Letter from the Editor

The goal of Technically Speaking is to deliver timely and useful research to MTA members. Since switching to our electronic format, we do feel that we improved our ability to meet these goals. We have significantly expanded our use of charts, and we introduced full color charts. This format also means that we are now able to publish longer research pieces alongside shorter articles.

All of these changes make Technically Speaking more of a benefit to our members as a source of ideas and as an avenue for being published. That first benefit is obvious - ideas are always welcome to traders and investors alike and serve as a starting point for individual research. In today's job market that second benefit may be overlooked but even more valuable.

Being published in a professional publication is a great addition to any resume. It demonstrates that you can not only analyze the markets using technical analysis, but also that you can detail this analysis and present it in an understandable manner. Many positions require the ability to communicate strategies to traders, sales staff, or clients and a published article offers proof that you have this skill.

I hope you'll consider sharing your research and analysis with the members of the MTA, whether you're a seasoned professional or new to the field. As always, we are looking for longer term work – we can't publish short-term market forecasts although these are perfectly suited for the Technical X-Change section of the Knowledge Base that is maintained on the MTA web site (http://knowledgebase.mta.org/).

Some great examples of the diverse topics we'd like to publish are in this month's issue, which we hope you'll enjoy reading.

Sincerely,

Mike Carr, CMT

Government Bonds: Can You Spare a Nickel?

by Keenan R. Hauke, CEO of Samex Capital Advisors.

This article was originally published on January 25, 2010 by Samex Capital Advisors and is reprinted with their permission.

Bull markets come and go. Or do they? Investors buying US government bonds have experienced a nearly 30 year run of consistently higher prices with very little downside disruption. People often cite the powerful bull market in equities from 1980 to 2000 as a unique and amazing run. The current bond market, however, has now outlasted that “once in a lifetime” event by 10 years. We are witnessing an outlier, which by its very existence is begging to be explored. Over the last 20 years, the talking heads have had their say. It is now time for Samex to weigh in using the facts as market participants believe them to be. After all, its market action, not words, that count.

One easy explanation for the longevity of the bull market in bonds is the extreme stretch that occurred throughout the 70’s until 1981. US bonds were paying 15% by 1981, which is near historically high levels for any
type of stable government in history. From one extreme to the next, which brought us to a coupon of 2.5% by the end of 2006 (Figure 1). Bond prices moved from $45 to a high of almost $140, and those returns don’t include annual interest payments. In essence, coming off the raging inflation of the 1970’s the interest rate environment was ripe for a long term decline. At some point, though, all good things come to an end. There is a real possibility that the highs for the bond market have been put in, and we are in the very early stages of what may turn into a powerful, sustainable and long term bear market for US government bonds.

A noticeable top in prices (low in yield), must be in place before a bear market begins. Increasing levels of selling pressure show up after investors realize that new highs are not coming for quite some time. The most recent high in the bond market was seen 13 months ago in December 2008, with the 30 year seeing a high tick of $142.66 and a Yield of 2.51%. 13 months is not enough time to declare an end to the bull market as there were 2 occurrences in the 90’s where it took about 3 years before a new high was seen. Another indication of coming investor pessimism is often lower prices.

Bond prices are down about 15% from the December 2008 high. In and of itself that may not be enough to kick up the fear factor to the point of seeing sharply lower prices in the near term. It is important to keep in mind, though, that bear markets typically see the worst selling near the later stages of the cycle. Early price drops usually lead people to convince themselves that they are seeing normal market action.

Why is it then, we believe the great bull market in bonds is over? For this we turn to some traditional technical indicators such as trendlines and moving averages to provide a clear analysis of what is really happening. Using the 200 day moving average of prices has served well over the years to help determine bull or bear market status. The 30 year bond price fell below the 200 day moving average (Figure 2, red parabolic curve) in April 2009, and despite two attempts to recover in May and October, and a failure to hold above it, in late November, prices are firmly below what is now a clearly down trending 200 day moving average line.

A look at a chart of the yield for the 10 year bond is showing similar, although inverse characteristics (Figure 3). The yield is above the 200 day average and has been in a short term uptrend since late November. The rate is currently hitting some overhead resistance near the 4% level, which is an area that should be closely watched.
in the weeks ahead. A near term break above 4% will serve as a confirming indicator that we are indeed seeing a bear market.

Long running bull markets have a tendency to end in an explosion of activity. Think tech stocks in the late 90’s. The Nasdaq experienced a steady upward march throughout the 90’s until the middle of 1999 when the market went almost vertical as it doubled in less than a year. The commodity run in the 1970’s showed a similar trait with gold doubling in the last 18 months until it hit a 27 year high of $850 an ounce. On a chart, these moves look like mountain peaks and they stand out from the rest of the picture. Technical analysts call these terminal moves blow off tops. The near 30 year bond price peak in December 2008 was the sharpest run during the entire bull move going back to 1981 (Figure 4). It fits the bill of a blow off top.

There are a few reasons why bear markets inflict so much pain. One is the absolute sense of complacency investors are lulled into. They come to believe that risk is almost non-existent. By the late 1990’s, Wall St. had the public so convinced that the stock market always comes back that people were in total shock by the losses they soon incurred. The bond market has cast a similar spell over investors today. People view government bonds as close to a guarantee as possible. There is justifiable faith put into the credit worthiness of the US government, but that only applies to your return of capital, not return on capital. Including collected interest, investors lost about seven percent while holding the US government 10 year bond in 2009. And if yields break and hold above four percent over the intermediate term, 2010 could be worse. And take my word for it, these losses are completely unexpected.

Another reason bear markets hurt so much revolves around money management actions, or when and how much money investors put into an investment. As an asset really begins to move higher and grab public attention, investors pour more and more money into the investment. By that I mean the largest percentage of actual cash invested was put to work near the top. A better strategy is to buy smaller dollar amounts on the way up. If a person began buying $1,000 a month of tech stocks in 1995, they were buying $10,000 a month in 1999. That is why the 75% crash really ripped some investors’ hearts out. A similar path was followed recently in the government bond market. The Chinese are the biggest early victims, but the next two years will show pain surfacing in ways we simply cannot imagine today.

This leads us to the chain of events or domino effect that should eventually take place, most likely within the next two years. First, yields on longer dated US government debt will break out and begin another sustained move higher. Then inflation, which is currently a no show, will start to show up in obvious form. The next domino will be corporate bonds. Both investment grade and junk corporate bonds, are already showing signs of topping (Figures 5 and 6). Combine rising corporate borrowing rates, increased material input cost, with employees asking for higher pay to combat the inflation picture, and the stock market will get hit as it prices in...
lower corporate profits. As the market begins to fall, investors will come back to the bond market looking for a sense of safety again. This stage will keep rates from a repeat of the late 1970’s, but there is still a lot of room for the 10 year yield to see eight percent before a lasting retreat.

This entire scenario owes its potential existence to my favorite universal rule, the law of supply and demand. In order to solve the 2008 financial crisis, governments around the world issued record levels of debt, increasing the supply of bonds by an historical amount. The U.S. Treasury issued $1.7 Trillion of net new debt in FY 2009, projected $1.7 Trillion net new debt for FY 2010, and yet another $1 Trillion for FY 2011. In other words, FY 2009’s new debt almost equaled the total of debt added from FY 2000 through FY 2008. This incredible increase in supply is creating the inevitable drop in demand. As supply rises and demand falls, prices will eventually fall until a new equilibrium in the supply/demand curve is found. Until that new equilibrium is reached, investors would be well served to view bonds with a great deal of caution.
In a recent issue of "Words from the (investment) wise for the week that was (February 22-28, 2010)," Prieur du Plessis offers an insight into how we can combine economics with market analysis. We might conclude that stocks are overvalued in the intermediate term from his work, which was originally published at InvestmentPostCards.com.

While this is an area deserving of more study, economic indicators seem unlikely to offer precise timing tools. In that way, this data may be more like Dow Theory, highlighting the longer trend in the market. And, in many ways, Dow Theory is the first specific application of economics in technical analysis.

du Plessis writes:

From across the pond, David Fuller (Fullermoney) adds the following perspective: "Do we have a real crisis today? It is real enough for Southern European countries and obviously heightens sovereign debt concerns from Greece to the USA via the UK, but is this another global crisis? I do not think so, at least not yet although the OECD countries’ problems are far from resolved.

“The loss of upside momentum by most stock markets and many commodities, including precious metals, clearly indicates that global investors have reduced leveraged exposure in the last three months. Whether this is a normal correction (our previously stated 40% possibility) or likely to become a self-feeding and more significant pullback (also a 40% possibility) is hard to gauge, but action near the 200-day moving averages will be revealing. Even in the latter instance, I do not think the global economic background justifies a resumption of...
bear markets (20% possibility), which were discounting near-depression conditions between 4Q 2008 and 1Q 2009.

I side with Fuller on his conclusion, but am also cognizant of the 12-month momentum of the S&P 500 narrowly tracking the US GDP-weighted PMI (see graph below). Current levels of the S&P 500 indicate the market is expecting a GDP-weighted PMI in excess of 60.0 vs a current level of 52.3. If the S&P 500 maintains its current levels around 1,100, the 12-month momentum will drop to 39% at the end of March and 27% at the end of April this year. Even this drop in momentum requires the GDP-weighted PMI to rise to 55 and higher. Although not impossible, it seems improbable given the sub-par economic recovery. It can therefore be deduced that the US equity market is somewhat overpriced even if the GDP-weighted PMI should improve to 55. Understandably, Marc Faber suggests (via a Financial Times interview) “investors should make 2010 the year of ‘capital preservation’.

Source: Plexus Asset Management (based on data from I-Net Bridge).

With 26 years’ experience in investment research and portfolio management, Dr Prieur du Plessis is one of the most experienced and well-known investment professionals in South Africa. More than 1,200 of his articles on investment-related topics have been published in various regular newspaper, journal and Internet columns. He also published a book, Financial Basics: Investment, in 2002.

Prieur is Chairman of the Plexus group of companies, which he founded in 1995. Previously he was General Manager: Portfolio Management at Sanlam, responsible for the management of investment portfolios with total assets in excess of $5 billion.

His blog is found at http://www.investmentpostcards.com/.

Correction to February Newsletter Article: Error in Chi Squared formulas

In the February issue of Technically Speaking, we introduced an error into these formulas. We regret the error and thank John R. McGinley, CMT, for bringing this to our attention.

“Glad to see Arthur Merrill's Chi Squared memos reprinted, but sadly several typos crept in.

1) "Here is the formula: $Χ^2 = (D - 0.5)^2 / E1 + (D - 0.5)^2 / E2" Two carets indicating the power of 2, not times two, are missing.

This should be: $Χ^2 = (D - 0.5)^2 / E1 + (D - 0.5)^2 / E2$

2) Another similar error: "Χ^2 = (130 - 0.5)^2 / 799 + (130 - 0.5)^2 / 735

= 43.8, a highly significant figure; confidence level is above 99.9%"

The two terms "(130 -.0.5)^2" should be (130-.0)^2

3) Below that "If expectation seems to be even money in your test, such as right/wrong), the formula is simplified: $Χ^2 = (C - 1)^2 / (O1 + O2)"
A sample of a growing list of fundamental and technical courses is shown below. The courses are associated with global destinations and dates, both for open and private client formats. They are produced by various knowledge vendors throughout the world (some listed below). Specific details can be provided by contacting them, or John Palicka (palicka@pipeline.com).

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 gain the CMT Level I professional qualification 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, commodities, 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 turns in the US market.
collapse of real estate, 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 the mathematical challenges of creating algos and, utilizing 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 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.

STRATEGIC GOLD INVESTING

Gold has been one of the very few assets to have created wealth in the past several years. Gold offers investment opportunities for investors, traders, and financial engineers. Erroneously, some feel that one must only speculate on rising or falling gold prices to make money. In fact, there are strategies other than pure directional ones that may also offer investment opportunities. Preconceived notions on gold may soon be giving in to today’s global economic challenges. This course is for believers and non-believers in gold. Gold offers hedges against both inflation and fear. Portfolio strategies can also benefit from owning gold. Bull and bear traders can profit by using unique strategies to capitalize from gold’s fluctuations. These strategies include the use of complex technical analysis, behavioral, economic, and algo models. Financial engineers may also be interested in replicating or enhancing traditional investment strategies with gold. This course should help answer: “Is gold the future global currency or the future paperweight”.

GLOBAL SMALL CAP INVESTING

Global small cap stocks offer investors the ability to participate in the world’s future big winners. Certain trends have made this exciting area more attractive. These trends include more common product standards and consumer expectations, as well as freer capital and financial information flows. It is more likely that innovations will be produced globally rather than in traditional countries. Despite the attractive nature of this investment universe, it holds many traps and challenges for the stock analyst and portfolio manager. Therefore, the typical global small-cap manager has not produced an alpha. This course also explores alternatives in venture, emerging, frontier, BRIC, and financially engineered companies. This course covers fundamental, technical, behavioral and quant approaches to investing in global small-cap stocks. Global small-cap investing will help answer: “Now why didn’t I invest in that company?”

Instructor John Palicka CFA CMT is a top-ranked portfolio manager of Global Emerging Growth Capital (WWW.GLGEGC.COM) with over 30 years experience of managing $ billions. He has doubled client money, on average, every 4 1/2 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 GCC locations, please call Esam Hassanyeh + 9714 391 0234 or visit his website: www.enhance.ae. * Past performance is no guarantee of future results.

Month of January Indicator

by John R. McGinley, CMT

(If the month of January is net up, the year will be up. If down, no prediction, a coin-toss)
We feel the First Five Days of January is THE best of the January Indicators. A signal is recorded when they are up. A buy signal was given this year. The record of the down 1st five is 50:50, i.e. the year as a whole is down in only half of them.

The month of January as a whole has very similar numbers, but has a serious problem. Once again we use only the up Januarys. Since 1942 there have been 43 up Januaries, i.e. 43 buy signals. In that period there were only 8 bad calls. This matches the accuracy of the 1st five days. This year, the month of January was down; therefore no signal is recorded. Since 1942, there have been 24 down Januaries; the market was down in only half (13) of them, essentially a coin-toss.

The problem with using the month as a whole is having to wait until the end of January to know whether to go long. In some years as much as 15% of the year’s move is behind you.

### Dow Jones Industrial Average

<table>
<thead>
<tr>
<th>Total Signals (since 1942)</th>
<th>43</th>
</tr>
</thead>
<tbody>
<tr>
<td>No signal years</td>
<td>24</td>
</tr>
<tr>
<td>Correct signals</td>
<td>35</td>
</tr>
<tr>
<td>Number wrong</td>
<td>8</td>
</tr>
<tr>
<td>Percentage right</td>
<td>81%</td>
</tr>
<tr>
<td>Chi Squared (highly significant)</td>
<td>16.9#</td>
</tr>
</tbody>
</table>

# A Chi Squared reading this high (>10.93) indicates the odds are >99.99% against that this accuracy could occur by chance.

John R. McGinley, CMT is Editor of TECHNICAL TRENDS, the Indicator Accuracy Service. For more information, please contact John at jmcgo@post.harvard.edu or 203-762-0229.

---

**Letter to the Editor**

*re: Mike Moody's piece on people losing money in a fund which gained 18% per year*

Some years ago Peter Lynch wrote in his book that most people lost money in his hugely successful Magellan Fund. Fidelity was outraged; they went back to test his thesis and found to their horror that he was right. It's understandable: people only buy something which has been going up too long to resist. So they buy high. When the fund starts down, human nature keeps them from admitting error until the pain gets too much. They sell low.

We technicians know that.

John R. McGinley, CMT
Editor, Technical Trends

---

**NASDAQ 100 Weekly RSI Divergences Above the Overbought Line**

*by David Waggoner, CMT*

This article was originally published at http://blog.themarketdetective.com/ and is reprinted with permission of the author.

The Relative Strength Index (RSI) measures a stock’s or index’s strength relative to its own price history. This is different than the more general use of the term “relative strength,” which refers to the measurement of a stock or index relative to another stock or index, usually the S&P 500.

In its basic use as an overbought and oversold indicator, the overbought level is above 70 and the oversold level is below 30. These levels are often adjusted by technicians based on the history of the specific security,
the type of market (trending or choppy), and the time frame being traded.

The overbought and oversold signals are most valuable when combined with other RSI signals. One such signal is called the failure swing, which happens when the RSI closes above 70, retraces, then pokes above 70 again but doesn’t take out the old high. The pattern is complete when the lower peak’s trough breaks below the trough following the higher peak. If this occurs while the RSI is diverging from price, as it is in this chart, it’s an even stronger and more reliable signal.

In further study of this weekly chart of the NASDAQ100, it is interesting to note that in the last decade there have only been 3 such occurrences of an RSI divergence above the overbought line followed by a failure swing: December 1999 to March 2000, July to October 2007, and September 2009 to the last week of January 2009 (current). Coincidentally, the time elapsed between the RSI peak and turn down in price is also similar in these occurrences. March 2000 and October 2007 were of course major tops.

David Waggoner, CMT, is the founder of TheMarketDetective.com. He primary uses the Elliott wave principle and Fibonacci analysis to uncover clues about the direction of the market. He uses other forms of technical analysis to corroborate his findings.

Los Angeles MTA Chapter Meeting, January 26, 2010

by Kristin Hetzer, CMT, Los Angeles Chapter Chair

Ken Winas, CMT, Investment Manager, Author and Radio Show Host was our Guest Speaker. Ken’s talk, "Buy and Hold Investing-R.I.P." was based on his book, Investment Atlas, published in 2008. Ken has extensive historical research to back up his analysis. A successful investor must have a good understanding of financial history, it’s as important in the business world as in academia. The presentation was full of historical facts; the longest, shortest bull, bear and sideways markets. The full impact of not understanding what type of market you are in and protecting assets. The experience of the long bull market of the 1980’s and 1990’s resulted in investors treating savings as investments and not recognizing the devastation of a bear market on side-way market on investment funds. In summary, Ken believes we are in a long term side-ways market which will not end for some time. History matters in investing; you must memorize statistics and prepare for the type of market environment we are in. Ken has done extensive research on preferreds, real estate and fixed income in addition to the securities markets. He has published several financial books and is a regular Radio Show Talk Host on the West Coast. Our Chapter was privileged to have him as a Speaker.

Following Ken’s talk, we had a lively Roundtable discussion with several prominent Technicians sharing their work. Vassilis Popotas visited our Chapter from Greece. He is the Chapter Chair of the Technical Analyst Society of Greece. He shared his thoughts on the state of the US market and his observations the past year of the effect the Asian markets have had on the US market. He shared the growth of Technical Analysis in his part of the world and the growth the MTA internationally.

Stan Harley, editor of the Harley Market Letter and authority on Cycles visited us from Dallas, Texas. Stan was the past President of MASC and has been a long term friend of our Chapter prior to his moving to Texas. Stan shared his extensive Cycles work and expectations for the stock, bond, and commodities markets. Stan’s cycles work extends back to 400 years of market history and has powerful numerical predictive abilities.

Sherman McClellan shared his work regarding the character of the market by looking at Monday’s action. He
discussed his work on the Gold market and the Lumber futures market in relationship to the housing sector. It's always a privilege to hear of Sherman and Tom McClellan's research firm's work.

Bob Kargenian of Tabr Capital Management shared extensive research and analysis of prominent Technicians such as Ned Davis Research and others. He quoted well known Technicians who currently hold opposing or "contrasting" views as to the state of the market. (i.e. bullish versus bearish). For example, he discussed Bob Prechter's current work versus Ned Davis. At this time, one is very bearish while the other is relatively constructive on the bullish state of the market at this time. Of course, Bob received prior approval from Ned Davis and the other analysts quoted receiving an ok to pass on this information to our group exclusively.

Philip Brewster of Wells Fargo Advisors discussed work of a long time, Technical Analyst whose research has been available for decades through all of the broker dealer mergers up to the present Wells Fargo Advisors. This work strictly technical and has been quite accurate. He also explained a free service by Stock Charts.com to identify potential winning stocks that just completed bear trap reversals using the Point and Figure methodology.

In between our Featured Speaker and Roundtable we enjoyed a Mexican buffet and the opportunity to meet with fellow Technicians who came as far away as Palm Desert and Riverside. In summary, it was a successful meeting with great participation by all. The consensus using several different methodologies was essentially the market may go somewhat higher in the short term, however, we are still in a long term secular bear market and need to be vigilant with risk management techniques.

Kristin Hetzer began her career in the investment business as an Account Executive with Merrill Lynch & Co. in 1982. She is a Chartered Market Technician, Certified Investment Management Analyst and Certified Financial Planner. Ms. Hetzer provides portfolio management services to a diversified group of investors. Her clients include individual investors, trusts, corporations and qualified ERISA retirement plans.

Ms. Hetzer's goal is to grow clients' assets over the long term, while protecting the investment capital through strategic asset allocation utilizing a disciplined investment process and methodology. She believes the best way to achieve this objective is by investing in a diversified portfolio of high quality securities. Quality is defined in terms of a strong balance sheet, good cash flow, sound management and competitive position within an industry.

Ms. Hetzer has worked for major Wall Street firms for over 22 years. She is an active member of the Market Technician Association and Chair of the Los Angeles MTA Chapter. She is also a member of the Financial Planning Association. In 2005, she formed Royal Palms Capital LLC, an independent Investment Advisory firm.

MTA at the New York Traders Expo

On February 14th, 15th and 16th, the MTA held an exhibit booth at the NY Traders Expo. It was a success as we were able to continue to create more awareness for the MTA and CMT designation. We would like to thank those of you that volunteered to help out at the booth. For those of you that stopped by to say hello, it was a pleasure to see you as well. Below are a few pictures of what the MTA exhibit booth looked like.
MTA Announcements

MTA May Symposium - Save the Date!

The MTA is pleased to announce the dates for this year’s May Symposium. It will be a two day event held on May 20th and 21st at the Millennium Broadway Hotel New York, located at 145 West 44th Street (between Broadway and 6th Avenue) in the heart of Times Square. More information about the theme, topics, speakers, and agenda will be announced shortly.

MTA Annual Meeting - Date Announced!

The MTA Board of Directors has established May 22nd as the date for its Annual Meeting. The MTA Annual Meeting will be held at the MTA Headquarters facility, located at 61 Broadway, Suite 514, New York, NY 10006 (14th Floor Boardroom). The meeting will commence at 10:00 AM. The Secretary of the Board will put out an agenda and any proxy material for voting at this meeting shortly. If you have any questions regarding this upcoming Annual Meeting, please feel free to contact Marie Penza at marie@mta.org or 646-652-3300.

MTA Educational Web Series - New Archive, Addition and Upcoming Schedule!

New Archive Available - Jeremy du Plessis, CMT, FSTA, presents "Understanding and Using Point and Figure Charts" in another webcast as an ongoing part of the MTA Educational Web Series. View the archive of this webcast online!

New Addition - The MTA is pleased to announce the addition of Tom DeMark, founder and CEO of Market Studies, LLC, and creator of the DeMark Indicators. Known internationally for their objective and mechanically-driven approach to both trading and investing, these indicators are designed to anticipate tops and bottoms in the financial markets. Mr. DeMark has spent nearly 40 years developing, trading, and teaching his techniques to institutional professionals around the world, and the DeMark Indicators have been the subject of feature articles in many highly regarded and widely read financial publications. He appears regularly on television and radio, and at seminars around the world.

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

- **Sign Up Now** - Wednesday, March 3rd - Véronique Lashinski, CMT, Vice President and Senior Research Analyst with Newedge USA, LLC. Véronique will be presenting "Introduction to Japanese Cloud Charts" at 12 PM EST. Register for this webinar.
- **Sign Up Now** - Thursday, March 11th - Carolyn Boroden, Commodity Trading Advisor and technical analyst specializing in Fibonacci analysis. Carolyn will be presenting "Introduction to Fibonacci Time and Price Analysis" at 4 PM EST. Register for this webinar.
- **Sign Up Now** - Monday, March 15th - Tom DeMark, founder and CEO of Market Studies, LLC, and creator of the DeMark Indicators. Tom will be presenting "New and Exciting Market Timing Techniques" at 12 PM EST. Register for this webinar.
- **Sign Up Now** - Wednesday, March 23rd - Larry Williams, author and commodity and futures trader. Larry will be presenting "How to Beat Buffet with Technical Analysis" at 12 PM EST. Register for this webinar.

View the entire schedule of upcoming webcasts...

MTA Podcast Series - New Archive and Upcoming Schedule!

Now Available - Nicole Elliott discusses the social psychology of the markets, her thoughts on Japanese Cloud charts, what it means to "Earn as you Learn", and how to read psychology & smell raw emotion! Click here to listen to this podcast.

Coming Soon

- March 9th - Jon Najarian, Co-Founder of OptionMonster and CNBC television personality (Fast Money).
- March 16th - Dan Fitzpatrick, Senior Contributor to RealMoney.com and CNBC television personality (Fast Money)
- March 23rd - Carter Worth, Chief Market Technician at Oppenheimer and CNBC television personality (Fast Money)
- April 6th - Guy Admi, Co-Founder of OptionMonster and CNBC television personality (Fast Money)

Visit the MTA Podcast Series page to listen to this podcast and subscribe to our RSS feed,
where you'll receive updates automatically every week.