Charlie Kirkpatrick, CMT

By Molly Schilling

Charlie Kirkpatrick (CK): No, I’ve never written a book on technical analysis. I did write one on fishing guides in NH and VT about 15 years ago. But a few years back, I was teaching a credit course here in Durango, Colorado at the local business school and there wasn’t a decent textbook that covered the material I thought should be covered. And so I decided to write one and asked Julie Dahlquist, a Professor at the University of Texas and MTA member, if she would like to join me.

MS: Was there anything in particular that you wanted your students to walk away knowing?

CK: Not especially. It was to be a comprehensive textbook that covered the entire subject of technical analysis, history and methods.

MS: Is there anything that particularly interests you about technical analysis?

CK: I’m a great believer in Relative Price Strength. I’m writing another book on that now; it will be out in the spring some time. I’m not fully convinced that many of the other tools are especially accurate.

MS: When you talk about Relative Strength, are you talking about RSI Indicators?

CK: No, that’s a momentum oscillator. No, this is the strength of individual stock prices vs. the strength of all other stock prices.

MS: How do you see that measured?

CK: I use the Levy method, which is the ratio of the current price to the 26-week moving average, ranked against the same ratio for all other stocks. You take the current price of one stock and divide it by its 26 week moving average. That gives you a ratio. Then you go to the next stock and calculate its ratio, and go to the next stock and calculate, and so forth. Then you compare the ratios for all of the stocks, to see which ones are the best and the worst.

MS: Very interesting. Do you do this by hand or by a computer?

CK: I’ve written FORTRAN programs to process all this stuff. Oh my god, if I had to do it by hand!

MS: So you’ve actually created the FORTRAN software for it?

CK: That’s the language I use, yes. I created it myself; it’s not “slick” software. It works for me, but I’d have to clean it up a lot, I guess, if I wanted to package it or let other people use it.

MS: So you publish the results?

CK: I publish a newsletter, and it provides stock listings based on these calculations. But the ratio calculations are not the only criteria that I use. I also use relative reported earnings growth, and I use relative price to sales. All of that is cobbled together, and I pull the stocks out that are the best in all of them. I’ve been doing this since 1982, and I know from the success of the list that the system works.

MS: Do you have a website in case anyone is interested?


MS: Do you have a discipline that you try to live by?

CK: My discipline is, after all these years, that I do not believe anybody can predict the market, period. Therefore, the only way in which to profit from the market, this has been true for me, is to react rather than to predict. You react when something in the present occurs that you know in the past has had predictive value. But you don’t necessarily know how far the market will go or when you’re going to be stopped out, or any of that sort of thing. All you can do is react when certain circumstances occur and let the market run.

MS: Show me an example of that. Did you react to the market today?

CK: No, I didn’t do anything today other than to be on vacation with my grandchildren. The beauty of this discipline is that I don’t have to do anything, because I’m reacting. I don’t have to be in the market at all times, and I don’t have to make a prediction which is probably going to be wrong anyway and will maybe hurt my performance. So I can go fishing, I can go hunting, I can do whatever I want, and then, when I decide to play the market, I’ll sit there and wait for certain circumstances to set up, and if they do, I go for it. And if they don’t, I don’t do anything.

MS: Of the S&P?

CK: Yes, my method is to use a moving average crossover system, one that I designed for myself.

MS: What lengths of days do you use?

CK: It’s done by bar. And each bar is not time-related; it’s related to volume of trades. In other words, I’ll use, for example, a thousand-trade bar.

MS: Do you have a discipline that you try to live by?

CK: Yes, my method is to use a moving average crossover system, one that I designed for myself.
From the Executive Director

MTA Membership:
I hope all of you and your families had a safe and happy holiday season. Starting off the New Year there are a few items I wanted to make you aware of.

- I would like to make you all aware of how important this Nominations process is. All Officer positions (President, Vice President, Treasurer and Secretary) and two at-large Board positions are up for consideration. Please write to the Nominating Committee at nominations@mta.org with any questions/comments and, of course, suggestions!

- As seen in the posting on page 6, the MTA is looking to hire a part-time position. This position is that of Educational Coordinator. A complete listing of requirements and job responsibilities are listed on the MTA Job Board.

- The MTA is beginning its search for a new Editor for this newsletter. Please carefully read the Letter From the Editor for more details.

- Registration for the Spring 2008 CMT Exams is open. If you have any questions regarding registration or the Exam itself, please contact Marie Penza at Marie@mta.org.

- Lastly, to those of you attending the MTA Mid-Winter Retreat, I look forward to seeing you all in Florida.

Regards,

Tom Silveri
MTA Executive Director

From the Editor

This year marks my tenth year of involvement in MTA activities. Within months of becoming an Affiliate, I asked if I could help with the newsletter. Mike Kahn, then the editor, agreed to give me an opportunity, and that single email exchange helped me to become a market professional and CMT. I feel that writing for the newsletter was the best study tool available for CMT preparation.

There are twenty committees in the MTA, and I have served on eight of them and been involved with two regional chapters. With all of those activities, the newsletter has taught me the most and allowed me to develop more technical skills than any other. But, those other commitments require time, and I need to find more of that precious commodity to effectively serve the MTA.

To do that, we need a new editor of this newsletter. The job takes about 20 hours a month, on average. Someone with excellent time management skills might be able to schedule an hour a day — that was not my experience as I usually spent all the time over several days at the last minute each month.

If you are interested in helping the MTA by taking over as editor of technically speaking, please send me a note (mraketstrategist@gmail.com). We will work a smooth transition, so that you will not suffer through a steep learning curve. And, the reality is that Tim Licitra does all the hard work required to create a nice document.

Sincerely,

Mike Carr, CMT
Editor
Charlie Kirkpatrick, CMT  
continued from page 1

And, I never, ever buy or short a stock without having a stop order so that I know what the risk is, and I know if I walk away and something happens, I’m covered.

MS: I’m not familiar with E-minis…  
CK: It’s the S&P futures. It’s traded on the CME. I think it’s probably the most traded future in the market now, because it’s so easily accessible. And it’s all electronic, an electronic market, it’s not like the S&P where you have the floor traders. Your bid or offer is thrown in the machine, wherever that is, along with everybody else’s.

MS: What’s your trading platform?  
CK: I use Interactive Brokers, only because they’re really inexpensive. It’s a brokerage firm, and you get a good price round trip. Well, sometimes I use Trade Station too, but with either one you get an almost nonexistent commission and immediate execution. You can see your execution right on the chart almost instantly, you can see the blip.

MS: That’s great.  
CK: I wish they’d had it when I was a lot younger.

MS: You have grandchildren?  
CK: One daughter and two granddaughters. Ellie, my wife and I lived here for five years, up until last June, basically to watch the grandchildren grow up. Then we moved back to New England, back to Maine, in June. We have a nice little house on an island in Maine, but we came out here for Christmas. We have two sons who live in Maine also.

MS: Do you love the winter weather out there?  
CK: We like it out here, but we much prefer the ocean. We have a deep-water dock, and I fish from my boat out on the salt water. And I like to go hunting in northern Maine.

MS: What kind of fishing?  
CK: Deep sea fishing, salt water fishing, like striped bass, blue fish, and some bottom fishing like cod fish and haddock, that kind of thing. I used to do some commercial fishing, and I was on the board of a Cape Code Commercial Hook Fisherman’s Association for a number of years down in Chatham, where I grew up. So I’ve always been involved in the commercial fishing industry, and am still an advisor of sorts. I just love that whole thing, the salt water, just being out on the water, the independence. It’s a great place to think.

MS: What got you involved in technical analysis originally?  
CK: My father was one of the first portfolio managers for Fidelity back in the ‘50s. In those days, Ed Johnson, the senior Mr. Johnson, was a technician. He was first a lawyer, but his philosophy was technical. He and two or three other guys sat around in a small office in Boston, and they made stock selections for the funds. They used fundamental information they received from their brokerage firms, but also a lot of technical analysis.

So that’s how I learned it. I used to do my father’s charts when I was about fourteen years old. I got excited about it, and then I did it in the Army. And when I got out of service in Vietnam, I went back to Wall Street, and worked for Brown Brother Harriman and then Tony Tabell & Bob Simpkins, both former presidents of the MTA, because they were good close contacts of my father’s. My father was a real believer in Point and Figure charting.

MS: So, you really grew up in this world.  
CK: I did. And I’ve seen just about everything.

MS: Do you enjoy teaching?  
CK: Now that I’m back East, I do go around to universities for the MTA Educational Foundation. I give day lectures and courses in investments, primarily covering technical analysis.

MS: What do you like to do on the market?  
CK: I don’t read market letters. I don’t read articles in the newspapers. I might read a newspaper just for interest or entertainment, but I learned a long time ago that you never learn anything really useful from doing that. What I read is more for intellectual curiosity.

I read many books in psychology and philosophy. The last one I read was The Black Swan, for instance, since it’s related to the stock market. It was an interesting book about why linear mathematics doesn’t work in the market.

I read books on behavioral finance, and offshoots of that. The most recent was by Terry Burnham. He’s an ex-professor at Harvard – his book is called The Lizard Brain. That was interesting. And, I read a lot of academic papers, trying to keep up to date on studies on market related psychology and finance theory. There are people in the market who treat the market like a physics project, and its not. It’s a very inexact realm, and represents a non-linear kind of a problem.

MS: What do you think of the market right now?  
CK: Well I don’t. As I told you, I just react. I know markets trend, I know that they oscillate, and a trend can be up or down or whatever, and you can make money on the up or down, but to try to anticipate what is going to happen six weeks out, well, I don’t want to have anything imprinted on my mind. I just want to react. So that’s what I do. Many people ask me, what do you think of the market, and I honestly don’t know, and I don’t care, because I’m going to react whichever way it goes.

MS: Anything else you’d like to include here, anything that means something to you in your experience in the market over the years?  
CK: Well, the one thing I really do have a passion for is for the MTA itself. I’ve done a lot of work for them, mostly behind the scenes. I’ve been in various positions over the years, and I’ve always been a great lover of the idea of gathering people who are professionally connected, so they can discuss different theories with each other, and learn from each other. And I’m really quite happy with the way things are going in the organization today, with all the changes that have been made.

MS: I’m glad you said all that.  
CK: Well, it’s how I feel. There has been a lot to work out, but we’ve managed to work our way through.

MS: Thank you Charlie, it’s been a pleasure to talk with you.  
CK: It has been nice to talk to you, too.

Molly Schilling is an independent trader and freelance writer.

Wanted: CMT 3 Paper Reviewers

To maintain the quality of our CMT program, we need qualified reviewers. Reviewers should have their CMT designation and should receive no more than 2 papers per year, with an expected workload of 5-10 hours per paper. To volunteer, please contact Brad Herndon at bcherndon@sbcglobal.net.
As Directors of the MTA Educational Foundation, Charlie and Julie understand the importance of teaching technical analysis at the college level. Putting that thought into practice, they learned that there was no text on the subject to adequately address the needs of college students or business professors. They set out to change that.

The fact that Technical Analysis is a textbook should not discourage anyone from picking it up. This book is an exhaustive resource of technical research, richly detailing the history of the field and providing practical examples. Everyone from the novice being exposed to the field for the first time to the expert practitioner with decades of experience will learn something, and be able to apply that knowledge in the pursuit of profits.

In part I, the authors provide a readable discussion on what technical analysis is. They address the controversy of the efficient market hypothesis, the relationship between behavioral finance and technical analysis, and provide references to the academic research supporting technical analysis.

In subsequent sections, all the standard technical indicators are defined. The value for the professional is that the listing goes beyond Wilder’s RSI and Lane’s stochastics. It includes the work of Art Merrill, Richard Donchian, and Richard Wyckoff along with all the other pioneers of technical analysis. But modern efforts are also summarized, and readers will see examples of work done by Dow Award winners Buff Dormier and Jason Goepfert.

The chapter on sentiment details a method of using Treasury Bond Commitment of Traders data that has successfully identified market turning points in the past. This is one of many examples provided of models that work. Many are the work of Ned Davis Research, an independent institutional investment research firm, well known in the business for insightful, high quality products.

The sections on charts include the classic patterns identified by Schabacker, Edwards and Magee. And for the first time, O’Neil’s CAN SLIM and Williams’ OOPS patterns, among others, are catalogued next to triangles, rectangles and head-and-shoulders.

The discussion related to stock selection and system design pull all of the concepts together. The newcomer will get all the information they need to build their first trading system, the seasoned trader can always benefit from a review of the fundamentals. The clear presentation makes it a quick read.

One area of study that is commonly cited as a weakness in the field is statistics. Technical Analysis includes an appendix, prepared by Dr. Richard Bauer, Professor of Finance at St. Mary’s University, San Antonio, TX. It is only a slight exaggeration to say that these 25 pages alone are worth the price of the book. Dr. Bauer summarizes the key concepts technicians need to know, nothing extra and nothing confusing. It all relates directly to how the trader can make money in the markets.

While CMT candidates will be studying this book as a required reading, no TA professional should overlook this book as a source of continuing education. It is well worth the space on every technician’s bookshelf.

Charles D. Kirkpatrick II, CMT, is president of Kirkpatrick & Company, Inc., a technical analysis research firm. He has appeared on CNBC and Wall Street Week, and has been quoted in Barron’s, Money, and BusinessWeek. An instructor in finance at the School of Business Administration, Fort Lewis College, he is a two-time winner of the Market Technicians Association’s prestigious Charles H. Dow Award for research in technical analysis. He is a Chartered Market Technician, a member of the board of directors of the Market Technicians Association and the Market Technicians Association Educational Foundation, and editor of the Journal of Technical Analysis. He is a graduate of both Harvard (AB) and the Wharton School (MBA).

Julie R. Dahlquist, Ph.D., received her B.B.A. in economics from University of Louisiana at Monroe, her M.A. in theology from St. Mary’s University, and her Ph.D. in economics from Texas A&M University. Currently, she is a senior lecturer, Department of Finance, at the University of Texas at San Antonio College of Business. Dr. Dahlquist serves on the UTSA Executive-MBA faculty and is a frequent presenter at national and international conferences. She is the coauthor (with Richard Bauer) of Technical Market Indicators: Analysis and Performance (John Wiley & Sons, 1999). Her research has appeared in Financial Analysts Journal, Journal of Technical Analysis, Managerial Finance, Applied Economics, Working Money, Financial Practices and Education, and the Journal of Financial Education. She serves on the board of the Market Technicians Association Educational Foundation, on the editorial board of the Southwestern Business Administration Journal, and as a reviewer for a number of journals, including the Journal of Technical Analysis.

Published by FT Press, $90, 704 pages
CMT Institute (CMTi) is Open for Registration!

This is an exciting educational offering that Chartered Market Technician (CMT) candidates have said they want and need. The Market Technicians Association is currently offering interactive webcast exam mentorship courses for the CMT Level 1, 2, & 3 Exams.

Registrants for the CMTi will also have the ability to view CMTi classes from a previous exam administration, and will be placed in an interactive discussion group. Instructors will monitor the forum, post threads to the forum, and answer questions on a weekly basis. In addition, there will also be an archived webcast tutorial on how to use the technology platform of Adobe Connect. If you have any questions regarding the archives or the CMTi, please contact Tim Licitra at Tim@mta.org or 646-652-3300.

The webcast prep courses may be attended live or viewed in archive form throughout the duration of the course. These classes are first come first serve with a maximum capacity. The cost for this course is $500 per level. There will be four live classes that will begin the week of March 24th and each level will meet once a week. Each session is recorded and archived for later review. They will conclude the week of April 14th, with the CMT Exam testing window from April 25th - May 3rd.

**CMTi Level 1**
- **Dates:** 3/25, 4/1, 4/8, 4/15
- **Time:** TO BE ANNOUNCED
- **Price:** $500
- **Instructor:** Christopher Ruspi, CFP, CMT

**CMTi Level 2**
- **Dates:** 3/26, 4/2, 4/9, 4/16
- **Time:** TO BE ANNOUNCED
- **Price:** $500
- **Instructor:** MacNeil Curry, CFA, CMT

**CMTi Level 3**
- **Dates:** 3/27, 4/3, 4/10, 4/17
- **Time:** TO BE ANNOUNCED
- **Price:** $500
- **Instructor:** James Bartelloni, CMT & Jeff Lay, CMT

From the Education Chair

Dear CMT Candidate,

CMTi was created following numerous requests for online mentorship. Ten archived sessions covering topics on a “per level” basis are available 24/7 for your unlimited review. As you progress in the program, you gain access to each preceding level’s archived material.

Approximately six weeks before the exam cycle, a series of four weekly live mentoring sessions will commence. Each level is instructed by a Subject Matter Expert and CMT designee. These fine financial professionals take great pride in helping you develop an exam strategy, to include discussing material which challenges examinees at each level.

This program is more than just instruction – its mentorship. You’ll make lasting associations with fellow candidates and instructors alike, all of whom are willing to help you in the program.

Sincerely,

Jeffery E. Lay, CMT
MTA Education Chair
Neuberger Berman, LLC
The MTA is Looking to Fill the Position of Educational Coordinator

The MTA is looking to hire an Educational Coordinator on a part-time basis. We are looking for a CMT Member who has recently gone through the CMT Program in the last two years. This individual would be working with the MTA part time for an approximate 15 hours of work a week. A full detailed list of requirements and responsibilities are listed on the MTA website's Job Board. If you are interested, please visit the Job Board and follow the instructions.

Intersted in Volunteering??

NEWSLETTER EDITOR
As read in the Letter from the Editor, Michael Carr, CMT will be stepping down as Editor of Technically Speaking. He of course will stay on until we have fulfilled the position and a smooth transition has been made.

If you are interested in applying for this position please contact Michael Carr at mra-ketstrategist@gmail.com.

Technically Speaking Opt-Out

For those of you who wish to read this monthly publication online only (from the newsletter archive section of the website and e-mail), please e-mail Tim Licitra at tim@mta.org.

He can remove you from this mailing list and make sure that you only receive the e-mail notification that it has been posted to the website.

Nominations Committee

By Jordan Kotick, CMT

MTA Members.
At this point, we have filled all nominating committee positions for the upcoming Board selection process. I am pleased to announce that our nominating committee this year has the diversity of MTA representation that truly covers the general membership of the MTA.

As you know, all Officer positions (President, Vice President, Treasurer and Secretary) come up for consideration for the 2-year term that commences July 1, 2008. In addition, two (2) At-large Board positions also come up for consideration for the 3-year term that commences July 1, 2008 -- A total of six (6) positions!

Over the next two (2) months, we are encouraging any Member, Honorary Member or Emeritus Member in good standing to submit your name for consideration by the nominating committee, along with a description of the Board position you are seeking. The nominating committee will then seek out your completion of a tailored questionnaire as part of its review process. In addition, if you do not wish to serve but have suggestions on who might be willing/able to do so, we would encourage you to write us on that as well. Our committee will investigate these suggestions as well.

By February 28th, the nominating committee is responsible for vetting all responses and to create a “slate” of new Board Officers and At-large Directors for consideration by the membership at the MTA Annual Meeting, preliminarily scheduled for May 2008.

As an alternative, Members may submit nominees directly by petition to the Secretary of the MTA. Nomination of a candidate for Director may be made in writing by a petition with at least ten percent (10%) of the Members, Honorary Members, and/or Emeritus Members in good standing with the Association. This will require about 75 names. Petitions for nomination, containing the original signature of each petitioner, together with the nominee’s written consent, shall be presented to the Secretary no later than March 30, 2008. E-mail signatures are acceptable provided they originate from the Member’s e-mail as listed in the official member directory and are subject to verification by the Secretary.

This is arguably the most important task of our Association as it will define our leadership into the future. I urge you to participate. Your input is important to us. Please write to me at nominations@mta.org with any questions/comments and, of course, suggestions!

Best Regards,
Jordan Kotick, CMT
Chairman – Nominating Committee

What Does Winter Mean to You?

Family Feasts?
Shoveling Snow?
Football?
Holiday Hoopla?

To us at E.B. Capital Markets,
It means knowing which way the wind will blow.

With the changing of every season, there are certain things you can count on. Our proprietary, time-tested seasonality research and analysis tells you what they are and when they’re coming.

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www.ebcapitalmarkets.com
Investment Fund Selection
9-11 February 2008, Kuwait

Also, other planned courses for 2008 in GCC countries (Enhance Training and Development) and in New York, London, Poland, Beijing……

- Taught by John Palicka CFA CMT -

FUSION ANALYSIS
This is a professional approach that blends fundamental, technical, behavioral and quant strategies. The approach attempts to exploit profitable opportunities in market investing by both investors and traders. Whilst the course focuses on US equities, other asset classes, such as, fixed income, commodities, FX, real estate, and GCC stocks will also be analyzed. Given the plethora of strategies, the workshop will help create focused approaches to meet specific investment objectives. Fusion Analysis can create: “The better approach to investing”

EQUITY PORTFOLIO MANAGER
Serious managers will utilize this course to analyze leading Wall Street valuation models and investment strategies for equities using fundamental, behavioral/technical and quant approaches, and then study how these are modified by the best performing equity portfolio managers to produce risk-adjusted excess returns. Also reviewed are: accounting and cash flow tricks that are sidestepped by professional investors, but punish many investors; various trading strategies, incorporating algorithms, hyper-trading, dark pools, and derivatives; new reporting requirements for regulatory considerations, consultants and clients as well as fund marketing techniques; and career advice to get the big bonus checks. An interactive investment workshop reinforces these skills when participants get to select stocks, choose a performance measurement method and then determine a marketing style and vehicle to create an investment approach producing excess returns. Case studies examining the investment approaches of leading versus average performing portfolio managers are also included. This intensive course goes beyond basics into the sophisticated and subtle strategies that can help achieve: “Top Quartile Manager”

INVESTMENT FUND SELECTION
This is a must attend course for all professionals involved in the selection and management of third-party investment managers. Investment Fund Selection offers an insiders perspective into the various challenges in determining the most appropriate fund structure, managerial style and fund value-added performance of third-party investment managers in order to achieve individual investment objectives. Portfolio theory considerations and statistical issues are discussed with behavioral considerations.

Reviewing different fund structures, such as mutual funds, private equity and hedge funds, participants explore regulatory, audit, established and recent portfolio performance measures and, learn about subtle tricks that some funds can use to “dress up” performance records and charge unwarranted fees.

An optional and practical one-day investment fund selection workshop will also include various fund case studies and exercises to reinforce the definitive selection techniques learnt. Participants get to perform an investment fund selection role-play in order to evaluate and screen funds for specific investment criteria and answer the question: “Is my fund manager giving me my money’s worth?”

TECHNICAL ANALYSIS CMT 1
A must attend 4-day course for investment professionals wishing to pass the CMT Level 1 Exam in Technical Analysis from the Market Technicians Association (MTA). Using real-life charts, participants learn traditional technical tools of charting and many specialized topics. Whilst the course focuses on US equities, other markets including GCC stocks and real estate will also be explored. An optional 1-day session entirely dedicated to exploring trading opportunities for US and GCC equities, FX, commodities and bonds using technical analysis. Prior workshops correctly called the rise of the US market and the decline of the Saudi market by blending technical indicators. This course should help answer the question: “Buy or Sell and When”

INTRODUCTION TO STEALTH TRADING USING FUSION, ALGORITHMS, AND DERIVATIVES FOR PROFESSIONALS-
Today, portfolio managers increasingly must use stealth trading in order to disguise their intentions and thus benefit from best execution. The old ways of staring at a Bloomberg to get bid/ask quotes and transacting an order is gradually being supplemented by more sophisticated strategies, such as, algorithmic models to meet various investment goals. The objective of this course is to give the student an introduction to various trading strategies that can achieve best execution. This course should help achieve: “Best Execution.”

ADVANCED CAPITAL MARKETS ANALYSIS
Spot, forwards, futures, swaps, options, and statistical issues are discussed in dynamic capital market strategies. This course was first introduced as a course to a top Ivy Business School. Solving the course problems and cases has brought angst to MBA and CFA candidates. Still, the topics are the food for advanced hedge fund techniques.

Instructor John Palicka CFA CMT is a top-ranked portfolio manager of Global Emerging Growth Capital (WWW.GLGE GC.COM) with over 25 years experience of managing $ billions. He has doubled client money, on average, every four years since 1980*. His high course ratings from major investment firms reflect clear interpretations and practical applications of complex topics; knowledge applied to examples and cases found in the current worldwide and GCC marketplace; his experience with specific situations actually encountered in his career and consulting contracts that parallel the learning topics. John has an MBA from Columbia University and also teaches these courses for leading training institutions, including The New York Institute of Finance (WWW.NYIF.COM).

To find out more about these courses in GGC locations, please call Esam Hassanyeh + 9714 391 0234 or visit his website: www.enhance.ae

* Past performance is no guarantee of future results.
Hello Colleagues!

Let me start by thanking Charlie Kirkpatrick for his editorial leadership surrounding the *Journal of Technical Analysis*. The task of sourcing valuable articles is time consuming to say the very least, but for those of you who know Charlie, no task is too daunting for him. The MTA owes Charlie a big THANK YOU!!

When the MTA asked me to be the Editor for its *Journal of Technical Analysis* I must admit I was excited. The Journal has been the repository of some of the best TA papers in the market. In my view, the Journal must continue to represent the best of technical analysis thinking out in the market today. It also needs to have a good mix of classical, quantitative analysis, and academic research support. It is extremely important to those of us on your Journal Committee to begin to ensure all areas of specialties within our industry are represented. The best work on geometry, cycles, market behavior, and even harmonics should be included to name but a few. By pushing the envelope, we push ourselves ahead and grow our industry. We also need to include a good mix of quality “how to” from the best practices of risk management using our varied methods to show our readers how we continually add value. Our goal in the Journal will be for you, the reader, to be able to get practical TA information and even revisit historic and lesser-known methods from which our industry was built.

The Journal Committee has ideas to bring a spotlight on your Journal and to our industry. During my tenure we will work hard to bring a presence to our Journal as it should not be a secret known and read by only a few. We welcome your thoughts, suggestions and constructive criticism so we can all be eager to receive the latest issue. MTA Headquarters staff will be assisting me in my efforts to expand the readership and external marketing of this Journal so that we can solicit the “best of the best”. That process starts today and you will be hearing more about our efforts in future communications. The process will begin to include communications to the media on how others can be published in the Journal as well.

The time has come to take action. Be it pen or mouse; we need you! If you have any articles/ideas for consideration, I would love to have them. We have established a web-address for communications regarding the Journal, journal@mta.org.

We are off and running……...

Respectfully,

Connie Brown, CMT

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**2008 Charles H. Dow Award Competition**

By George A. Schade, Jr., CMT

The competition for the 2008 Charles H. Dow Award is open. The award for excellence and creativity in technical analysis has been presented since 1994, and today it is the most important writing competition in the field.

The last day to submit papers is February 1, 2008. The Board of Directors has approved a $2,000 cash prize. The standards for writing content and style have been raised.

The winning author will be invited to discuss the paper at a national MTA seminar or at a monthly meeting of an MTA regional chapter. The paper or a summary may be published in the MTA’s *Journal of Technical Analysis*, in *Technically Speaking*, and the MTA website. The author of the runner-up paper may receive a certificate.

The guidelines are posted on the MTA’s Web site under Activities. Address inquiries to DowAward@mta.org.

Recipients of the Charles H. Dow Award have been:

- 1996 Timothy W. Hayes, CMT, “The Quantification Predicament”
- 1999 Eric Bjorgen and Steven C. Leuthold “Corporate Insiders’ Big Block Transactions”
- 2004 Jason Goepfert, “Mutual Fund Cash Reserves, the Risk-Free Rate, and Stock Market Performance”
- 2007 Buff Pelz Dormeier, “Price and Volume - Digging Deeper”

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**MTA Journal of Technical Analysis**

By Connie Brown, CMT

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**“What’s Hot”**  
The MTA Library Announces...

The MTA Library would like to announce that the following books have been added to our Library. Go to our website at www.mta.org and visit our Library to check out your copy today.

- “Stop and Make Money: How to Profit in the Stock Market Using Volume and Stop Orders” by Richard Arms
- “Standard & Poor’s Guide to Sector Investing” by Sam Stovall

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**Submitting an Article**

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