THE OFFICIAL MAGAZINE OF TECHNICAL ANALYSIS

TRADERSWORLD

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Understanding the Essence of W. D. Gann's Market Philosophy

Bust, Malaise or Boom Realizations of an Elliott Wave Analyst

Trading Truths I learned the Hard Way

Into The Minds Of The Masters Part I

Historical Overnight Tendencies & Edges

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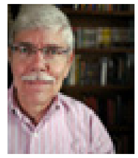

Editor-in-Chief

Larry Jacobs - Winner of the World Cup Trading Championship for stocks in 2001. BS, MS in Business and author of 6 trading books.

Office - 2508 W. Grayrock Dr., Springfield, MO 65810

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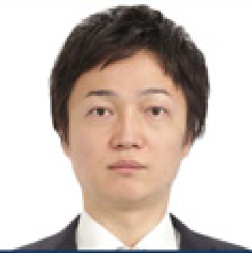

Takumaru Sakakibara is reprising his 2014 World Cup performance in style.

After placing second in the 2014 World Cup Championship of Forex Trading® with a **122.6%** net return, Takumaru is leading the way in the 2015 competition through July 8. This time, he's allowing subscribers to mirror his competition trading account with World Cup AutoTrade™ service.

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Takumaru trades standard lots and mini lots in this program. When he makes a trade in ***his*** account, you can automatically make the same trade in ***your*** personal or IRA account with AutoTrade service.

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ACCOUNT SUMMARY

Featured program:	Takumaru Sakakibara Forex37
Methodology:	Trend-following, correlation
Program duration:	5.94 months
Advisor's initial investment:	$10,000
Net profit:	$8,067 per-unit
Net return on investment:	80.7%
Peak-to-valley draw-down:	-7.1% (1/31/15 to 2/28/15)
Subscription fee:	$228 per-unit per-month

*Performance through July 8, 2015. Trading forex involves significant risk of loss and is not suitable for everyone. Past performance is not necessarily indicative of future results.

An investor must read, understand and sign a Letter of Direction for WorldCupAdvisor.com leader-follower programs before investing. Account performance shown is for a proprietary owned by Takumaru Sakakibara, and is not necessarily indicative of subscriber rate of return and drawdown due to execution, slippage, funding level and other factors. While great care is taken in the preparation of information presented on WCA, subscribers must rely on their account statements for subscriber-specific performance of any WCA program. Drawdown is the greatest cumulative peak-to-valley percentage decline in month-end net equity during the life of the account. A unit is equivalent to the quantity traded by the advisor on each trade, and may vary from program to program. Net-profit calculated using advisor's initial investment of $10,000, WCA subscription rate and standardized commission rate available through any authorized AutoTrade broker. There have been no cash additions to this lead account. Subscribers funding with a balance equivalent to the advisor's initial investment subsequent to the program inception date could experience a drawdown that exceeds the advisor's historic drawdown on a percentage basis. Subscribers should take this into consideration when determining the funding level of their account. Forex37 is entered in the 2015 World Cup Championship of Futures Trading (WCC). WCC accounts do not necessarily represent all the trading accounts controlled by a given competitor. Accounts trading in the WCC may be subject to commission rates different from those following the AutoTrade program. WCC competitors may control accounts that produce results substantially different than the results achieved in their WCC accounts. WCC entrants may trade more than one account in the competition. Convexity net return in the World Cup Championship is higher than the program's net return in the WCA AutoTrade program due to commission differential and the absence of subscription fees in contest calculations.

WORLD CUP ADVISOR

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The net profit in Marko Grcic's World Cup Championship account stands at **$11,374*** for a **113.6%** return in just **6.03** months.

Marko isn't spinning gold out of straw. He's taking considerable risk and navigating swings of up to **$3,000** or more as he routinely trades multiple contracts in 30-year T-bonds and E-mini S&P futures.

This account is entered in the 2015 World Cup Championship. A "matching funds" investment (an amount equal to Marko's account balance at the time of entry into the program) is recommended to automatically mirror Marko's trades with World Cup AutoTrade™ service.

When Marko makes a trade in ***his*** World Cup Championship account, you can automatically make the same trade in ***your*** personal or IRA account with Leader-Follower AutoTrade service. If your fill price is not equal to or better than Marko's fill price on any trade, the trade is commission-free from your authorized broker.

Marko will have his own money on the line right along with you. For more information, call **1-312-454-5000** or **1-877-456-7111** or email info@worldcupadvisor.com.

ACCOUNT SUMMARY

Featured program:	Marko Grcic World Cup Championship
Methodology:	Fundamental, technical, systematic
Program duration:	6.03 months
Advisor's initial investment:	$10,016
Net profit:	$11,374 per-unit
Net return on investment:	113.6%
Peak-to-valley draw-down:	-19.4% (5/31/15 to 6/30/15)
Subscription fee:	$200 per-unit per-month

*Performance through July 8, 2015. Trading forex involves significant risk of loss and is not suitable for everyone. Past performance is not necessarily indicative of future results.

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MarketWarrior 5
Automatic E-mini Forecasts

MarketWarrior 5 has reduced the long learning curve for W.D.Gann's most advanced forecasting method. It has taken traders a decade or more to learn to forecast like W.D.Gann. Now MarketWarrior 5 will make a forecast for the S&P500 E-mini with a single button click using W.D.Gann's most advanced forecasting method. The forecasts can be made on the 5 minute and 60 minute charts with just one click of a button. No settings or research required!

STEP 1

Start MarketWarrior and connect to real-time data from DTN IQFeed or Barchart.com

STEP 2

Open a 5 minute E-mini chart or a 60 minute E-mini chart

STEP 3

Click the E-mini forecast button and a forecast for the E-mini will automatically be made. The long learning curve for W.D. Gann's most advanced forecasting method has been reduced to zero!. One button click and the 20 years of experience at Mikula Forecasting makes the forecast for you automatically.

Free Trial

MarketWarrior 5 and DTN IQFeed has a one week free trial. If you already use DTN IQFeed you can use the full 30 day free trial. MarketWarrior 5 can be used with an existing or new subscription to the Barchart.com real-time data.

The top chart shows an automatic forecast for the main trading session of the S&P500 E-mini 5 minute chart.

The bottom chart shows the forecast with the data filled in after the main trading session ended.

https://www.mikulaforecasting.com/
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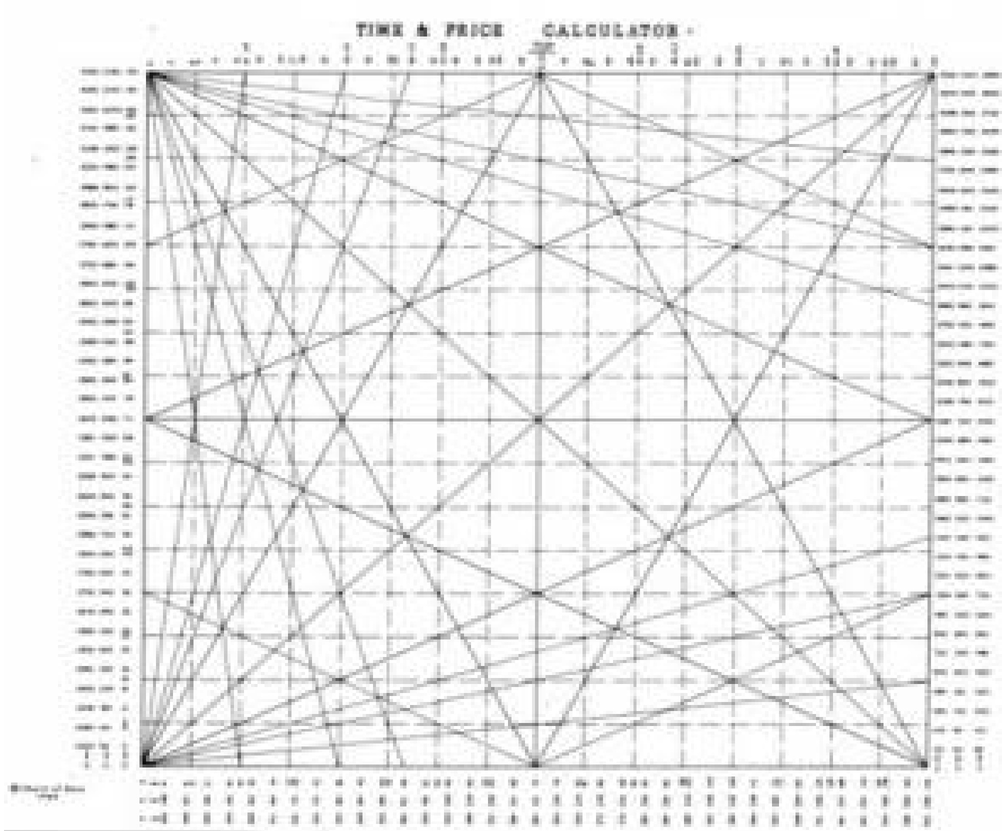
Understanding the Essence of W. D. Gann's Market Philosophy

***"God does indeed geometrize."*—Emerson**

By Daniel T. Ferrera

In W.D. Gann's private courses Master Course for Stocks and Master Course for Commodities, both versions printed after 1940, he explains that "the basis of his forecasting method" is essentially mathematics and geometry. He says: *"The basic principles are easy to learn and understand. No matter whether you use geometry, trigonometry, or calculus, you use the simple rules of arithmetic. You do only two things: You increase or decrease....The market moves only two ways, up and down. There are three dimensions which we know how to prove–width, length and height. We use three figures in geometry–the circle, the square, and the triangle. We get the square and triangle points of a circle to determine points of time, price and space resistance. We use the circle of 360 degrees to measure Time and Price."* However, very few people understand the true meaning of these cryptic statements, and indeed it can take many years of hard study and practice to realize the proper application of these important techniques. See example #1.

The so called Master Square Calculators or transparent overlay charts that Gann

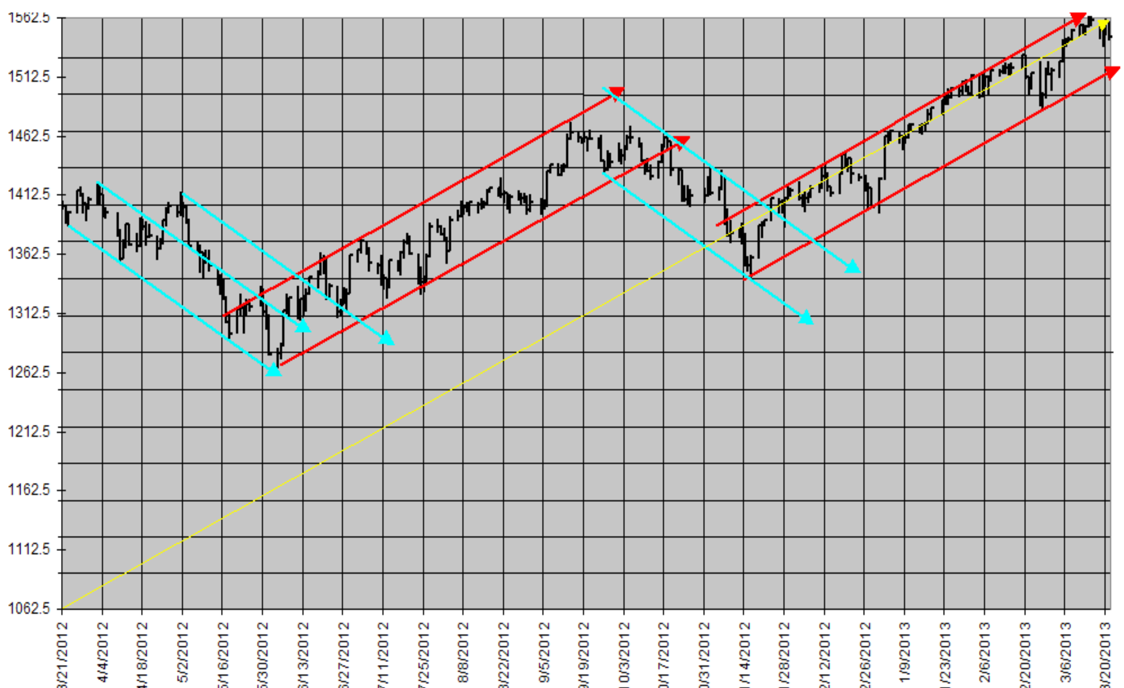


Example #1

provided with the aforementioned stock and commodities course materials are simple tools that use pre-drawn square geometry to overlay on top of a specific period of time that represents a complete cycle, such as 1-year for example, to help determine the proper price scaling to balance a unit of price with a specific period of time. This is made more evident in some of Gann's rare private letters to students. In one such letter Gann says *"In order to balance time or square time with price, you use one unit of time for 1-cent in price."* He then goes on to provide some price scales for the various grain markets (Soybeans, Wheat, Oats, Corn and Rye) as well as Cocoa, Coffee, Cotton and Eggs, each of these markets having a different unit of price relative to their fixed units of time, which were daily, weekly and monthly chart values.

After providing these price values, Gann goes on to say: *"In order to balance or square time, divide the high or low price by the scale and you get the time required to balance or square the price."* This letter is included and thoroughly analyzed in my new course, ***The Path o f Least Resistance*** , and represents the only known surviving material that demonstrates that the unit of price relative to time was a variable that required some calculation, adjustment or "fitting" to achieve the proper balance. In his private courses, W.D. Gann clearly specified and instructed students to keep and maintain yearly, monthly, weekly and daily charts on graph paper that was 8 square grids per inch, but never properly instructed his students as to which price scale to use for any specific stock, index or commodity. That is to say, the "scale" or relationship between the Y-axis and the X-axis, or in market terms, price and time.

Thus, a major key to understanding Gann's geometric approach with all of his angles, squares, triangles and seasonal dates, is to first comprehend that the Y-axis or "price scale" is what needs to be adjusted to balance 1 unit of price with 1 unit of time. In simple math terms, if one is given the X-axis value or "time period" whether it be hourly, daily, weekly, monthly or any other time unit so chosen, then there must also be a corresponding Y-axis value or "price unit" that provides a proper chart ratio of X to Y,



Example #2

essentially achieving a one to one relationship between the amount of price units and time scale.

Gann called this a 1 X 1 trend line or 45-degree angle. Without discussing how to adjust the price scale relative to time, the chart below graphically illustrates the importance of this fundamental relationship. The red and blue trend lines are both 1 X 1 lines. In other words they either rise the same unit of price or decline the same unit of price relative to 1-unit of time, which in this case is one calendar day. The yellow line was drawn in to show that it is the diagonal of a one year square comprising a 45-deg angle allowing the observer to more easily see this one to one price time relationship. See Example #2

The prior chart example is the S&P500 index running a full calendar year from March 21st, 2012 to March 21st, 2013 (Equinox to Equinox, which Gann called a natural year). The Y-axis has a price scale of 500-pts from the bottom to the top of the square. If one followed Gann's generic and often misunderstood advice, then the Y-axis would have a scale of 365-points as there are 365-days in one calendar year yielding a difference of: 500 - 365 = 135-points between the two approaches in this example.

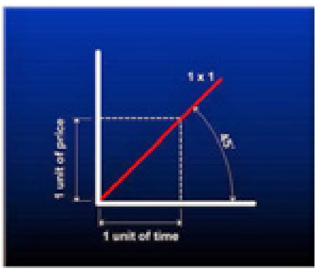
This not only influences the slope or pitch of the Gann angles (1x1, 2x1, 3x1, 1x2, etc...), it also changes the calculation for squaring any price with time. For example, the price low of 1267 on June 4th, 2012 would require 1267-days (3.47-years) to square or balance with time using the generic price-time concept. Whereas in the 500-point square, we find the 45-degree angle has a pitch of 1.37-points per day, which yields (1267 / 1.37 = 924.81-days) or 2.53-years to balance this same low price with equal units of time. This is a difference of nearly a year between the two calculations.

One can clearly see that without Gann's special instructions that were shared only with particular private students, the methods which are considered to be standard Gann analysis will be far different in their results than his specially calibrated tools shared only with his inner circle. This explains why Gann had such excellent results using his tools, which others who superficially attempt to use them are unable to reproduce or use effectively.

Please recall the prior quote: *"In order to balance or square time**, divide the high or low price by the scale** and you get the time required to balance or square the price."-W.D. Gann*. This clearly indicates that <u>the price scale must be balanced with time</u> to yield the correct ratio required to square price with time. Gann also provided a similar example in this hand written letter based upon the Egg market and historical high and low prices. Earlier in this private letter, he gave a price scale for Eggs of 25-points per week. Gann goes on to demonstrate how to calculate the time required to square or balance the October 3, 1950 price low of 3225 at 25-points per week, which was nothing more than simple division: 3225/25 = 129-weeks into the future. He also instructs the private student to divide the 129-weeks into proportional 1/8ths and 1/3rds and mark these future points in time on the chart as well, which represent the square and triangular harmonic divisions of this time projection.

In conclusion, it should be apparent that Gann's rules for drawing the various geometric angles, balancing or squaring significant high or low prices or even the price range between them with measurements of time, all require the proper chart scaling to be effective. In all of Gann's expensive stock and commodities courses, he describes the introductory portion that precedes the use of his geometric angles as: "The Basis of My Forecasting Method." But without the correct price scale, the mathematics will not work because the ratio of price to time will not balance as a one to one relationship, that is to say 1 unit of price = 1 unit of time.

Gann was quoted as saying: *"Square price charts are much like bridges, wherein angles of iron cross one another, making squares and triangles of great strength. The strongest points of this structure being the lines of intersection."* Based upon clues Gann discussed in his ***Master Calculator for Weekly Time Periods***, this balance between price and time is the key to his 4th dimension.



Gann defined the market's 4th dimension as: *"The pitch or trend is determined by the 45° angle, which is the most important, but other angles can be used to determine trend. The pitch or trend is the 4th dimension and shows whether the market is slow or fast by the angles."* W. D. Gann frequently claimed that: *"You can beat the market by trading against the 45 degree angle alone, if you stick to the rule: Wait to buy an option on the 45 degree angle or wait to sell it against the 45 degree angle."* However, he never publicly revealed how to properly scale the price to time relationship other than to private students who paid him much more and were bound by confidentiality agreements.

Fortunately, some of these private historical letters survived the passage of time and allowed insight into Gann's true geometric methods. In order to properly use any of Gann's angles, price converted to time or even the natural squares of odd and even numbers, it is necessary to establish a mathematical balance between price (y-axis) and time (x-axis), according to Gann's specific proprietary instructions, otherwise the geometrical tools are essentially meaningless, if not outright wrong.

In my new course, ***The Path of Least Resistance, The Underlying Wisdom & Philoso phy of W. D. Gann Elegantly Encoded in the Master Charts,*** I have done an exhaustive reinterpretation of the spectrum of Gann's mathematical and geometrical techniques, recalibrating them properly according to the instructions in these lost private documents. The result of this reinterpretation of the core body of Gann's work is to revivify these tools in a critical way which increases their value and accuracy bringing them back to the full functionality used by Gann and his inner circle.

Sadly, this true functionality has been completely misunderstood and misapplied by modern Gann teachers and analysts as the direct result of Gann's unwillingness to give away the full details of his techniques in his public books and courses. Most Gann analysts and researchers are unaware that they have never used Gann's tools the way they were actually intended, and as a result have only been able to generate results that were mostly flawed, unless done accurately by pure accident. It is my intention in my new course to bring the proper use of these tools back to light, so that Gann's tools can be appreciated in the way they were actually intended to work.

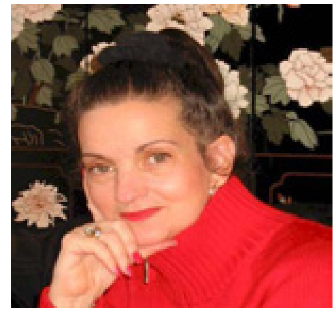
Daniel T. Ferrera

Website: http://www.sacredscience.com/ferrera/The_Path_of_Least_Resistance.htm

Email: institute@sacredscience.com

Phone: 951-659-8181 or Toll Free 800-756-6141

All About Loss



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

If you are a trader, you have experienced loss. The trick is in recovering from the loss --quicker, stronger, wiser. The alternative is to become so frightened of future losses that it impairs your trading, creating bigger and more painful losses, or to become pessimistic and depressed, and lose confidence and hope.

Learning from Losses

Every trader has dealt with losses, whether they are trading-related or not. Loss is at the heart of every painful experience in our lives, even the smallest ones. If we reflect back on all of the traumas and difficulties of our life, it becomes clear that most of these events were related to a loss. For example, losing a race at school is indeed a loss, experiencing the death of someone you know is a loss of a relationship, and experiencing an embarrassing moment in front of others is painful because it results in a loss of self-esteem. Even when we make choices, such as moving to a new location or changing jobs, the result is the loss of familiar faces and experiences. When these events are thrust upon us, they are even more painful.

Losses can be Lessons and Turning Points

There are a variety of ways that we can perceive losses. They can be stepping stones to major breakthroughs. Losses can result in an awakening of who or what we really are and can realign our values, so that we remember what is really important to us. Basically, losses can be lessons and turning points.

Although the painful experiences are always low moments in our lives at the time they occur, when we look back at some of the greatest joys and successes of our lives, they are often connected to a loss. If you look for the silver lining in a loss, in most cases you can find one.

By now, however, you are saying to yourself, "That's all very interesting, but what good can come from a loss in trading?" That's an excellent question, which comes with an equally excellent answer. When I have interviewed some of the best traders in the world, I always ask them about the roots of their great success. Nearly always, they say that a big loss caused them to make the transition from being a mediocre trader to doing what it takes to become a great trader.

Patterns of behavior continue indefinitely unless they are interrupted. What it takes to interrupt a pattern is often something that gets our attention. For a trader, nothing gets his or her attention as completely as a major loss. If the pattern of expected trading performance is interrupted by a major loss, the trader has three positive options:

The first option is to look at his present methodology and make the decision to make some changes. In this scenario loss is then perceived as a lesson, an opportunity to improve.

The second option is to treat losses as an important or necessary step in the achievement of his goals. For a trader, this mindset would have him responding to a loss by saying to himself, "This loss is one more step toward getting the best possible overall outcome. Losses must happen on the way to gains. Therefore, this loss brings me one step closer to my next gain." This is particularly true for salesmen who know that they will receive a certain number of "no's" before they get a "yes."

The third option is to perceive a loss as proof that the negative thinking behind it is the cause, i.e., "trading is too difficult for me," or "it's hopeless," or "my system is no good," or "my life is all about failure and loss." Observing this could lead to a different choice and, therefore, a new positive direction.

The alternative is that losses can also mean, for some traders; retreating, submission to being a victim, or just plain giving up.

Creating Anchors

When a major loss takes place in our lives, we tend to associate certain parts of the experience with the particular loss, and by extension, to all losses. These associations become anchors which are unconsciously tied to that experience. These anchors, when they recur in our lives, shoot us back immediately to the feelings and thoughts associated with the original experience. For example, when Patrick was a child, his father worked for a company that moved him on a regular basis. By the time Patrick had finally fit into his new school, made new friends, and started feeling successful in his new life, his entire world would come apart. It was time to move again. He lost everything he had worked hard to gain. The anchor for loss for Patrick was success and stability. As a trader, whenever his trading had reached a high, stable level of profit, Patrick became uncom-fortable. Without knowing why on a conscious level, Patrick was waiting to lose it all. His unconscious mind would then complete the pattern by creating the losses he was expecting.

Anchors Away

If every painful loss we have ever had in our lives has its own anchors, we will soon be weighted down by negative anchors like Jacob Marley in a "*Christmas Carol*" who was eternally condemned to dragging around the ill-doings of his life. Nearly everything will remind us of losses and the painful feelings associated with them. Once those feelings take hold, we are in a state to create losses. What we must do is disconnect our current anchors from their old associations. But how can we do that?

First, you have to be aware of the things which you now associate with loss. If you think about it, you will be able to uncover these anchors - - they are the sights, the sounds, the things, the words, the smells which bring you down, which make you sad, which make you uncomfortable and you have no rational reason for these feelings. Another way to uncover them is to recreate in your mind's eye the losses that are painful to you and note the particular details that stand out for you. Which ones seem to represent the experience to you?

The next step is to uncouple these anchors so that they are not creating the feelings of loss each time you encounter them. This can be done by replacing these anchors with new associations. For example, if you associate December with losing money because you once lost a great deal of money in December and you find yourself repeating losses at that time of the year, you need to unlink that association. Close your eyes and imagine the most rewarding trade you can think of, one which will create a high charge of emotion in you. Now, imagine that trade taking place in December. For this process to work, you must imagine it vividly and the emotional charge must be very high. The more you repeat the process, the more effective this process will be for you.

The last step is to replace old negative anchors with new, positive ones. Think back to a time when something really inspired or motivated you - - the trading book you read, the trader you mentored, the big lesson you learned - - until you experience sensations that feel good. Then think of a one-word description that describes that feeling or emotion. Repetition is important to setting strong anchors, so that only your word description is enough to bring on the desired state.

Now that you have begun to uncouple your old loss-anchors, you will need to have a strategy for dealing with future losses that will allow you to use the loss as an opportunity to expand or grow rather than having the loss deplete you of your resources and strength. The fact that the loss occurred will not change. It happened, and there is no way to undo it. What will change will be your reaction to it. If you think of the loss as a connection with energy, you will realize that the greater the loss, the more powerful the energy that is generated. This energy has to be directed somewhere. Where will you direct this energy? Toward more losses or toward your well-being?

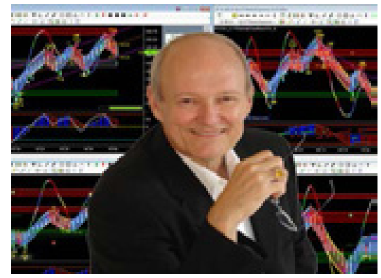
Where Are you Going to Put Your Focus?

If you expect to find a disaster, you will. If you look for an opportunity, you will find it as well. Your brain will focus on what you are interested in, what you value, and what you expect to happen. If you focus on something, it will become your reality, crowding out the other realities around you. If your focus is on positive outcomes, you will have the intellectual and emotional energy to reach them. If your focus is on losses, you will direct your energies there. When the energy from a tragic loss is used for positive change or positive outcomes, it can be used for healing from the loss. When that same energy is directed inwardly toward depression and pessimism, healing from the loss will not take place. Instead, that energy will persist, creating more losses.

Adrienne Toghraie, Trader's Success Coach
TradingOnTarget.com
919-851-8288
adtoghraie@gmail.com

Trading Truths I learned the Hard Way

By Roger Felton



As a professional trader and trading mentor for many years, I'll be the first to tell you that I don't have all the answers. But then, nobody does. No one has all the answers about anything. But over the years I've learned quite a bit about the art and science of trading. In the first 5 years of my career I became a leading expert on what doesn't work. Learning what did work took a whole lot longer. But, trader to trader, I'd like to talk openly and honestly about some of the most common and the most important misconceptions traders have that can make consistent success nearly impossible to achieve.

I'll be sharing some trading tips and recent discoveries with you. But first, you should know why most traders would fail miserably even if they were given the finest trading system in the world. To best explain this apparent dichotomy, we have to understand the mindset of the typical trader.

Everyone should already know that the typical trader is struggling to one degree or another. In fact, 90% consistently fail. Why, with such dismal odds of success would anyone choose trading as a career? It all comes down to what we, as passionate traders, believe about ourselves.

From the very first day we begin our trading journey, we know that the benefits of mastering markets is worth every penny we invest and every year we spend getting there. Every trader begins with the indomitable belief that they are different from the majority who fail. Being willing to work hard and sacrifice must surely make us destined to be one of the top 10%. After all, that formula has always worked before in all other life experiences, right?

Before any long-term success can be achieved, it is imperative that traders understand what I call "The Fundamental Laws of Trading That Traders Fundamentally Ignore". They are the following:

>There's no such thing as a "winning trading system". If there were, you couldn't buy it for a million dollars. Systems don't win, traders do and the systems they use are simply tools to help them do their job better. If systems actually did the "winning", then every trader using that system would naturally win and we all know that is impossible.

>When a trader is experiencing negative emotions such as frustration, impatience, anger, panic, fear, etc. they cannot succeed. In fact, no one attempting to perform a difficult mental task requiring clear focus is likely to succeed. Certainly not for the long haul. When negative emotions creep into your mental state at any time, stop trading your live account immediately. You will lose.

>Confidence conquers all negative human emotions. They cannot exist in the presence of extreme unshakable confidence and that level can only be achieved through knowledge, training and experience.

>Knowledge and training can be self-taught, but that almost always takes many years and, even then, usually results in failure. That's because it's the slowest way to learn and that means it's also the most expensive in unnecessary trading losses. Additionally, most traders lack the objectivity to recognize when they have acquired a bad habit or adopting a weak or ineffective method or system. Traders can require months or even years trying to recover from a time and money wasting detour.

>The quickest and most cost-effective way to build confidence, acquire powerful trading knowledge and master a system or method best suited to your personality, trading style and account size is by having a mentor. Your personal mentor should be a successful professional trader who is familiar with many trading systems and styles and who knows how to effectively and efficiently teach anyone with the passion to learn. Personally, I am convinced that having a personal private mentor is the single most important thing any trader can do to give themselves the best chance of long term success. It's also the reason I've enjoyed serving as a mentor to hundreds of traders over the past 16 years.

Before we move on to some trading tips and techniques, I want to make sure that everyone understands the importance of the points covered above. No trading system or technique, no matter how simple it appears, can be mastered without knowledge, training and practice. With that, let's begin with some of the charts I use that you might find to be different…or even down right foreign to the ones you're used to. But I wouldn't use them if they weren't far superior to every other bar type in existence <u>based on the way I trade</u>.

When I look for trade setups, I want them to be as clear and accurate as possible so eliminating market noise is a must. Noise breeds confusion and confusion breeds mistakes. So, to begin, let's look at familiar turf and observe a 3 minute chart of the popular S&P Emini (symbol ES) on 6/29/15. See Chart #1.

Whether you are looking at time-based

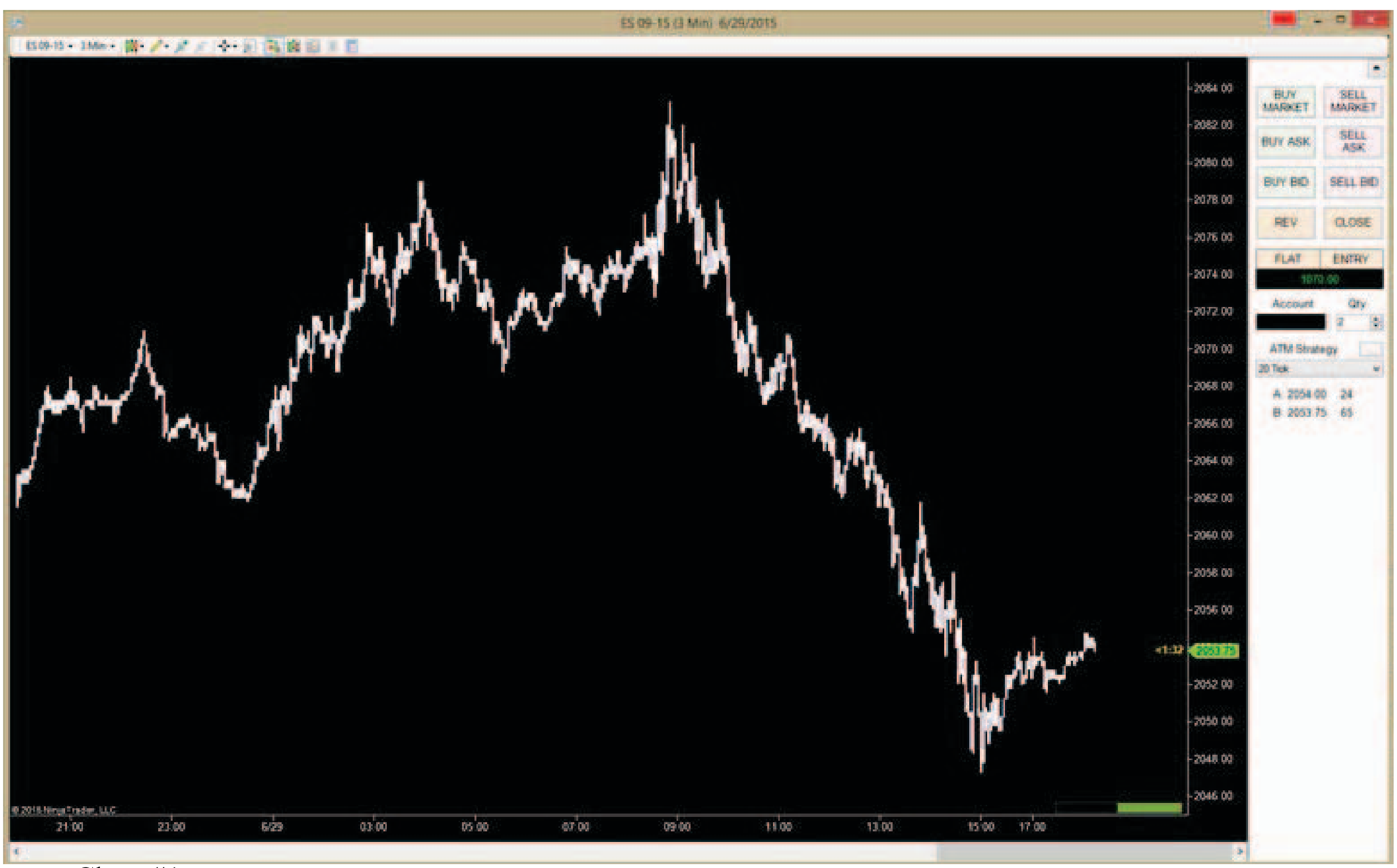


Chart #1

charts such as this or tick charts, volume charts, etc. they all share the same characteristic shaky, jerky, massive noise that makes any market's true directional intent very difficult to determine. So traders must resort to noise filters in the form of moving averages, Keltner Channels and Bollinger Bands and a slew of other indicators whose sole purpose is to try to make sense of utter chaos. Did I mention that 90% of all traders fail? Did I also mention that 90% of all traders try to trade with these kinds of bar types? Could there be a connection?

Ok, let's now take a look at the bar type that I use exclusively and my traders wouldn't trade without. We call them FT Renko Supreme and our example below has the added acronym "OHLC" which means that traders can actually peer into each Renko bar and see exactly what price did from the Open to the High to the Low and to the Close of every bar for as far back historically as you care to go. See Chart #2.

Notice how angular they make the market appear…almost geometric. When price heads in a direction, it tends to hold that direction long enough to extract some excellent profit potential. Notice also that the entry signals that appear here with the yellow labels and arrows are totally foreign to nearly every trader on the planet. TL1 & 2, BR, SA, UA. These and several other proprietary entry points were developed because these modified Renko bars cried out for an entirely new set of signals and signal filters.

So, you see, it's not enough to just have a great bar type that automatically filters market noise. You must also know how to take full advantage of the many additional characteristics that these bars possess. One example is how remarkably smoother and more predictable many common analysis indicators are able to filter these already highly

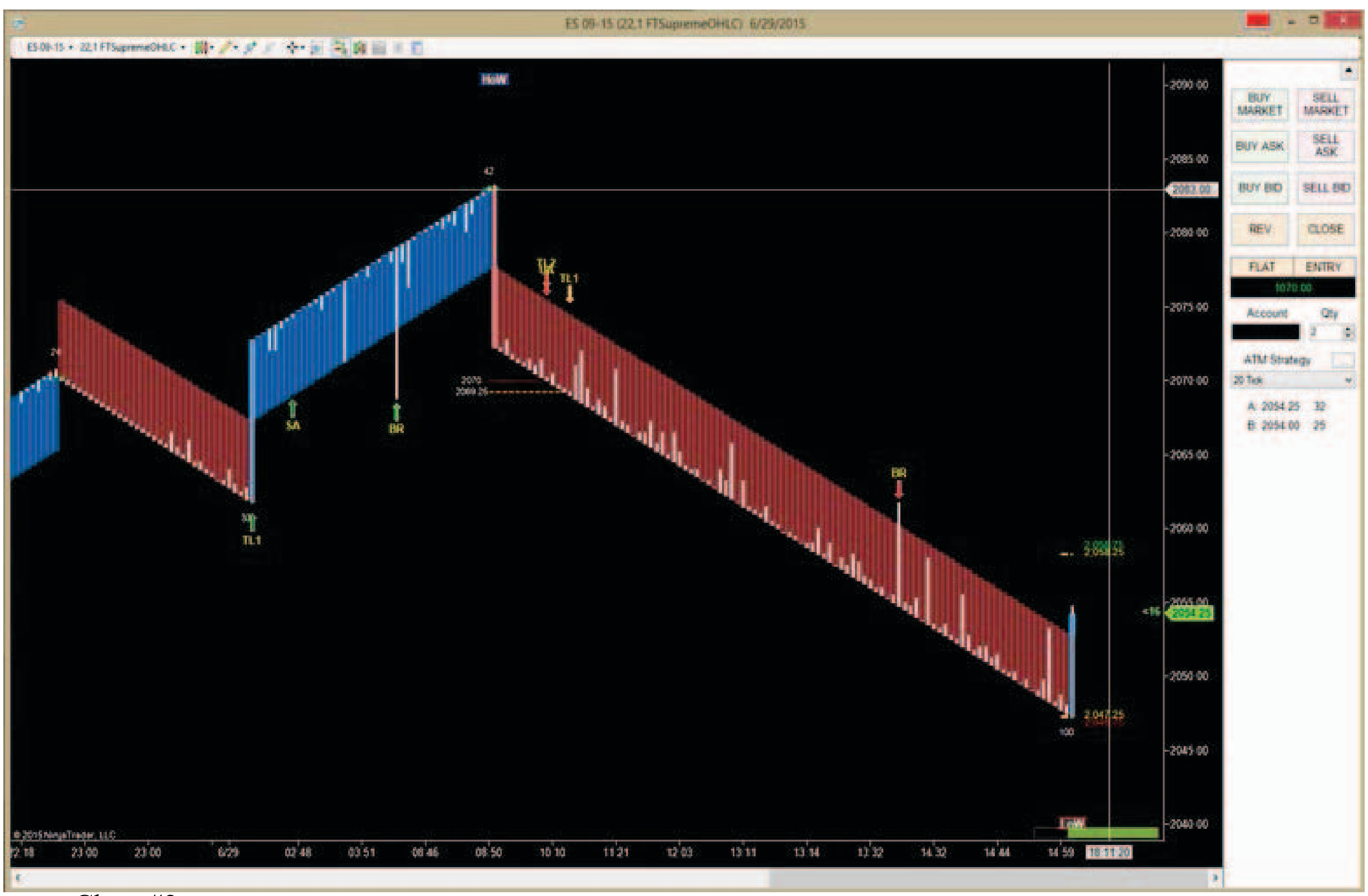


Chart #2

accurate signal entries. As an example, let's look at a brand new feature we just added to the dozens of functions that our SignalPro software performs. Look at the chart below and notice the two histograms in panels 2 and 3.

Panel 2 is a modified Momentum and panel 3 is our MultiMACD indicator. I've used these two indicators in tandem for quite some time. By simply noting the current rise and falls of the histograms, we could observe when signals fired with both histograms agreeing on their directional confluence (slopes). Steeper agreeing slopes indicated a stronger and longer run or pullback. See Chart #3.

The new indicator addition now takes that data and analyzes it for slope and confluence and places a vertical line at the earliest point where directional strength is indicated. Anything forward (to the right of) a **magenta** line would tell us to take the first Short signal occurring. The **cyan** vertical lines would be for Longs.

Often the lines occur right at the time a signal fires as we see happening numerous times here. Another interesting and useful function of this indicator is that, when a magenta or cyan vertical line appears, no signals opposing that direction are allowed to print. This greatly reduces the temptation to enter a trade that has limited profit potential.

For more detailed information on the many ways you can profit from these Renko Supreme bars, for any questions, comments or requests you might have or if you would like more information on our exclusive 30-Day SignalPro Trial Course please email us: Questions@FeltonTrading.com. Or, you can visit us free of charge in our Trading Room any time by clicking on the **Free Trial** *banner on our website www.feltontrading.com. Be sure to reference this article from Traders World.*

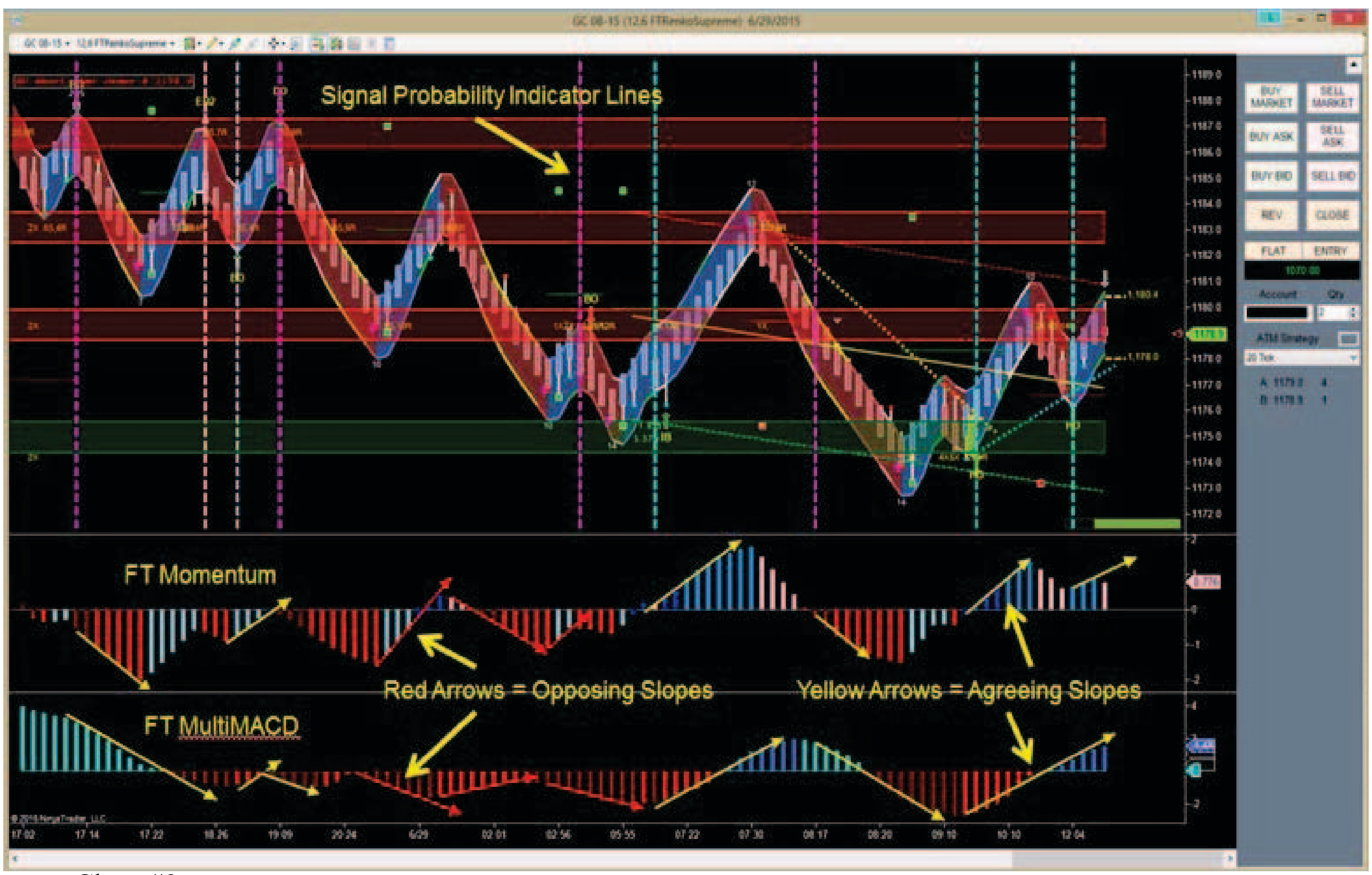


Chart #3

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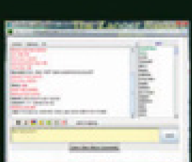

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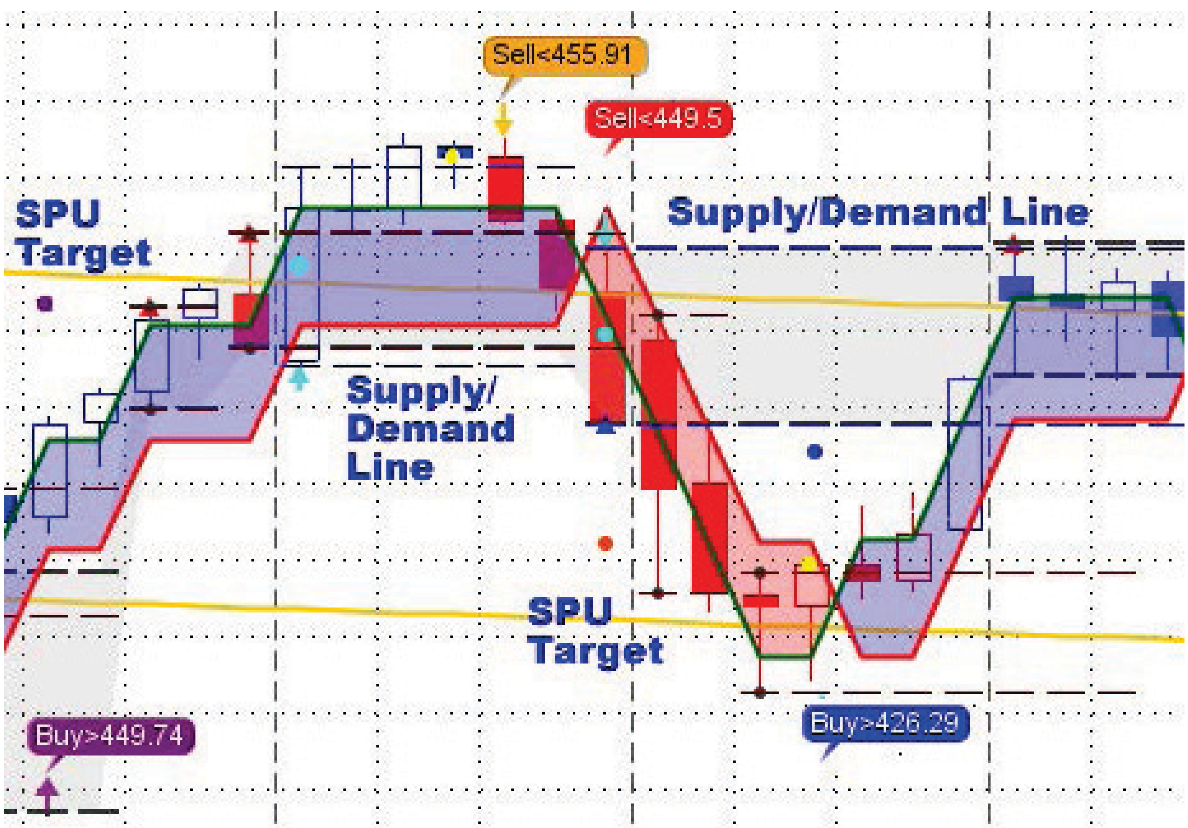
How to Stay Engaged with Activity Based Trading

By Thomas Barmann from NeverLossTrading

An activity based trading system helps you to spot and follow institutional money moves. Everybody is telling you: have a defined entry, exit, and stop for every trade; however, when you want to pre-define a price target on the chart, where do you place it?
Unfortunately, many traders are not in possession of an instrument, which helps them to calculate the most probable minimum price expansion at trade entry; hence, they get caught in a reversal, ending a trade that started with positive expectation at a loss.
How would knowing a high probable price expansion at trade-entry change your trading?
You close your trade at target and you move on, engaging into the next trade after.
Graphic-1: NeverLossTrading Top-Line Price Chart:
Dots and lines specify the price target for potential buy> and sell< setups portrait in the chart.



The NeverLossTrading method calculates bar-by-bar, the expected price move after institutional engagement is confirmed: The SPU or Speed Unit: Price-Move/Time Unit (Price Speed) is a dynamic measure that constantly adjusts to the actual, activity based happening.
By our statistics, the average time for a trade to reach a predictable, pre-defined target is 1-5 bars, maximum 10 bars, with a mean value of four bars to reach the pre-defined target; for further out targets, additional time-bars in the trade will be required.

Example-1: Swing Trading

Let us calculate a swing trading example, assuming you are in average four days in a trade: There are about 250 trading days in a year; when you deduct 50 days without market activity, you expect to participate in about 50 trades per year as a swing trader: basically, one per week. If you want to divert your investments into 3-5 open positions; this means for you to execute 150 – 250 trades per year: three to five per week. If you assume that 70% of the opportunities in your watch list develop into trade potentials, then you need to find 215 – 360 potential trade setups: 5-8 opportunities per week or 1-2 per day.

Is this doable?

The following table shows you, how you could have built your watch list and executed your trades right from one simple report, in a single day:

Graphic-2: NeverLossTrading Stock Trading Alert for May 26, 2015

Primary Signal Symbols	Secondary Signal Symbols	Sentiment	Trade Setup	Option Trading Conditions	NASDAQ Stock	P/E Ratio	P/C Ratio	Evaluation	Primary NLT Signal	Secondary NLT Signal	Last	Daily SPU	Trade Results
	LLY	Bull	Acceptable	Acceptable		36	1.11	Bullish Cup		Diff. Up	$ 74.30	$ 0.86	Came to Target
X		Bull	Risky	Acceptable		(147)	0.37	Bottom Reversal	Power		$ 25.03	$ 0.99	No Trade
	FITB	Bull	Acceptable		Yes	12	0.80	Bullish Cup		Diff. Up	$ 20.51	$ 0.30	No Trade
MRK		Bear	Acceptable	Acceptable		16	0.56	Top Weakness	Power		$ 59.38	$ 0.75	Came to Target
	TGT	Bear	Acceptable	Potential		20	0.18	Weakness on Low		Diff. Down	$ 79.30	$ 1.35	Stopped
	SLW	Bear	Acceptable			35	0.66	Weakness on Low		End Purple	$ 19.36	$ 0.52	No Trade
	YHOO	Bear	Favorable	Excellent	Yes	6	0.40	Top Weakness		Diff. Down	$ 43.49	$ 1.35	Came to Target
	HAL	Bear	Acceptable	Excellent		18	1.01	Weakness on Low		Diff. Down	$ 45.91	$ 1.46	Came to Target
	JPM	Bear	Acceptable	Excellent		12	0.75	Top Weakness		Diff. Down	$ 66.47	$ 1.05	Came to Target
BA		Bear	Favorable	Acceptable		18	1.09	Weakness on Low	Power		$ 144.83	$ 2.00	Came to Target

6 Winning Trades, 1 Losing Trade (86% Attainment Rate), 3-times No Trade (30%-of the trades had no confirming directional price-moves to enter a trade)

Key question: How do you find and engage into assets with a high probability directional price-move setup?

We count on the following criteria:

> Strong individual price move of the asset.

> Price move indication combined with prior to entry volume increase indication or volume increase at entry.

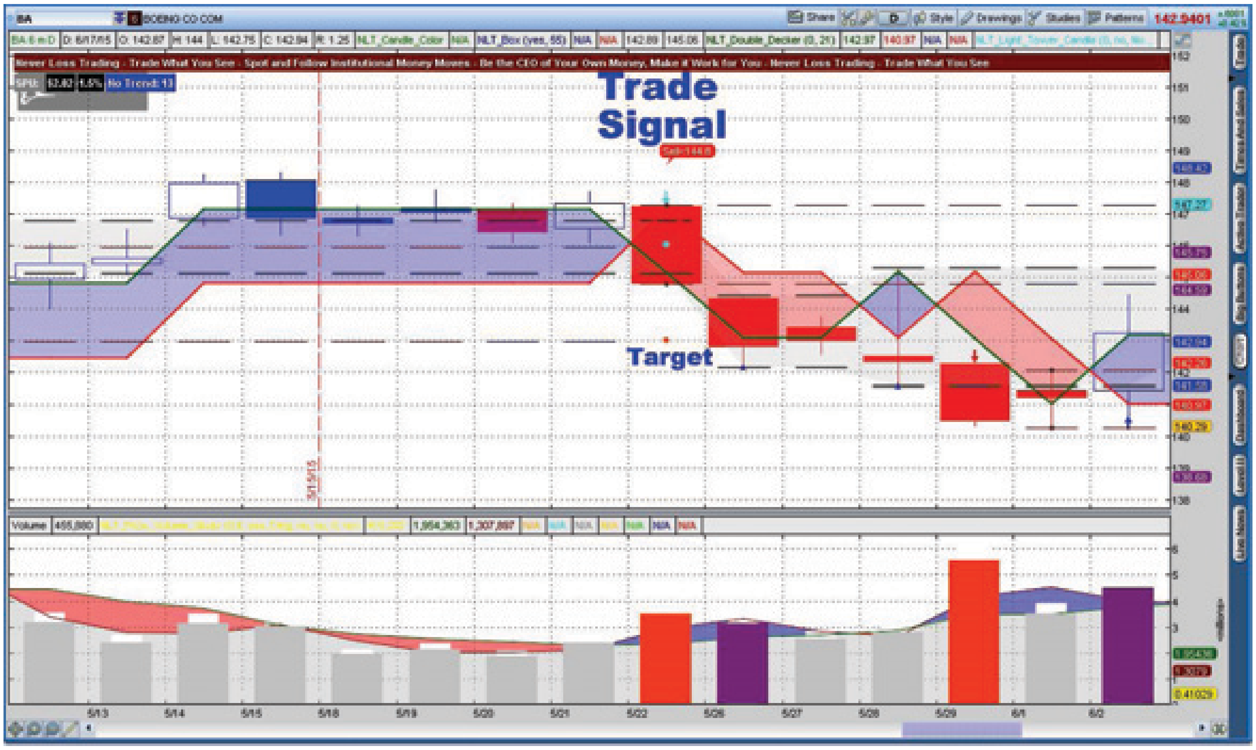
> Assets, which allow trade adjustments, in case a trade goes wrong.

> Significant change in statistical volatility, giving you indication of a change in ownership of the asset on a level-2 or level-3 base.

As a consequence, you either need to develop a trade finder on your own, that gives you 5-8 trades per week, or you rely on a market proven alert system like the NeverLossTrading Alerts.

To demonstrate how the NLT systems work, let us pick the two trade setups, highlighted as favorable at the above NLT Alert for May 26th, 2015: BA and YHOO:

Graphic-3: BA on the NLT Top-Line Chart



BA received a Sell < 144.80 signal on 5/22/2015. The directional move was confirmed on May 26th and came to target at the same day:

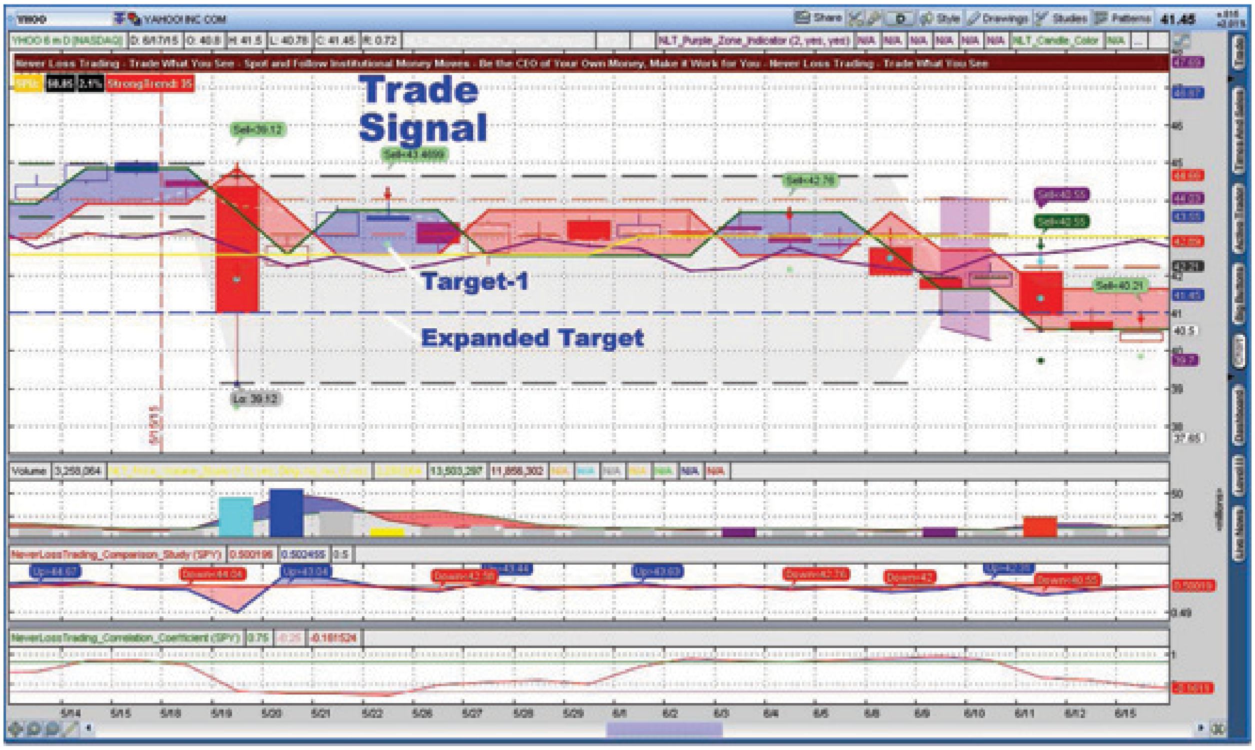
> Time in the trade = 1-day.
> Pre-calculated return on cash of 1.2%.
> Expected return on margin of 2.4% (day trading margin not considered).

For stock trades, we generally focus on an average return on cash of 2%. In this respect, BA is considered a slower runner; however, BA offers us favorable option volumes, bid-/ask-spreads and thus ranks in the reign of stocks we consider in the NLT Alerts.

In the next example, we check YHOO's favorable trade setup, spelled out for May 26th; however, the next candle has to surpass the set price threshold. Again a short-trading opportunity unfolded. You might now ask yourself, how to harvest short-trading opportunities when trading from an IRA or cash account? The answer is: you buy Puts! You can learn strong techniques in options trading in our mentorships and in particular how to repair trades in case of an opposite price move. Actually, we took the trading opportunity with YHOO by trading Put-options and harvested a 65% return in 11 days at the expanded target:

> Target-1 or the narrow target, identified by a green dot on the chart (same day reached).
> Expanded Target: chosen at a key price accumulation point on the chart: Closing of the strong candle from May 19.

Graphic-4: YHOO on the NLT HF Chart



Most swing traders participate in one trade per week or less. When you calculate your participation rate: (50-trades)/(250-opportunties to trade) = 20%.

You are missing out on 80% of the trading opportunities that unfold.
What difference will a higher participation rate make for you?

When we take this correlation to the next level and assume to win two out of three trades with an expected return and risk of 2%, we calculate the following:

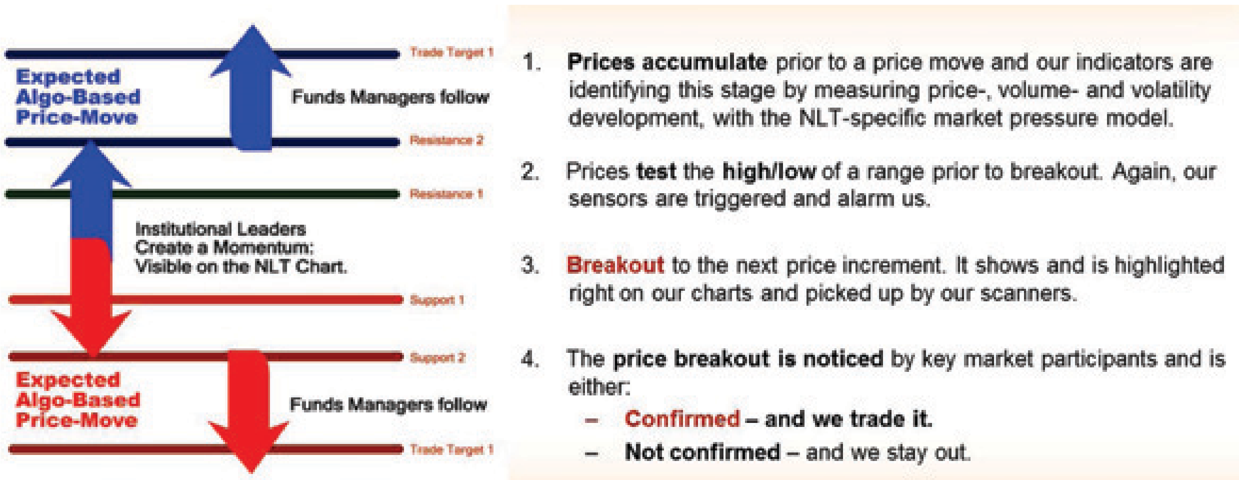
Swing Trades Per Year	Assumed Wins	Winning Trades per Year	Losing Trades per Year	Annual Return Expectation
50	67%	33	17	32%
250	67%	167	83	168%
Difference				525%

Result: Trading at a higher participation rate produces a 5-times higher return expectation!

Key questions:
> Can you even find and establish 50 trades a year?
> Are you prepared for finding 360 trading opportunities on your own?

Try out the NeverLossTrading Stock Alerts, where key stocks are listed: all allowing for trade repairs in case something goes wrong, portraying high probability chart setups.
Click this link and receive the NLT Stock Alert at a promotion rate and one week for free…click

Accept trades only, when the calculated direction is confirmed, following this model.
Graphic-5: NeverLossTrading Price Move Model, following institutional money moves



To learn more about this, feel free to contact us:
Call: **+1 866 455 4520** or contact@NeverLossTrading.com

Example-2: Day Trading

If you are a day trader, how can you even measure your participation rate and potential?
Before we go there, let us talk about minimum expectations to compete for:
As a day trader, you will only come to long-term returns if you consider trading above minimum value changes per time- or tick-unit observed.

Without going into the mathematical details, which you can follow up in other publications:
> Stock Traders: Never trade for a price move below $0.20
> Futures and Forex Traders: Never trade for a value gain per contract below $100
> Option Traders: Never trade for a price move of the underlying below $0.70
After formulating the minimum prerequisites to trade, let us now focus on how to find assets with price moves: Your Trade Finder.

All assets to trade seem to have one thing in common:
> They show strong directional price move at times and they don't show them at times.
> Some move correlated with others, others have independent price moves.

To be a successful trader, focus is important; however, sticking to one or two trading instruments limits your participation rate. To bring the odds of winning in your favor, focus on:

> Having at least 10 assets in trade focus.
> Make sure those assets have individual strong price move and are not correlated to each other.
> Trade above the mentioned minimum value change per trade.

Those, who are day trading stocks, have a wide universe to find their opportunities; however, we help you to limit the choices by showing in two reports, where the price pressure has built up and list those stocks for you on a daily basis, with a selection and focus on 10-minutes and 1-hour opportunities.

If you day trade futures, your selection is narrower and you want to focus on trading where asset prices move. Here an example of our Futures Trader Report on a daily chart:

Daily Selected Security	Sector	Last	Direction of the Day	NLT Focus Indicator	NLT Momentum	NLT Trend	NLT Purple Zone	NLT Volume	Last Price Move	Last	Critical Price Point	Critical Move	Expected SPU Move (1-5 Bars)	Expected SPU to Last	Potential Stop	Trade Setup Evaluation
S&P 500	Reference		Up		up	new up			4.7%	$ 2.83	$ 2.85	$ 0.02	$ 0.08	3.0%	$ 2.70	Risky
/ZW[N5]	Wheat	$ 512.75	Down	Power Tower	HF down	Early down		Diff. Down	-3.7%	$ 512.75	$ 512.50	$ (0.25)	$ 17.08	3.3%	$ 537.50	Favorable
/ZC[N5]	Corn	$ 357.25	Down	Power Tower	HF down	up		high Down	-2.1%	$ 357.25	$ 356.75	$ (0.50)	$ 6.85	1.9%	$ 366.50	Risky

Two futures were highlighted, both carrying strong signals:

> Power Tower, a NLT Top-Line signal.
> HF down, a NLT HF signal.

By a risk assessment on the daily chart, Wheat futures had a favorable setup while Corn futures had a setup with more risk involved.

When we check the price development of both assets; both trading opportunities came to target on a daily chart; however, the key message is, those assets also allowed for trading opportunities on lower time frames:

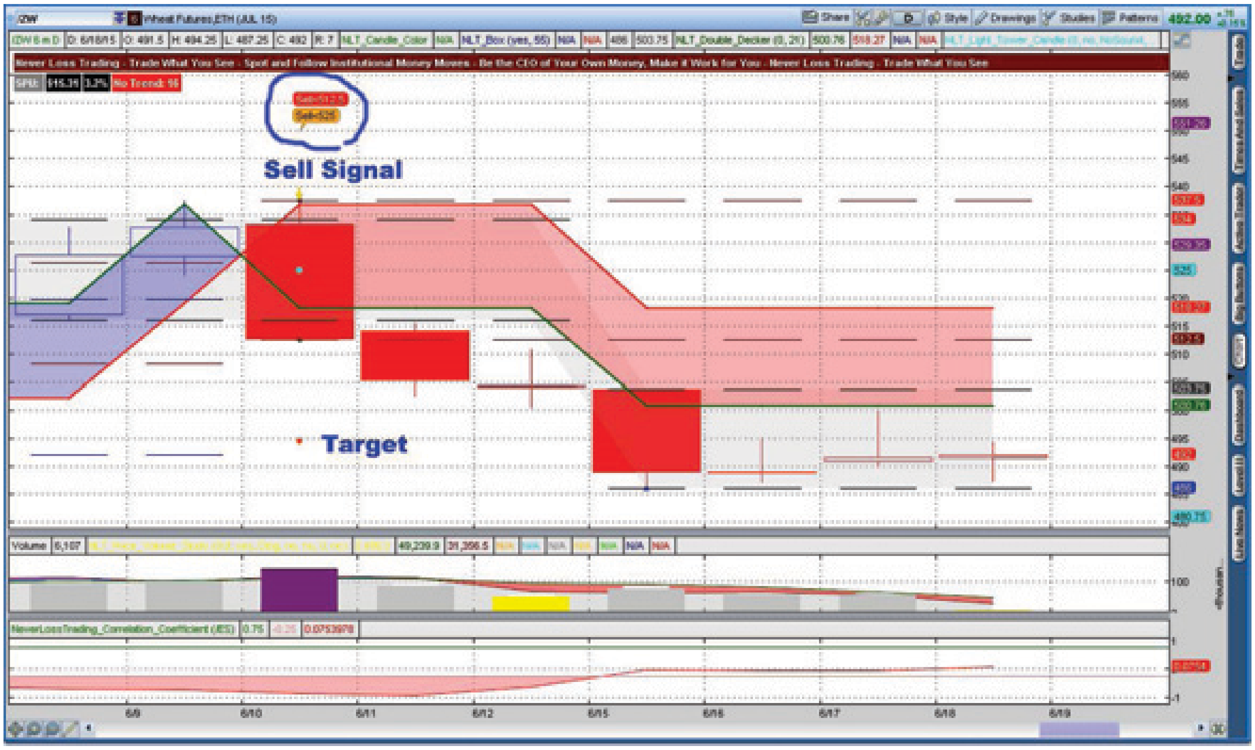
You want to trade assets with institutional attention, where prices move receive our NLT Day Trading Alert at a promotional offer and one week for fee….click.

Aside from the related NLT HF and Top-Line signals, we report concept specific alerts for:

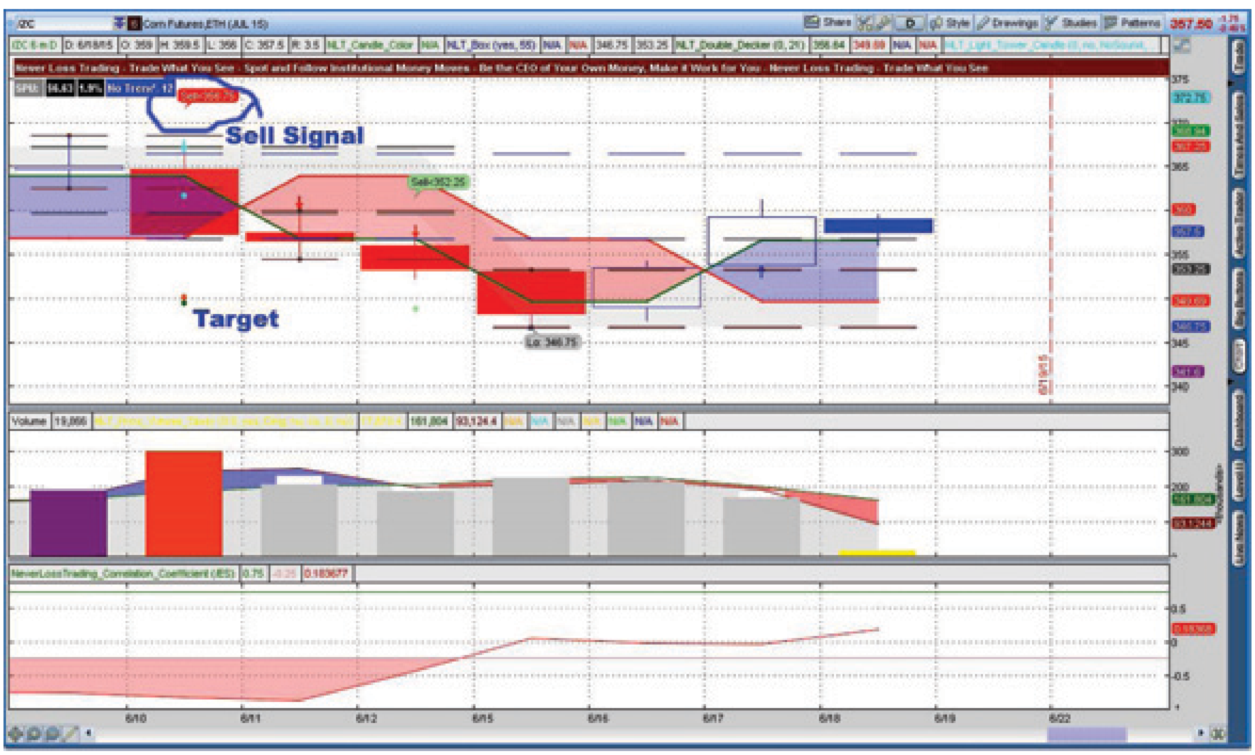
> NLT Wealth Builder and Income Generator
> NLT Swing Point Trading
> TradeColors.com
> NLT Price Breakout

In TradeColors.com, our entry level system, we look for price continuation patterns and by this, find assets on the move. In the graphics below, we show you some examples and how you can put those assets on your watch list for daily- and sub-day trades:

Graphic-6: Wheat Futures, with a June 10 sell signal, which was confirmed on June 11, 2015



Graphic-7: Corn Futures, with a June 10 sell signal, which was confirmed on June 11, 2015

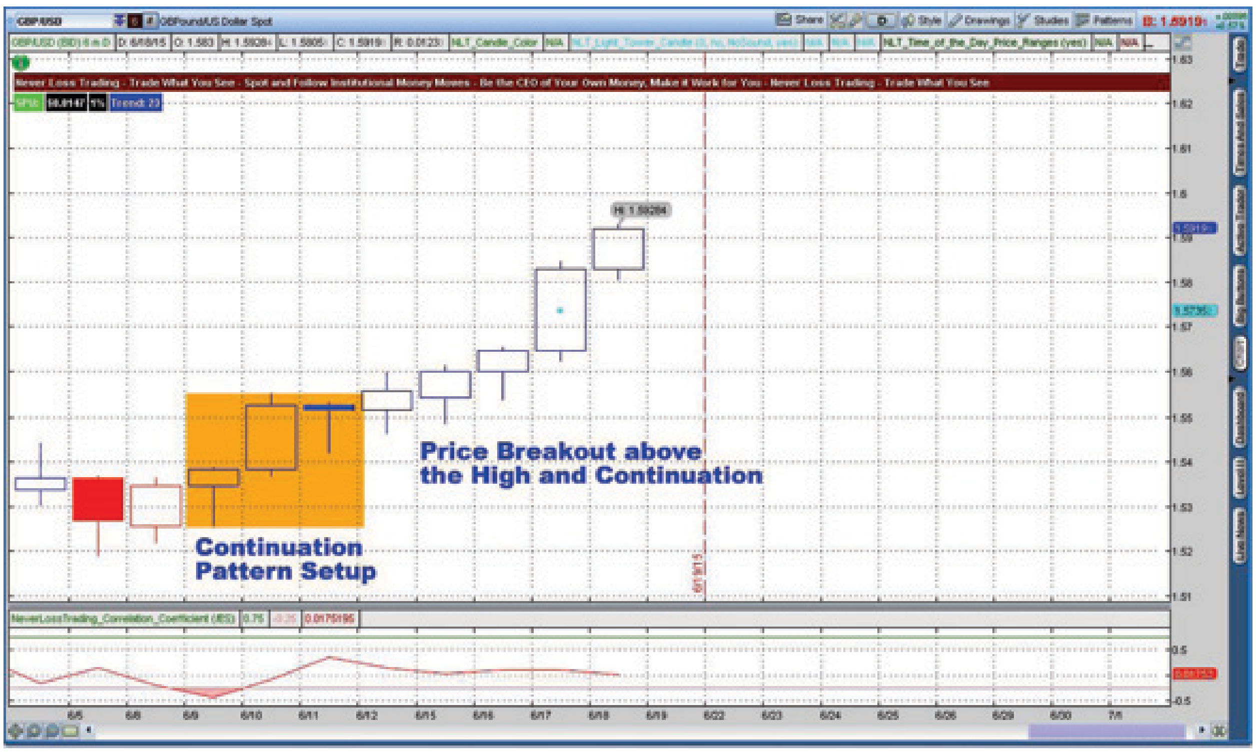


To further build up your watch list for Futures and Forex pairs, we report assets with price continuation patterns:

TradeColor.com Focus Futures and FOREX	Price Motion	Daily Chart Setup Approximation	Comment	Your Evaluation	Potential Trade Direction	Underlying Momentum	Approximated Trend	Last	Expected Price Move	Expected Price Move %	Volume Indication (in '000)
/6B[U5]		Risky			Up	up	up	$ 1.5521	0.0112	0.7%	91
/CL[N5]		Strong			Up	up	up	$ 61.1700	1.7300	2.8%	413
/LE[Q5]		Strong			Up	up	up	$ 153.7500	1.4900	1.0%	23
CAD/CHF		Risky			Up	up	up	$ 0.7596	0.0060	0.8%	520
GBP/USD	Strong	Risky			Up	up	up	$ 1.5534	0.0131	0.8%	17,580
NOK/SEK		Strong			down	down	down	$ 1.0652	0.0081	0.8%	10
NZD/JPY		Risky			down	down	down	$ 88.2410	0.6720	0.8%	190
USD/DKK		Strong			down	down	down	$ 6.6456	0.0474	0.7%	-
USD/MXN	Strong	Strong			down	down	up	$ 15.4207	0.1102	0.7%	160
USD/NOK		Risky			down	down	up	$ 7.7746	0.1155	1.5%	450
USD/SGD	Strong	Risky			down	down	down	$ 1.3412	0.0065	0.5%	4,620

From the above listed assets, only the British Pound produced a continuation pattern trade, all other assets did not confirm their direction, and thus, we did not trade them on a lower time frame either:

Graphic-8: GBP/USD Continuation Pattern Trade on the TradeColors.com Indicator



If you are day trading options, there is only a very small bunch of stocks fulfill the conditions that you can day trade options on them. Why is that?

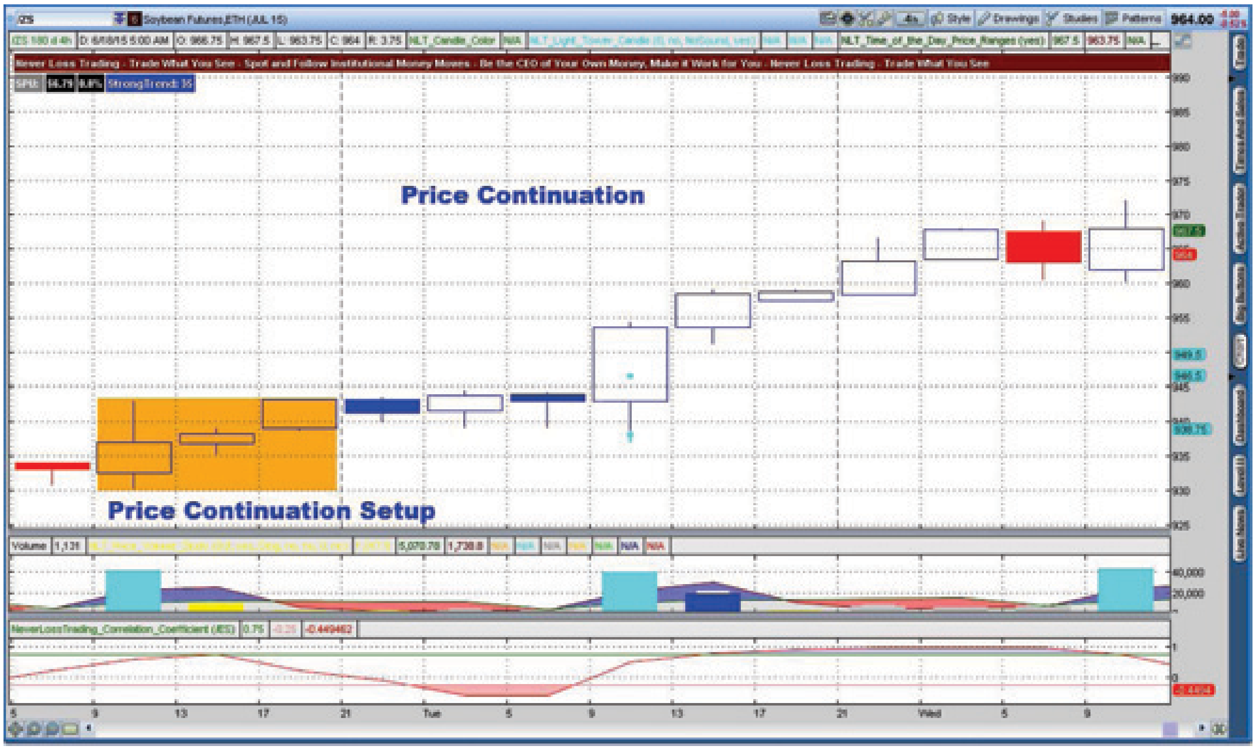
> You want to have minimum volumes exchanged per hour so your order has no significant market impact.

> Option to day trade should have a tight bid/ask spread, so you don't give away a big part of your potential gain as slippage between buying and selling.

> The stock the option is issued on shall have a reliable price pattern, backed up by an exchange of at minimum one million shares per day.

In our alerts, we go even a step deeper and report strong last trading hour movers and strong second-half-of-the-day movers. By showing institutional interest, those assets often lead to wonderful trading opportunities on the reported time frame or on a lower time frame. The NLT Day Trading Alert for June 11 did not report any assets with a strong second half of the day, however, on June 15, we found a strong price move pattern in the second part of the day that nicely continued into a strong directional price move:

Graphic-9: Soy Beans Futures strong second half of the day with continuation pattern



For a trader, it is generally better to see the signals on the chart; however, the way the NLT Alerts are built, you always receive defined information of calculated entries, exits and returns, that lets you trade the found chart setup even so your charts are not displaying the signal:

Primary Signal Symbols	Secondary Signal Symbols	Trade Results	Last Price	Critical Price Point	Critical Price Move	Entry Price	Target Price-1	Price Move to Target	Return at Target-1	Stop Approx.	% Risk at 1-SPU	Reward to Risk	Odds Evaluation
	LLY	Came to Target	$ 74.30	$ 74.33	$ 0.05	$ 74.35	$ 74.76	$ 0.41	0.6%	$ 73.87	0.6%	1:1.1	Acceptable
X		No Trade	$ 25.03	$ 25.30	$ 0.29	$ 25.32	$ 26.02	$ 0.70	2.8%	$ 23.50	7.2%	1:2.5	Risky
	FITB	No Trade	$ 20.51	$ 20.57	$ 0.07	$ 20.58	$ 20.72	$ 0.14	0.7%	$ 20.42	0.8%	1:1	Acceptable
MRK		Came to Target	$ 59.38	$ 59.34	$ (0.05)	$ 59.33	$ 58.63	$ 0.70	1.2%	$ 60.08	1.3%	1:1	Acceptable
	TGT	Stopped	$ 79.30	$ 78.93	$ (0.40)	$ 78.90	$ 78.26	$ 0.65	0.8%	$ 79.59	0.9%	1:1	Acceptable
	SLW	No Trade	$ 19.36	$ 19.30	$ (0.07)	$ 19.29	$ 18.78	$ 0.51	2.6%	$ 19.81	2.7%	1:1	Acceptable
	YHOO	Came to Target	$ 43.49	$ 43.47	$ (0.04)	$ 43.44	$ 42.79	$ 0.65	1.5%	$ 44.00	1.3%	1:0.8	Favorable
	HAL	Came to Target	$ 45.91	$ 45.54	$ (0.40)	$ 45.51	$ 44.81	$ 0.70	1.5%	$ 46.38	1.9%	1:1.2	Acceptable
	JPM	Came to Target	$ 66.47	$ 66.32	$ (0.17)	$ 66.30	$ 65.80	$ 0.50	0.8%	$ 66.83	0.8%	1:1	Acceptable
BA		Came to Target	$ 144.83	$ 144.80	$ (0.07)	$ 144.76	$ 142.83	$ 1.93	1.3%	$ 147.27	1.7%	1:1.3	Favorable

Right from the report you have a suggested entry-, exit-, and stop price, with an odds appraisal. If you like to receive one of the following reports for free for one week, please click on the following links and subscribe. If you don't like our offer, just terminate the subscription either immediately or at the end of the trial period:

> NLT Stock Alert: promotional offer….click

> NLT Day Trading Alert: promotional offer....click

Summary:
When you aim for day- or swing trading success, you need to prepare watch lists with assets on the move and act when the entry price level is reached: Assets show a strong price move if institutional investors accumulate or dispose those.

You either need to build yourself a trade finder in the fashion of how it was shared in this article or you subscribe to a service provider, which is catering assets ready for a potential directional price move to you.

Think and act in 1-5 bar, maximum 10-bar trade fulfillment setups and repetitively bring your money to work.

Diversify your investments on up to five different assets and continuously re-invest.
Applying your risk guidelines and journal your trades to know what worked and did not, is taken as a given.

In case you are not yet subscribed to our free trading tips and market reports, sign up here:
http://www.neverlosstrading.com/Reports/FreeReports.html

Good trading,
Thomas Barmann
NeverLossTrading
A Division of Nobel Living, LLC
401 E. Las Olas Blvd. – Suite 1400
Fort Lauderdale, FL 33301
http://NeverLossTrading.com

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Into The Minds Of The Masters – Part I

By Chris Vermeulen & Brad Matheny

Mastery of the global financial markets seems like a far off dream to many traders. Often, individuals that are new to the markets are engrossed in the excitement and periphery of the markets. Many times, these traders fail to consider or grasp at the concept that certain underlying factors are always at work in the markets and often result in driving forces that prompt market moves or key price reversals. The inner-workings of the market are still playing a major role in these price swings and we are going to explore them in more detail while trying to introduce these concepts to traders.

I'm often asked by my associates to teach them the art and skill of technical analysis and market dynamics. This task is rather difficult to accomplish because of the complexities and various techniques that one has to master in order to develop an intimate knowledge of the markets and price movement. Additionally, the more one is exposed to these techniques and learns to apply them to past and current market price action, the more likely one would achieve the skills and knowledge to become a master of them in one's own use.

By now, I'm sure many of you want to know the techniques we are attempting to illustrate and detail in this article. So, let's get right to it...

First, I would like every reader to keep one thought in the forefront of their thinking as we progress through these techniques. "Empty your mind, be formless. Shapeless, like water. "Empty your mind, be formless. Shapeless, like water. If you put water into a cup, it becomes the cup. You put water into a bottle and it becomes the bottle. You put it in a teapot, it becomes the teapot. Now, water can flow or it can crash. Be water, my friend.", Bruce Lee. The reason I ask this of you as we progress is to that you continually consider the opportunities presented to all of us, at all times, by simply "being like water" and adapting to the shape, constraints and impulses that surround us at all times.

Many of the greatest minds of the last few centuries have identified, in one way or another, techniques, facets or key factors of one general concept that is key to a higher level of understanding – all part of the Akashic Record. For the purposes of this article series (Part I, Part II, & Part III), we will cover these individuals: Leonardo Fibonacci, W.D. Gann, Nikola Tesla and Munehisa Homna. Each of these individuals, uniquely and undeniably identified, contributed to and expanded the greater wealth of knowledge of the universe (the Akashic Record) and to each of us as traders/technicians.

Leonardo Bonacci (Fibonacci) : c1170 ~ c1250 : was an Italian mathematician, considered to be "the most talented Western mathematician of the Middle Ages".

Leonardo Fibonacci attained much of the knowledge of the Fibonacci Number Sequence, known as the "Golden Number Sequence" prior to Fibonacci's publication of the technique, was relative common knowledge among many mathematicians in India and Egypt. In fact, this is where Fibonacci first learned of the number sequence. This numeric sequence was associated with a "natural" or "universal" number sequence that applied to everything we, humans, perceive and understand. Current day science is expounding on the knowledge and understanding of the number sequence even further by continuing to test, apply and verify its validity in many diverse fields. Doing a simple Google search for "Fibonacci in Nature" will yield astounding visual results.

Most market technicians know of Leonardo Fibonacci and know the basics of the Fibonacci Number Sequence. What most traders don't know is that true mastery of the techniques introduced by Leonardo Fibonacci lies in the ability of traders to blend multiple aspects of the Fibonacci ratios/number sequence with Time/Price Symmetry. Much like we'll learn from our exploration of W.D. Gann and Nikola Tesla, the "frequency and resonance" of these Fibonacci price relationships coincide with the "time symmetry" they represent as plotted on a chart.

Understanding the concepts of the use of this technique relies on some basic rules for application of the technique as applied to trading.

Most, if not all, Fibonacci time/price analysis should be based on the ability of the analyst to determine critical "key price events". In most cases, these are Key Price Highs or Lows and often Double Top/Bottom formations. These key price events are "Frequency & Resonance" marker level, over time, on the price chart. They often hold the keys to the analysts ability to apply and understand Fibonacci Time/Price analysis.

Chart #1 Daily ES (S&P) Chart with Fibonacci Extension values applied.

Any more recent Fibonacci frequency, resonance, price pattern formation or time/price symmetry takes immediate precedence over any previous, or historical, Fibonacci time/price structure.

Any more recent market price rotation (swing high or swing low) should be used as a directional indicator as well as for retracement/expansion projections.

Any more recent price expansion, beyond any preexisting market swing price high or low, establishes the "immediate trend" with regards to current price direction.

Market price movement has only two types of activity; Expansion or Contraction. Within each activity, Fibonacci Sequence Time/Price Symmetry still applies to all price movement.

Any more historic Fibonacci frequency, resonance, price pattern formation or time/price symmetry still applies to current market price activity, yet, much like ancient events or what happened when we were babies, they tend to have a decreasing tendency to affect current price actions.

The exception to the historical Fibonacci analysis is that when multiple historical events coincided with current events in either time, price or combined Fibonacci event frequencies or resonance, then these historical events may have much greater relevance to current market price activity (I will attempt to illustrate this in further detail within this article).

When multiple Fibonacci Time/Price symmetry projections point to similar price levels, projected time/price events/dates or critical past swing points, then great emphasis should be placed on these "multiple Fibonacci event structures".

Chart #2 Daily EURUSD (Forex) Chart with Fibonacci Extension values applied.

Applying these simple rules and exploring the Fibonacci Number Sequence as well as how the Expansion/Retracement capabilities operate, traders will quickly experience a level of success with regards to this universal price analysis modeling system. It should not matter which symbol or market used to apply this technique – it is universal; part of the Akashic Record. It should apply to any price chart with any interval.

The following examples show Fibonacci Extension Fans projected on Daily S&P 500 and EUR/USD Forex charts. Remember, we are simply identifying key top and bottom formations in recent price activity, then projecting Fibonacci sequence extension fans throughout price expansion from these key high or low formations. This is the basis of all Fibonacci analysis in terms of determining key price reversals and future trend possibilities.

Everything starts with the identification of "Key Price Points", then expands from those price points through new highs or lows. See Chart 1 and 2.

Notice in this last example, I have highlighted newer target lows (A through F) as the market moved lower. These would be likely areas that one would have used to adjust the Fibonacci Extension Fan to new "lower price activity", which would have adjusted the Fibonacci levels to reflect proper price trend activities.

Also notice the Fibonacci Extension values on the right side of the chart, these reflect "counter trend" Fibonacci price action. Where these two Fibonacci extension trends intersect are likely "inflection points", meaning price is likely to potentially rotate or expand at these levels.

Learn and Trade With Our Analysis: www.TheTechnicalTraders.com/GFWSS/

Historical Overnight Tendencies & Edges

By Rob Hanna

There is an awful lot of material on how to trade in different time frames. There are books, courses, & websites dedicated to different styles. These include long-term trading, intermediate-term trading, swing trading, & day trading. But one approach that is hardly ever discussed is overnight trading. Overnight trading involves entering a trade near the close of market hours and holding that position with the intention of exiting the next morning when the market opens again. While less popular than other styles of trading, it is one that I have done extensive work with, and which I have found to offer many unique and consistent edges over the years.

Day vs. Night

Before I get into overnight trading specifics, let's first talk little about the impact of the overnight session on stock prices. The New York Stock Exchange has regular trading hours five days a week, 6 ½ hours a day. That means during the five day workweek the market is closed for regular trading about two thirds of the time. If you add in weekends in the market is really only open less than 20% of the time.

So it's not surprising that most market moving events occur when the market is closed. Many of these events are planned events, such as earnings releases, which typically happen before the open or after

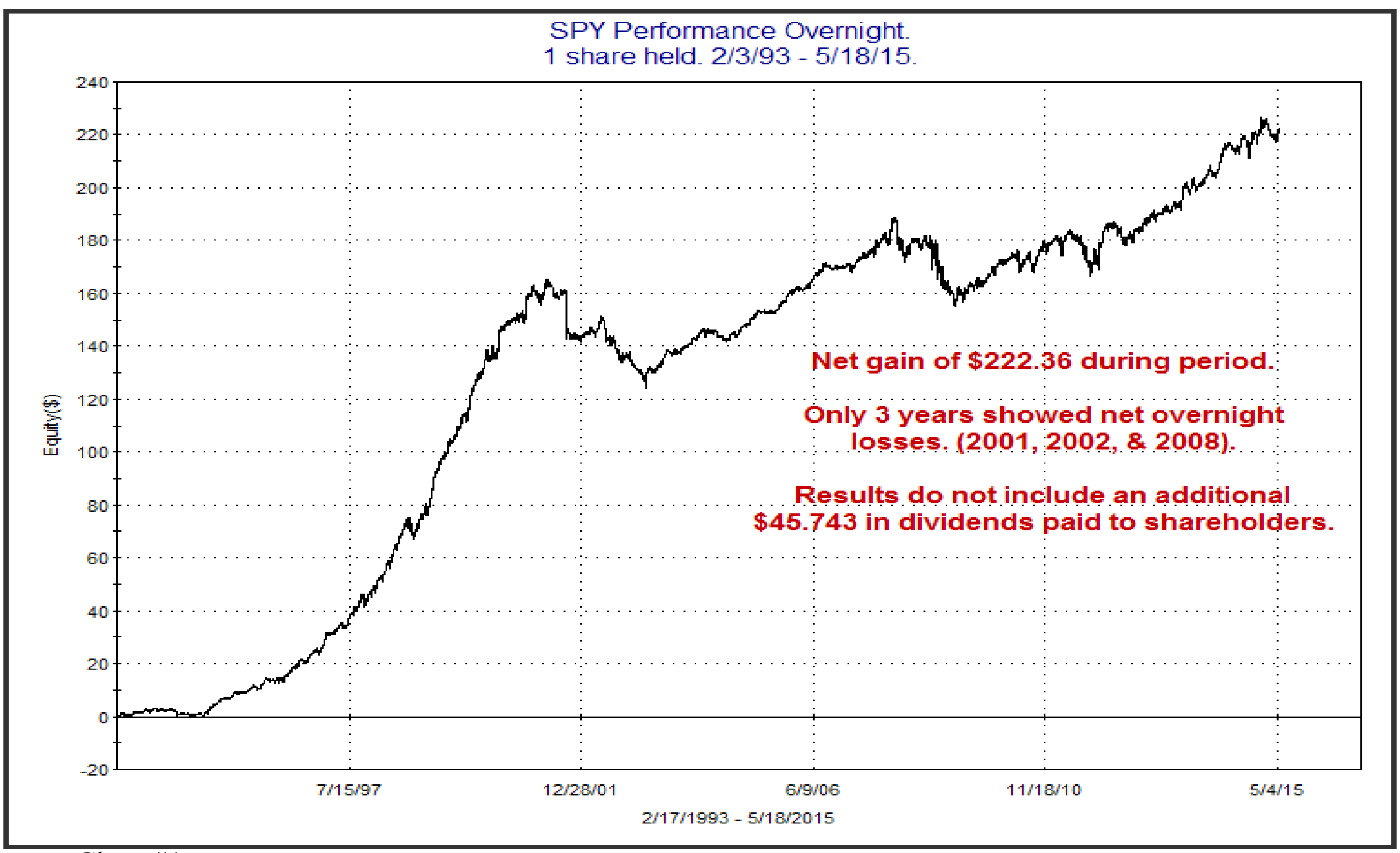


Chart #1

the close of regular trading. Many economic reports, like the monthly employment report, also happen outside market hours. And of course happenings in Europe, Asia, and other parts of the world will often occur when the New York Stock Exchange is closed.

Both institutions and professional day traders are keenly aware of this and do an awful lot to avoid, or offset, perceived "overnight risk". What many of them don't realize is the substantial amount of premium that they are paying to offset these perceived risks. Overnight traders look to make money by collecting this premium and absorbing some of the perceived risk.

By using historical probabilities, overnight traders can better evaluate the risk/reward available. This allows them to only take on the risk under circumstances which have historically been shown favorable to do so.

Historical probabilities are also useful in determining situations where risk/reward is skewed so greatly against overnight long exposure that a short position could be justified.

Let's look at some historical charts that illustrate how strong the general overnight edge has been over the years. These charts are of SPY, the ETF that tracks the S&P 500. They look at overnight price movement versus intraday price movement since SPY's inception in 1993. Commissions and slippage are not considered.

Chart #1 assumes that you own SPY from the 4 PM EST closing price until the market opens at 9:30 AM on the next trading day. It simply looks at holding one share overnight, which allows us to measure the total points gained and lost over the years. What you can see is that the upslope has been fairly consistent, with only brief dips during the 2000-2002 bear market and the 2008 bear market. In fact, as noted on the chart, 2001, 2002, and 2008 were the only year's that

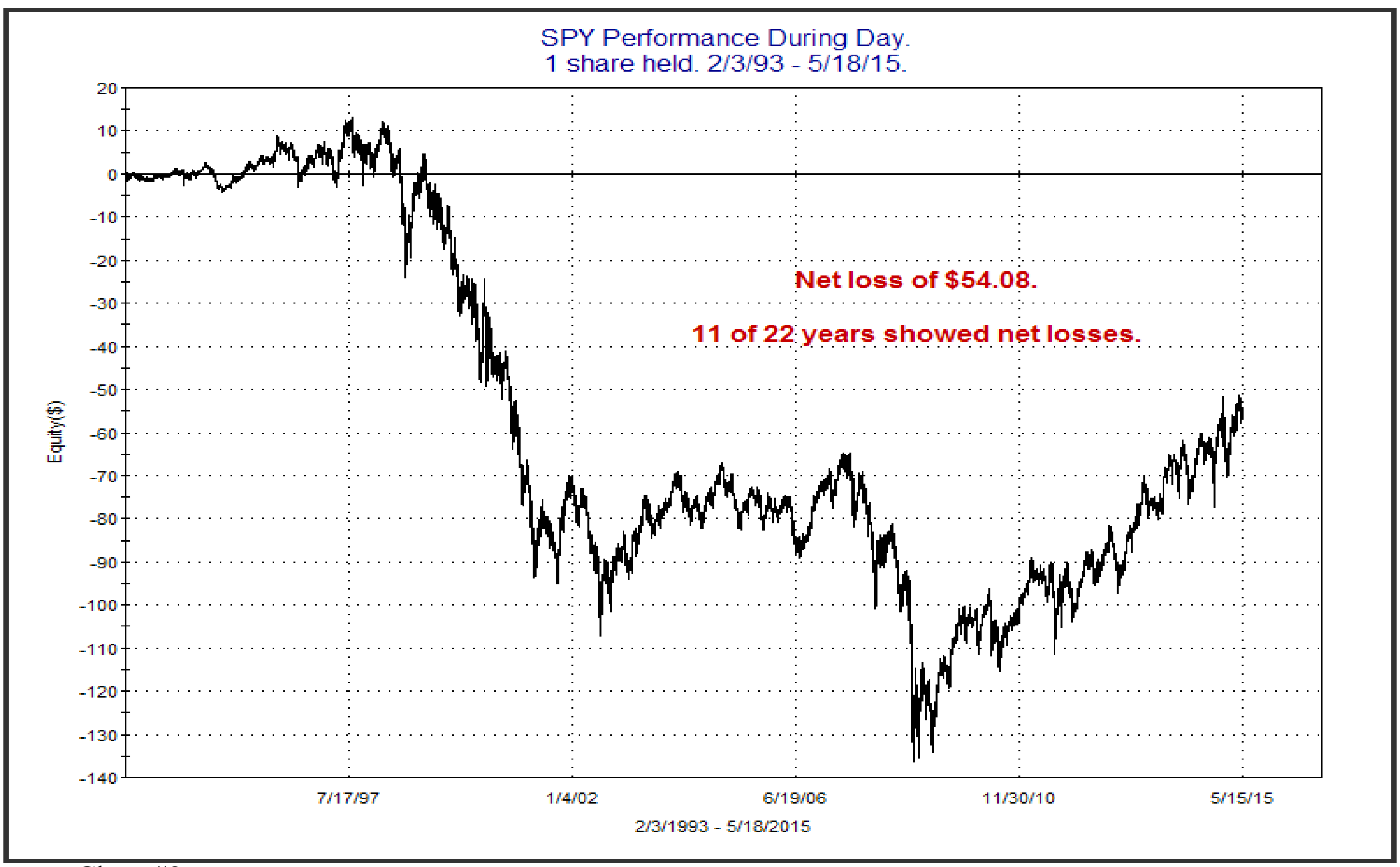


Chart #2

did not show net gains during the overnight session. For the entire history from 1993 through May 18th of 2015 SPY gained a total of $222.36. This total does not include another nearly $46 of dividends that would have been due and payable to overnight holders.

Since SPY ended its first day of trading at $43.97 and closed May 18th at $213.10, you can easily see that more than 100% of all gains have occurred during the night. Chart #2 shows us how the day has performed.

Very much like the last chart we're looking here at owning one share of SPY. But in this case we only own a share between the 9:30 AM opening price and the 4 PM closing price of the NYSE. The net results here would've been painful for most traders to endure. During bull markets we've generally seen either a mild upside inclination or sideways chop. The recent bull market is the first time in 20 years that SPY has made much upward progress during the day. During bear markets the day session has been horrid, as large institutions use the opportunity to liquidate positions and sell down the market. And just as remarkable as the total net loss over the years is the fact that only the half years would've managed a net gain during the day.

These two charts scream opportunity. I first ran these two charts in 2004. Doing so got me very excited, and eventually led me to begin the Overnight Edges website, which is now part of InvestiQuant. Next let's talk a little about how intermediate-term price action can impact overnight market movement..

Some simple overnight tendencies

I mentioned at the start that the overnight market has exhibited some strong tendencies over the years. Let's look at some charts to provide examples of the kind of edges we see in the overnight market.

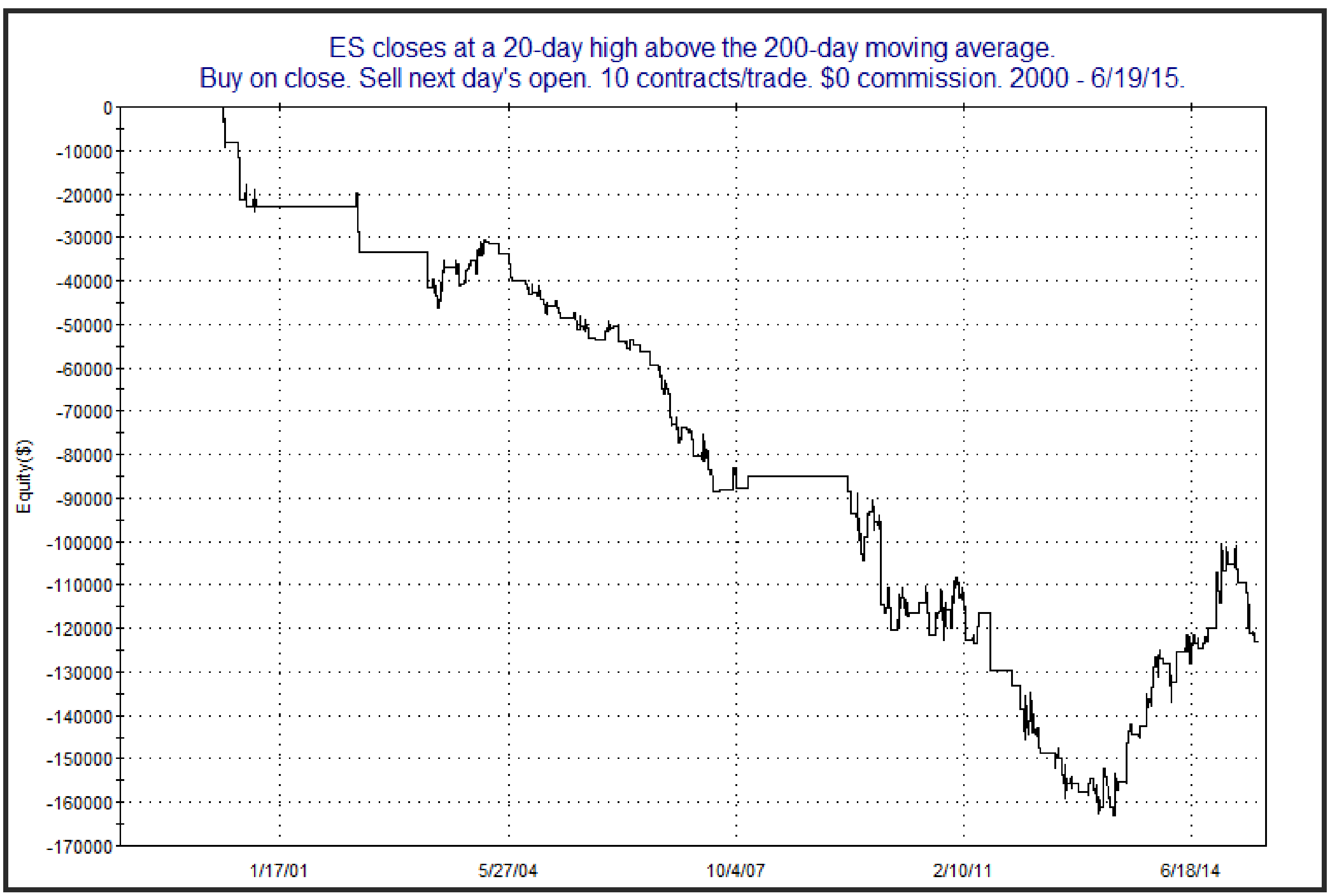


Chart #3

Charts #3 and #4 examine the influence that intermediate-term highs and lows have on overnight market movement. This first chart shows overnight performance following all 20-day high closes when ES (the S&P 500 mini futures contract) is also above its 200-day moving average. "Overnight" here is defined as the 4:15pm EST futures settlement until the 9:30am NYSE open.

As you can see there has been a decent downside edge over time. It did not play out during 2013-14, and that bears watching, but overall I would consider this a poor setup for going long overnight. Now let's examine closes at a 20-day low instead of a 20-day high.

As you can seem there has been a pronounced difference, and these strongly oversold markets will often exhibit an upside overnight tendency. This is just one example of how price action can impact overnight odds. But price action is not the only thing that affects overnight odds. There are a number of factors that can be considered.

InvestiQuant's 4 pillars of overnight decision making

At InvestiQuant we have identified 4 distinct types of edges that we focus on to identify overnight trading opportunities. We often refer to them as our 4 pillars of overnight decision making. I have listed them below along with brief descriptions:

Price action – Historical odds related to recent and longer-term price movement.

Internals –Historical odds following comparative internal market measurements over time.

Seasonality – Historical odds based on day of week, special days, etc.

Special studies – InvestiQuant identifies

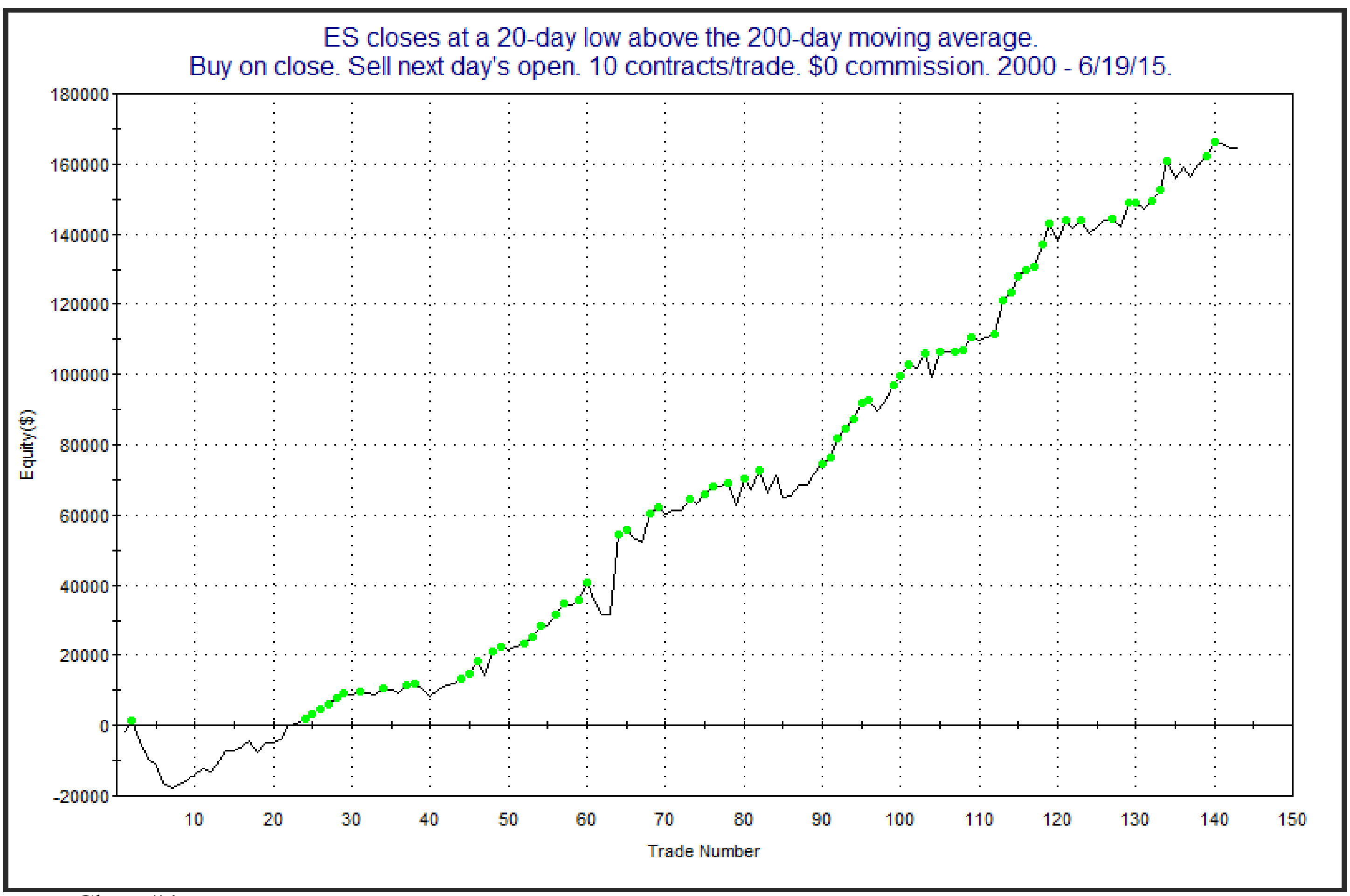


Chart #4

compelling setups that have had strong propensity to gap overnight.

By examining these 4 pillars before taking any overnight positions we have historically managed to place the odds in our favor.

The overnight trade has been one of my favorites over the years. Not only due to the unique edges it provides, but also thanks to the ease in execution. If I believe the setup is favorable, I know the exact time I'll be entering the position, and (assuming no stop or target is hit) I know when I'll be exiting the position. Additionally, with very low correlation to other strategies, the overnight trade offers diversification and additional opportunities to profit.

About Rob

Rob Hanna is InvestiQuant's Co-Founder and Vice President of Research. Rob graduated with a BS from Boston College in 1992 and has been a full-time market professional since 2001. He has served as president of Hanna Capital Management, LLC since that time. He first began publishing his market views and research in 2003. From 2003 to 2007 his column "Rob Hanna's Putting It All Together" could be found twice a week on "TradingMarkets." In January of 2008 Rob began Quantifiable Edges. In 2012 Rob opened his 2nd website, Overnight Edges, which is now part of InvestiQuant. Both sites use historical analysis to assess current market action and odds. Rob utilizes price action, volume, breadth, sentiment, seasonality, liquidity flows and more to conduct his research. His work has been widely referenced and quoted over the years, and is often linked to in blogs, tweets, Stocktwits messages, magazine articles and more.

www.OddsTraderApps.com

The Rate of Vibration And Its Application To Trading

By George Krum

At the end of our TradersWorld Online Expo presentation we made a brief reference to the "rate of vibration" of different financial instruments. In this article, we'll delve a little deeper into the subject and provide some background information about the meaning and interpretation of the term.

In technical analysis the term "law of vibration" is usually associated with W.D. Gann. In fact, it is one of the most discussed but least understood parts of his trading arsenal. Gann used the term liberally in his writing but made sure not to give away its exact meaning, derivation or application. Instead, he made reference to different subjects ranging from mathematics, to wireless radio, to sacred geometry, to cycles, to numerology, etc. Our goal here, however, is not to decipher what he meant by it, but rather to explore whether there is any observable evidence of the existence of a rate of vibration for financial instruments. After all, academics want us to believe that financial markets are totally random and unpredictable.

Chart #1 (DJIA 2005, chart courtesy of OT Signals)

We'll start first with another, less controversial and widely accepted Gann tool – the angle. Gann angles and fans associated with them are now part of almost every charting package. The theory behind Gann angles is simple and straightforward.

Here's what Gann had to say about angles: "After 35 years of research, tests and practical applications, I have perfected and proved the most important angles to be used in determining the trend of the stock market. Therefore, concentrate on those angles until you thoroughly understand them. Study and experiment with each rule I give you, and you will make a success."

Gann goes even further and equates angles with moving averages, the only difference being that "geometrical angles, which are really moving averages, move up or down at an uniform rate from any bottom or top on a daily, weekly or monthly chart." This sentence has important implications and needs to be studied a little closer. The key part is that angles move up or down from a top or bottom. As we'll see later, this will allow us to pick a different step for angles going up or down since most financial instruments exhibit different behavior in bull or bear markets.

According to Gann: "the first and always most important angle to draw is a 45-degree angle or a moving-average that moves **up one point per day, one point per week or one point per month.** This is a 45° angle because it divides the Space and Time Periods into two equal parts. As long as the market or a stock stays above the 45° angle, it is in a strong position and indicates higher prices. If this angle is broken by one point, you will usually find that the trend has changed at least temporarily and the stock will go lower.

For example: on March 9, 1932 the Dow Jones Industrial Average made last top at 90, from which a decline followed, with very small rallies, reaching bottom at 41 on July 8, 1932. Note on the weekly chart that the angle of 2 x 1 from the top at 90 crossed at 50 in the week ending July 30, 1932 and after they crossed this level they never declined to 50 again, and advanced to 81 in September, 1932." See Chart #1

This example, however, raises an interesting question: should we always use one point

Chart #2 (DJIA 1885, chart courtesy of OT Signals)

per day, or should we instead use one unit of price for one unit of time. If we use one point per day with the current DJIA trading around 18,000, the line will look almost horizontal.

One obvious solution to this problem is to implement some form if scaling. But this immediately raises the question of what scale should be used. In addition, if we compare different stocks trading in a similar price range, we most likely will find that different angles better suit their personalities e.g. JNJ and RNR, or IYK and IWD. You get the point.

In other words, neither of the approaches mentioned above provides us with a universal method applicable to any financial instrument in any time frame. Rather, the evidence seems to indicate that individual financial instruments do indeed have a specific "rate of vibration" that fits their characteristics and price behavior, which is neither 1 point per day, nor some arbitrary number derived from an arbitrary price level or scale.

To find and display in tradable format that elusive "rate of vibration" we have created the Swing Angles, the SAR (stop-and-reverse) Angles and the SAR Line indicator. What they have in common is that they automatically select the correct angle rise (step, rate of vibration) for the specific instrument being analyzed, for a specific time frame, and display that angle from a swing high or low. As one can imagine, the process of finding that elusive "rate" is rather laborious and none of the existing technical analysis programs are equipped to handle it effectively. That's why we had to create our own apps (Gann 9 for iOS, and OT Signals for the Web) where everybody can access these tools. We have discussed the apps previously in our TradersWorld articles and OnlineEXPO presentations. The indicators included in them, and information about how to use them in your trading, can be found in their respective User Guides. Here, we'll add just one more point.

In order for the "rate of vibration" to be of any practical use, it needs to work not just for a limited time span or frame, but for the whole price history of a particular instrument and in different time-frames, covering bullish, bearish and sideways price cycles. To prove

Chart #3 (DJIA 2005, chart courtesy of OT Signals)

that our angles do just that we've included in OT Signals 120+ years of DJIA history, going all the way back to the XIX century. Users can select the SAR Line indicator, for example, and observe how this indicator, and the associated angles incorporating our "rate of vibration", catch swings starting from prices as low as 25 and going all the way up to 18,000+, without missing a beat: See Chart #2 and #3

This particular indicator (SAR Line) is based on price breaking above or below up and down angles (based on the appropriate rate of vibration) drawn from swing highs and lows. The angles themselves are not shown, but users have the ability to plot them manually, if they want to, and from any pivot point of their choosing. The SAR Line indicator identifies bull, bear, and flat market conditions alike. When price is above the 1 x 1 angle, the indicator trends up, when price is below the 1 x 1 angle, the indicator moves down, and when price is in between two angles, the line turns flat.

Currently, as of this writing (June 26), all major averages (DJIA, NDX, SPX, and Russell 2000) are trading below their respective daily SAR Down Angles, after slashing through the Up Angles on June 24th, 2015.

In summary, our findings lead us to believe that every tradable financial instrument possesses its own specific rate of vibration which can be used to describe its future path. With the help of our angle indicators, we can project that path and, in turn, determine whether the instrument being examined is in a strong or weak position, in an uptrend or a downtrend, whether the trend is accelerating or decelerating, and whether it is about to end.

Trading Social Media Sentiment Cycles in EUR/USD

By Lars von Thienen

In recent years, social media has become ubiquitous and important for social networking and online communication among market participants for stock market news. This article demonstrates how social media sentiment can be used to predict financial cycles. In particular, it shows how social chatter, pre-processed from PsychSignal, is used to forecast market turns in the EUR/USD currency pair.

Back in 1949, investing legend Benjamin Graham eloquently characterized the cyclical nature of financial markets in his book "The Intelligent Investor":

> *"The market is a pendulum that forever swings between unsustainable optimism and unjustified pessimism."*

Today, the emerging field of social media sentiment datasets support Graham's point of view, providing a strong empirical foundation for the overreaction bias that is often the driving factor in cyclical markets.

Normally, social mood waxes and wanes positively and negatively. Thus sentiment waxes and wanes in the form of dynamic cycles. Social mood refers to a feeling, emotion or attitude about something, and, of course, it can have a range of values. Whenever mood is related to corporations, the economy, or assets, the character of events will unfold in the related financial assets. Fear and despondency represents one extreme, while thrill and euphoria represents the other end of the spectrum.

Cycles are the important structure here because sentiment does not jump rapidly from one state to another (see Chart 1)

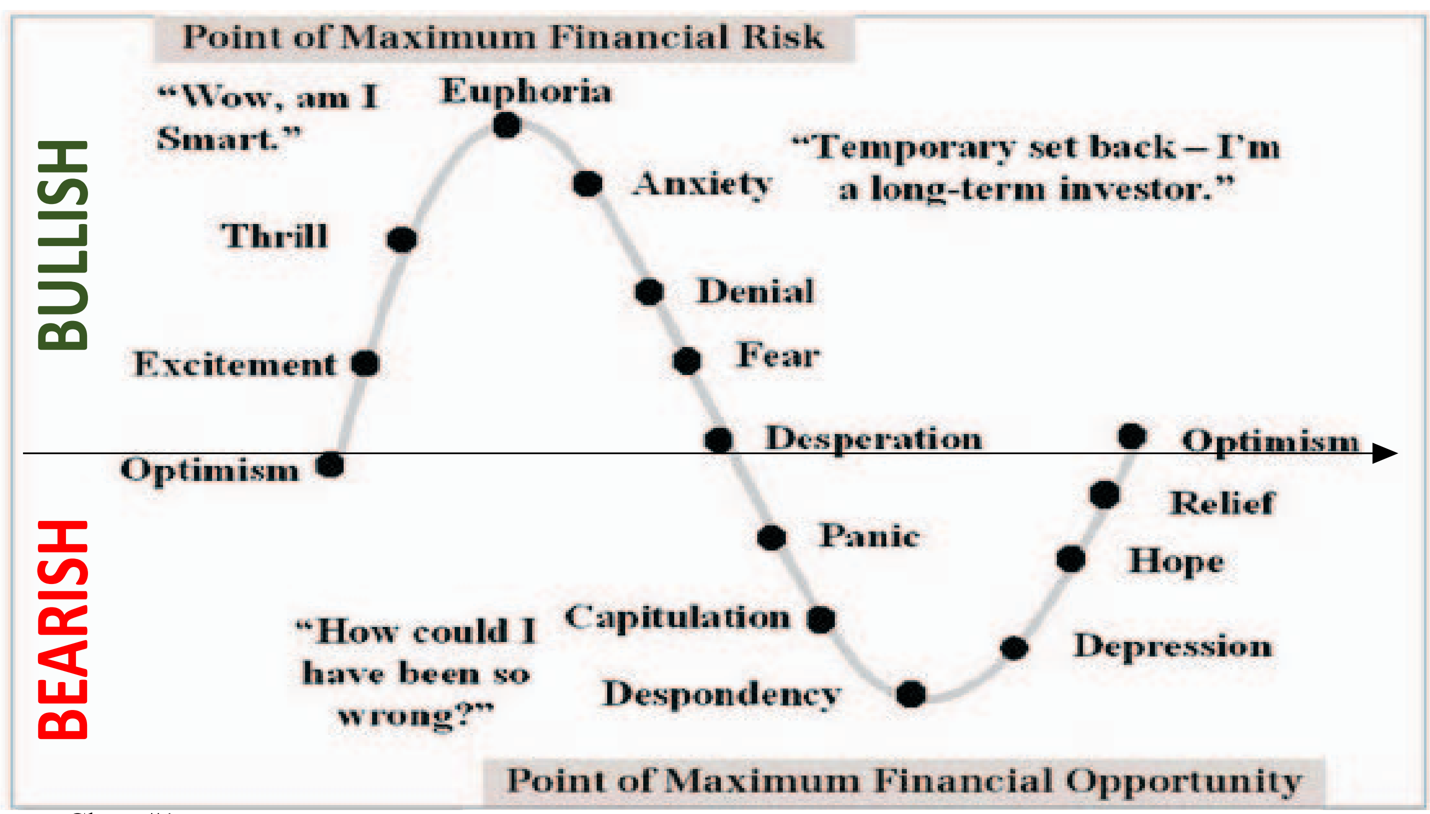


Chart #1

Chart 1: Market pendulum that forever swings between bullish and bearish extremes

A change of mood requires time; therefore, sentiment moves in dynamic cycles or waves. This is a similar process to changes in air temperature: the outside temperature does not jump from one state to another. Therefore, the challenge is to spot and predict the extreme turning points called "Maximum Financial Risk" (Euphoria) and "Maximum Financial Opportunity" (Panic/Despondency).

The fascinating aspects of market cyclicality is that the average investor badly underperforms across the board because he or she is prone to chasing performance near market tops and panicking near market bottoms. For this reason, an effective measure of sentiment may be of significant value in identifying the hot-spots of maximum financial risk or opportunity within the dominant sentiment cycle.

Consequently, if you have data sets that provide raw social "mood" information related to financial assets on the one hand, and on the other hand have cyclic tools that are able to decipher and track dominant cycles, you have the toolset needed to predict and forecast sentiment "hot-spots".

In the volatile world of currencies it always pays to grasp the big picture. Regardless of your trading horizon, it is best to determine the dominant cycle before you proceed. The Situation in March 2015 – EUR/USD to Resume its Downtrend or Experience a Major Turnaround? (See Chart 2)

Chart 2: EUR/USD on March 20th 2015

The EUR/USD currency pair traded at 1.081 after pausing a multi-year downtrend. At this point, it is always of major importance to know whether this is just a pause in the

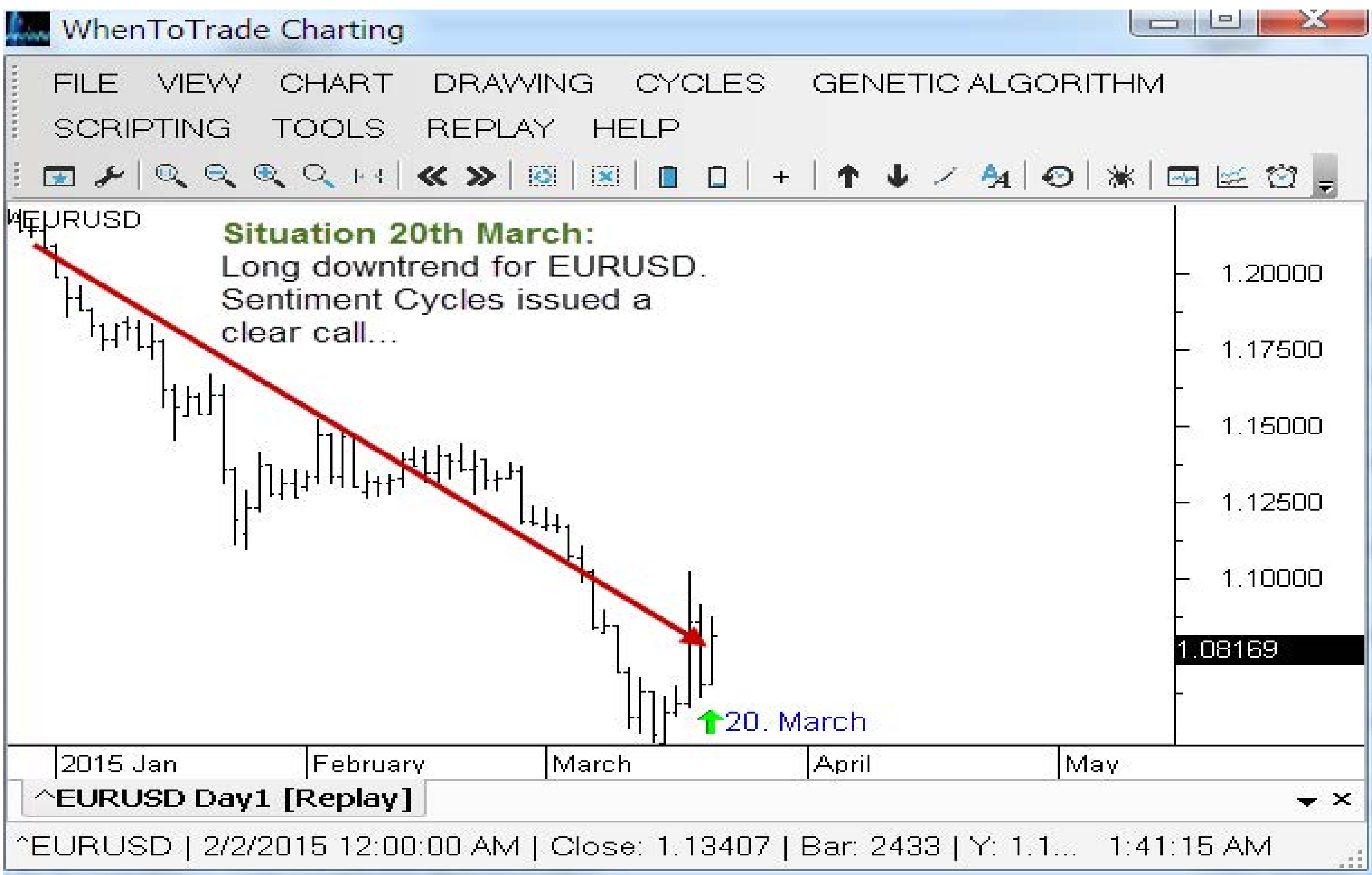


Chart #2

overall downtrend and whether one would expect EURUSD pair to resume going down. At such times, sentiment cycles can guide the process.

First, we need raw mood information about EUR/USD. PsychSignal is a company which provides social sentiment information derived from internet chatter (www.psychsignal.com). At every second in every corner of the Internet, millions of people are expressing their emotions. In this context, PsychSignal listens to the crowd's mood and builds bullish/bearish sentiment data clustered according to financial assets. Such bullish/bearish data is available on their website or directly accessible via the WhenToTrade Charting and Cycles application.

Chart 3 shows the composite sentiment value plotted on a chart in the upper panel. We additionally smoothed the data shown by the red line.

Chart 3: Detected 208 days sentiment cycle

In addition, we need to run cycle detection algorithms to the composite social sentiment score. A Dynamic Cycle Explorer is added on Chart 3 specifically to detect and track cycles that do not stay static in real-time. This is very important because we do not want to detect static cycles that fit to the past – we need cycles that can explain the past but focus more on staying in sync with current market characteristics. The dominant cycle of 208 days is also shown on the chart in the lower panel. The cycle was detected automatically. The turns have been mapped with red and green arrows against the raw sentiment chart in the upper panel.

Chart 3 shows the PsychSignal EUR/USD Bullish/Bearish Social Media Sentiment Index and the detected dominant cycle (208 days) via the Dynamic Cycle Explorer from

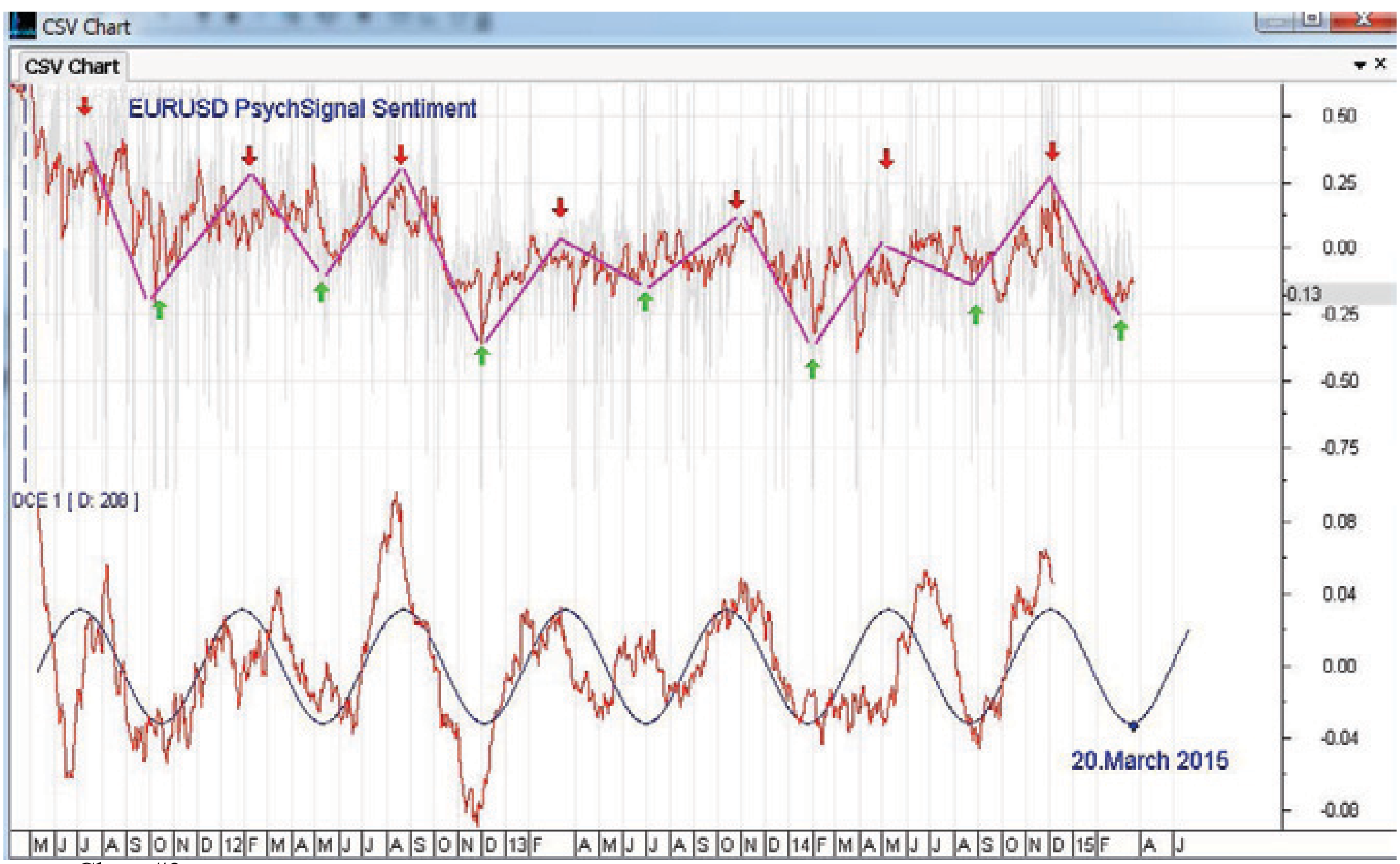


Chart #3

WhenToTrade Cycles Toolset.

In theory, as with all sentiment vehicles, the scores work as contra-indicators. Thus, extreme points of bullishness should correspond to market tops, and extreme bearish composite scores should correspond to market bottoms.

The window at the bottom of the chart shows the detected dominant cycle as a blue line. The indicator text shows that there is an underlying cycle with an active length of 208 days in the EUR/USD sentiment data set. The red plotted data behind the blue cycle shows that we have a valid match between the ideal cycle and the real score movements on the sentiment. You can compare the highs and bottoms of this cycle match with major turns in the sentiment index.

Thus, we have a clue to the fact that a 208-day cycle has driven social sentiment during the last two years. The most important point is the current day because we do not need a perfect fit in the distant past. Further, we know that cycles have a dynamic nature; therefore, the most important time period is the current past where the cycle parameters have to be in alignment with the real world.

Before we start to interpret the current conditions, though, we must check if this cycle – which is only related to social sentiment and has nothing to do with real price data – has correlations to turns in the price of EUR/USD currency pair.

Thus, Chart 4 shows the EUR/USD exchange rate plotted on top of this analysis. The turns of the discovered dominant cycle are marked with red and green arrows on the price chart.

Chart 4: EUR/USD exchange rate turns in sync with detected sentiment cycle

We can see that we have an ideal fit between the social sentiment cycle and price turns of the currency pair. However, this cycle does not become visible on the exchange rate

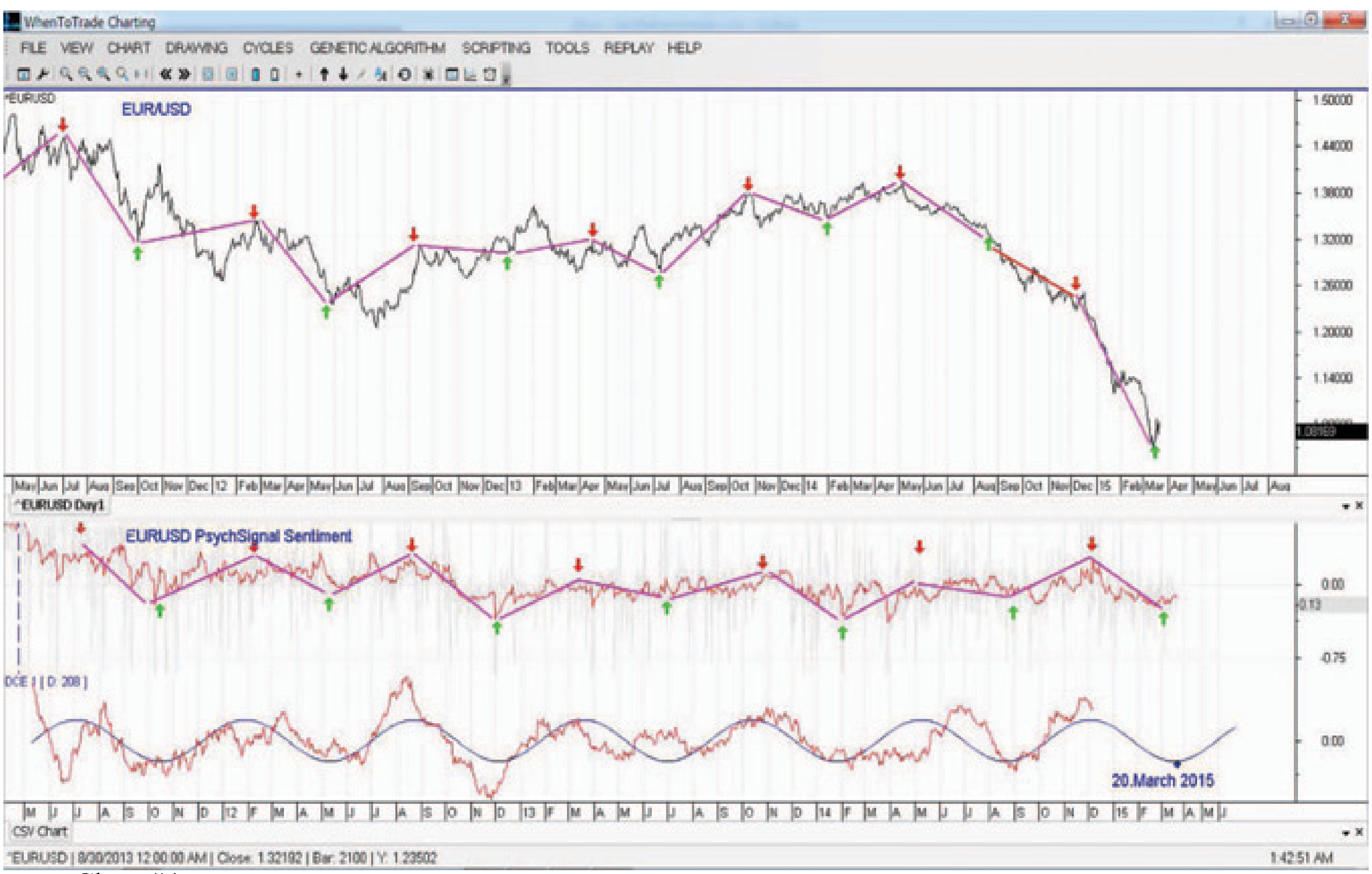


Chart #4

alone; further, the cycle does not predict the strength of each move. To see the situation more clearly, we have added a purple line to connect the arrows on the exchange rate.

In this context, it becomes clearly visible that it is more interesting to decipher the underlying pattern in the form of dynamic sentiment cycles than to try to interpret the raw sentiment data. In general, the raw turns of mood will not match price turns exactly because there are delays, noise, and distortions between mood and the unfolding events. Consequently, we are not interested in the exact micro turns of mood on the price chart; instead, we are looking for the general mood cycle to change its direction.

It can be seen that we have a valid sentiment cycle of 208 days running – which points to the "hot-spot" of maximum financial opportunity at the day of the analysis.

As a result, we can pay close attention to where we are now in this sentiment cycle. The data analysis was done on March 20, 2015. The blue dot on the cycle marks the current day of the analysis. The important point here is that the dominant cycle shows an imminent bottom with an extreme reading of bearishness. So we would expect the sentiment to rise over the next weeks with an expected price increase of EUR/USD happening in parallel. Thus, we would not expect the downtrend to resume shortly; instead, we would expect a major upswing in the currency pair that follows the dominant active sentiment pattern.

We now move forward six weeks and check the forecast. Chart 5 shows the same EUR/USD price that was shown at the beginning of this example and progresses it eight weeks to May 15, 2015:

Chart #5

Chart 5: Forecast results 8 weeks after the call

The analysis has proved to be extremely accurate. The EUR/USD currency pair ended its long downtrend in March 2015 and started a strong upswing. Just six-eight weeks after the forecast, prices increased more than 5%.

But not only did this analysis projected an upturn right on time. The cyclic sentiment analysis predicted the largest 30days price increase since 2013. (see Chart 6)

It is important to mention that the cycle analysis shown in this article about EUR/USD mood was conducted live and in real time. This example was not cherry-picked. We alerted our community on March 20th about this issue in the public open internet magazine available at whentotrade.com

Chart 6: 30day change of the EUR/USD pair with highest increase after the forecast

Therefore, this is a genuine forecast based on the power of dynamic cycle tracking tools and the new area of available sentiment data sets.

This article underpins the importance of cyclic research in social sentiment data sets in order to forecast important market turns. Thus, the combination of state-of-the-art sentiment data from PsychSignal with the latest cycle analysis and prediction tools from WTT delivers a truly unique view on financial markets.

Lars von Thienen

Contact lars@whentotrade.com
Internet: www.whentotrade.com

Supplementary video material:
http://youtu.be/V3o7hA4K-xk

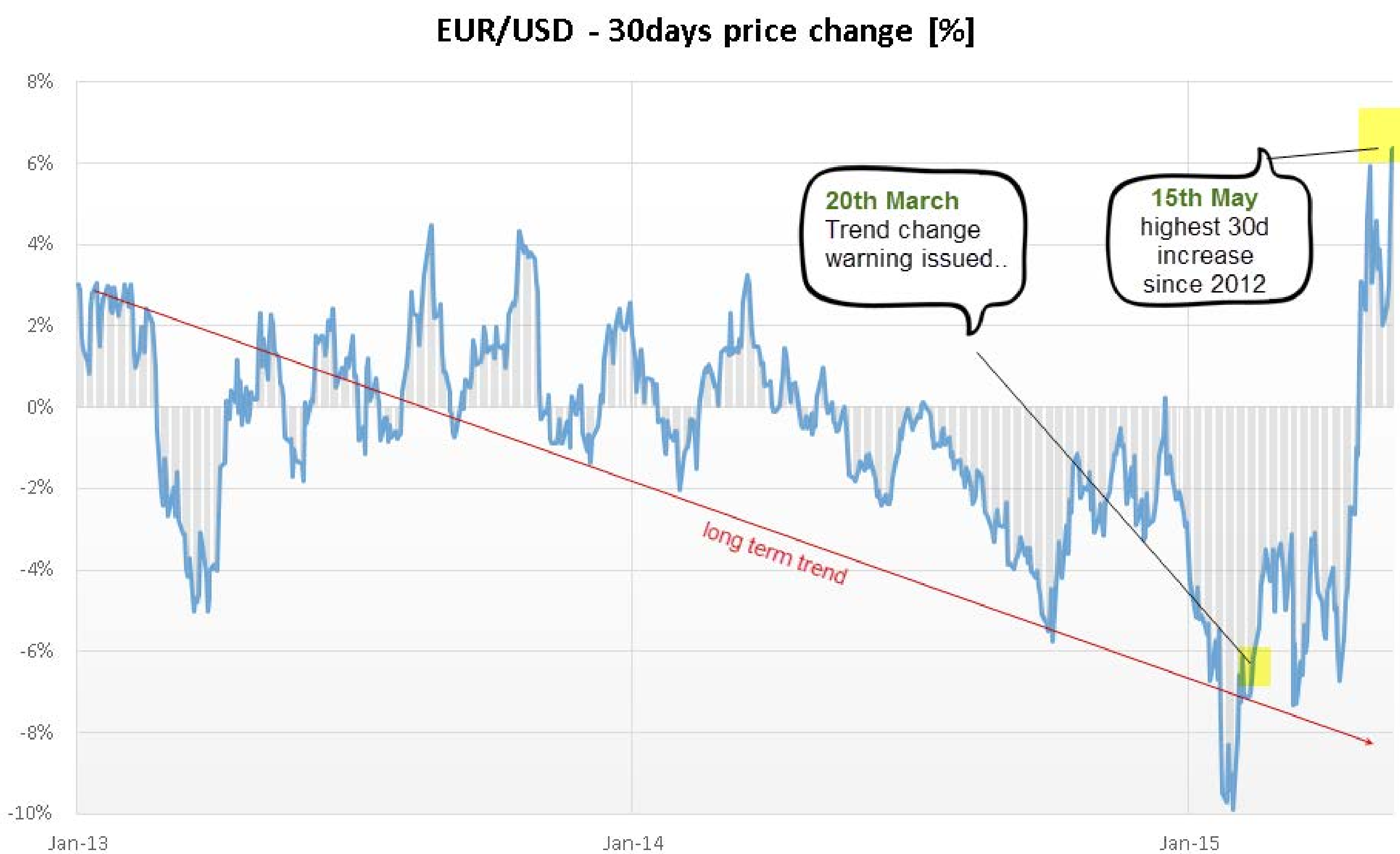


Chart #6

Market Volatility - A Study in Market Movement

By Gail Mercer

Author Gail Mercer, founder of TradersHelpDesk.com, answers a series of questions in report, Market Volatility – A Study in Market Movement. These questions include: When is the best time to trade forex, gold, crude or any other futures market that a trader may be interested in? Do the markets move the same amount in May as January? Which months are most volatile? Which month is the slowest? Which hour of the day is most volatile? Which hour of the day is the slowest?

If these are questions you'd like to know the answers to, access this New Report by clicking here.

"This report provides critical information that traders can utilize to identify when markets are likely to experience increases versus decreases in volatility. By identifying the seasonal stages that the futures and forex markets present, traders can use the Market Volatility Report to plan different trading strategies for volatile versus non-volatile trading periods," Mercer, who has over 15 years of experience in trading and in the development of custom indicators, writes.

Drawing from years of market data for both Futures and Forex, Mercer identifies the average annual market range, average quarterly range, average hourly range plus the average typical range for major market reports. This report allows traders to identify market volatility trends and anticipate the average movement that a single market report generates

Mercer's research offers a comprehensive study that enables traders to predict "how much" the futures and forex markets will move at any given time – annually, monthly, hourly, and even during high volatile market reports. The report also highlights trends in market volatility for both futures and forex.

Plus, with an expected 400% increase in trading Binary Options and Spreads, this report is essential for trading out of the money binary options. By analyzing the underlying market anticipated ranges, traders can now identify how far out of the money they can go, which lowers their risk while increasing their profit potential.

Download the free Market Volatility Report by clicking here.

Measuring Stock Market Internal Strength

By Clif Droke

Technical analysis offers the trader a multitude of useful tools for evaluating the future direction of stocks. But one tool alone won't get you very far – you must have several tools in your toolbox for maximum results. That's why it's important to incorporate various methods of market analysis to supplement the fundamental analysis of individual stocks. For when you can properly discern the underlying market condition, selecting the strongest corporate shares becomes an easier task.

One of the best tools for measuring the internal strength or weakness of the stock market is widely known, yet under-utilized by most investors. It's a rather simple measure which is easily available in most financial newspapers and web sites and is known as the new 52-week highs and lows. This indicator is arguably the best measure of internal strength for the entire NYSE broad market since it shows the incremental demand for stocks.

In a healthy market environment the number of stocks making new 52-week highs should be expanding. While there is no hard-and-fast rule for how many stocks on the NYSE should be making new highs, a normal bull market should ideally show a daily average of 150 to 200 (or greater) new highs. This average should carry for a period of several consecutive days or weeks to let you know the market's internal trend remains healthy.

Equally important, the number of stocks making new 52-week lows in a bull market should be less than 40 – the fewer new lows, the better. The number 40 has long been a sort of "line in the sand" for delineating a healthy market from an unhealthy one. Carlton Lutts of *The Cabot Market Letter* developed many years ago an indicator he called the "Two-Second Indicator" based on the new 52-week lows. The indicator is simple: as long as there are less than 40 new lows over a period of several days-to-weeks, the stock market's internal health can be classified as positive. If there are more than 40 new lows over a period of several consecutive days, the market's health has deteriorated and internal selling pressure has increased.

Let's take an episode from the stock market's recent history as an example. Back in the first few months of 2012 the major averages were in an uptrend. Stocks were consistently making new highs as reflected in the NYSE new highs data during that period of time. From January until the beginning of April 2012, there was a positive high-low differential; that is, there were many more new highs than new lows. Further, the daily number of stocks making new 52-week lows was well below 40 during the first three months of 2012.

Beginning in April, however, the number of stocks making new 52-week highs abruptly started shrinking. It went from being well over 100 to as low as 20 to 30 on some days in the first week of April. Moreover, the number of stocks making new 52-week lows began to expand and by the second week of

April there were as many as 60 to 70 new lows on some days. That was a clear sign that upside momentum was seriously waning and internal selling pressure was building. In other words, it was a signal that smart traders were unloading stocks.

On May 4, the new lows hit 50, then 54 the next day, then 82 the next, and so on until by May 17 there were as many as 158 stocks making new 52-week lows again only 15 making new highs. The extent of this internal selling pressure can be seen in a graph of the S&P 500 Index (SPX), which was in free-fall by this time. See Chart #1 SPX Daily

The S&P hit rock bottom on June 1, 2012, which was the same day the number of new lows saw its highest reading of the year at 163. From there the number of new lows began to shrink and by June 6 there were only 18 new lows. This was an important turning point for the market, for when the number of new lows falls below 40 you should immediately start watching to see if the market can continue improving for at least 4-5 more days. If the market can go a solid weak without showing more than 40 new lows, it tells you that not only has internal selling pressure diminished, but so has volatility to a large degree.

As it turned out, the stock market didn't start showing several consecutive days of below-40 new low reading until the first week of July. This was the time to begin accumulating stocks since internal selling pressure was diminishing. It was also enough time after the bottom (one month) to allow for relative strength among individual stocks to come into play.

The best period for buying relative

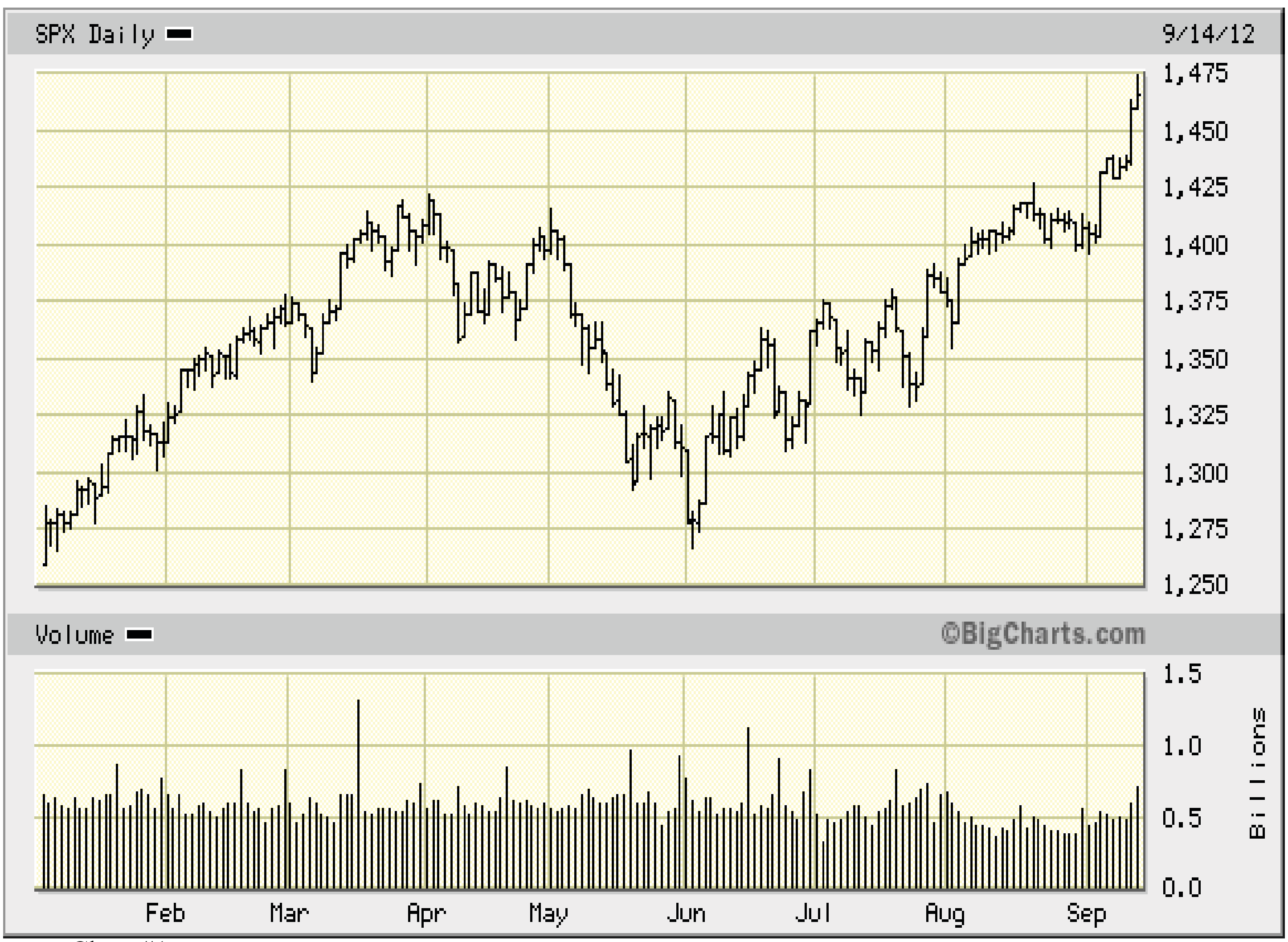


Chart #1

strength stocks following the April-May 2012 market decline was actually the August-September period. It was during this time that there were hardly any days where the number of 52-week new lows was greater than 40. The number of new 52-week highs was also increasing, volatility was waning and upside momentum was beginning to build. All of these factors made it relatively easy to spot winning relative strength patterns in the charts of actively traded stocks.

Another example of how using the new 52-week highs and lows can be extremely useful is during the final stages of a broad equity market sell-off. Take for instance the October 2014 stock market correction. The SPX began declining in late September that year, which presaged a cascade into mid-October. After a rather sharp rally in August, the S&P spent the first half of September in a narrow, lateral range which culminated with a "head fake" to new highs on Sept. 22. See the following chart example. See Chart #2 SPX Daily

Superficially, things seemed to be going fine for the stock market. Below the surface, though, the market was displaying a startling level of internal weakness. All during the month of September beginning on the 10th, the number of NYSE stocks making new 52-week lows was well above 40. In fact, the new lows gradually increased each week until reaching alarmingly high proportions in late September – well above 100 daily lows on average. This was the trader's big tip-off that distribution was underway and that the stock market was vulnerable to a big decline.

When the decline finally got into full swing in October, the number of new 52-week lows

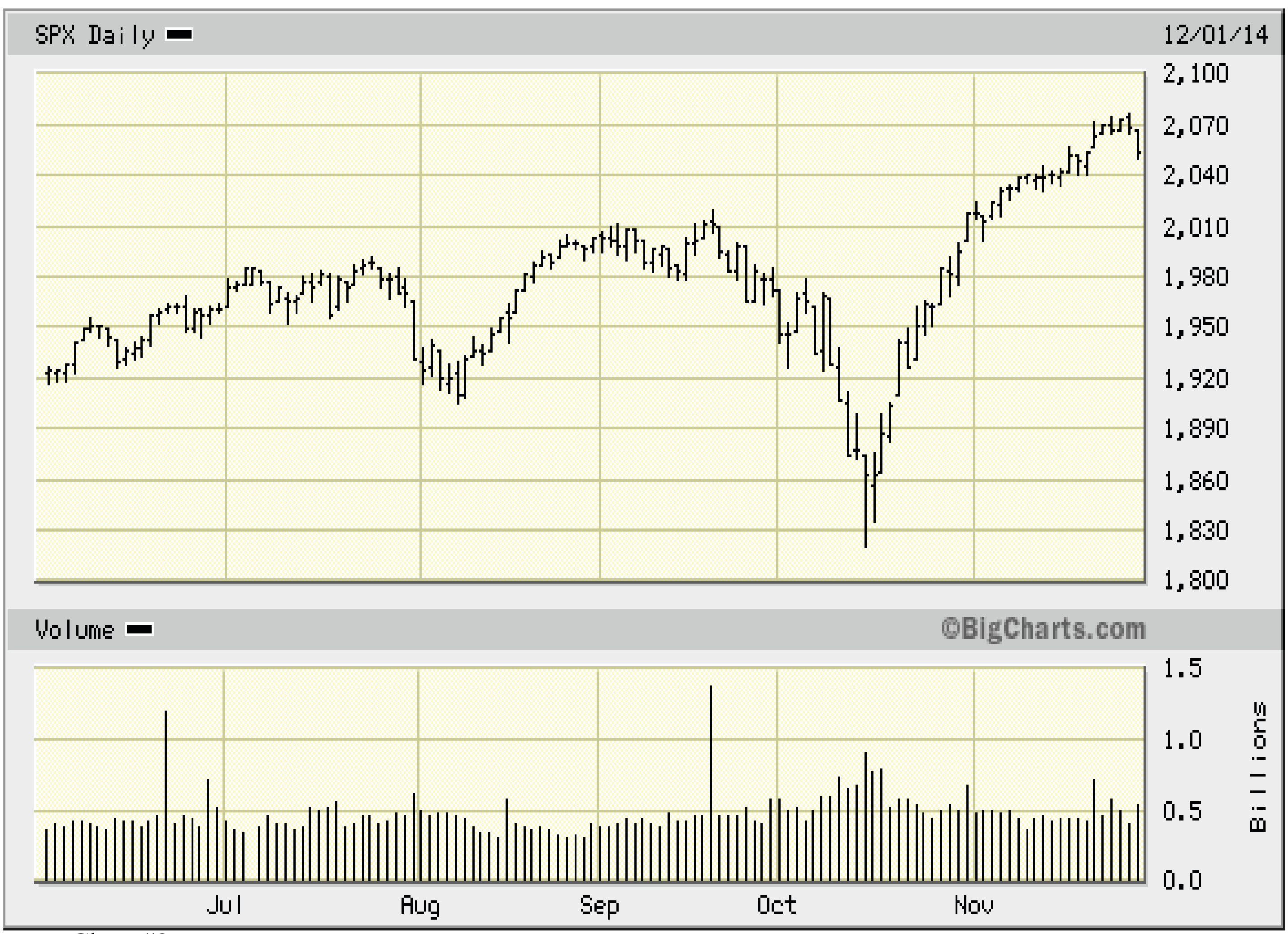


Chart #2

expanded dramatically until finally hitting a multi-year high of 617 new lows on October 15, which proved to be the exact day of the bottom. Within two days the new lows shrank in equally dramatic fashion and were only 24 on Oct. 17. From there, the SPX commenced a technical rally which continued until December with the daily number of new 52-week lows remaining under 40 for most of that time. The lesson here is that market bottoms typically see a massive expansion of new lows, followed by a conspicuous contraction of new lows. Watch for this the next time you're waiting for the stock market to bottom.

If you look at no other technical indicator when you analyze the stock market, always remember to utilize the new 52-week highs and lows. It's one of the easiest indicators a trader or investor can use and it can make the difference between you being on the winning side of the market or the losing side.

Clif Droke is a recognized authority on moving averages, internal momentum and Kress Cycles, three valuable tools as applied to the equity market. He is the editor of the Momentum Strategies Report newsletter, published three times a week since 1997. He has also authored several books on trading and technical analysis, including his most recent one, "Mastering Moving Averages." For more information visit www.clifdroke.com

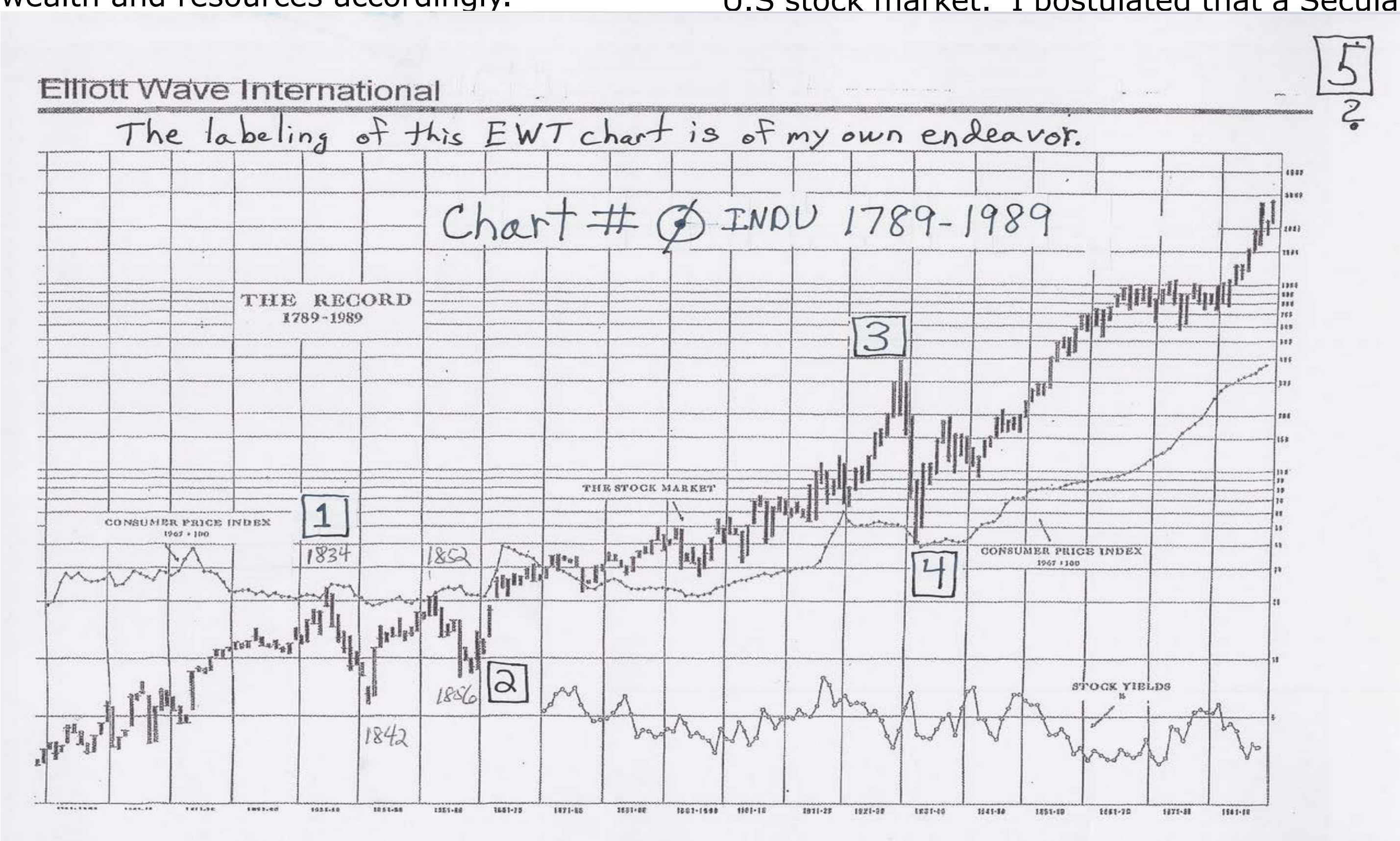
Bust, Malaise or Boom Realizati

By Jim Forte, CMT

June 27th, 2015

Bust, malaise or boom represents three very different scenarios a market analyst must contend with when observing the global economic landscape and the various associated technical market interpretations. My personal bias is that we are facing a necessary transition from a paradigm of unsustainable and largely unmanageable growth to one of economic and ecological sustainability. How we make the transition is the question at hand. We can manage this progression through crisis (which is the historical norm) or through making enlightened and rational choices in preparing for the future and managing our national wealth and resources accordingly.

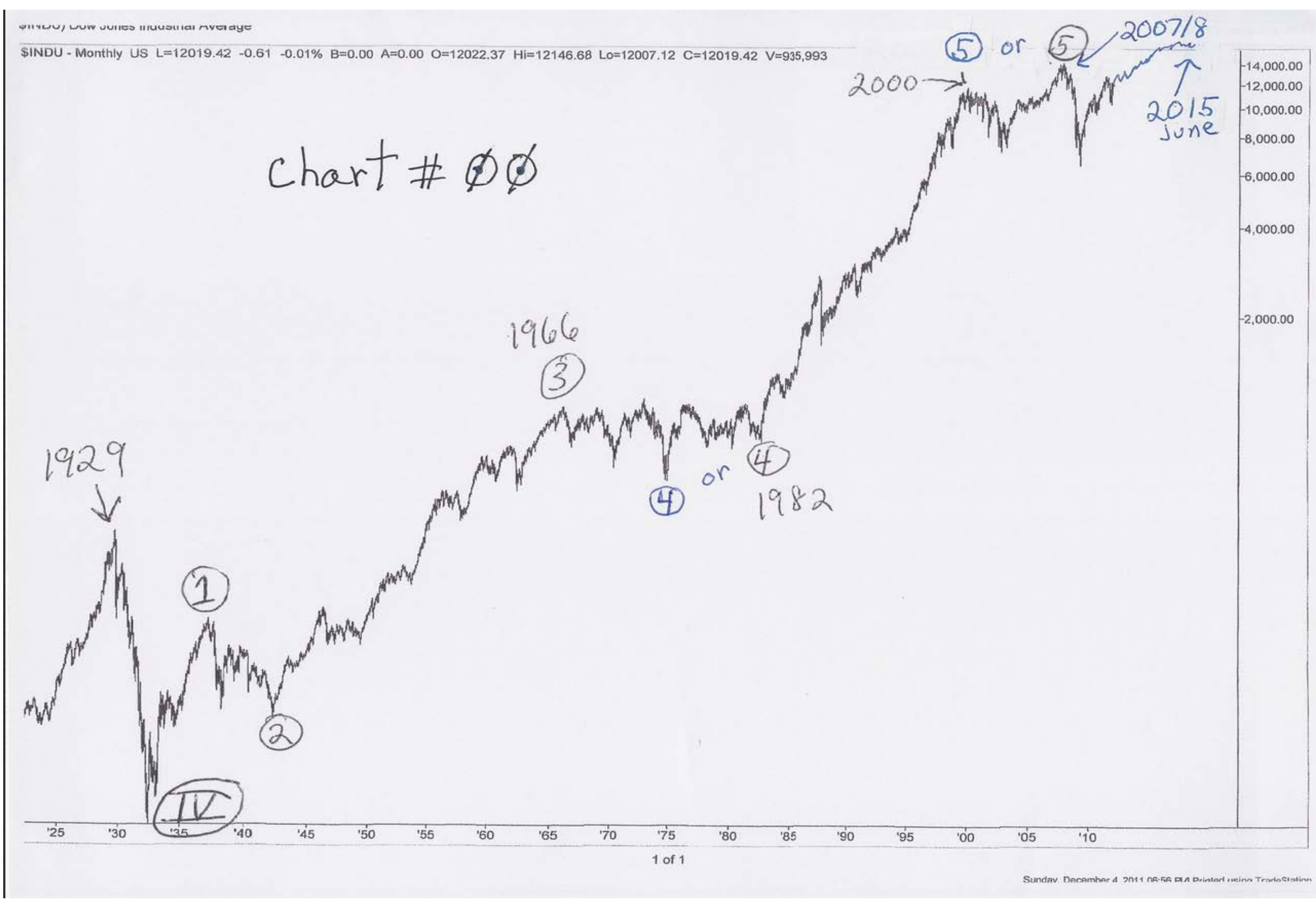
As a technical foundation for answering this question, I would like to revisit the market model I developed in 1998 that called for the major top in the U.S and other global markets in 2008. In 2007, I wrote two articles based on this model and published in Traders World. They offer a more detailed philosophical view of the challenges we faced before the great unraveling of 2008 and which remain largely unresolved in 2015. The second article written in early November concluded that that a Top of major magnitude was most likely made in October 2007 and would herald the end of the global growth paradigm as represented by the U.S stock market. I postulated that a Secular



Bear would ensue for a Fibonacci 13 years. However, in 2013 as the market powered beyond its 2007 highs, this assumption and all that went with it came into question. It wasn't until early May of 2014 that the model's technical soundness was rediscovered. I revisit it here to establish the validity of the foundation from which I am making my current technical market assessment. By the time you finish reading this review, I think you will be persuaded by its simplicity and providence.

Markets do their best over time to defeat you or at least frustrate you and undermine your confidence. I initially found my confidence over the weekend before the 1987 crash. I managed to calculate the crash low to the exact point. I confess, it was a bit of a "religious" experience that led me to dedicate myself to this arcane art we know as "technical analysis". After that 1987 crash, I found myself in agreement with the predominant EWT (Elliott Wave Theory) view that the Grand Supercycle top was in. As the market exceeded the 1987 high, most EWT aficionados targeted 1995 as their final "B" wave refuge for the SuperCycle top. As the market proceeded higher into 1996, I concluded something else was in force, but it wasn't until the Spring of 1998 that the big picture wave structure became insightfully clear to me.

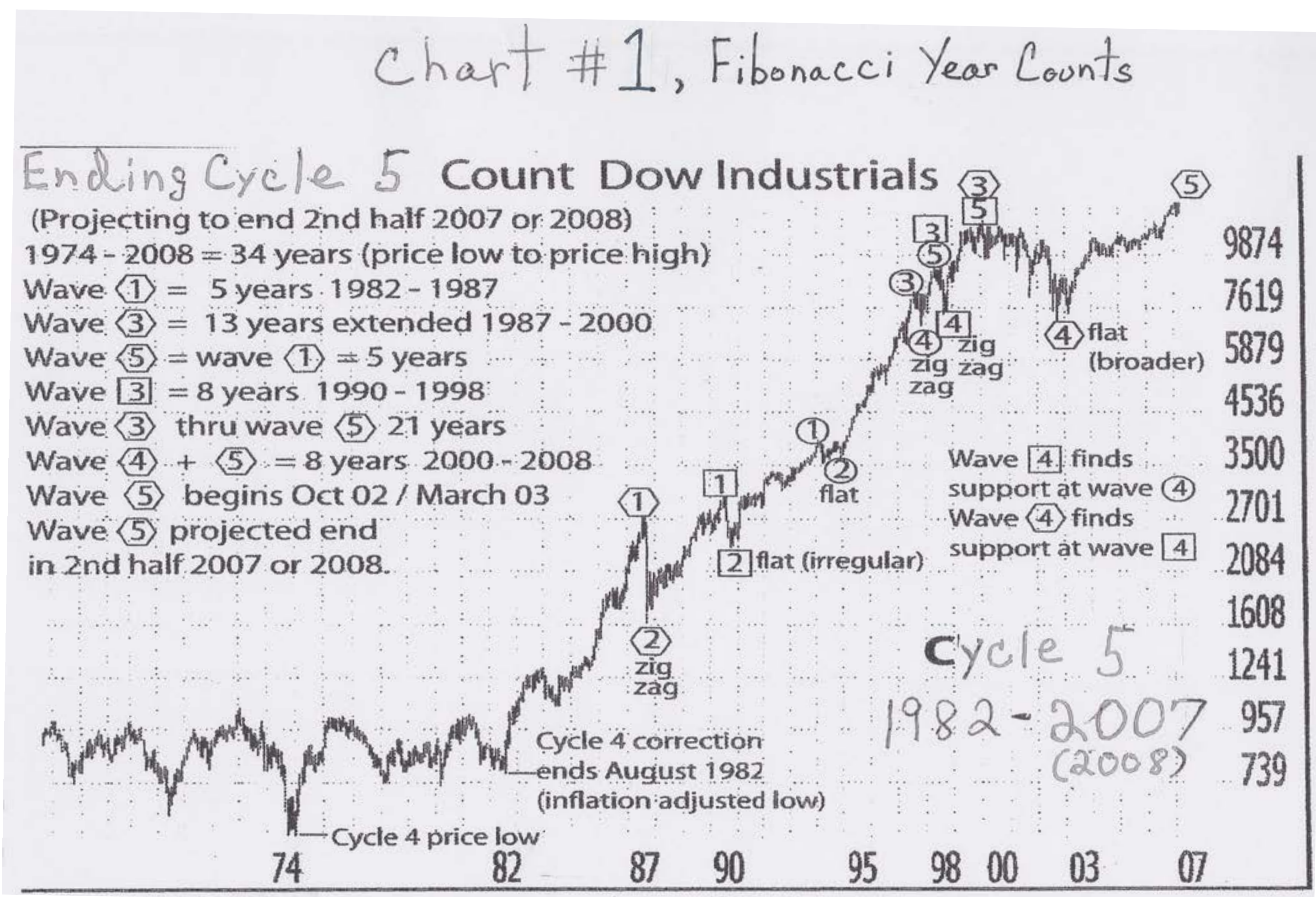
As someone who developed his world view through the multi-faceted discipline of anthropology, I witnessed in the 1970's the emergence of the notion of "limits to growth" and the so-called "spiritual consciousness awakening". I could offer you a host of economic, demographic, ecological and prophetic correlational insights that would lend real world perspective to this mostly technical analysis. Some of this more macro-fundamental context and perspective was



explored in the original 2007 articles. The market however is a discounting mechanism and ultimately reflects the implications of the larger working reality. Perhaps as a follow up, I can begin a needed broader discussion as to how we got here and some ideas about how to move us toward a healthy, sustainable national and global homeostasis. I call them sustainable, ethical, equitable, solutions.

Before I get technical, I would like to have you consider the following. In the aftermath of the 1929 excess, our country went through a severe wash out. We were able to releverage our economy in a global eco-system that was still pretty much intact. Now, with our planet on the verge of wide spread ecocide, I am hard pressed to see how we can once again releverage in the old global growth paradigm which we have stretched beyond its natural limits. We need a new way of thinking about our self-worth that has much less to do with how much wealth we accumulate for its own sake and more to do with our content of character, integrity of service and what we do with our wealth and power. We need major changes in the industries of finance, energy, health care and agriculture (i.e. the food economy) into something more broadly beneficial and sustainable. The prospect of this kind of major change seems highly unlikely. Vested interests are hard pressed to embrace change, even if it is for the greater good. Even if it were to occur, the radical transition would not be without wide spread disruptions and pain. Instead, a crisis or series of crises are likely to lend themselves to adjustments that will be reactive and anti-democratic rather than wisely planned and smartly engineered.

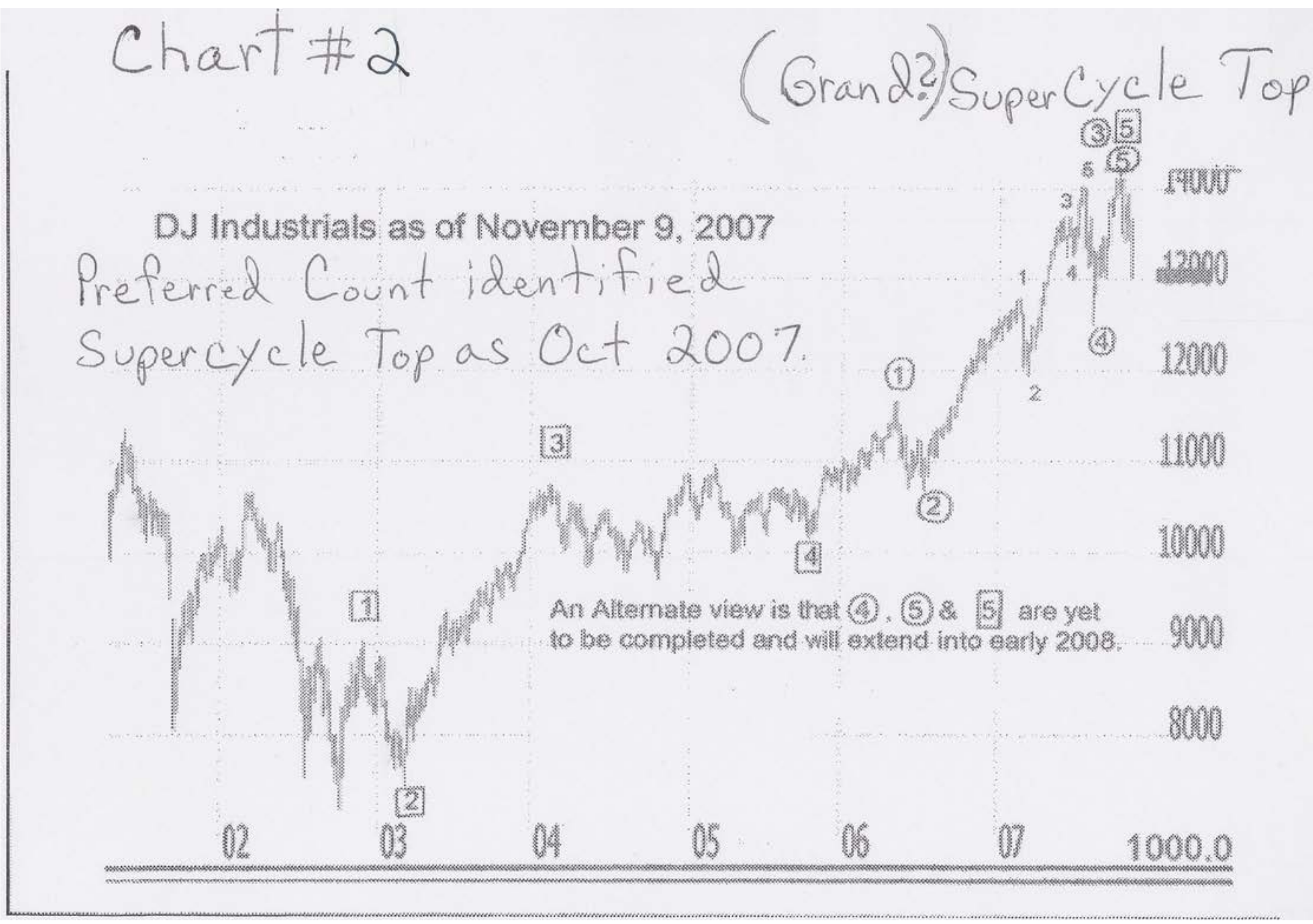
OK, so let's get technical: Look first please at the Charts labeled #0 and Chart #00. These two charts represent the big picture underlying my more detailed analysis in charts



#1 and chart #2 showing the progression from the 1970's to the present. Chart #1 & chart #2 were offered in 2007 in the articles published in Traders World magazine and in the Technical Securities Analysts' Association newsletter and public meetings. This Elliott Wave model, while not the predominant view of market strategists, provided the basis for a profoundly accurate call for the large degree market TOP that occurred in October of 2007 (2008). For our purposes here, it is not necessary to study Charts #1 & #2 in detail. I submit them mostly to validate the underpinnings of my larger wave structure analysis I now believe to be in force.

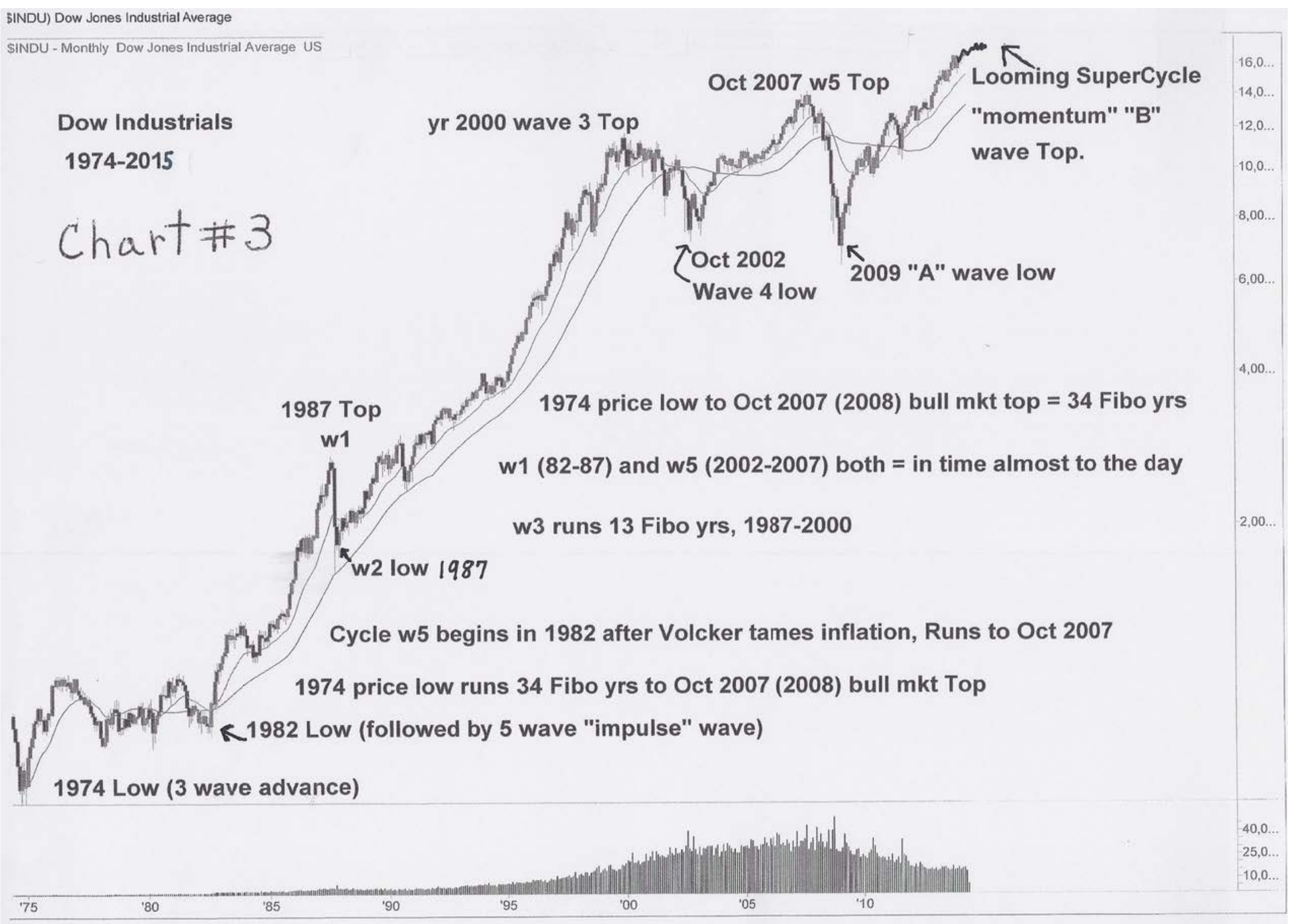
Chart #3 labeling displayed herein was based on a view that the final Cycle degree fifth wave began in August of 1982 after Paul Volcker finally succeeded in breaking the back of inflation under the Reagan administration. This is contrary to the predominant EWT view that the Cycle 5 bull market began in 1974 during the Carter administration. On an inflation or currency adjusted basis, 1982 was actually lower than 1974, but conversely, the 2000 top was higher on a currency adjusted basis than 2007. So what is a good EWT analyst supposed to do? The idea that we were actually in a bull market during the Carter administration when the nation was going through a catharsis of self-loathing after Nixon seems ludicrous. The rally off the bottom in 1974 was in three waves not in an "impulsive" five wave pattern. Additionally, 1974 to 2000 was 26 years and could not be claimed to have run for a Fibonacci number of years as did all other major moves in the twentieth century.

The predominant EWT view is that 2000 was the big top. The decline into 2002, the rally



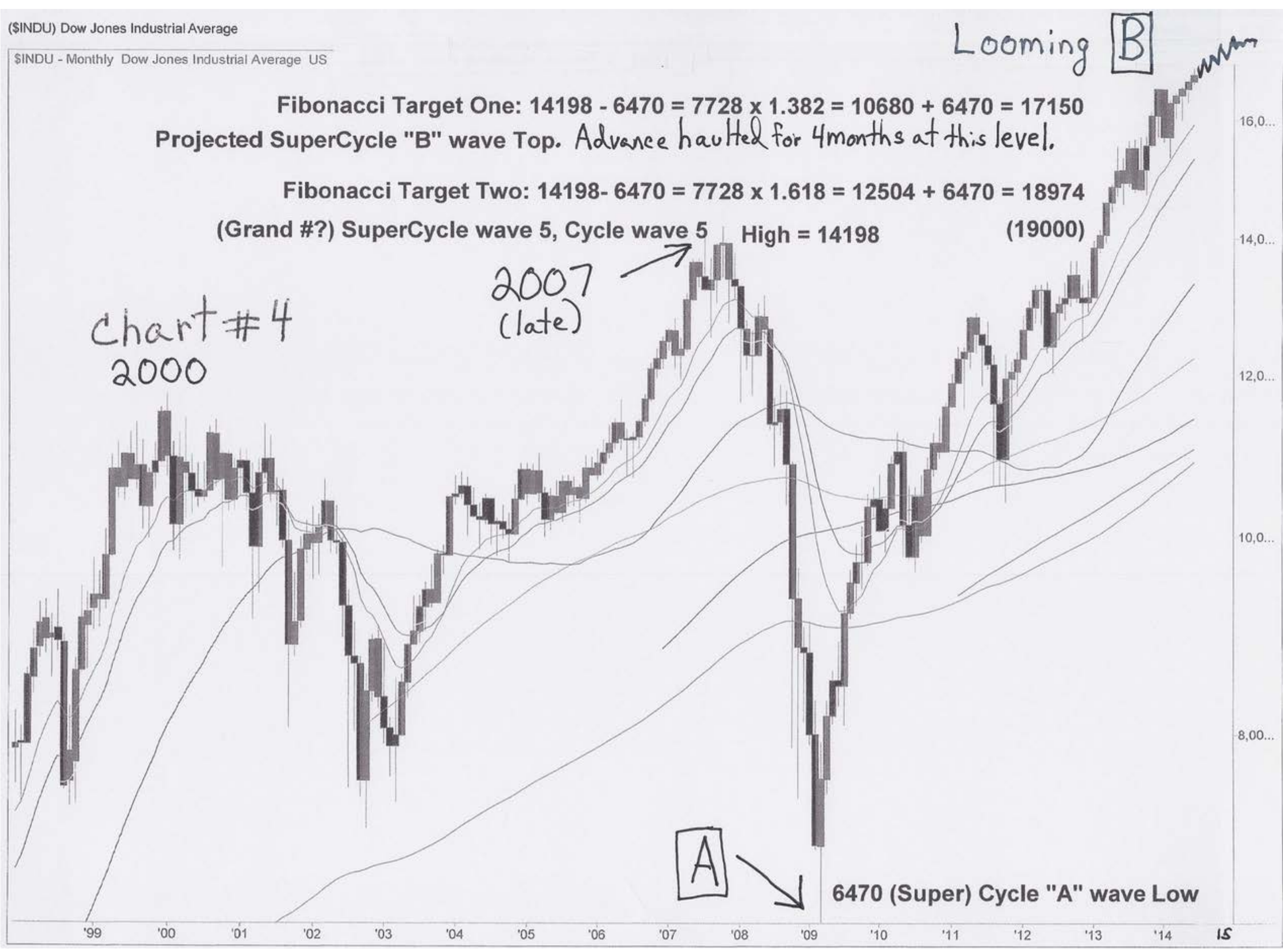
back into the 2007 top and then the decline into the March 2009 low are deemed as an “abc” culminating in a larger “A” wave low of March 2009. The model I am presenting here also considers the March 2009 low as a cycle degree “A” wave low, but having begun at the 2007 top. So I would like for you to revisit the model I developed in the late nineties which I then put together for publication in 2007. From the bottom in 1982 to the top in 1987 was within a day of a Fibonacci five years. The third wave was an extended 13 years from 1987 to 2000. When the 3rd wave is extended, then the 1st and 5th waves tend to be equal.

The 5th wave from the 2002 low to the 2007 top was “equal” in time to the 1st wave, i.e. within one day of five years. While on a currency adjusted basis 2007 was not a higher high, the move from 2002-2007 did have wave 1 (1982-1987) equality, and it was in a clear 5 waves with 2 and 4 alternating in structure. The model, as I applied it worked perfectly. So pick your fudge. Either accept that the move off the 1974 low was in three waves and that it’s run into the year 2000 did not represent a Fibonacci year count, or accept that the 2007 top on a currency adjusted basis was lower than the 2000 high. I have come to renew my view that the 5th wave of cycle degree from the 1932 SuperCycle low began in 1982 and culminated in late 2007 (2008), roughly 34 Fibonacci years from the 1974 price low. One of the most consistent forces in play with all major market moves throughout the 20th century, both bullish and bearish were that they ran for a period of Fibonacci years, e.g. 1,2,3,5,8,13,21,34 and so on. The top I projected to come in 2008 (which arrived a few months early in Oct 2007) represented a



34 year count from the 1974 price low. The year 2000 did not represent a Fibonacci year count. (Chart #3 illustrates)

Here is the key point for understanding what the big picture wave count is likely to be. Let's revisit the assumption based on my 2007 treatise that the Big Top occurred (not in 2000, but) in October 2007 which I reiterate was the end of an extended 5th wave of Cycle degree that began in August of 1982. One of the associated rules and guidelines in EWT is that when the 5th wave is the extended wave, then the "B" wave to follow will often extend beyond the 5th wave high as a result of the large degree of momentum built up in the extended 5th wave. Think about this on a civilization basis. Our economy developed an unprecedented extension as a result of a powerful combination of demographics, extreme financial engineering, and technological prowess all coming together in a "perfect storm" old paradigm blow off! After the orthodox 5th wave Cycle degree top in late 2007 (2008), we severely unraveled into the 2009 low as an "A" wave. From this low, we then mustered all of our empire's resources in a last ditch attempt to preserve this vested global paradigm. What we've enjoyed is a super-sized "B" wave fueled by this momentum and built up in our extended Cycle degree 5th wave from 1982 to the 2007. Ronald Reagan initiated and heralded in this new, yet final thrust of old paradigm growth. Then he handed off the baton as the Berlin Wall came down, the Soviet Union collapsed and China all jumped on the global growth band wagon. Gaia yielded, but now her ecosystems are severely threatened and exhibiting clear

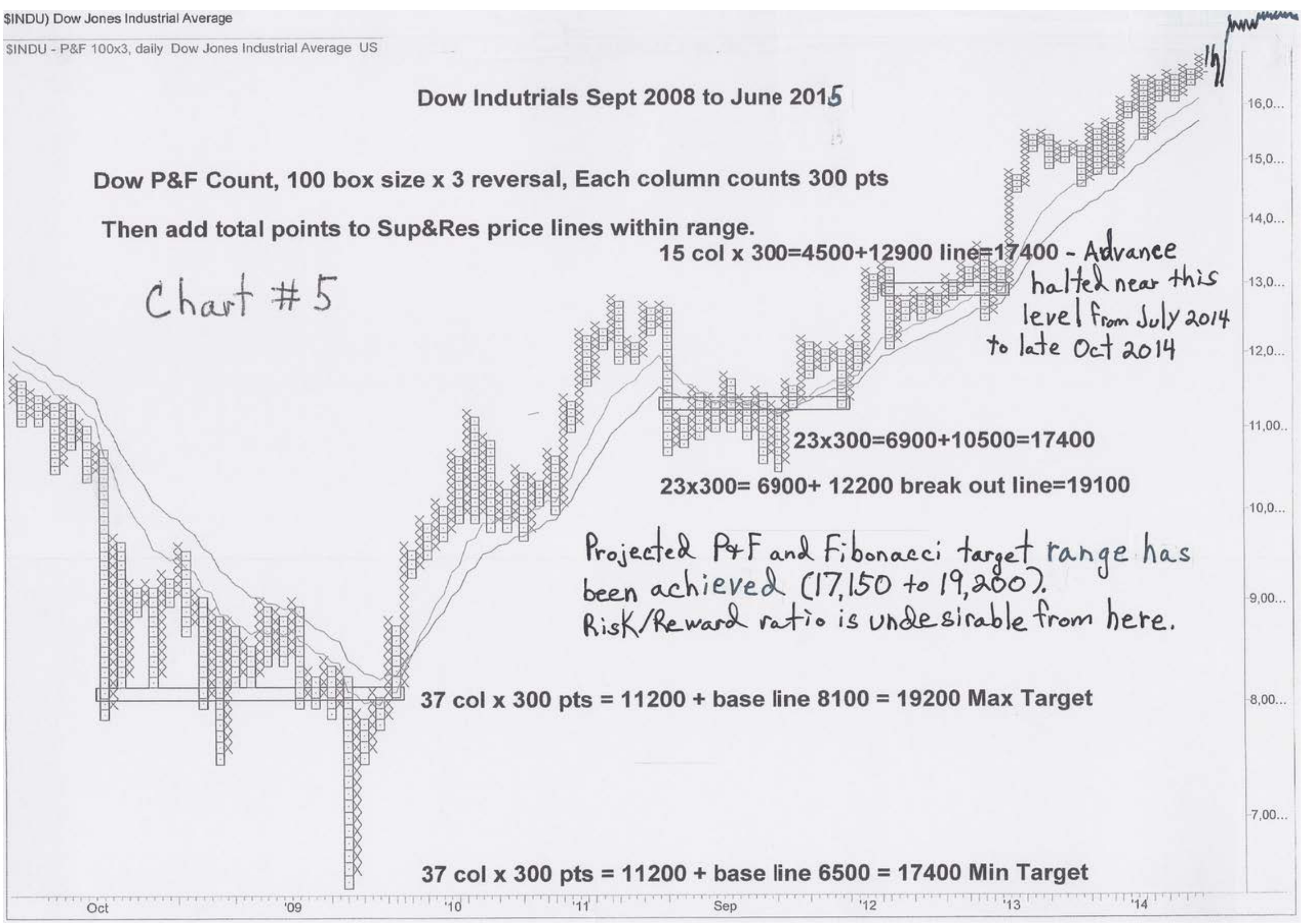


signs of rebellion and exhaustion.

Chart #'s 3 and 4 show a simple, clear and clean large degree wave structure that illustrates the technical points being made here. Chart #4 also shows the Elliott Wave structure and Fibonacci targets that I believe are in play as we approach a very large degree top in the U.S. and also likely world stock markets. (See Charts #3 & #4)

Elliott Wave and Fibonacci analysis is a profound method of projecting price movements. Technical analysis however, offers a bevy of methods for price projection. The Point and Figure method is one developed about a century ago and became more popular in the 1930s and 40s. It uses a series of up and down price action columns of X's and O's. The vertical columns are then counted and evaluated to form a price range projection for a liquid stock or the market. The idea is that the chart base formation provides a kind of fuel tank for the move, and the size of the tank (base) can be used to project the size of the breakout move. In addition, the subsequent consolidations at higher price points often provide a confirming, but smaller projection to the same price range area that was established from the larger base count. The Wyckoff method that is currently taught by my colleagues Dr. Henry Pruden, Bruce Fraser and Roman Bogomazov at Golden Gate University in San Francisco employs these counts quite successfully in its approach.

Against all odds and an unreceptive technical community (including my own skepticism) at the dismal bottom of late 2008 and 2009, Dr. Pruden was very bullish. He postulated based on the P&F count formed by the price action from late 2008 into early 2009 that the Dow would rise to a price target

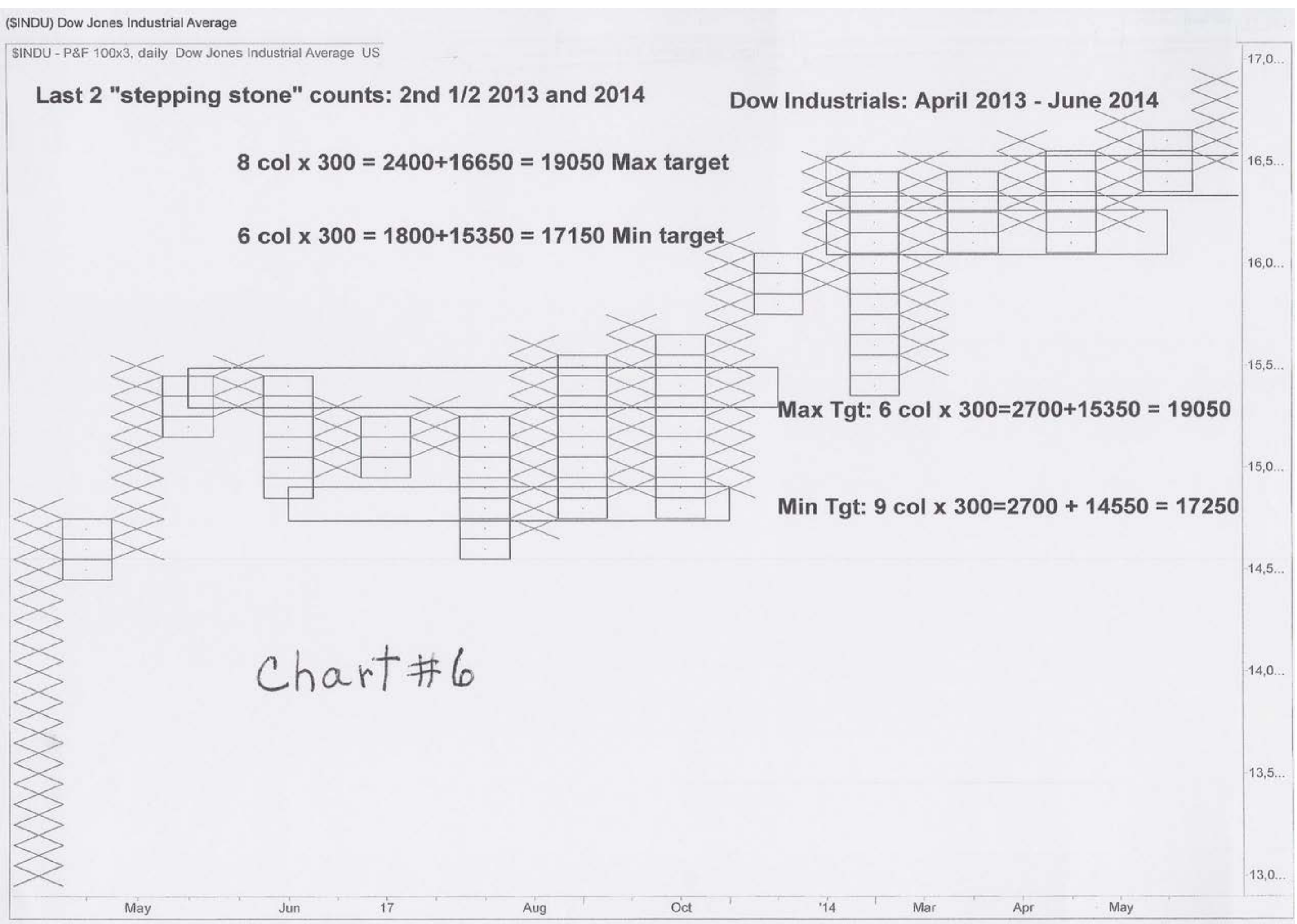


of somewhere between 17,100 and 19,500. The price chart below illustrates his work which was later corroborated by Fraser and Bogomazov. (See Chart #5 and Chart #6)

A very key point of observation here of these P&F price targets in the 17,000 area and the 19,000 area is that they coincide with the extended "B" wave Fibonacci targets of 17,150 and 19,000 shown in Chart #4! This reinforcing evidence is to be significantly noted.

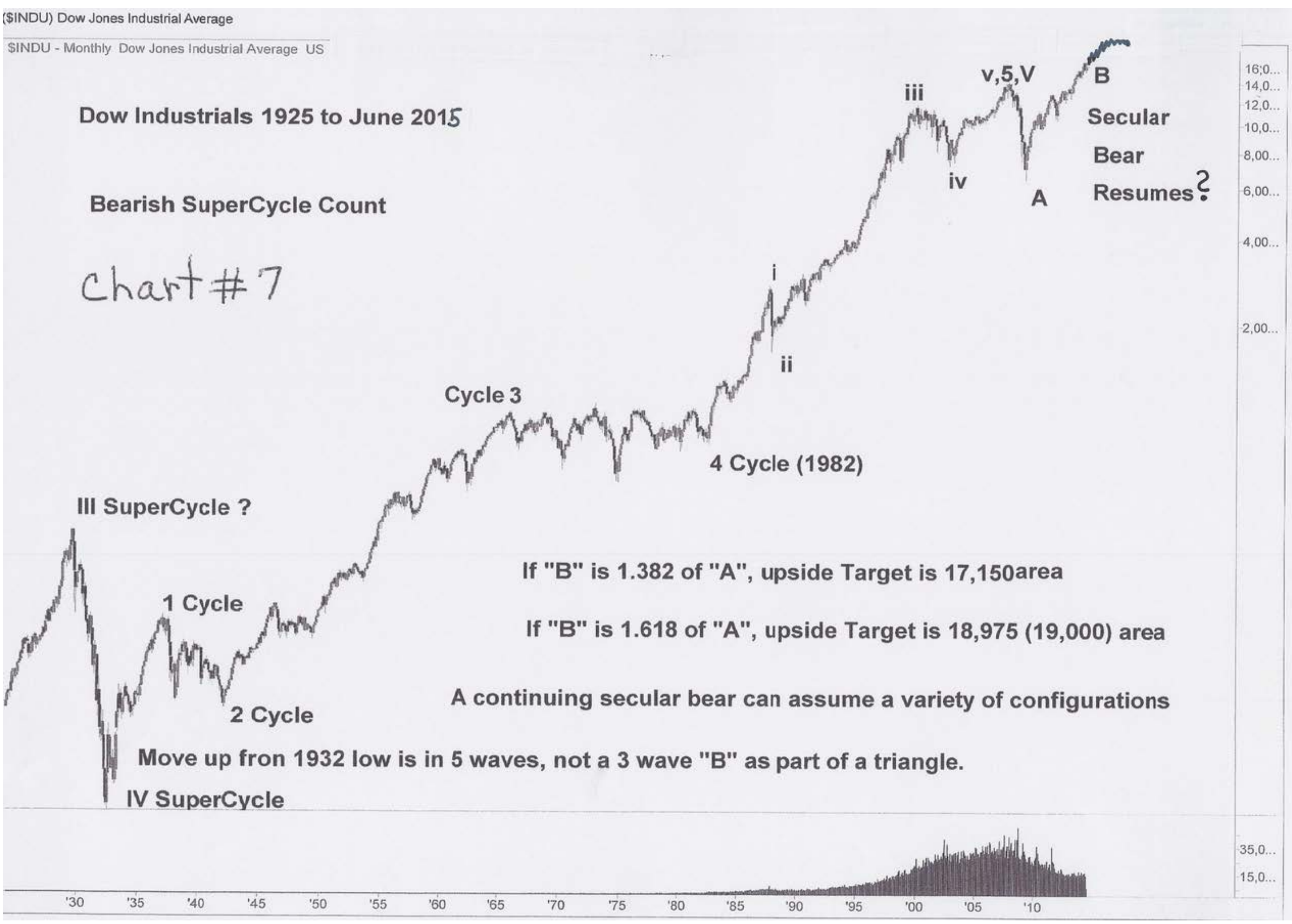
In 2007, the crumbling of the mortgage market became more evident along with the massive over leveraging in the banking system. In addition, the spending wave of the huge population of "baby boomers" was peaking. It could have also been argued that the foundations of the computer technology revolution that entered the culture in the 1970s had been well adopted and perhaps had peaked with the bust in the NASDAQ beginning in late 2000. The major top 2007/2008 top in the broader market model I had adopted appeared to coincide with these macro-economic developments and added gravitas to the idea that at least a decade long secular top would be posted.

An unsustainable financial system appeared to be having a "heart attack" and it seemed doubtful we could return to our business as usual affairs. What ensued was on the order of a miracle in financial engineering. In advance of the crisis, we brought in Dr. Bernanke who just happened to be an expert on the Great Depression era. We successfully (if perhaps temporarily) put the "patient" on life support. However for the most part, we have not changed our unsustainable ways. In global coordination, we transferred the mass of private debt in the banking systems



to the governments of the world to preserve an unsustainable system. Central banks are providing unprecedented support to the market place and boosting world markets as a result. The internet technology boom that imploded after the year 2000 proved to be only a shakeout in a larger "S" curve. What has followed is a series of digital technology breakthroughs that has helped to provide the promise and the momentum for new businesses. The vision of what is possible with this digital revolution is perhaps now only maturing in the final stages of "S" curve adoption. While there are pockets of earth friendly developments being deployed around the world, the pressure on the environment appears to be continuing for the most part unabated. Powers entrenched in the old global growth paradigm show little sign of yielding. Meanwhile, as a country and a world, we are facing unprecedented total debt and unfunded liabilities.

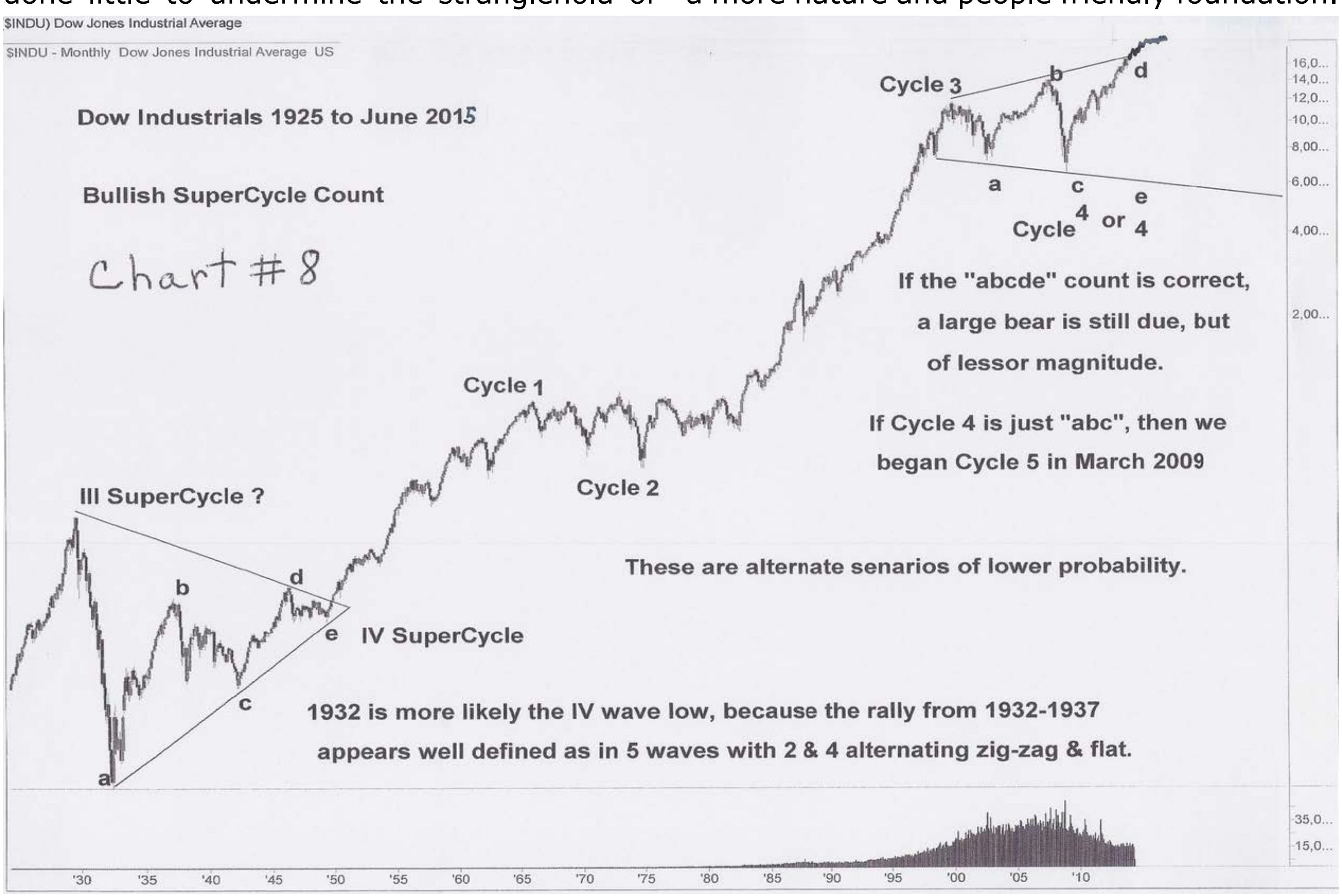
The next two charts are important in understanding two different larger degree technical reads of the Dow's progression from the 1920s to 2015. Chart #7 shows an interpretation which identifies the big picture bull Top in 2007 being followed by an initial Cycle "A" wave decline and then an ending Cycle degree momentum extended "B" wave. If this interpretation is correct, then what is to follow is a bear decline of a magnitude most of us are not prepared for. Chart #8 also reflects an interpretation that is bearish, but to a lesser extent than the interpretation in Chart #7. A technical case can and is being made by some ardent bulls who argue that after a large ABC correction from the 2000 top to the 2009 low, we are in a new secular bull market that will carry on for years. The underpinnings of this,



they argue, are in a coordinated global central bank campaign to support the stock market and a continuing new technologies revolution that will transform the way that we work and live. (See Chart #7 and Chart #8)

OK, so this first case being considered here is admittedly a very bearish one, i.e. a Bust. Now, let us at least consider the two other longer term scenarios I titled with, i.e. Malaise and Boom. Beginning in 1989, Japan experienced a stock market bust, a real estate bust and demographic rollover. Yet Japan has managed to muddle through. It did so however in an economic world that was still growing. Its indebtedness was primarily to its own homogenous population. It has been in a 2 ½ decade malaise. Abe's more recent three pronged effort (monetary, fiscal and institutional) has managed to weaken Japan's currency by 25%. This has seriously increased its inter-generational indebtedness, but has done little to undermine the stranglehold of its vested institutions. China meanwhile has been enjoying unprecedented growth. Since few can see under the hood of China's now fading economic boom, China may be able to sustain its charade indefinitely, but it is unlikely immune to the unfolding machinations of the world's larger economies.

The largest developed economies of Europe and the U.S. are still seriously over leveraged, but perhaps the new experimental feats of financial engineering can hold the system together while standards of living deteriorate over time and stagflation is the order of the decade. We managed a version of this nationally in the 1970s. Can we manage this process globally now? This muddle through approach would be a less painful process albeit a longer one before the demographics of our nation and large parts of the world emerge in a new generational growth cycle. Presumably, this new world order would need to be built on a more nature and people friendly foundation.



But if this means an increasing role by governments beholden to the dictates of a small number of powerful corporations, the picture is not a welcoming one. The technical picture of the market in such a scenario is likely to mean a continuance of the very wide banded trading range in play since the 2000 peak. This would also be reminiscent of the 1970's wide swinging trading range.

Let's consider the last of our three scenarios, i.e. a new Boom built on new technologies that propels us in a new growth cycle beyond our indebtedness and to a new economic foundation. Again, the underpinnings of this are in a continuing new technologies revolution, including earth friendly energy technologies that will transform the way that we work and live. While this would be the best of the three scenarios, it seems to me to be the least likely in the shorter term. Suffice it to say that these new technologies are tending to eliminate more jobs than they are creating. Moreover, these technologies are endeavoring to replace intellectual labor. For this to be more broadly accepted by the population, the benefits of any technological breakthroughs would have to be more broadly distributed. I ask you, how realistic is it for the owners of real and productive assets to distribute their profits to the broader population? So we would be facing an eviscerated middle class (which BTW, has been pretty much unique to the 20th century) or a forced redistribution of society's wealth. The 9-11 fostered patriot apparatus and the creation of FEMA camps across the U.S. may be saying something about how vested interests are thinking. Sovereigns worldwide have absorbed (at least temporarily) the debts of the banking system, adding to their already onerous debt obligations. They are largely beholden to the dictates of wealth generating corporations. These relationships are likely to become more emboldened as governments empower corporate interests and corporations empower government interests. Life, liberty and the pursuit of happiness are likely to suffer under this evolving relationship.

Nationally and worldwide, we are facing unprecedented debt and unfunded liabilities. I have already stated that growing our way out of this quagmire via a boom is unlikely, given global environmental constraints, broad based demographic rollover, and the impact of technological developments on broader based demand for labor. Fracking, while holding some promise for our balance of payments, has yet to overcome concerns about its long term prospects and environmental impact. Where does this leave us? If a new growth boom is likely to be constrained, then sovereigns may default directly on their obligations, impose limits on entitlements and/or attempt to inflate their way out from under them.

Can the monetary and fiscal authorities keep the ship afloat while new technologies gradually transform the landscape? While the promise of revolutionary technologies is infatuating, powerful vested interests resist and sometimes squash them. In addition, new technologies tend to move faster than our institutions' and population's ability to keep up with them. The most recent example is the "Uber" car service threatening to displace the many thousands of taxi and limo drivers. The various and many examples of this kind of displacement would be too numerous to mention. The dramatic changes needed in our economic landscape are highly unlikely to be implemented, given the vested interests in the major industries of health care, food production and distribution, energy and the banking system. In addition, aging populations who are vested economically and culturally, are likely to stand in the way of rapid transformation.

So, the two more likely scenarios of Bust or Malaise both imply significant adjustments. I have thought long and hard about these avenues. A Bust would be more deflationary, while by comparison some degree of inflation would result if a longer term and more gradual dissipation of our problems were manageable. Historically and typically, inflation through currency debasement has been the remedy of choice for hugely indebted sovereigns. Do not be fooled however, a larger backdrop of global deleveraging and economic deflation will likely be in force. America, while one nation, is a diverse society. The Eurozone is made up of various nation states with many distinct languages and histories. If all of a sudden, our economies were to suffer severe shocks, the social upheaval would be tumultuous. So it is likely that sovereign authorities will do everything possible including the continued installation of police state apparatus to hold the status-quo together. Make no mistake, the growing blight of inequality in the U.S. and worldwide is an impediment to long term growth.

What are various long term charts showing us?

The 30 and 10 year U.S. Treasury rates are still holding below their 200 month and 200 week moving averages. However, they have recently begun trading above their 50 week moving averages. Bonds respond primarily to perceptions of inflation and credit quality. While global deleveraging and deflation remain as the guiding light here, these interest rate moves above the 50 week MAs may be portending an increase in concerns about inflation, credit quality or both.

Gold, since 2011 has fallen precipitously and is trading below its 200 week and 200 day moving averages. Similarly, this decline more generally reflects an absence of inflation fears. Any significant change in trend here may warrant greater concerns with inflation and/or U.S. credit quality.

The U.S. dollar lost about 40% of its value from 2000 to 2008! Who and what might we consider responsible for that? Deflationists may point to the upside reversal in the dollar since 2014. Its relative strength to other global currencies may just be reflecting a stronger house in a bad global neighborhood, with its global residents all caught up in a "beggar thy neighbor" campaign. The long term prognosis on these practices is not good.

Commodities are a mixed bag. Changing global weather patterns, new mining technologies, and the vagaries of the developing countries producing commodities make this hard to forecast. Some analysts believe commodities will enter a longer term bull market as tangible assets gain favor against paper assets. Global deflationists will beg to differ. The currencies of commodity countries have been under pressure in the last years from global stagnation and especially from a slowdown in China. Flight from these currencies into the United States may also reflect a "safe harbor" response to a stormy global environment.

To me, the most important markets to watch are longer U.S. treasuries and credit spreads in general, the U.S. dollar and other global currencies, and gold. I think they hold the best clues to the deflation vs inflation scenarios. If the market or the economy show signs of serious decline or disruption, the monetary and fiscal authorities will likely attempt strong counter measures? U.S. treasury rates are likely to move lower as investors try to find safe harbor. However, wide swings in other major markets are likely as sovereigns react and compete to keep their ships afloat.

2015--2017: The Clash of Cycles 7, 17, 40 & 70-Year Cycles Collide in 2015 (--2017)

By Eric Hadik

2016: The Golden Year

The *40-Year Cycle* maintains its stranglehold over American finances & economic revolt. Since its founding, the U.S. has been powerfully governed by an uncanny *40-Year Cycle* - impacting the ongoing battle for the nation's currency... and therefore, its control. *At the core of that battle is Gold... and its role (or lack thereof) within the structure of America's currency.*

During the '6' or '7' year of each of these 40-year periods, paper/fiat currency ('Continentals', 'Dollars', 'Federal Reserve Notes') & paper assets cratered - *a defacto increase in the currency-priced value of Gold*. **2016--2017** provides the next phase of this unique cycle! The reason for discussing it now is that **July 2015** possesses the greatest synergy of cycles - ranging from multi-day to multi-decade - and is when a Major bottom is expected (and has been forecast for almost 4 years).

Detailed analysis on this topic - written over the past 10--15 years - can be found at www.40YearCycle.com. For now, however, the following is a brief review of the *40-Year Cycle* (that has also been the subject of previous *Trader's World* articles)...

The 40-Year Cycle in America

In **1773**, the *Tea Act* was issued - leading to the *American Revolution* & *Declaration of Independence* in **1775--1776**. **1775** saw the Continental Congress issue paper (& coin) currency - 'Continentals' - which promptly plummeted in value, from **1776--1781**. ***40 years later...***

In **1813**, a financial 'revolutionary' war took hold over the re-chartering of the 2nd *Bank of the US* (*BUS*). Thomas Jefferson and his allies lost that battle as the *BUS* was re-chartered in **1816**. (Similar to the *Continental Congress*, the *2nd B.U.S.* issued paper currency with reckless abandon and triggered the *Panic of 1819* - the first major depression in America - and a resulting *crisis of confidence*.)

In **1776** & **1816**, a tumultuous currency decline began. As a result, the value of Gold - if priced in those declining currencies - rose. ***40 years later...***

In **1853**, the U.S. government tried another tact - reducing the weight of Silver in coins, effectively devaluing the currency and ultimately leading to the suspension of payment in Silver in **1857** and in Gold in **1861**. Along with a languishing European economy - even as the US economy was marching onward & upward (*sound eerily familiar to **2013--2015**??*) - the currency devaluation quickly led to the ***Panic of 1857*** - a financial and economic crash. ***40 years later...***

In **1893**, the government abruptly withdrew Silver subsidies (boom-and-bust cycle) and triggered the ***Panic of 1893*** and a run on Gold - ushering in the worst depression in America's history... *up to that point*.

As was the case 80 years earlier, another financial 'war' was being fought with William Jennings Bryan battling against a *Gold Standard* (known as the 'lion', he would later be portrayed as the 'Cowardly Lion' in the *Wizard of Oz* - a story based on the battle between a silver and gold standard). Jennings lost, ushering in a new 'Golden Year' in **1896** (and a Gold Standard in 1900). ***40 years later...***

In **1933**, the battle of **1896** was a distant memory as the U.S. government delinked the Dollar from its gold backing, banned citizens from holding gold, recalled gold (and then silver in **1934**) and then promptly raised Gold's value by over 60%... overnight. Paper/ fiat currency down; Gold up… every 40 years!

The events of **1933--1936** - including a dramatically bloated money supply until the Fed reversed the money spigot in **1936--1937** - led to a second stock market 'crash' and resulting recession in **1937**. Paper assets plummeted as gold - even though banned *in* the US - dramatically strengthened in value. ***40 years later***…

1973 witnessed the collapse of the *Bretton Woods* System - another fiat-based, Dollar-subsidizing endeavor. **1973--1975** also saw a stock market crash and a major Middle East event - the agreement to price oil in Dollars, effectively backing the US Dollar with oil.

That paved the way for **1976** and the implementation of the *Jamaica Accord* - an agreement to de-link Gold from the Dollar & allow a floating exchange rate. The result? You guessed it…

1976 (even dating back to **1973**) ushered in the largest surge in Gold (and corresponding collapse in the US Dollar, from the perspective of Gold) - from **1973** into 1980.

1776… 1816… 1856(1857)… 1896… 1936… 1976… ??? Is there a pattern? *A 40-year pattern*??

40-Year Cycle II - The Precursors

It should also be noted that other Gold events occurred on the same, precise 40-year periodicity - slightly offset from these corresponding events…

In **1891**, the Treasury imposed a prohibitive fee on the export of gold bars - ultimately leading to a *crisis of confidence* in the Dollar.

In **3Q 1931**, 40 years later, Britain was the first to abandon the Gold Standard - ultimately leading to similar actions in the U.S. (and another *crisis of confidence*).

In **3Q 1971**, 40 years later, Nixon slammed shut the Gold window - eliminating the convertibility of Dollars into Gold (and creating another *crisis of confidence*).

In **3Q 2011**, exactly 40 years later, Gold peaked and began what was projected to be a drop into **mid-2015** (see *Gold Peak 2011 Reports* at *40YearCycle.com*). Another battle was initiated against Gold - as in 1891, 1931 & 1971 - attempting to squelch its value & appeal. *40 years. 40 years. 40 years*. Coincidence?

For the last few years, I have been describing an uncanny convergence of multi-decade, multi-year, multi-month and multi-week cycles that projected a Gold & Silver decline into **2015** and ultimately into **July 2015**. *That is just around the corner… and is when the final price low is most likely*.

However, **2016** is expected to be *The Golden Year* - like so many of its *40-Year Cycle* predecessors - when a major advance in Gold is experienced (and a potential crisis of confidence in the Dollar). Very unique, corresponding cycles - for nations like Syria & Saudi Arabia - also come into play in **2016**. *Is there a connection?* [Think about what nation led the campaign to back the Dollar with oil - instead of Gold or Silver - in the 1970's… 40 years ago. Hmmm.]

The 17-Year Cycle

It is not just the *40-Year Cycle* that assigns so much significance to the period of **2015--**

2017. It is actually a myriad of very diverse & seemingly unrelated cycles - all converging at the same point in history!

Another of those is the *17-Year Cycle* - detailed in multiple *Trader's World* articles & *INSIIDE Track Reports* in 2007--2009. Throughout 2007, I detailed this uncanny stock market cycle and explained why it was projecting a 1--3 year, 35-50% decline beginning in late-2007 (exactly 17 years from the low of Oct. 11, 1990).

That corroborated a previous (separate) application** of the same *17-Year Stock Market Cycle* - which projected a previous major top for late-1999/early-2000 (exactly 17 years from the low of late-1982, 34 years from the top of 1966, 51 years from 1949 & 68 years from the low of 1932).

[**Each cycle has many different applications, another of which is about to be described. It is NOT a case of expecting a single ongoing, 17-year or 40-year repeat of what just transpired. That would be too obvious. Instead, there are separate applications that have different significance and different influence… and must be distinguished with great care & scrutiny. This CRITICAL distinction MUST be properly understood… or cycles will be meaningless. That is one of the crucial aspects of proper cycle study.]

In this case, it is a *Perfect Storm* of separate *17-Year Cycles* that collide in **2015** - most prominently between **late-April--late-Sept. 2015** (when the *17-Year Cycle* of 20+% stock corrections recurs). The following are the key *17-Year Cycles* that converge in **2015**:

-- *17-Year Cycle of Financial Crises*

-- *17-Year Cycle of Stock Crashes & Corrections*

-- *17-Year Cycle in Russia ('Bears Beget Bears')*

-- *17-Year Cycle in China* [See *17YearCycle.com* for details on all of these.]

Each of these are very distinct cycles that overlap during this period. For those that think this sounds to 'hoky' or esoteric to have any credibility, spend a little time and research a *17-Year Cycle* and see how it impacts magnetic swings within and between the Sun & Earth. Then, consider the 17-year cicada.

Then, pull out the history books and look at the development & upheaval of the Middle East through the 20th century (1922 Palestine Mandate, 1939 WWII, 1956 Suez Crisis, 1973 Yom Kippur War & Oil Shock, 1990 Persian Gulf War)… and ask what region of the world and what natural resource (oil) holds the greatest sway over national economies & market swings.

At *17YearCycle.com*, there is also a detailed analysis of China's history over the past 200 years - identifying the uncanny *17-Year Cycle* that has governed their rise (usually linked to Hong Kong's origin & history) to global economic power. ***2014--2017** is the latest phase!*

7 & 70-Year Cycles

Corroborating these other cycles, there are multiple *7-Year Cycles* (and related multiples, like the *14-Year* & *42-Year Cycles*) converging in **2015**. These include:

-- 7-Year Cycle of Silver [7-year high (1973)--high (1980)--high (1987)--low (1994 was *cycle* low but *price* low came in 1993)--low (2001)--low (2008)--low (**2015**) *<u>Cycle Progression</u>.*]

-- 7-Year Cycle of Stock Crashes (2001--2008--**2015**)

-- 14-Year Cycle of Stock Crashes (1987--2001--**2015**)

-- 42-Year Cycle of Stock Crashes (1930--1932 / 1972--1974 / **2014**--**2016**)

Then there is a powerful *70-Year Cycle* - the same *70-Year Cycle* that timed the span between 1859--1929--1999 economic extremes in America. Only this time, it is timing the fate of the US Dollar & America's standing in the global community…

July 2014 was exactly 70 years from the *Bretton Woods Agreement* of July 1944 and saw the opening of the *New Development Bank* - a new global banking entity, positioning to rival the leadership of the Dollar, World Bank & IMF. China & Russia are at the helm, directing this new entity full throttle toward Western economic leadership. *A collision is inevitable… and cyclically likely*.

70 years is a full cycle of life. It is the *Cycle of Kings* (see previous articles). It is a cycle of leadership (and leadership transition). **2015** is exactly 70 years from America's summiting the peak of global leadership following World War II. The period of **2015--2018** is 70 years from one of the most decisive periods in modern history (1945--1948), when global alliances, governing bodies & economic entities were formed. In other words, it is a time for a whole new set of global leaders.

And, by the way, **2015** is the year when copper, gold, silver, grains & many inflationary markets have been forecast to bottom. **May 2015** is forecast to be a major bottom in Soybeans, Corn & Wheat while **July 2015** is forecast to be a major bottom in Gold & Silver. And there is a wealth of corroborating technical indicators, wave targets & structure and timing tools reaching the same conclusion (contact us for details).

Is this all just cosmic coincidence… or a cyclical collision of cultures & civilizations?

Eric S. Hadik is President of INSIIDE Track Trading and can be e-mailed at INSIIDE@aol.com. INSIIDE Track's website is at www.insiidetrack.com. More information on the 40-Year Cycle can be found at www.40YearCycle.com and on the 17-Year Cycle at www.17YearCycle.com.

TIME IS A PROBLEM WITH MOVING AVERAGES

By Gilbert Steele

Moving averages are used to properly divide time into portions of interest. It is not which averages you use! It is more important to understand how you set up the moving averages in time. Looking forward into the future is the problem that I am addressing.

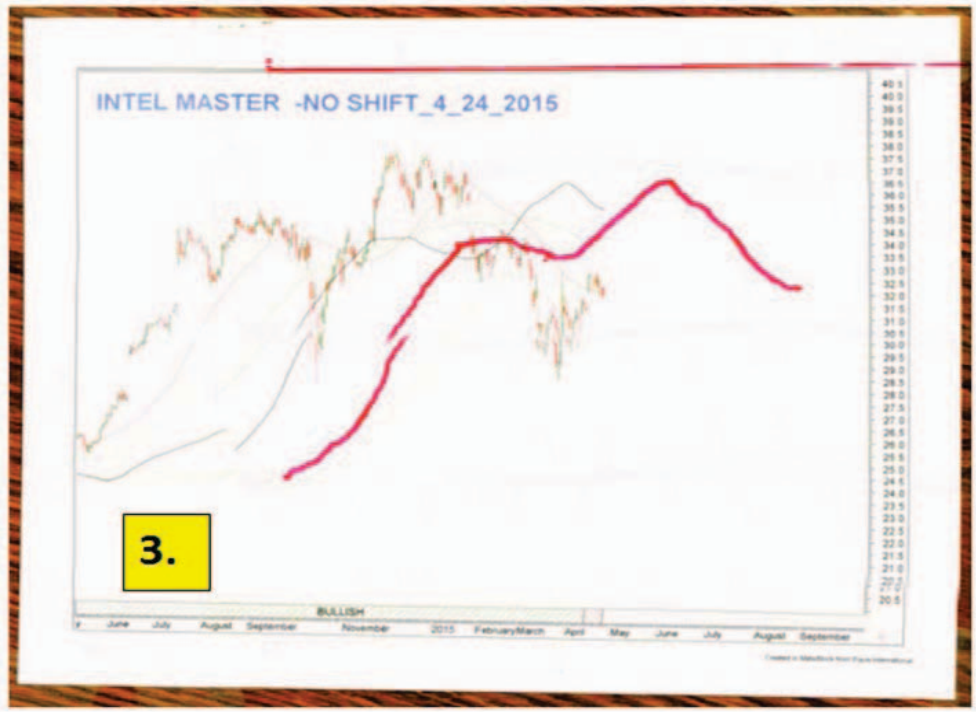
When you look at your work you first look generally at what day is it? Where is your moving average on the chart? The big decision is which indicators are your choices to use.

Problems still exist in the last day on the chart. Thinking on a bigger scale where is the future? The future meaning a calendar date going forward in time is not shown.

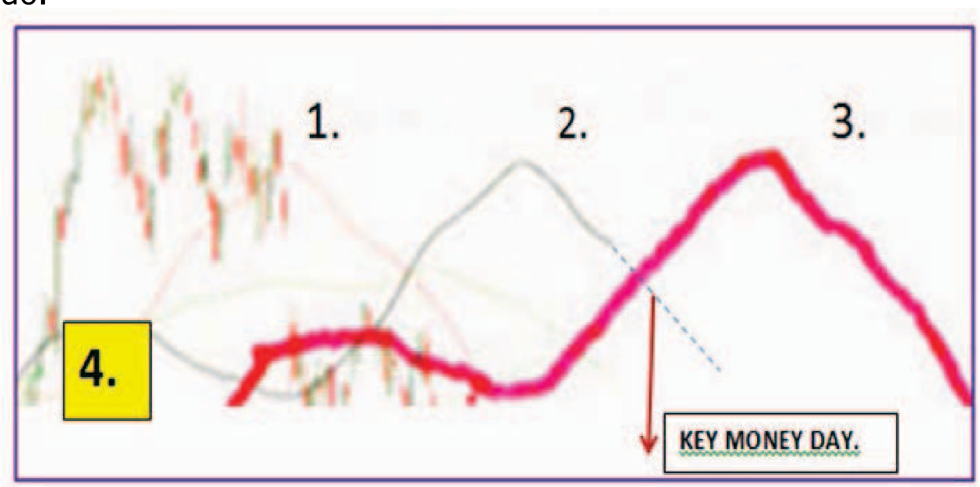
I am now considering how to get at this portion of time. FIG: 1.

Most people say if I had hindsight I could've done better. I am now looking at future sight. It is the cutoff date on the chart we need to deal with. FIG: 2.

I have made a demo chart of what I would like to do mathematically.
Shifting the moving average into the future can create a new dimension to work in.
FIG: 3.



We now have three tops and a new dimension. It would be here we can do a vertical time line to find the date. Knowing this future date is what this is all about for long term charting. This on a weekly chart is everything for making money. FIG: 4. is giving you the idea of what I am trying to do.



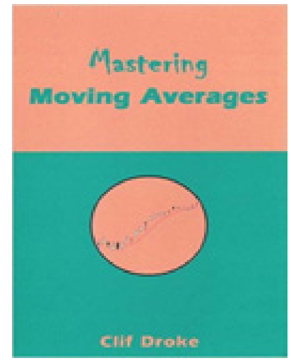
I have found Meta Stock now can do this kind of work.

"It was good talking to you on the phone today. Like we discussed on the phone our new version of Meta Stock version 14 will allow you to use the forecaster to go into the future to see what you are wanting to see."

Gilbert Steele
gsteele101@neo.rr.com

Mastering Moving Averages Book Review

By Larry Jacobs



With the stock market in full swing and making new highs there are many chances for making profits in trading stocks. But the biggest problem is that many traders just really don't know how to do it. Everyone is looking for the holy-grail. The real big question is simply when to buy and sell to take your profits. There is so much conflicting financial news in the media it is quite confusing to most traders.

Traders just really need a very easy-to-follow method that allows them to partake in the many swings in the stock market without a lot of risks. They need something that allows them to automatically take profits with some kind of stop loss. The stop loss would constantly protect and lock in their gains and diminish losses from whipsaws.

In Clif Droke's new book, "Mastering Moving Averages", he reveals a humble and consistent system that allows traders to make profits from both the up and down moves in the stock market. It is actually the same system that he uses in his popular Momentum Strategies Report. By the way his report has kept his subscribers on the right side of the market for many years.

The moving average that Clif has presented in this book is perhaps one of the most flexible trading tools I have seen and really should be a part of every trader's tool box. It can give you both support and resistance across multiple time frames. What it is a lively momentum indicator and it can give you both support and resistance zone across multiple time frames. It can also be used somewhat as an overbought and oversold indicator when you use it in association to the price of a stock or ETF.

In this book you get:

1) The most reliable moving average for short term trades.

2) Little known moving average crossover techniques

3) Method to determine the critical up and down phases of stocks

4) Learn how to use moving averages for stops.

5) How to use a timing indicator to determine if a moving average buy signal will pan out.

6) Learn about how to use moving average momentum analysis

7) A techniques for selling short with moving averages

The methods that Clif reveals in this book are not just fluff that you find in many technical analysis books of today, but it is a product of 17 years of the author's experience as a trained professional in the stock market. The methods are very welcome to handle today's fast moving unpredictable market atmosphere. So I highly recommend this book. It is available on Amazon.

The Sonata Silent Trading Computer

by Larry Jacobs

Call to customize a trading computer designed for your trading style. 1-800-288-4266

A trading computer is not the same thing as office computer and definitely not a notebook computer. The motherboard must have a much higher capacity than a regular computer. Choosing the right computer for trading can make a world of difference in trading.

The trading computer must be first off dependable and have the power to support the needs receiving quotes without any delay and the power to enter orders without any delay. A trading computer has a large amount of data to upload, download and transfer every day. Trying to just use a standard motherboard would detriment each day's trading and could easily compound to a large amount of lost dollars over time.

The Sonata Trading computer has the best and highest quality parts in the industry for trading.

The Sonata has the Fractal Design Define R5 - which is the next evolution in computer cases. It is packed with intelligently designed enthusiast-oriented features delivering a silent case. The Define R5 case reaches the highest level of silent computing through strategically placed dense sound-absorbing material, ModuVent™ fan vent covers and finely tuned Dynamic Series fans.

A trader is best served using a rugged military grade motherboard. Why would a trader have anything else. It does not make sense when your understand the advantages. This is by far the best possible recommendation available to traders for many reasons.

The Sonata uses the famous Asus X99-A motherboard.

One of the best motherboards in the industry.

The Sonata used the Asus 750TI - Very powerful for mutiple monitors. 4 Monitor outputs per card.

The Sonata uses the ultra-quiet Corsair power supplies using an ultra-quiet 120mm fan delivers excellent airflow at an exceptionally low noise level by varying fan speed in response to temperature. 80Plus Bronze certified to deliver 80% efficiency or higher at normal load conditions. 0.99 Active Power Factor Correction provides clean and reliable power. Universal AC input from 90~264V. No more hassle of flipping that tiny red switch to select the voltage input. A dedicated single +12V rail offers maximum compatibility with the latest components. Over-voltage and over-power protection, under-voltage protection, and short circuit protection provide maximum safety to your critical system components.

Intel Core i7-4790K Processor (8M Cache, up to 4.40 GHz). Outstanding levels of performance and flexibility, 4-Core, 4GHz Performance. New Unlocked 4th Gen Intel Core Processors deliver 4 cores of up to 4 GHz base frequency, providing blazing-fast computing performance for the most demanding users. This CPU is perfect for traders. Multi-tasking compute performance with 4 cores and up to 8 threads to rock the latest games and rip through multimedia creation. Robust Overclocking Capabilities and Fully unlocked processor cores with independent base clock tuning improves ability to achieve high core, graphics and memory frequencies without impacting other system components

Cooler Master Hyper 212 EVO - CPU Cooler with 120mm PWM Fan - Excellent all-around cooling performance that provides fin optimizations with perfect balance between high and low speed operation. Four (4) Direct Contact Heat pipes with Cooler Master's patented CDC (Continuous Direct Contact) Technology create a perfect, sleek surface for heat conduction. Wide-range PWM fan with unique wave-shaped blade design for excellent airflow.

Samsung 850 EVO 250GB 2.5-Inch SATA III Internal SSD - The world's first 3D Vertical NAND (V-NAND) SSD- the Samsung SSD 850 EVO. Designed with state-of-the-art SSD advancements including 3D V-NAND technology. As the next generation beyond the bestselling 840 EVO, you'll get the 850 EVO's new 3 dimensional chip design that enables superior performance, greater reliability and superior energy efficiency so you can work and play faster and longer than ever before. Samsung's innovative 3D V-NAND flash memory architecture breaks through density, performance, and endurance limitations of today's conventional planar NAND architecture. Samsung 3D V-NAND stacks 32 cell layers vertically

resulting in higher density and better performance utilizing a smaller footprint.

Super Thin Bezel Monitors - We recommend and sell only the ASUS VN248H 178° Wide Viewing Angle IPS Technology monitors for the Sonata. The ASUS VN248H features Advanced High-Performance In-Plane Switching (AH-IPS) display technology for superior color accuracy, a brighter image from increased backlight transmission and lower power consumption. The exclusive Splendid Video Intelligence Technology optimizes video performance and image fidelity by enhancing color, brightness, contrast, and sharpness. Six preset video modes (Scenery, Theater, Game, Night View, sRGB and Standard) can be selected via hotkey. With 80,000,000:1 ASUS Smart Contrast Ratio (ASCR) and 300cd/m2 brightness, the VN248H enhances display contrast and sharpness by adjusting backlight luminance to achieve the deepest black tones and brightest whites, resulting in extra-clear visuals that truly come to life. VN248H comes with rich connectivity including dual HDMI/

MHL and D-sub so that you will easily connect to Full HD Blu-ray Disc players and myriad HD playback devices like DVD players and set-top boxes. You'll find limitless entertainment and multimedia enjoyment with the built-in stereo speakers.

Experience a Multi-screen Solution with a Super Narrow Frame - The ASUS VN series features compact dimensions - this 23.8in. display has a super narrow bezel of just 1cm, bringing a broader and better vision without compromising style or comfort. Its pedestal boasts a sleek, concentric-circle design and the rear bezel comes with a textured finish that is scratch-proof. The VN248H is also VESA wall-mount compatible, and has the capabilities to turn into a stunning multi-screen solution.

Multiple VN248 Displays are capable of creating a stunning video wall with their super narrow frames

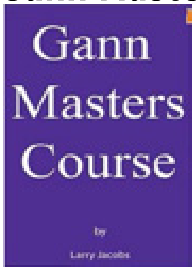
The Sonata is available immediately from Traders World. You can configure the computer online. It takes approximately 5-7 days for the computer to be built and it undergoes a an 48-hour burn-in for before it is shipped. It is shipped in a double box for safety to insure it won't be damaged in shipping.

The pricing of the computer is significantly lower than competitors even though it contains components much higher and any competitor. The computer is quite popular and customer rave about the computer as to its speed, reliability and quietiness. It can't really be beat anywhere as attested by a large number of testimonials on the site. Signup on the site for updates, discounts and promos from time to time.

www.SonataTradingComputers.com
1-800-288-4266

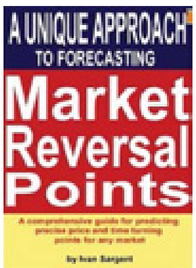
Amazon Kindle Books

Gann Masters Course by Larry Jacobs $9.95



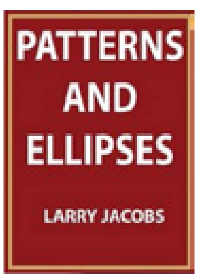
As you know, W.D. Gann was a legendary trader. Some say he amassed a fortune in the the markets. He wrote several important books on trading as well as a commodity trading course and a stock market trading course. He charged $3000 to $5000 for the trading courses which included 6 months of personal instruction by phone. The Gann Masters Trading Course to help traders become successful.

A Unique Approach to Forecasting by Ivan Sargent $32.95



This book is possibly one of most advanced books in technical analysis you will read regarding price and time reversals. Knowing the Price and time of a stocks reversal point is undeniably an important element for to successful trading. Unlike most trading books which use indicators, oscillators, and basic geometry to forecast the markets outcome; this technique uses a series of lines which when accurately placed can deliver reversal points with amazing accuracy. Trend lines, retracements lines, channels, fan lines, pivot points etc, all inspect a stock chart from the outside, which is more or less the obvious point of view.

Patterns and Ellipses by Larry Jacobs $9.99

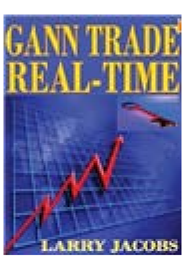


This book concerns itself with a highly technical subject, the subject of technical analysis of the financial market. This book specifically deals with ellipses and pattern formations used for trading the markets. It also covers many other technical analysis tools that can be used effectively by the trader.

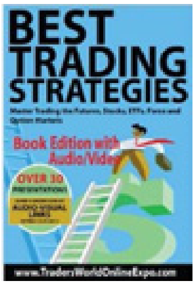
Gann's Master Charts Unveiled by Larry Jacobs $9.99

We know that Gann used the Pythagorean Square because he was found carrying it with him into the trading pit all the time. This square was hidden in the palm of his hand. How did he use this square? Why did he not discuss the use of this square in his courses? There is only one page covering the Square of Nine in all of his books and courses. Was this square his most valuable tool? These and all the other squares Gann used will be discussed in detail in this book with many illustns and examples to prove how they work.

Gann Trade Real Time by Larry Jacobs $9.99



When you opened this book you took the one step that will help you learn how to be successful at the most desirable, but hardest profession in the world. That profession is real time trading. This book is not going to give you an instant secret to day trading. It is going to give you the basics so that you might start the path to understanding how the markets work both short term and long term. You need to know and fully understand the markets and develop successful trading strategies to become successful at this endeavor.



Best Trading Strategies: Master Trading the Futures, Stocks, ETFs, Forex and Option Markets $3.99

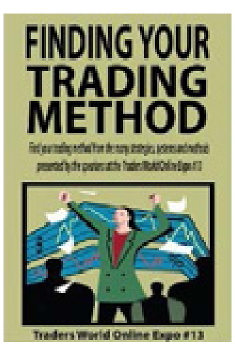
This is one of the most fascinating books that was ever written about trading because it is written by over thirty expert traders. These traders have many years of experience and they have learned how to turn technical analysis into profits in the markets. This is extremely difficult to do and if you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

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

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

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

Finding Your Trading Method $3.99



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

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

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

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

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

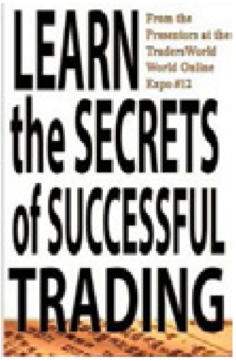
By reviewing all the methods given in this book by the expert traders, it will give, you the preliminary steps that you need to find your footing in finding your own trading method.

Reading this book and by seeing the actual recorded presentations on the Traders World Online Expo site can act as a reference tool for selecting your method of trading, investment strategies and tactics.

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

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

Learn the Secrets of Successful Trading $3.99
Learn specific trading strategies to improve your trading, learn trading ideas and tactics to be more profitable, better optimize your trading system, find the fatal flaws in your trading, understand and use Elliott Wave to strengthen your trading, position using correct sizing to trade more profitable, understand Mercury cycles in trading the S&P, get consistently profitable trade setups, reduce risk and increase profits using volume, detect and trade



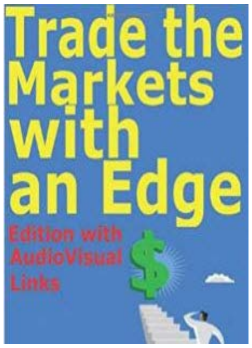
the hidden market cycles, short term trading by taking the money and running, develop your mind for trading, overcoming Fear in Trading, trade with the smart money following volume, understand and use the Ultimate Oscillator, use high power trading with geometry, get better entries, understand the three legs to trading, use technical analysis with NinjaTrader 7, use a breakout system with cycles for greater returns with less risk, use TurnSignal for better entries and exits, trade with an edge, use options profitably, learn to trade online, map supply and demand on charts, quantify and execute portfolio rotation for auto trading.

Written by Many Expert Traders

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

You'll never find a book like this anywhere! This unique trading book will help you uncover the underlying reasons for your lack of consistency in trading and will help you overcome poor habits that cost you money in trading. It will help you to expose the myths of the market one by one teaching you the right way to trade and to understand the realities of risk and to be comfortable with trading with market. The book is priceless!
Parallels to the Traders World Online Expo 12

Trade the Markets with and Edge $3.99



This is an important book discussing the use of different strategies methods about trading.

It was written by over 30 expert traders. The book was designed to help you develop your own trading edge in the markets to put you above others who don't have an edge and just trade by the seat of their pants. 90% of traders actually lose in the markets and the main reason is simply that they don't have an edge.

All of the writers in this book are very experienced and knowledgeable of different ways. Each of them has their own expertise in trading the markets. What sets these traders apart from other traders? Many think that beating the markets has something to do with discovering and using some secret formula.

The traders in this book have the right attitude and many employ a combination of fundamental analysis, technical analysis principles and formulas in their best trading strategies. This gives them a trading edge over other traders. If you want to be successful at trading, you too must have your edge. One needs to find successful trading strategies and implement them in their own trading method.

The purpose of this book is to present to you the best trading strategies of these traders so that you might be able to select those that fit you best and then implement them into your own trading style. I wish to express my appreciation to all the writers in this book who made the book possible. They have spent many hours of their time and hard work in writing their section of the book and the putting together their video presentation for the online expo.

Guide to Successful Online Trading - Secrets from the Pros $3.99

This is one of the finest trading books you'll ever see about trading. The reason is that it comes from a group of expert pro traders with multiple years of experience.

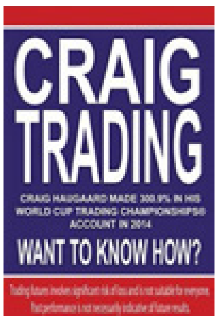
Trading as you know is extremely difficult. It is estimated that 90% of traders lose money in the markets. To help you overcome this statistic, the pro traders in this book give you their ideas on trading with some of the best trading methods ever developed through their long time experience. By reading about these trading methods and implementing them in the markets you will then have a chance to then join the ranks of the 10% of the successful traders.

The traders in this book have through experience the right attitude and employ a combination of technical analysis principles and strategies to be successful. You can develop these also.

Trading is one of the best ways to make money. Apply the trading methods in this book and treat it as a business. The purpose of this book is to help you be successful in trading.

From this book you will get all the strategies, Indicators and trading methods that you need to make big profits in the markets.

This book gives you:
1) Audio/Visual Links to presentations from pro traders
2) The best strategies that the professional traders are using now
3) The broad perspective you need in today's difficult markets
4) The Exact tools that you need to make profitable trading decisions
5) The finest trading education



CRAIG TRADING: Craig Haugaard made 300.9% in his World Cup Trading Championships® Account in 2014 - Want to Know How? $3.99 This book contains an interview that I made with Craig Haugaard, third-place finisher in the 2014 World Cup Championship of Futures Trading® with a 300.9% net profit. I asked him many questions on exactly how he did it.
In the rest of the book I explain to you how to use the indicators that Craig used to make his 300.9% return.
Here are the indicators that he used:

- Seasonality
- MACD
- Stochastics
- Moving Averages
- Trailing Stops
- Fibonacci Retracements & Extensions

All of the charts in this book are produced using my favorite charting software Market-Analyst®. I have also arranged for you to get a FREE trial so that you might have the chance to actually work with these indicators with a real charting platform.
You will also be able to view the video presentations that I personally created so you can see how these indicators can be setup and followed with clear and concise step-by-step instructions. After you understand how these indicators work, I would then recommend that you go to WorldCupAdvisor.com and consider following Craig Haugaard's real-time trades.

This one-of-a-kind book teaches you how to identify the direction of the markets and trade the markets by using popular trading indicators. This is done by concise instructions backed by learning videos, hands on practice with real trading software and by following real-time trades of a master trader.

Mastering Your Trading: Learn from Expert Trading Advisors
"Mastering Your Trading" is the perfect source for learning various methods of trading the market from expert advisers. $3.99

This book focuses on various methods of trading developed by many top trading advisors. There are 17 well written articles and it is packed by insight that can benefit the beginning to the expert trader. This is a must read. The trading methods and strategies presented in this book can help to succeed in today's volatile market environment. From preparing your psychology to the demands of timing the market and managing the risk, this book tells it all.
The book provides you the tools that are necessary for making the right trades and when to get in and out of the market. The book covers:

- Price and Volume the only True Indicators
- Uncovering Market Secrets
- How to handle capital exposure
- Secrets of Safe Profitable Day Trading
- Using Social Media Sentiment Cycles
- How to Dramatically Improve Your Trading Psychology
- How to Handle Trading Losses
- Using a Market Scanner to Save Time
- How to Stop Guessing
- How to Get the Right Trading Computer
- Simple and Practical Trading Tips
- And much more…

This book is an enhanced Edition which means that the articles are backed with audio visual presentation links. Most of the presentations are in HD quality and are put together by the writers of the articles in the book and really help the learning process.

Successful trading is based on knowledge and having the right psychology to trade the markets. This book will lift your trading to a much higher level and will save you an enormous amount to time.