Letter from the Editor

Technicians have long been at the forefront of technology, and the MTA staff is demonstrating that our organization is on the leading edge of adding value to our membership through technology.

At the May Symposium Tom Silveri highlighted several initiatives, such as making this newsletter electronic, that have already benefited members. The Educational Web Series has been very successful, arguably the most successful recent initiative. He also unveiled new efforts that are underway.

This demonstrates that the MTA is a growing organization. With growth come challenges that the leadership has stepped up and admirably met. And, with growth also comes opportunity. This is our chance to stand up and meet the needs of the organization.

All members have an opportunity to volunteer in support of the MTA. Less than forty years ago, the MTA consisted of a few dozen members, all living and working near New York. Now we have members in every state and more than 1,100 members from outside the United States. The electronic delivery of services shows how easy it would be to offer your own time to the MTA, no matter where you are located.

Contact a Committee Chair, Board Member, or anyone at the office to learn how you can help the MTA. It might just be a way to further your professional knowledge and enhance your career.

As always, please send your thoughts to editor@mta.org. With an electronic format, we can post all letters to the editor that we receive, edited only for professionalism.

Sincerely,

Mike Carr, CMT

State of the MTA

In his annual address to the membership at the MTA Symposium, Executive Director Tom Silveri highlighted the growth and strength of our organization. Now in its 36th year, the MTA has grown to 3,000 market analysts and related professionals in 61 countries. Technicians wondering if membership growth trends will serve as an indicator of stock market activity can begin their research...
in India, the Middle East, and China, the areas where the MTA is seeing the strongest trends.

Tom reviewed four assessment criteria that he and the staff and Board of Directors use to assess the health of the MTA:

1. Are we growing, and is the leadership mindful of the implications of growth? Membership has been growing about 10 percent a year in the recent past. Even in the recent bear market, 9 percent growth has been maintained.

   The strongest growth has been from outside the US. The international growth rate has been about twice the rate seen in the US. There are now 1,100 members who live and work outside the US. At the Symposium, Tom was able to announce the establishment of a formal relationship with the Greek society, our third international collaboration in as many years.

2. Are we providing increased, beneficial member services? The MTA strives to provide more services and to continuously improve existing services. Over the past year, technology has allowed the MTA to deliver a timelier and higher quality newsletter. The Educational Web Series has delivered expert analysis to a geographically distributed audience. The CMT program is being strengthened with the addition of a full-time CMT to improve the exam. Soon to come are an electronic version of the Journal of Technical Analysis and the Knowledge Base.

3. Are we introducing meaningful New initiatives? New initiatives, with a vision. Knowledge Base will serve as the Wikipedia of technical analysis and within a short time should become an indispensible resource to technicians of all skill levels. Podcasts will be introduced to provide timely commentary and enhance the ongoing education of all technicians. The organization is also working closely with the MTA Educational Foundation to broaden the reach of technical analysis in academia.

4. Is the Association financially strong with available investment opportunity? The organization enjoys a strong financial position and has strong oversight. The Long Range Planning Committee provides general guidance which the staff and the board then execute. This process ensures that with prudent financial management, membership services will continue to grow in the future.

Tom is enthusiastic about the future of the MTA and those who enjoyed his talk share his confidence in the organization.

Anticipate to Participate

By Darrell Jobman, Editor-in-Chief of TraderPlanet.com

Everyone knows that global economies are in a recession - maybe even a depression, if you listen to some analysts who can find plenty of evidence in economic statistics released almost every day.

What happens when we get flooded with a continuous batch of bad news is that we expect more of the same and don’t pay attention to clues that the situation might be shifting away from what everyone believes. Suddenly, before you know it, a market has sneaked away from the gate while you weren’t watching closely, and you miss a potential good trade.

Such is the case with Retail HOLDRs (RTH), an exchange-traded fund that includes Wal-Mart, Home Depot, Target, Kohl’s and a number of other retailers. The business news is full of reports about how low-price discounter Wal-Mart has done well during this recession, but who would expect shares of other retailers to do much of anything when thousands of jobs are being lost and consumers have less cash and less confidence to spend what dollars they have?

While I was ignoring RTH as possible trade material, it slipped away from me and made a nice move up since mid-March. So let’s step back to see how VantagePoint spotted the reversal and what its indicators suggest now,
starting with a 9-month chart to see the bigger picture.

The first thing that pops out on the RTH chart coming into this week is that it is approaching previous highs just below 80 (red dashed line). In traditional technical analysis, we know that a breakout above this level would be bullish, but we also know that the market may respect this line and turn back down. Reaching this line should put us on our toes because this is a critical decision point on the RTH chart. Nasdaq and some other stock-related markets with similar chart patterns have already broken above previous highs, and RTH is likely to at least pause to reassess the situation before committing to either direction.

The other important lines on this longer-term RTH chart are the black dashed lines marking the boundaries of the range in VantagePoint’s predicted difference indicators. The predicted difference on which we are focusing is the predicted medium-term difference - the blue line that is the difference between the predicted medium-term moving average and the actual medium-term moving average on the chart and indicates whether a trend is strengthening or weakening.

When this momentum indicator approaches +3.00, it suggests the uptrend is about as strong as it will get, based on previous evidence, and the difference line tends to revert back to the zero line, which means no prevailing force in either direction. The same type of action occurs when the predicted medium-term difference approaches -3.00 and reverts back toward the neutral zero line. The highs in the predicted difference lines suggest prices may be at or near a peak; the lows in the predicted difference suggest prices may be at or near a bottom.
Zooming in to a 6-month VantagePoint chart, the predicted difference lines didn’t show a lot of strong momentum in either direction as they turned down from the zero line, indicating a lack of upward momentum as prices drifted lower from January into March. Then in March, the angles of the predicted lines and the predicted medium-term moving average both pointed up (red arrows), and a moving average crossover (blue line above black line) caught the upward move in its early stages.

But even as prices moved higher, the predicted medium-term difference line was being pushed downward, suggesting upward momentum might be waning (blue arrows). At this stage this turn in the line’s direction is only an alert because the predicted medium-term moving average remains above the actual medium-term moving average.

Taking another step closer, the 3-month VantagePoint chart of RTH magnifies the clues. The red circle highlights
the moving average crossover, which coincides (red vertical dashed line) with a turn up in both the predicted medium-term difference (blue line) and predicted long-term difference (green line) and a shift in the predicted neural index from 0.00 to 1.00, all bullish clues.

Putting our traditional technical analysis hat on again, that little setback in the uptrend at the end of March could be interpreted as a bullish flag. Flags usually occur halfway through a move so that would project a move that could reach almost 90 - if the barrier at 80 is overcome.

The black box provides a closer look at the downturn in the predicted medium-term difference line, which reflects weakening of upward momentum while prices are still rising but at a slower pace than they were when the uptrend began. With this sign of a potential change in trend direction, your next concern is where to place a stop to get out of a long position (assuming you were watching RTH more closely than I was and got long on the moving average crossover) or even to go short.

This is where VantagePoint’s predicted next day high and predicted next day low can be very helpful. If you are in a long position, place a sell stop at a prescribed distance below the predicted next day low - we’ll say 2.00 to reduce the chances of getting taken out on a jab lower - or below a previous chart point such as those indicated by the red arrows. With that criteria, you barely stayed in the long position at the second red arrow.

At the hard right edge of the chart, the predicted next day low for Monday was 77.495 (red circle). Rounding that to 77.50 and subtracting the 2.00 to avoid jabs, the sell stop Monday was at 75.50 (blue line). You could adjust your stop in line with the predicted lows, but once I have planned my stop, I don’t like to back it down because that could mean giving up profits as the projected lows decline if the market drops. So I would hang with the 75.50 stop.

That stop would have been hit Tuesday to take me out of a long position. But the gain from around 65 after the moving average crossover to 75.50 doesn't seem too bad for a long position in what has otherwise been viewed as a bear market.

If only I had been watching RTH more closely to take that long trade . . .

Lessons learned:

- Monitor markets every day; you never know when that good trade will pop up.
- Watch VantagePoint indicators for clues to catch a trend in its early stages.
- Anticipate - but don’t assume - what a market will do.
- Participate with a planned entry/exit strategy.
His Returns are No Laughing Matter: Gil Morales

by Ajay Jani

On April 21st, I had the opportunity to meet with Gil Morales. How a former cartoonist for the Stanford University newspaper became a protégé of William O'Neil (of CAN SLIM fame) and developed into one of the greatest stock traders of his generation is a tale of perseverance, discipline, and a bit of luck.

Morales grew up into what he calls a “working class, self-employed, entrepreneurial environment.” Morales’ father operated a scaffold contracting company. His uncles and Grandfather were in a variety of self-owned and operated business including a liquor store and a mannequin manufacturer. Morales grew up in the gang-infested area of East Los Angeles, and his family eventually had to move to Whittier to shield Morales from the gangs. However, the gangs eventually moved into Whittier as well. Growing up, Morales always knew that he wanted to be self-employed but he didn’t know where the opportunity would lie.

His first break came when he was awarded a scholarship to Stanford University, where he studied business and economics. While at Stanford, he joined the school newspaper staff as a cartoonist. His column became very popular, and set the stage for his 1st career as an author. After graduating from Stanford, he toyed with the idea of attending business school. His advisor told him that if he was interested in business, he should start a business instead of going back to school. Morales took the advice, and developed a business selling a book with his cartoon strips. He and a friend would canvass local shops and once he had enough orders, had the books printed and shipped.

However, after nearly 10 years in the graphic design and illustration business, Morales decided he was not making enough money given the effort required, and moved to Hawaii to pursue life as an artist. When this didn’t work out to Morales’ expectations, he decided to pursue a career in finance which would allow him to utilize his economics and finance studies at Stanford. He decided to apply for a broker position with Dean Witter in San Marino. However, he failed the “phone test” of his salesman skills, and was advised to pursue another career path. Ironically, Morales relates that William O’Neil himself also failed the same “phone test” at Dean Witter years earlier. Not one to back down from a challenge, Morales decided then and there that he would get a job as a broker, no matter what. Says Morales: “I had a chip on my shoulder and wasn’t going to give up that easily.” In 1991, he walked into the Beverly Hills office of Merrill Lynch, deciding that’s where the money was. He asked to see the manager, and when he finally got the meeting, proclaimed that he wanted to work in that branch as a broker. The manager asked him what the job description of a stock broker was, to which Morales replied “Sales!” He got the job on the spot.

Soon after joining Merrill, Morales happened to come across a copy of William O'Neil's book “How to Make Money in Stocks”. After reading the book, Morales began incorporating the CAN SLIM method into his recommendations as he prospected for new clients. Morales began to write a weekly letter known as “The Gil Report” in which he would advise current and prospective clients of stocks that looked interesting, along with buy and sell points. Eventually,
this activity caused friction with management, which expected him to use Merrill Lynch research in selecting
securities for his clients.

In 1994, push came to shove and Morales jumped to Paine Webber with the explicit understanding that he could
use the CAN SLIM methodology to advise clients. During this period, he was befriended by Harry Wayne, who
happened to be William O’Neil’s broker and had given O’Neil one of his first jobs in the brokerage business. While
Harry did not personally follow the CAN SLIM system, he advised O’Neil of Morales’ performance, which was
stunning.

In 1994, around the time he joined Paine Webber, Morales inherited $3,000 from his maternal grandmother. Over
the next 6 years, using the CAN SLIM system, he increased the value of the account to $600,000, a stunning
19,900% increase. When talking about the account, Morales almost seemed to be paying tribute to his family and
their hard work to escape a tough life. In fact, he has not spent anything from the account and is patiently waiting for
the next bull market so that he can continue the saga.

Word of Morales’ prowess reached O’Neil via Harry Wayne, and in 1997 O’Neil’s staff contacted Morales about
joining Data Analysis, Inc, O’Neil’s money management arm. He made the move just as the bull market was about
to morph into overdrive. The stage was set for some of the greatest gains seen in a generation, and at DAI, Morales
was at the epicenter of it all.

Morales style evolved once he joined DAI. He was no longer a one-way trader. In addition to learning additional
strategies that the CAN SLIM portfolio managers used, Morales became proficient in shorting. He was well known at
DAI for his shorting prowess, having co-authored the book “How to Make Money Selling Stocks Short” with O’Neil.
In fact, at one point during the 2000-2002 bear market, William O’Neil dictated that Morales was the only trader in
the O’Neil stable that was allowed to trade on the short side. While O’Neil himself has said that he’s only made
worthwhile money shorting in a couple of bear markets, Morales will aggressively trade short if that is what the
environment calls for, and believes that shorting is not just a placeholder for his account. He has made substantial
amounts shorting and believes that over time it will be a net positive for his trading results.

Morales describes himself as being “a plunger.” He jokes his methodology has morphed into the “IIMBY!” method –
“If It Moves, Buy It!” When he sees a move beginning in a CAN SLIM stock that he has been tracking, he will go in
“heavy, with a big position.” He is quick to cut losses, but he is stalking the “big stocks” that institutions investing in
growth stocks “just have to own.” Some examples included Charles Schwab (SCH) in 1998, Celgene (CELG) in
2005 and Croc’s (CROX) in 2007. CELG is a particularly interesting example; Morales was originally short the stock,
but when the position began moving against him, he re-evaluated and went long. He scored a big gain as the stock
proceeded to run up 300% between March 2005 and October 2007. When I asked Morales what traits are
necessary for success in the market, he pointed to this demonstration of flexibility in going from short to long in a
stock as one of the keys to his success. Morales is also a self-described visual trader; as such he was instantly
drawn to the CAN SLIM method and its emphasis on charts to manage positions. Morales also believes that in order
to succeed, one must be “unflappable” and capable of responding in an ”un-emotional” manner to new
developments. His Zen-like view is that one must be able to find a “calm-center” instead of becoming emotional
during market volatility.

Even though Morales has high turnover, he is a position trader and generally holds winning positions for months at
time. It is the quick sales of losing positions that drives the turnover. Morales is also takes highly concentrated
positions, deploying all his capital in a maximum of 4-5 stocks, even when he is using full margin. He believes that
this combination of holding a small group of winners for a long time is the best way to achieve outsized returns,
echoing the sentiments of Jesse Livermore.

I asked Morales which parts of his trading were the most difficult to master. He said that the most important skills to
learn were “how to handle positions” and how to “correctly” add on the way up. Morales also said that in order to
score the really big gains, one must be prepared to live with some volatility. He relayed a story of how in 1998 his
portfolio was up 45% by April. He adds that this was “just average” at DAI during that period. By October of that
year, in the wake of the Russia/LTCM crises, he was down 32%. When the bull market began in October, he went
long “big stocks” including SCH and in the end scored an 80% gain for the year. Morales’ has had several 50%
drawdowns, which he says he is able to live with, and that intestinal fortitude is probably one of the keys to his
success. He knows that whenever the next bull market starts, he has the skills to spot the leadership stocks and buy
them at the right time to score big gains.

In 1999, Morales followed up with a +516% performance in his DAI account. One anecdote is quite interesting, as it
shows that even when at the top of his game, Morales is humble and seeks to improve. At the end of the year,
William O’Neil personally delivers the bonus checks to his portfolio managers. Morales’ gain had put him at the top
of the O’Neil stable, yet when O’Neil came into Morales’ office he said “you know, you think you’re pretty good, but
you could have done +1,000% if you had handled your positions right.” Most traders would be incredulous at being told that +516% was not good enough, but Morales is different. He asked O’Neil how he could have improved. They sat together reviewing the charts of Morales’ trades, and when they were done, Morales told O’Neil that he was right and that he had learned some new lessons. (Note: Morales DID score a 1,000% gain in his personal account the same year…)

Morales believes that it would take the average investor “a couple of years” to become proficient in the CAN SLIM method assuming diligent study and practice. When I asked what he meant by “proficient” he smiled and said “well to make money of course!” Morales felt that one of the most important skills to acquire in order to succeed with his method was “how to handle positions properly and how to build larger positions in stocks that are working.” Pyramiding up is a tactic that Morales uses to ensure that he extracts the maximum benefit when he has latched on to a winning stock.

In Morales opinion, William O’Neil is the greatest trader of his generation. O’Neil has a proven 50 year track record of pulling large gains out of bull markets and husbanding his cash during bear markets, traits that Morales has mimicked in building his track record. Morales also counts Nicholas Darvas, Jesse Livermore, and Richard Wykoff as key influences to his trading style.

In 2005, Morales struck out on his own to continue finding the “big stocks” that are the foundation of his track record. He has nothing but praise for O’Neil, but he got tired working for an institution and wanted to pursue his entrepreneurial ambitions. Morales began by publishing a newsletter entitled “The Gilmo Report” (www.gilmoreport.com) where he describes his methodologies and provides timely ideas on stocks that he is following. Morales says that one of the things that impressed him about O’Neil was his passion in trying to help the “average investor” and Morales hopes that his newsletter will continue in the same tradition. Coming from a large family, Morales believes it is very important to provide opportunity for the next generation, and he hopes that his newsletter will allow him to do this by both providing guidance to budding investors and providing employment opportunities down the road. He also views the newsletter as contributing to the growth of “Society’s Neural Network” where knowledge can be shared with greater ease due to the advances in technology. Morales recently brought Dr. Chris Kacher onto his team as a portfolio manager. A former colleague of Morales’ at DAI, Dr. Kacher racked up a 228% return in 1998 and worked with Morales in a research/trading tandem team that was tops at the firm. “Dr. K”, as Morales calls him, will also contribute to the newsletter and website.

Morales has also harbored ambitions of being the next “Great American Author”, seeing John Steinbeck and Ernest Hemmingway as his models, and he believes that the practice of writing a newsletter twice weekly will help hone his literary skills should he decide to eventually pursue that path.

In addition to the newsletter, Morales continues to manage capital both for himself and a select group of accredited investors. He has arranged his circumstances to suit his purpose. Morales’ administrative offices are in Century City, but he has a trading office in Playa Del Rey just feet from the legendary Southern California beaches. His trader works in San Francisco, and they are connected via telecom link throughout the entire trading day. Morales says that having a space all to himself allows him to focus on the market and his writings without the distraction of others in the room. And when the going gets tough, he can always take a walk on the beach…

Ajay G. Jani has been in the investment business since 1989, and is currently Managing Partner of Single A Capital, LLC, a hedge fund investing in Emerging Markets. He is an MTA member and has completed levels I & II of the CMT.
In fact, this was actually Tony's second opportunity to accept the Annual Award. The first time was when he accepted on behalf of his late father, Edmund Tabell. One could easily argue that technical analysis is in Tony's genes. In addition to his father, his family tree includes the great technician Richard Wyckoff, who was his uncle.

Tony enjoyed a long and very successful on Wall Street. He was an early proponent of computerizing technical analysis, and at one point had the largest minicomputer dedicated to this endeavor. His database was used by academics such as Dr. Andrew Lo to study technical analysis. The classic "Encyclopedia of Technical Market Indicators" by Robert Colby, CMT and Thomas Meyers also used data provided by Tony’s firm.

Tony has long extolled the virtue of technical analysis to the fundamental community. In 1968, he hosted a panel discussion entitled "How Portfolio Managers can use Technical Analysis" at the first annual Institutional Investor Conference. That panel consisted of John Bennett from Putnam Investments, Richard D. Kirkpatrick from CIT (father of the 2008 MTA Annual Award winner Charles D. Kirkpatrick), and Alan Shaw from Harris Upham (himself a pervious winner of this Award).

At the current time (mid May 2009), Tony is bullish – not necessarily on the stock market but on the future of the technician’s model of how the market works. He noted that it took a major recession to prove that the technical view vis a vis the academic view is, in fact, correct.

Another time when he saw the technical model work very well was in the 1940s. At that time, a market letter published by his father took a contrary view. The conventional view was that the 1929 high would never be exceeded. Noting that a number of large bases had formed, Edmund correctly forecast the bull market that marked the late 1940s and early 1950s.

In 1954, Tony began working for his father as a board boy, marking prices from the tape for very low wages. At that time, he recalled, Fortune magazine featured his father in an article called “The Mystique of Point and Figure” and likened the technique to witchcraft. After that, Tony watched the Random Walk Hypothesis take hold on Wall Street. All the while, his faith in technical analysis never wavered.

He actually developed a philosophy of stock prices that was different than the consensus view. Harold X. Schreider, a Wall Street veteran and economic advisor to President Eisenhower, taught Tony that "a stock is priced as a moving object and it tends to have value, most of the time, based on the direction and speed of movement." During his presentation, Tony reminded Ralph Acampora (yet another Annual Award recipient) that Schreider had been the one who hired Ralph for his first Wall Street job.

Hank Pruden wrote in a 2008 Technical Analysis of Stocks & Commodities article that Tony identified several common characteristics in the old-time technicians that he had known and learned so much from. They were intuitive, deterministic, contrary, and apocalyptic. Buy and sell decisions were based on intuition – an inner faith in themselves that allowed early technicians to act on their beliefs. Determinism means that although there are macroeconomic trends and behavioral influences over the market that are beyond the technician’s control, they can be detected (determined) and acted upon. Contrarianism came naturally to early technicians who knew the crowd had to ultimately be wrong. And the Great Depression led to an apocalyptic world view for the technicians of his father’s generation.

These same characteristics can be applied to the modern technician who embraces chaos theory to explain the market in Tony’s opinion. Intuition is required to process and handle all of the available choices. Determinism comes into play as chaos theory incorporates numerous external factors into pricing models. The impossibility of a market trading at true value requires a degree of contrarianism to develop price targets. And in a chaotic environment, apocalyptic events seem to occur more and more often.

Insights like this are what separate Tony from the typical technician. He has thought long and hard about his craft and has always been at the leading edge of technical analysis. In conclusion, Tony noted that he was pleased to accept this award at a time when technical analysis has earned its stripes and proven its value in the investment community.

When asked what advice he would give the next generation of technical analysts, he wisely counseled them to expect to be wrong 40 percent of the time.
Capturing the Twists and Turns in Fast-Moving Bond Futures

by Darrell Jobman, Editor-in-Chief of TraderPlanet.com

It has been a couple of months since we have written about interest rates, certainly one of the fastest moving markets in the last few months. In that intervening period . . .

- Treasury bond and note futures completed a meteoric rise to record levels with their biggest monthly ranges this century in November and December.

- Interest rate futures then tumbled from the peak in January with the biggest monthly range to the downside this century.

- The Federal Reserve dropped the Fed funds rate to 0-0.25 percent, leaving little room to use interest rates to attempt to shake the economic recession.

- The Treasury has announced plans for huge bond auctions in February with more to come to finance the various bailout and economic stimulus programs.

- Buyers bought bonds paying virtually no interest just for security reasons in the past, but how long can the government continue to attract buyers for its paper without a better return in the form of higher interest rates (and lower bond futures)?

So what is the VantagePoint chart view of this financial mess in T-bond futures?
When we wrote about bonds in early December, we pointed to the double bottom (arrows) and the breakout of the W bottoming formation confirming the bullish forecast provided by VantagePoint's predicted medium-term moving average (blue line) crossing above the actual medium-term moving average (black) and indicating a long position above 118 - if not on the moving average crossover around 114.

March bond futures continued up to new highs near 142 in December, but VantagePoint's predicted differences (green, blue and red lines in lower panel) suggested the upward momentum might be running out of steam by forming lower highs as the topping formation in bond futures developed - an example of divergence between price and indicator that often precedes a change in price direction.
In addition to the indicator divergence and period of price action that looked toppy, one would have to agree that the bond futures fundamentals were screaming sell because of all the government intervention that would flood the market with paper in the coming months.

Sensing the bond futures market would be hard-pressed to continue its record advance, a trader - we emphasize a trader with some guts to handle the volatility and the risk - could have placed a stop below the low of the topping range marked by the horizontal red dashed line as a trap to catch an expected decline. A trader looking for clues from VantagePoint might have waited until after the first long black candle to see the predicted moving average crossover in conjunction with the predicted neural index shifting to 0.00 to go short on the open of the second big black candle around 138.

That would have set the trader up for a nice ride down. But, as usual, markets tend to not go in a straight line in any direction, so a trader might have wanted to look to VantagePoint for more help. Enter VantagePoint's predicted next day high (gold line) and predicted next day low (fuchsia line).
As bond futures dropped down from their peak, a smart short trader would have been looking for a place for a protective buy stop. One possibility is VantagePoint's predicted next day high. Note where prices exceed the predicted high (gold line) around 133-134 in the red circle as the predicted neural index moves to 1.00 and the angle of the predicted short-term (red line) and medium-term (blue line) difference lines turn up (red dashed vertical line). Prices move up for several days and produce a medium-term moving average crossover signal to the upside. A trader who could overcome the fundamentals argument might have gone long at that point, putting a stop below the predicted low (fuchsia line) around 136 in the blue circle. As prices broke below the predicted low, the neural index again dropped to 0.00, the predicted differences started to turn down and the predicted moving average crossed below the actual moving average, clues to resume a short position.

Essentially the same type of scenario unfolds in the green circle except there is no moving average crossover. The trader would still be short at the right edge of the chart with a protective buy stop above 127 or so.

Admittedly, these are not trades for the timid or undercapitalized as the activity was fast and furious and risky, but a combination of VantagePoint clues provided a path for the nimble trader to follow.

Darrell Jobman has been writing about financial markets for more than 35 years, covering all aspects of the trading industry. A decorated Vietnam War veteran, he was a newspaper farm editor and editor of several agricultural publications before becoming an editor of Futures Magazine for more than 15 years. He has written and/or edited more than a dozen books on trading including The Handbook for Technical Analysis. His passion is helping others succeed by learning the "dos and don'ts" of trading and through TraderEducation.com he has really been able to satisfy his passion.
The Dow Award

Kevin J. Lapham, CMT, of Ned Davis Research, Inc. (www.ndr.com), was recognized at the MTA Symposium for receiving the 2009 Charles H. Dow Award. Kevin’s paper, “Using IPOs to Identify Sector Opportunities,” presents a way to use initial public offerings (IPOs) to improve on measures of broad market sentiment by providing a more detailed view of sentiment at the sector level. Using IPOs with other indicators or models can achieve a better perspective of sentiment and supply and demand forces that may influence market sectors.

The abstract of the paper provides only a glimpse of the unique nature of this research:

The number of initial public offerings (IPOs) is a well-known, long-term stock market indicator. With the popularity of sector investing and the increased use of exchange traded funds, it would be advantageous to employ a new IPO-based indicator to assess sector health, improving upon available technical market measures. This study will examine how the number of IPOs within the ten market sectors can be used to help identify overbought or oversold conditions in each respective sector.

Since 1994, the MTA has presented the Charles H. Dow Award for excellence and creativity in technical analysis. The papers honored with the Award have represented the richness and depth of technical analysis. The Charles H. Dow Award, which carries a prize of $4,000.00, is the most significant recognition in the field of technical analysis.

“This paper enriches the tradition of top tier research set by those who have received the Charles H. Dow Award,” said George A. Schade, Jr., CMT, and the MTA’s Dow Award Committee Chair.

Kevin said when notified that he had been selected as the winner, “I am very honored, humbled, and excited to be the recipient of the 2009 Charles H. Dow Award. I wish to thank the MTA for sponsoring this award and providing the opportunity for my work to be recognized. I would like to express my gratitude to my colleagues and my family who supported me during my research project.”

To read the full text of the paper, please visit http://www.mta.org/eweb/docs/pdfs/dow-award-2009.pdf.

Kevin J. Lapham, CMT, is the Data Integrity Manager at Ned Davis Research in Venice, Florida. Kevin directs the auditing staff and utilizes technology systems to implement and coordinate data integrity firm-wide. He also provides support for analysts and other data users for custom research projects.

Kevin started at the firm in 2000 as a Market Data Associate in production before moving to the data integrity department. He advanced to a Senior Market Data Analyst at NDR and collaborated in writing the weekly Financial Sector Commentary. He is NDR’s resident Bloomberg expert holding several certifications from Bloomberg L.P.

Prior to joining NDR, he worked at Raymond James & Associates as a Branch Technical Liaison.

Before entering the financial industry, Kevin was a merchant mariner on various vessels such as tugboats, casino boats, and container ships plying the North and South Atlantic Oceans. Always interested in science and research, he spent four years as the Research Vessel Captain overseeing vessel operations for the University of Maine System. He continues to fulfill his lure of the sea as president/owner of his nautical chart agency DiscountNautical.com.
Kevin earned a Bachelors of Science in Mass Communication with a minor in Computer Science from Emerson College and obtained a Masters Diploma from the Loeb-Sullivan School of International Business & Logistics at Maine Maritime Academy.

**TraderPlanet.com**

*reviewed by Mike Carr, CMT*

Social networking web sites such as MySpace and Facebook have become very popular in recent years. It seems difficult to make money if you spend your day on these types of sites, but www.TraderPlanet.com combines the social networking concept with the idea that traders like to do things that can be profitable.

Hundreds of contributors, pros and novices, post market ideas to TraderPlanet.com and many offer detailed and timely market analysis. Some of the contributors are MTA members with long and successful track records. Many are easily recognizable names. And this is probably the first thing that visitors to TraderPlanet.com realize: They can make money simply by reading the posts. It is rare to find sites like this where the majority of the information is useful, so TraderPlanet immediately earns a bookmark in my web browser. TraderPlanet also has a classy look and large audience. For the technician looking to succeed in the trading business, it is worth considering as a part of a long-term business plan.

Often viewed as a mercenary group, traders look at how they can profit from almost any situation. TraderPlanet.com serves as a forum where passive participants can profit by merely following the detailed analysis of the hottest hands and learning from the seasoned professionals.

For more of the site’s active participants, TraderPlanet.com allows newcomers to create a name for themselves. Posting frequently and professionally can lead to recognition among your peers, and TraderPlanet.com visitors include many names that are in positions where they will be hiring technical analysts at some point. Non-professional visitors will also recognize the names of the best contributors and may purchase newsletters or use money management services of those they find useful. This makes TraderPlanet.com the home of thoughtful posts - not rapid-fire twitters that are soon forgotten.

Posts are not limited to text. Charts are obviously an important addition to many analyses and are easily posted. No special software is required; Microsoft’s new snipping tool provides all the capabilities required. Videos can also be posted by those honing their on-camera skills for that CNBC interview.

Along with expert commentary, product reviews are frequently posted to the site. This is another way that individuals can gain exposure to a large audience. In addition to appearing on TraderPlanet.com, the editors may also use excerpts of the review as information for articles they might be working on for other publications. Once the review process is completed, software, books and seminar materials are auctioned on TraderPlanet.com, and the proceeds are donated to the charity of the publisher’s choice. This is another way to gain exposure for aspiring technicians and a way to obtain top products at potentially lower costs.

www.TraderPlanet.com is a website worth exploring for traders and analysts of any level.

**Ripple Effect Looms Large in FX Markets**

*by Louis B. Mendelsohn*

Foreign currency traders worldwide need to understand that today’s financial markets are globally intertwined and
should not be examined in isolation from one another.

Even novice traders know that a development affecting one market or financial sector is likely to spill over and have repercussions in other markets, because no market, particularly the forex market (which is at the center of global commerce), functions in isolation today.

But a serious disconnect still prevails between the reality of how the markets interact and the historical emphasis of technical analysis to look internally at one market at a time. Technical analysis, in this regard, has failed to keep pace with the globalization of financial markets and the emergence of the global financial system.

Changes that began in the 1980s with the proliferation of personal computers and global telecommunications—which accelerated in the 1990s with the growth of the Internet and gained momentum in this decade with the cross-border consolidation of financial exchanges worldwide—have hastened the interconnectedness of global financial markets. Now traders need to pay very serious attention to what’s happening in other markets, even those seemingly unrelated to the markets they trade.

Still, too many individual traders, particularly newcomers just learning the ABCs of technical analysis and the mechanics of forex trading, rely solely on single-market technical analysis strategies that have been around, in one form or another, since the 1970s, but which have become obsolete in today’s environment. This narrow approach to technical analysis predates the emergence of market globalization. As a result, I believe a large percentage of these traders fail in their trading endeavors and end up losing their trading capital after a brief stint in the markets.

Admittedly, traders still need to analyze the past price behavior of each individual market. If for no other reason, doing so continues to be worthwhile to identify the double tops, broken trendlines or moving average crossovers that other traders are observing, because such single-market indicators are part of the mass psychology that helps drive price action. But that narrow focus does not go far enough any longer.

It became increasingly clear to me in the mid-1980s, as the global economy was just beginning to coalesce, that intermarket analysis would become essential to traders who wanted to get an early reading on price direction in a target market before it became apparent to others. Since then, I have spoken out in numerous articles, books and television interviews that traders must incorporate intermarket analysis into their trading strategies.

Now at this juncture, as players, both big and small, shift their emphasis from one crisis to the next on almost a daily basis, amid increasing market volatility and frequent government intervention, I doubt that anyone would question the need for an intermarket perspective in their trading. If individual traders are to survive and prosper, following the wreckage of former Wall Street titans engulfed in the current financial crisis, brought on by lax lending standards, the massive securitization of mortgages, the proliferation of derivatives, and well-deserved fears related to counterparty risk, traders must open their eyes and recognize that continued reliance on single-market analysis is tantamount to financial suicide.

A Golden Oldie

Intermarket analysis has a long history in the equity, agricultural commodity and currency markets. Equity traders for years have compared returns between small- and large caps, one market sector versus another, a sector against a broad market index, one stock against another, international versus domestic stocks, etc. Fund managers talk about diversification and asset allocation as they try to achieve superior portfolio performance. Whether they are speculating for profits or arbitraging to take advantage of temporary price discrepancies, intermarket analysis in this sense has been part of equity trading for a long time.

Likewise, commodity traders have practiced intermarket analysis for decades. Farmers have been involved in it, although they may not have thought of what they do in those terms. When farmers calculate what to plant in fields where they have several crop choices—between corn and soybeans, for example—they typically consider current or anticipated prices of each crop, the size of the yield they can expect from each and the cost of production in making their decisions. Farmers do not look at one market in isolation but know that what they decide for one crop will likely have a bearing on the price of the other, keeping the price ratio between the two crops somewhat in line on a historical basis.

Currency traders and banks have also performed intermarket analysis while trading currency spreads (involving a long position in one currency and a short position in another) long before the term “forex pairs” became popular among individual traders.
The Domino Effect

The commodity markets, such as crude oil and gold, have a tremendous effect on other financial markets—including U.S. Treasury notes and bonds, which, in turn, have a powerful impact on the global equity, debt and derivatives markets. They subsequently affect the U.S. dollar and forex markets, which then further influence prices of commodities.

This domino effect, when set off by what might appear to be a seemingly isolated or relatively small triggering event at the onset, can ripple through global financial markets in a circular, cause-and-effect, dynamic process that seems to take on a life of its own. Underlying this process are inflationary expectations, changes and differentials in interest rates in different countries, counterparty risk assessment, corporate earnings growth rates, stock prices, and forex fluctuations—not to mention hurricanes and terrorist attacks—to name just a few of the potential triggering mechanisms that can set this process into motion.

Today, one can hardly name a market that is not affected by related markets or does not influence others in turn. That's because "hot money" on a global basis—in what seems like nanoseconds—can now migrate to those markets promising higher returns or less risk. This is especially true in the foreign exchange market where a participant is always trading one currency against another. This search for returns is evident in the establishing and unraveling of so-called carry trades in recent years, as sophisticated traders and hedge funds borrowed money in low-interest-rate countries, such as Japan, and invested these funds in instruments in countries with higher interest rates, including New Zealand and Australia.

This dynamic has already played itself out a number of times since the 1987 crash, including the 1997 Asian currency crisis, the 1998 Long Term Capital Management debacle and the crisis following the 2001 terrorist attack on the United States. Each occurrence underscored the far-reaching implications regarding the fragile stability of the global financial system, itself, amid the ever-present prospect of a worldwide Category 5 financial meltdown.

As problems in the U.S. subprime credit markets spilled over into international hedge funds and banks in the summer of 2007, stock prices tumbled and traders unwound their carry trades, buying the Japanese yen and selling the higher interest rate currencies to raise cash to provide liquidity for their funds. Once started, the move fed on itself, affecting numerous global markets including forex. Within a span of less than a month, the Japanese yen went from a “weak” currency to 14-year highs against the U.S. dollar, and the Australian dollar/yen pair plunged from above 107 yen to 86 yen (see Figure 1). As the situation changed and stocks rallied to a peak in October, 2007, the pair hit the high mark again, then fell back, then rallied and then plunged again in July 2008, the large fluctuations illustrating the enormous trading opportunities and the potential profits that can be made in the forex market beyond pairs tied to the U.S. dollar.

Figure 1
As the ramifications of the subprime mortgage debacle and other problems related to debt instruments brought new revelations to traders, global forex markets responded quickly, adjusting to developments in these other markets, as the sharp plunges and rallies in this AUD/JPY pair illustrate.

The recent crisis in the U.S. credit markets and the subsequent fallout affecting highly leveraged funds illustrates again the extent to which the global financial markets are interconnected. Within hours, the reverberations from brokerage firm and hedge fund implosions tied to hybrid debt instruments and esoteric derivatives, spread to investment banks and other financial institutions around the globe, prompting central banks in the United States, Japan, Europe and elsewhere to inject funds into their own economies to provide liquidity in the hope of preventing the financial contagion from spreading farther and becoming even more severe.

As is often the case, traders’ flight to quality in a financial crisis lifted U.S. Treasuries and the U.S. dollar, which again steered away (at least temporarily) from the edge of collapse as many market pundits had been prognosticating for some time. The verdict is still out on whether or not the infusions of liquidity into the financial system and enormous capital investments by the Fed into such behemoths as Freddie Mac, Fannie Mae and AIG can actually stave off a worldwide financial system meltdown or just put off the inevitable.

The answer depends on how many other “ticking time bombs” still lurk within the labyrinth that comprises the U.S. mortgage and real estate markets. But the key point for FX traders from all of this is that they need to pay closer attention to what’s going on beyond the forex market and be on the lookout for a spark that could ignite elsewhere, and then quickly flame reactions across the globe that impact the currency markets.

Taking the Next Step

While it is important to realize that the financial markets are interdependent, it takes more than that alone to be successful as a forex trader. To turn this awareness into trading profits, traders have to be able to quantify these market interrelationships and then apply that information to actual trading situations in a way that measurably improves performance. This challenge has been the focus of my research for the past 20 years, as I have sought ways to analyze how global financial markets interact with, and influence, each other, quantify their
interconnectedness and develop predictive technical indicators and methods by which traders can put this information to practical use.

For instance, if a trader wants to judge the value of the euro versus the U.S. dollar (EUR/USD), he or she not only has to look at euro data but also at numerous related markets to see how they influence the EUR/USD pair. This includes other currency pairs, as you might expect, but also U.S. Treasury notes and bonds, as well as other markets that, at first glance, may not seem to have much of a connection to the currency pair.

Often the correlation between other markets and the dollar is inverse, especially for markets such as gold or oil that are priced in U.S. dollars in international trade. When the value of the U.S. dollar declines, foreign currencies naturally rise by varying degrees, and prices for gold, oil and many other commodities usually do, too.

As the value of the U.S. dollar weakened several years ago, the Organization of Petroleum Exporting Countries began pricing some of their crude oil exports in euros to make up for losses from the cheaper dollar. When the U.S. Dollar Index sagged to its historic lows, around 71, there was more talk from Russia about pricing its oil in euros, and several countries have announced plans to shift some of their currency reserves from the dollar into other currencies. Traders in many markets, not just forex, need to keep an eye on whether the dollar will be able to maintain its reserve currency status, as well as consider the broader implications if the dollar’s role diminishes in global financial markets.

In the future, another major challenge for FX traders will involve China’s response to U.S. pressure to revalue the Chinese yuan. Any movement will likely continue to be slow and calculated to preclude any severe disruptions to Chinese and world markets, but this is a development that currency traders and others need to monitor closely for the potential jolt it could have on numerous global financial markets, particularly forex. It’s unlikely that a trader will know exactly when and how any adjustments might unfold, but intermarket analysis can provide some early clues for those markets that he or she trades.

Analytical Challenge

As the recent market turmoil and financial crisis has highlighted, many traders still ignore intermarket analysis altogether or fail to implement it in an effective way as part of their trading plans. At best, traders too often rely upon simplistic ways to evaluate and compare markets. The complexity of the dynamics behind market movements, which I call ‘market synergy’, and how markets influence each other demonstrates that just comparing price charts of two currencies and looking at the spread difference or a ratio between their prices (to measure the degree to which they move in relation to one another) is totally inadequate in today’s highly volatile, global trading environment.

This approach is too limited because it does not take into account the influences exerted by other currencies or other related markets. Additionally, such correlation studies fail to address the often changing leads and lags that exist in the global economy as they affect market dynamics.

Introducing Intermarket Data

Intermarket analysis provides a more comprehensive set of data points for analysis than simply looking at an individual market’s past prices. Through the use of a sophisticated artificial intelligence tool called neural networks, which I first started working with in the late 1980s, both single-market data from a particular target market, such as one of the forex pairs, and intermarket data from perhaps dozens of related markets are used as inputs into the neural networks. Once the networks have been properly designed, trained and tested, they can be used in real-time trading with current market data updated each day to produce highly accurate, short-term forecasts for the target market.

Knowing that it would be futile to attempt to make accurate long-term forecasts (just like it is impossible to do with weather forecasts of the path of a hurricane), the neural networks are designed to make predictions for just one or two days into the future. Of course, even for this short timeframe, it is folly to expect perfectly accurate forecasts. That’s not only unrealistic, it’s simply impossible due to inherent randomness in the markets and unforeseen events that affect them.

No ‘Holy Grail’

The good news is that traders only need to tilt the odds in their favor through access to reasonably consistent and accurate short-term forecasts. With powerful analytical tools such as neural networks that use intermarket data from...
related forex and other global markets, popular technical indicators such as moving averages and moving average convergence divergence, among others, can be transformed from single-market lagging indicators into powerful intermarket-based leading indicators (see Figure 2).

Figure 2


Data provided by intermarket analysis can be used to forecast short-term (red line) and medium-term (blue line) moving averages that often lead turns in the actual medium-term moving average (black line), sometimes by several days, as the arrows at the major turns illustrate.

With predictive information available to traders through use of leading indicators, traders can gain needed confidence and have the necessary discipline to adhere to their trading strategies, so that at the right time they can pull the trigger without self-doubt or hesitation while everyone else is becoming paralyzed with fear. In today’s fast-paced forex market with the possibility of a Category 5 worldwide financial meltdown looming on the horizon, this can be the difference between becoming one of the privileged few or sinking backwards down the socio-economic ladder. For the millions of baby boomers, facing retirement just around the corner, these alternatives are worlds apart. It’s simple; in the 21st century, information is power.

About the Author

Louis B. Mendelsohn, president and chief executive officer of Market Technologies, LLC, (www.TraderTech.com), is a world-renowned pioneer in the application of personal computers to the financial markets. He was the first person to introduce strategy backtesting software to PCs in 1983 followed by intermarket analysis software in the mid-80s. In 1991 he introduced VantagePoint Intermarket Analysis Trading Software which uses pattern recognition on intermarket data to forecast market trends. VantagePoint now analyzes more than 600 commodities, financials, equities, exchange-traded funds and forex markets daily. A leading proponent of intermarket analysis for more than 20 years, Mendelsohn has been widely quoted and published in the financial media, and contributed to more than half a dozen books on trading. He authored *Forex Trading Using Intermarket Analysis* in 2006 and *Trend Forecasting with Intermarket Analysis* in 2008.
**The Ivy Portfolio: How to Invest Like the Top Endowments and Avoid Bear Markets** by Mebane T. Faber, CAIA, CMT, and Eric W. Richardson, JD

reviewed by Mike Carr, CMT

University endowment funds have delivered extraordinary investment results in the decades leading up to the 2008 bear market. The Yale University endowment returned 16.62% a year from 1985 to 2008, significantly outpacing the S&P 500 which delivered an annualized gain of 11.98% over that same timeframe. Harvard University grew its endowment by more than 15% a year over that span. (The book points out that endowment fiscal years end on June 30th, so the steep losses incurred in the second half of 2008 are not represented in these returns.)

Faber and Richardson use these returns as the basis of an in-depth study of how endowments are managed and how individual investors can duplicate this investment style. They begin by identifying several characteristics of endowments:

1. They are tax exempt allowing them to make investment decisions free from tax considerations.

2. Endowments invest for the long-term, planning to exist for perpetuity. This means they can invest in illiquid asset classes. The authors cite timber as an example, which is an investment that may require a 20 year time horizon.

3. The investment policy statements of endowments generally have few restrictions. This frees managers to pursue the best investment results available anywhere in the world.

After providing histories of several successful endowments, and examples of endowments that suffered greatly because of bad investment decisions, Faber and Richardson provide rich details on how the best strategies can be followed by individual investors. They use publically available information to determine what factors led to this investment success and then use that research to provide a “how to” guide.

In this section, they get very specific, identifying ETFs and other investments that can be bought to obtain some of the diversification that endowments achieve. While endowments do have access to some asset classes that individuals will have difficulty buying, the authors detail this and do their best to find alternatives. In the end, no reader will be left wondering what to do next – all implementation questions are fully addressed.

Historical testing shows the impressive results that are possible from a disciplined execution of these ideas. Simple timing tools are also presented, and the reader is again able to immediately implement all ideas in the book. No secrets are left out. In backtesting, one leveraged model provided average annual returns of 15.40% from 1973 to 2008, compared to 9.26% for the S&P 500. The model limited maximum drawdown to about half that seen by the long-only, buy-and-hold stock investor.

The models provided to run your own Ivy Portfolio are simple to apply and would require no more than a couple of hours a month to manage. As a bonus, the book includes an additional chapter which details how to mimic large institutional equity investors.

Any institutional investor with more than $100 million in assets under management is required to report their holding to the SEC every quarter. These filings are done on Form 13F. Faber has developed a web site (www.alphacclone.com) that tracks these filings and summarizes the reports into portfolios mirroring the holdings of Warren Buffett, George Soros, or many other large investors.
Offering a model of transparency, the authors write, “Since we don’t want this to be an advertising/promotional piece, we detail how to complete the research on your own below.” They then provide step-by-step instructions on how to obtain the data from the SEC web site and how to actually use the data to trade along with the greats.

Any reader will find great value in this book. The investment principles are based on sound logic, which is well researched and thoroughly tested. In the end, you will have ideas on how you can be a better trader or long-term investor using the tools that Faber and Richardson provide.

Copies of this book are available in the MTA Library. To take out a copy of this book, please visit the Library page at mta.org or contact Cassandra Townes at cassandra@mta.org.

Mebane T. Faber researches and manages a number of quantitative strategies at Cambria Investment Management, including equity and global tactical asset allocation portfolios. He is a frequent speaker and writer on quantitative asset management strategies and his commentary has been featured in Barron’s, Worth, and The New Yorker. Prior to joining Cambria, Faber’s background included positions as a biotechnology equity analyst and a quantitative research analyst. He graduated from the University of Virginia with a double major in engineering science and biology. He holds the Series 3, 7, and 66 licenses. Mebane is a Chartered Alternative Investment Analyst (CAIA), and Chartered Market Technician (CMT).

Eric W. Richardson has over 18 years of diversified experience as a fund manager and corporate and securities attorney. Mr. Richardson is the founder and President of Cambria Capital, LLC, a FINRA-member investment banking and securities brokerage firm. Mr. Richardson also serves as President of the general partner of Cambria Investment Fund, LP, a fund that makes short-term bridge loans and private equity and structured equity investments in private and publicly-traded emerging growth companies. Prior to forming Cambria Capital and Cambria Investment Fund, Mr. Richardson was the President and Portfolio Manager of Kwai Financial, the venture capital and bridge lending unit of Headwaters Incorporated (NYSE: HW).

Kwai made bridge loans and private equity investments in emerging growth companies in the information technology, media and energy markets. Between 1998 and 1999, Mr. Richardson served as Vice President of Institutional Sales for Imperial Capital, LLC, an NASD-registered broker/dealer, where he was responsible for sales and trading of public and private securities to institutional investors. From 1996 through 1998, Mr. Richardson served as General Counsel and then Chief Operating Officer of Prosoft Learning Corporation (NASDAQ: POSO), a publicly traded company that offers content and certifications relating to information and communications technology workforce skills. Prior to this, Mr. Richardson was a corporate attorney in the Los Angeles office of Shearman & Sterling where he represented institutional lenders in private banking and structured finance transactions. He began his legal career as an associate at New York based Milbank, Tweed, Hadley & McCloy, focusing on banking, real estate and corporate transactions. Mr. Richardson received his B.A. in 1988 from the University of Southern California and his J.D. in 1991 from the University of Michigan Law School. Mr. Richardson is a member of the California Bar Association, and holds the Series 7, 24 and 66 licenses.

MTA Announcements

CMT Exam Registration - All Levels Open!
Registration for the Fall 2009 CMT Examination is now open for all levels! The Fall 2009 testing window will be October 22nd - October 31st. It is our experience that those who wait until the end of registration to sign up, encounter difficulty securing their desired time, date and location, as this is available on a first come first serve basis. Sign up today to ensure your preferred time, date and location! Contact Marie Penza, 646-652-3300, for information on the CMT Program and/or to schedule your exam. For detailed instructions on how you can register online, please click here.
CMT Recommended Reading - Changes Now Posted!
Please note that there have been some minor changes made to the recommended reading lists. To view the reading lists, please click here.

Looking to purchase the books on the CMT Exam recommended reading list? Trader's Library has a website created specifically for those looking to purchase these books. To visit this site, please go to www.investstore.com/mta. If you have any questions regarding your purchases from this website, please contact Becky Dean at bdean@traderslibrary.com.

MTA Knowledge Base - Coming Soon!
The MTA's Knowledge Base (KB) is our interactive, flexible and dynamic repository of key Technical Analysis (TA) information for the use of our membership and general public. We have populated this site with pertinent TA data gathered by our Association, and our partners, over the years. It is our hope that this repository will be the "first stop" for current TA information, maintained in one site for your use. Click here to view the Introduction to the KB presentation by MTA Executive Director Tom Silveri.

MTA Educational Web Series
Registration is now open for the following upcoming presentations of the FREE MTA Educational Web Series.

- **Last Chance** - Friday, May 29th, at 12:30 PM EST, Stan Harley will present "The Stock Market - A Longer View." Click here to register for this webcast.

- **Sign Up Now** - Tuesday, June 9th, Dan Draper, CMT, CFA, will present "Applying Technical Strategies to ETFs: A Global Overview." Click here to register for this webcast.

- **Sign Up Now** - Thursday, June 18th, Walter Murphy, CFA, will present "Elliott Wave in Today's Market." Click here to register for this webcast.

- **Sign Up Now** - Thursday, June 25th, Vincent Catalano, CFA, will present "Market Signals with ETFs." Click here to register for this webcast.

The MTA is pleased to announce the addition of Michael Carr, CMT, Jeff Kennedy, and Mike Hurley, CMT to our Educational Web Series. To view the entire upcoming schedule, please click here.

BACK TO TOP