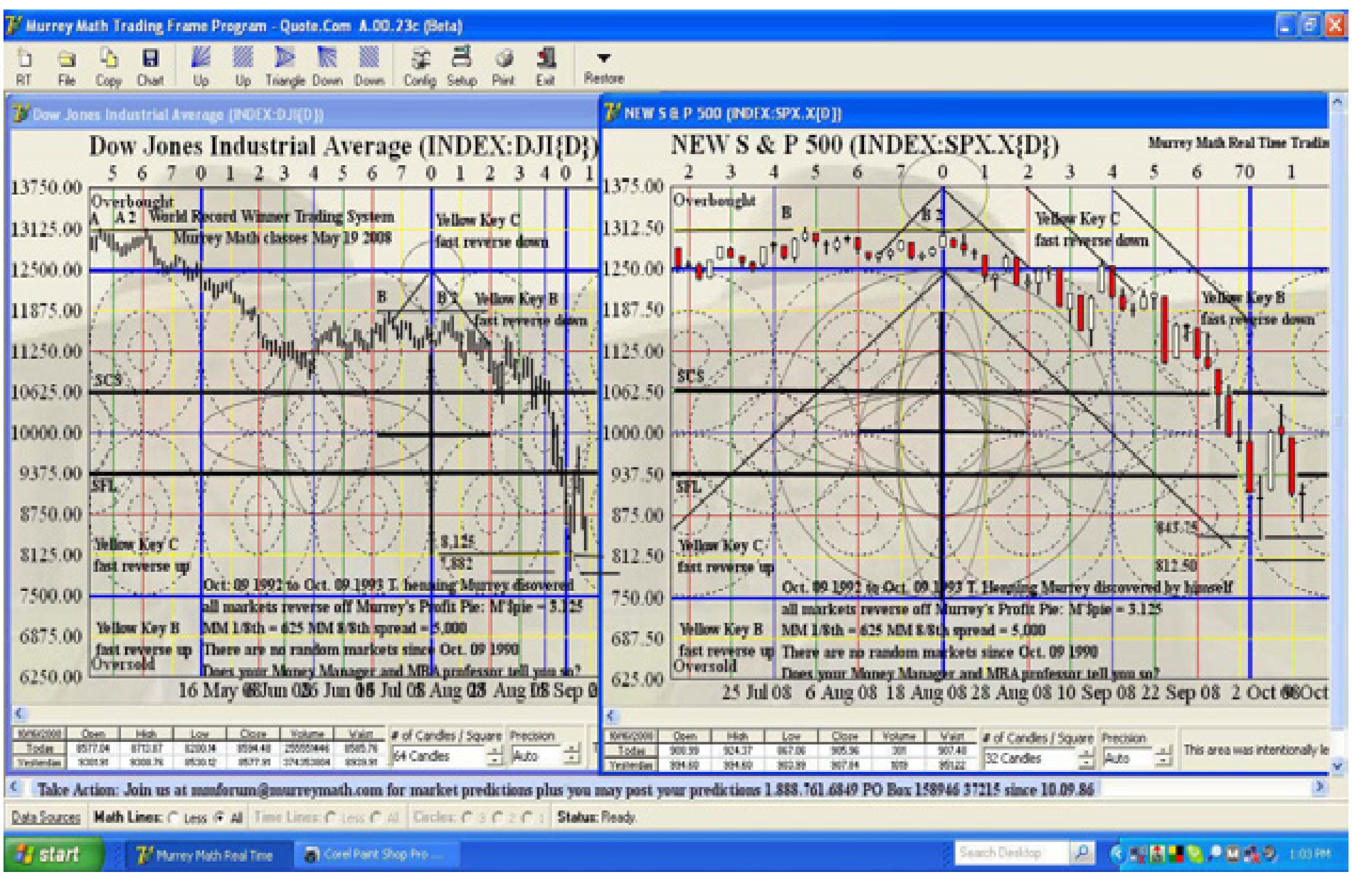
The days of "random guess" Buy and Hold Long Term Investing and expecting to (finally) get back (only) to even are over for 17 years: relax up and **enjoy the long term loses forever.**

10.09.02 the S&P 100 Cash Index down at 390.625 and then it ran up to 730.625 on 10.09.07 after five years and then in (only) (1) year it fell to 397.625 (almost) lost 100% of its last five years' gains.

Remember: and come out of Denial of Reality of loses the S&P 100 Cash Index went up from 390.625 to 843.75 on March 24 2000 then back down to 390.625 on 10.09.02, then back up to 730.625 on 10.09.07 then back down to 397.625 on 10.09.08 and the S&P 100 Cash Index has been a "loser" since March 24 2000.

Trading is an acquired philosophy based on strict rules, repeated and (never) broken over, time, as you remember past failures and forget past winners. You must come to class to get the real Truth of all the nuances of what to expect, when your trade goes against your (own) ideas.

Please join our **Murrey Math Online Forum.com** for "daily" educational instruction, Murrey's predictions on (your favorite) markets, plus you can add your 2 cents worth, by posting your ideas about future market reverses. Please try our end of day software introductory version for $ 60.00 for 60



days. Rent our software by the month: kick the tires and get your charts set to Murrey's Harmonic Octaves (exact).

10.09.96 T. Henning Murrey started showing high IQ Gann traders how Gann did it (simple).

1905 All Time highs in Copper = 17 Yr Recession and 2005 all time highs in Copper = 17 Yr Recession in housing: enjoy cheap prices

1854 Recession in housing and 62.50% of all US money in the south and the North had to destroy the South to get their money power.

Cotton Gin was a few years too late: luck?

Did you know (realize) we were going into a 17 year **Recession** 10.09.07 on Murrey's Birthday, which was back dated 153 "fish" years from 10.09.1853 off Square Root of 153?